

DELIVERING EFFICIENT AFTER-SALES SERVICE

SUPERIOR SERVICE OPERATIONS FOR PROFITABLE GROWTH

With highly efficient operations, you can maximize profitability and revenue, improve customer service, and reduce costs. How can you gain such efficiency? With software and services from SAP and its partners, you can streamline and align all service operations.



After-sales service represents a significant opportunity for most manufacturers. Profit margins for service operations can be substantially higher than those for core manufacturing activities. And providing exceptional after-sales service creates substantial opportunities for cross-selling, brand-building, and solidifying customer loyalty.

For most companies, however, providing a world-class service business isn't easy. Service operations can be diabolically complex, requiring collaboration and integration between many different business units, IT systems, and processes. Another significant barrier is the difficulty of obtaining accurate information from key sources within the extended business network. To overcome these challenges and optimize after-sales service, your company must align all operational processes and systems across the entire service network.

Integrated software and services from SAP can help you streamline and align key operations in service sales, service marketing, customer support, contract management, field service, warranty and claims management, depot and in-house repair, and service parts management. This end-to-end approach enables comprehensive visibility and high efficiency in service operations, allowing you to develop, market, sell, and deliver more profitable service offerings while increasing customer loyalty.

Upgrading Your Service Sales and Marketing

Current customers are among your company's most valuable assets. But you can't simply blanket your installed base with undifferentiated service offerings and ad hoc marketing campaigns. Start with the basic critical questions: Are your customers discouraged when service personnel request information that should be at their fingertips? Are your sales and marketing efforts aligned to deliver tangible results? Do your service personnel have all the information they need to identify new sales opportunities?

If you answered no to any of these questions, you're not alone. To significantly improve margins and revenues, you need access to relevant customer information – no matter where it resides. You also need a unified, consistent approach between sales and marketing. And you need to empower your service personnel with actionable information and business insight so they can optimize new and renewed contracts activities.

Integrated software from SAP provides comprehensive functionality that helps close the sales and marketing loop. The software enables you to analyze, develop, and execute all sales and marketing activities across all customer interaction points. Armed with end-to-end business insights, you can make more intelligent business decisions and craft more effective sales and marketing initiatives. This closed-loop approach helps you analyze after-sales service profit and revenue potential, drive targeted marketing campaigns, and turn leads and opportunities into new service orders and contracts.

Ensuring a Superior Customer Experience

Once your customers have signed or renewed their contracts, your service organization must meet its commitments – consistently and cost-effectively. However, if you rely on disparate systems and manual tasks, your customer service processes may be both inefficient and costly. In addition, the number of channels through which a customer can contact your company is increasing. Whether it's via the Web, phone, remote service monitoring, or a channel partner, you have many opportunities to turn customer service into a more profitable activity while meeting customer requirements. However, to achieve these objectives, your service organization must deliver a cost-effective, consistent, and positive customer experience across each channel.

Integrated software from SAP supports end-to-end customer service processes, including order management, contract management, complaints, returns, case management, installed-base management, warranty management, e-service, and service analytics. The software provides a single source for customer data, product and price information, and order management, helping to ensure compliance with service-level agreements (SLAs) while giving your service team access to whatever customer information is needed to solve a problem. Fast access to relevant customer data helps increase service quality while improving first-call resolution and first-visit fix rates.

The software also delivers robust functionality that reduces the total cost of ownership of customer service activities by enabling your customer service representatives and service technicians to respond to customer problems quickly and efficiently across multiple channels.

Delivering Efficient, Cost-Effective Field Service

A reputation for excellent service increases customer loyalty and creates a strong competitive advantage. A reputation for poor service or noncompliance with SLAs results in dissatisfied customers and, ultimately, loss of market share.

SAP® software addresses end-to-end operations in field service and depot repair, allowing you to identify and schedule the right resources in accordance with SLAs and service orders. Your service personnel gain access to current, accurate information about service history and equipment configuration while tracking travel time, parts use, and other pertinent data such as parts returns, total repair costs, and overall financial and service performance.

The software helps you reduce the cost of service delivery, lower service parts inventory expenses, and increase revenue by introducing more service offerings and collecting for service invoicing more quickly. As a result, your field service operation gains the potential to become a significant contributor to corporate profitability. And with integrated operational and financial

analytics, the software helps your line-of-business and financial managers analyze profitability, spot problem areas, and make adjustments quickly.

Optimizing Service Parts Operations

Service parts management is one of the most important components of after-sales service. To optimize service parts operations, you need visibility across the entire service parts supply chain network. A unified view of warehouses, trunk stock, satellite stocking locations, customer consignments, pending returns, and in-repair and in-transit goods is key to providing high first-pass fill rates. Running an effective service parts operation also means optimizing inventory levels so that the right part is available at the right time – and at the right cost. However, unless planning and forecasting functionality is integrated into your service parts management applications, you can't reliably predict demand or establish the right stock levels.

Integrated software from SAP can help your company streamline and enhance the complete service parts management life cycle, with functionality that supports parts planning, parts fulfillment, extended warehouse management, cost controlling, and billing. The software also helps your service, maintenance, and repair organizations view and manage the extended service parts network as a cohesive whole. With complete visibility across the entire service parts network, you can optimize parts availability and inventory levels. And with embedded

service parts analytics, you can analyze service-level performance and other key metrics in real time so you can spot adverse trends and proactively correct potential problems.

Software and Services for Efficient After-Sales Service

Integrated software and services from SAP and its partners provide the functionality you need to streamline and align all after-sales service activities to drive profitable growth. The following applications comprise this integrated solution:

The **SAP ERP** application helps automate and streamline operational processes, improve employee productivity, enhance collaboration with customers and business partners, and provide strategic insight into overall operations. The software's financial functionality combines core accounting and reporting with financial supply chain, treasury, compliance, and performance management processes.

The **SAP Customer Relationship Management (SAP CRM)** application provides best-in-class functionality for marketing, sales, and service. By supporting customer-facing business processes across multiple channels, SAP CRM helps your service organization develop customer-driven growth strategies – while differentiating your company by providing a superior customer experience.

The **SAP Supply Chain Management (SAP SCM)** application enables integrated collaboration, planning, execution,

and coordination across the extended supply chain network. It provides an advanced planning and scheduling methodology for supply network planning, production planning, and detailed scheduling.

SAP software for service parts management, which includes key components of SAP CRM, SAP ERP, and SAP SCM, enables you to reduce your investment in service spare parts while ensuring that you have the right parts in the right place at the right time. Comprehensive functionality supports service parts execution, service parts planning, inventory allocation, reverse logistics, and service parts fulfillment.

Underlying these integrated applications is the SAP NetWeaver® technology platform. SAP NetWeaver unifies technology components into a single platform, providing the best way to integrate all systems running SAP or non-SAP software. SAP NetWeaver also helps organizations align IT with their business. As the foundation for service-oriented architecture (SOA), SAP NetWeaver allows organizations to compose and enhance business applications rapidly to drive business change.

In addition, the SAP Services organization can help assess your after-sales service processes and develop a clear road map toward efficiency and excellence. Using best business practices developed during more than 105,000 business engagements in 120 countries, SAP Services can help you keep your after-sales service operations running at peak levels in support of your business goals.



Software and services from SAP and its partners help you streamline and align all service operations.

End-to-End Solutions for Operational Excellence

With integrated software from SAP, you can realize the following benefits:

- Boost efficiency of end-to-end after-sales service processes
- Maximize profitability and revenue
- Improve customer service
- Reduce costs

For More Information

To learn more about the SAP applications that drive efficient after-sales service, contact your SAP representative or visit us on the Web at www.sap.com/solutions/executiveview/operations/efficient-after-sales-service.

Summary

Transform your after-sales service business into a profit center by aligning processes and systems to create complete visibility and control – inside your organization and across the service network. SAP® solutions help your company manage end-to-end service operations, enabling you to develop, market, sell, and deliver more profitable service offerings.

Business Challenges

- Achieve double-digit growth in service revenues and profits
- Meet customer demands for more favorable service-level agreements (SLAs)
- Master the complexity of working with intricate products and multipartner environments
- Stay ahead of technological evolution and increasingly complex service procedures

Supported Business Processes and Software Functions

- **Service sales and marketing** – Promote, sell, and manage service offerings more efficiently
- **Customer support** – Integrate diverse support processes to provide a consistent service experience
- **Service contract management** – Define and implement SLAs while turning expiring agreements into renewals
- **Installed-base management** – Meet customer demands while increasing efficiency and accurately tracking installed product data
- **Field service** – Get the right people with the right tools to the right job at the right time
- **Depot repair** – Provide lean in-house repair services
- **Warranty and claim management** – Enable responsive but cost-effective warranty-backed services
- **Service parts management** – Manage planning, warehousing, and fulfillment of service parts

Business Benefits

- **Boost service revenue with closed-loop marketing and sales** by analyzing the installed base, driving marketing campaigns, and turning leads into new contracts
- **Increase customer satisfaction** by providing a differentiated customer service experience across multiple channels
- **Reduce operational costs** by giving your service team unified access to customer-facing processes and information
- **Optimize service parts business** with complete visibility and coordination across service parts activities

For More Information

Call your SAP representative or visit us online at www.sap.com/solutions/executiveview/operations/efficient-after-sales-service.

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