

Wolters Kluwer Polska: SAP CRM for 200 000 Customers

_____ To understand market needs to sell more



One of the values on which Wolters Kluwer bases its market position is the customer orientation manifested not only in offering products of the highest quality but also in efficiency of customer service. This is the main objective of the SAP CRM system implementation.

Wolters Kluwer Polska (former PWP, Polish Professional Publishers) is the biggest in Poland supplier of professional legal information. The main area of company's business operations is publishing updated electronic products as well as books and magazines. The company is owned by a Dutch concern Wolters Kluwer. The company has been operating in Poland since 1999. More information: www.wolterskluwer.pl

For a few years Wolters Kluwer Polska (WKP) has been using the SAP ERP system, which was also implemented by BCC. Since the end of 2007 the SAP CRM solution version 5.0 has been implemented in the company, which should support the management of relationships with customers, who are the receivers of publications.

We are talking about customer service and about the expectations of the company of the new solution with Paweł Wójcik, Director of Logistics and Production of Wolters Kluwer Polska and the SAP CRM Project Manager.

WKP means three main brands, hundreds of products and services and over 200 thousand customers. How does such a complex business model transfer to the process of customer service?

It is a complex model, indeed, but the customer always remains in its focal point. We always ask ourselves a question what a particular person really needs, whether a physical or legal person.

If an order comes from an Internet bookshop we always talk to our customer and check what need the customer wants to satisfy by purchasing our product.

We ask for what purposes and in which situations the customer wants to use the product – whether to propose him a CD version or online version, what data carriers he prefers – electronic, online publications, books, magazines, loose-leaf publications or eventually trainings.

It is important to know what frequency of updates he prefers so that he could use the publications most efficiently. Finally, we ask what form of sale is the most convenient for him – single sale, subscription or subscription for permanent access to a particular publication.

Answers to these and other questions constitute a basis for us to offer a customer products from a particular line or brand and to propose an optimum update cycle – from a daily to a monthly update.

At present, two years after rebranding of our brands, our longstanding customers are well familiar with profiles of particular brands and they know that Wolters Kluwer Polska under the ABC brand offers publications for practitioners, where the legal information is included in the context of work of particular professional groups. LEX, on the other hand, contains horizontal publications and it is a brand in itself which guarantees access to full legal information for people in need. And then Oficyna is a source of specific low-profile information, including academic one.

We serve various professional groups of different needs and preferences – from physical persons through companies of all types to bodies of government and local administration. Each group of customers expects another approach in terms of service and another structure of information and we must collect the data and have a tool to convey the information to our employees. It can be observed how big the knowledge is, for example, when it must be transferred to a new sales representative.

How is the customer service organized in the company?

Obviously according to the customer's expectations. We sell where a customer expects us to sell. We are present in the best bookselling networks in Poland. In the Internet we have the Profinfo bookshop and we also conduct sales via several other co-brand bookshops.

Moreover, we offer the so-called "own subscription" from the head office of the publishing house and we serve customers via the call center. We also own a network of direct sales thus we can be present at the time and in the place indicated by the customer, for example in the company office or at conferences.

For the majority of our customers the first contact with our company is with the sales representative who, together with the customer, analyzes the customer's needs and advises which of the products would satisfy them best.

Then a dedicated advisor takes care of the customer by providing trainings, information on novelties and by realizing new orders. The advisor is supported by helpdesk employees, Customer Service department and service workers. It is the advisor who is the "company face" for the particular customer and who takes care of the realization of orders for each product from our offer.

In each voivodship we have a Regional Sales Branch. It brings about the benefit of being as close to the customer as possible and the branch employees perfectly know the local market reality. Our sales network totals to over 150 persons.

Customer service to those purchasing in bookshops looks slightly different. Apart from one company bookshop in Warsaw we do not own our bookshops or affiliated bookshops. We enjoy the services of proven cooperating bookshops and we do our best to maintain high standards of customer service in these points as well as good exposition of our books or familiarity of our offer by the bookshop personnel. Tight cooperation with booksellers should also result in satisfaction of the customer with his purchase and consequently in his future returning to the offer of WKP.

Our own Internet bookshop is a completely different sales channel. It is practically the only channel where a customer does not use the assistance of the advisor. Here we offer not only our own titles but also titles of other publishing houses, including those of our competitors. The whole logistic process of purchase is operated from our warehouse in Marki.

Offer of Wolters Kluwer Polska

- a few dozen titles in electronic version (CD/DVD and online), some of them are available in several versions depending on the customer preference
- over 1200 books, including a series of Meritum books with online access to updates
- 9 professional magazines in paper version
- several software utilities
- several loose-leaf titles
- professional trainings

Besides, we also organize trainings and conferences, both closed and open ones. This type of offer has its own service nature and we must also take it into account.

Such a model of customer service, though complicated it may seem, proves correct. It has been confirmed by the research on customer satisfaction which Wolters Kluwer has conducted recently in all European countries. Poland has taken a leading place, which not only pleases but also obligates.

What IT instruments are applied at present in the operation of the sales department?

Oh, well... In daily work our tradesmen base on our proprietary software named ROBOBAZA to honor our friend and its creator. This system has a basic functionality of the CRM class systems and it met the requirements of its users some time ago. However, to meet the expectations of our customers and to provide them with high level of service we must apply professional instruments and systems. Hence our interest in CRM.

Implementation of such a vast system as CRM in a big company is a bold project. How did you come to this decision?

We arrived at the decision on implementing a full system of the CRM class after a long time of consideration. It all started from observing a changing market and from noticing that our customers are more and more demanding.

Moreover, we conducted a critical analysis of the functioning processes and we realized that they were not optimal. They lacked coordination of sales operations and marketing operations. Information about customers used to be kept either at the level of particular tradesmen or marketers, which prevented it from being fully used.

On the other hand the sales growth dynamics was more than satisfactory. However, the question whether the company is ready to face new challenges was hanging over the company like the sword of Damocles. If WKP still wants to be the leader in providing legal information, if we want to offer products of the highest quality, we must know more about our customers. We must also be able to analyze this information and use it efficiently.

For such a complex and difficult market as the business, legal and financial market proves to be and for our way of customer service, efficient management of sales resources is another separate and very serious challenge.

In the eye of the Financial Director

Implementation of SAP CRM is an important chain link in the actions aimed at rationalization of marketing actions costs. Thanks to the new solution it will be possible to reduce or eliminate unprofitable actions, which should improve the financial result of the company.

The system marks new directions in more precise adjustment of products to the needs of our customers. Increased flexibility and shorter time of reaction to the market situation will build optimal customer service processes.

The implementation will result in higher competitiveness of the company because none of the competitors of WKP has such an advanced tool. Thanks to SAP CRM we will achieve huge analytical possibilities which we will use, among other things, in research on marketing campaigns efficiency, advertising actions, evaluation of efficiency of gaining new customers, analysis of competition and research on preferences.

Care for every detail and piece of information is one of the characteristics of CRM. The system will allow us to gather more precise knowledge about our customers, contact persons, purchase history, contacts and about orders and securities. All data will be stored in one place, which will save our time.

SAP CRM will replace the currently used mini-CRM and other applications, for example the document circulation system. It will let us use fewer tools and data sources, among others dozens of Excel files and pipelines, contact reports, resumption reports, etc.

It is important that CRM is integrated with the data base in SAP ERP. Thanks to that we will be able to find faster customer groups for further business actions and we will acquire a faster and easier tool for reporting. Information entered once into the system will be used in different cross-sections and analyses, which will be also reflected in more efficient sales actions.

As a result of more orderly information about customers and products they use we will have a chance to adjust better and more precisely our offer to the demands of our customers.

As the Financial Director I expect higher profitability from the actions taken on the basis of thorough analysis of data and facts in SAP CRM.

*Piotr Róžański
Financial Director WKP, Member of the
Management Board*

It requires an efficient system of sales operation planning supported by precise marketing campaigns. And if the marketing operations are to be precise we must know profiles of our prospective customers.

And thus we have come to the segmentation of the market ... So the decision of implementation of a system of the CRM class was a consequence of becoming aware of the weaknesses of the company and of appointing by the Management Board a place which WKP should take in the future.

The notion of CRM is perceived as an operational concept, and the CRM system is a tool to realize the preset goals. That's it. Having previous experience from successful implementation of SAP ERP, we knew that first we had to plan processes carefully and then to reflect them in the system.

The CRM implementations are said to be more difficult than the ERP implementations because they do require putting a company on a new track. What changes are realized in WKP relating to the implementation of the CRM system?

Some time ago we performed segmentation of our customers. It was a very important task because it was a preliminary condition for planning efficient marketing actions. Changing from the "product" to the "segment" approach to the market resulted in reorganization of the structure of the company.

New sales channels emerged, e.g. telemarketing, and the other channels, such as the direct sales, were rebuilt to a high extent. The Contact Center Department (commonly called: helpdesk), which is responsible for after sale support to customers, was adjusted to performing new functions. A new model of central management of incoming telephone calls was worked out in order to reduce costs and to solve reported problems faster. The changes involved most functional departments of the company and fortunately they were effected before the implementation of the SAP CRM system began.

What main objectives has the company set for the new system?

Objective number one is to raise the sales efficiency. We want to achieve it, among other things, by good planning and coordination of marketing campaigns and sales operations.

A sales campaign will now be conducted in a new system. It will allow not only to monitor and support this very important process but it will also create possibilities to generate activity directly for tradesmen.

Sales representatives will receive an efficient and flexible tool for creating good relationships with customers and for managing their own time. Analytical instruments of this system will allow to monitor these actions financially.

Integration of SAP CRM with the SAP BW data wholesale opens to us new possibilities regarding the analysis of behavior, preferences and expectations of customers. Thanks to it we will be able to design our products better. A modern model of service contacts initiated by the customer will result in increasing ratio of the customer's satisfaction.

We also have big expectations regarding the quality of the customers' data base. I have been dreaming about a data base with updated and full data about our current and prospective customers. I'll tell you more: the processes and functionalities designed at the stage of the particular SAP CRM solution creation will make it possible!

And precisely? Please describe an application of CRM for a chosen process.

Here you go – let's talk about obtaining and realization of an order. A sales representative, using instruments of the SAP CRM system, will be able to define with high probability the needs of a prospective customer (segmentation, market analysis). Via the VPN network he will enjoy constant access to the system, also outside his office.

Due to integration of SAP CRM and SAP ERP systems the obtained order will be realized fast and the information about results of work of the logistic services shall be available for the sales representatives in the real time.

The moment the order is realized a customer service schedule for the next few months will be generated automatically, which, on one hand, should help maintain good relations with the customer and, on the other hand, it will let the sales representative manage his time more efficiently. Additionally it will allow the management to control better the efficiency of the sales representatives' work.

In WKP many analytical functions of CRM will be initialized. What analyses and for whom will be available in the system? What business decisions will be supported by them?

Analytical functionality offered by CRM will be a driving force for further development of the system almost in all its fields. For instance the analysis of sales campaign efficiency will allow for future better choice of a target group and campaign strategy.

SAP CRM fits in the IT environment of WKP

WKP has already been using the SAP ERP system, therefore the choice of the CRM application from the same producer is justified in many aspects.

Firstly, thanks to such an approach the costs of integration between both systems drop to the minimum. Secondly, administration and maintenance of the SAP CRM system is limited to the same tasks as it was in the case of SAP ERP and it is not necessary to train administrators in a new technology. A similar situation is with the data wholesale, which is used to a great extent by WKP. Together with the SAP CRM license there will be delivered a package of standard predefined objects of data wholesale, which are practically ready for use and cooperation with CRM. Regarding the fact that in WKP there are many persons who are well familiar with the environment of SAP Web Application Server, numerous development works may be conducted by WKP using the already possessed resources and knowledge. In the case of the CRM system, which almost as a principle is developed continuously, even long after being initiated, it is a very important advantage.

The biggest challenge in the case of this type of implementations is the conceptual work. In WKP many sales processes functioning at present (which are often not formalized) should be brought to a common standard and modeled in the system. It is very often related with organization changes inside the company. WKP, however, is a mature partner, who approaches with awareness such a project as the implementation of CRM. The vision defined by the Management Board surely makes the flow of this process much easier.

Korneliusz Kordus

*Leader of the SAP CRM Team, Project Manager
for BCC*

What is most important reports will cover the whole implemented functionality and will be exactly adjusted to our needs. The analysis of behavior and needs of customers will influence directly the contents of created products. Reports on activities of our sales representatives will help to increase the efficiency and level of customer service.

Could you tell us about the implementation scale of SAP CRM in WKP?

It is a complex and unique project. It covers as many as three basic functional modules: Sales, Marketing Campaigns and Customer Interaction Center. SAP CRM will be integrated with the SAP BW data wholesale and with the SAP ERP system. The whole project will take the total of around 16 months and will be finished in January 2009 with the productive start of the last CIC module.

It is planned that approximately 200 users will be using this system. Mostly they will be sales representatives. The system will process data for around 200 thousand customers.

Which departments of the company are involved in the project? Who will use the system besides the sales representatives?

The implementation of SAP CRM may be also called an "interdisciplinary" project. Obviously the persons most involved in the project implementation are the future users of the system. I mean the representatives of the Sales and Marketing Department. But the SAP CRM system will also be used by workers of the departments of the Contact Center, Logistics and Controlling.

Their commitment is required at the level of creating a particular implementation concept or for testing the system at the further implementation stage. However, without the active commitment of the IT department the project would have got stuck a long time ago. Moreover, as the Project Manager I receive strong support from the Management Board of the company, which is necessary for such big projects. Totally there are around a few dozen people involved in the project.

Obviously CRM project are not easy ones. What measures have been taken to minimize the risk of failure?

We started with careful preparations even before the project was initiated officially. We carried out a review of previous procedures and processes and we modified or changed completely many of them. We created a new business model based on the segmented approach to the market.

The choice of the system producer was relatively easy – we have been working with SAP ERP since 2003. The chosen solution fits best in the IT environment of WKP.

It took us a long time to choose a company which would implement the system. Our previous positive experience from our cooperation with BCC was an advantage in favor of this company, however, we did not want to make this criterion a decisive one.

However, after collecting all offers it appeared that BCC is the only company on our market having vast experience in SAP CRM implementation and, moreover, they were prepared to implement the newest 5.0 version of the software. To assure that we were right in our choice we paid a reference visit to the Żywiec Group.

We divided the project into three stages: implementation of modules of Sales, Marketing Campaigns and CIC. They are practically three projects based on one common concept. Productive starts were planned and spread in time and they shall occur at two-month intervals. Each stage has a detailed schedule of works and the progress of works shall be systematically controlled.

WKP is a part of a concern active in 26 countries. Have the other branches been using the CRM system so far?

The implementation of CRM in Poland will be the second, after Belgium, implementation within the WK corporation. However, during this first implementation no reference model was created therefore we do not use Belgian solutions in our project.

It is our ambition to work out a model which could be used later on within the corporation. It would confirm the high evaluation of WKP as the leading European branch.

What will the implementation of CRM in WKP change from the point of view of the customer?

Directly after completion of the implementation of SAP CRM the customer should experience a remarkable improvement of communication with our company. Reported problems should be settled more quickly. We also hope to shorten the order realization time with the simultaneous reduction of the number of committed mistakes.

In the long run the customer will be able to see that the offers are adjusted better to his expectations. I think that very often the customers will be surprised how precisely a sales representative is able to identify their needs – also those which they have not been aware of so far.

Interview by: Mirosława Huk, BCC