

SAP Customer Success Story High Tech – Lighting



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Silvana Costantini, CRM Manager, OSRAM GmbH

AT A GLANCE

Summary

OSRAM GmbH is a leading lamp manufacturer in Germany, with annual revenues of €4.3 billion and 38,000 employees. When it needed an online business-to-business solution to optimize its European marketing and sales activities, the mySAP™ Customer Relationship Management solution met the challenge and gave OSRAM a competitive edge.

Web Site

www.osram.com

Key Challenges

- Increase sales
- Enhance sales proficiency
- Facilitate product distribution to European commercial customers

Project Objectives

- Offer customers, suppliers, and end consumers superior, personalized online service
- Get closer to customers
- Deliver products to market faster
- React quickly and flexibly to market changes

Solutions and Services

- mySAP Customer Relationship Management solution
- SAP NetWeaver® Business Intelligence component

Why SAP® Solutions

- Established SAP® software environment
- Seamlessly integrated back-office and front-office functionality

Implementation Highlights

- Went live in 7 countries within 3 years
- Overcame different countries' conditions and requirements – the same system is being used by European and Asian customers

Key Benefits

- Reduced transaction times and costs
- Optimized marketing and sales activities
- Seamlessly integrated front-office and back-office processes
- Seamlessly integrated master data

Implementation Partner

SAP Consulting organization

Existing Environment

SAP R/3® (functionality now found in the mySAP ERP solution)

Database

Oracle Corp. 9.x

Hardware

- Fujitsu Siemens Computers
- PRIMERGY H450 and RX600 servers

Operating System

Microsoft Windows 2000 and 2003

OSRAM

OSRAM's Customers See the World in a New Light with the mySAP™ Customer Relationship Management Solution

OSRAM GmbH operates in a fiercely competitive environment where efficiencies are critical and speed to market is a necessity. The Munich, Germany-based company – whose corporate culture stresses cost-consciousness and productivity improvements and strategically focuses on product innovations – has transformed itself from a light-bulb producer to a manufacturer of high-tech electronics.

A Commitment to Global Growth and Innovation

OSRAM prides itself on its product quality and ability to customize products to each customer's specific requirements. With the company committed to a global presence, growth, and innovation, OSRAM's IT department must support the integration of enterprise-wide, customer-related business processes and an online, business-to-business platform to increase sales, enhance sales proficiency, and facilitate product distribution to European commercial customers. OSRAM supplies customers in more than 140 countries and manufactures products at 53 sites in 19 countries.

OSRAM chose the mySAP™ Customer Relationship Management (mySAP CRM) solution to help integrate its back-office data about customers, suppliers, and business partners with front-office, Web-based applications that partners can easily access. The solution also supports a central business-to-business platform across Europe and Asia.

Buyers and sellers doing business with OSRAM can place orders, track them, and pay for them online. mySAP CRM helps OSRAM:

- Track inventory
- Place and monitor orders automatically
- Manage each customer's specific discounts, payment terms, and other contract conditions

Seamless Integration and Universally Available Data

Seamless integration with other SAP® software running throughout the enterprise was also critical to OSRAM's selection of mySAP CRM. Users enter data just once to make it universally available on the company's Web-based enterprise portal thanks to back-office, SAP R/3® support, whose functionality is now found in the mySAPERP solution. OSRAM can store all customer-related data on the back end, from which users can access it. Field-sales and office-based personnel can access the same information from multiple channels.

Open, Collaborative Business Environment

With the primary goal of providing customers with 24/7 access to orders and order data, and with SAP software deployed throughout the company, OSRAM's CRM choice was clear. OSRAM also previously deployed mySAP CRM in its U.S. companies and had realized several years of operational proficiency.

Working closely with the SAP Consulting organization, OSRAM first deployed the solution in Germany and Poland only seven months after launching the project. The company added France, Sweden, and Finland, then China and Korea.

mySAP CRM helped OSRAM overcome different European and Asian countries' conditions and requirements. "mySAP CRM enables us to fulfill country-specific customer requirements," says Silvana Costantini, CRM manager at OSRAM. "We can provide catalogs, products, and prices in various languages and currencies."

The e-commerce functionalities of the mySAP CRM solution helped OSRAM deploy its Internet enterprise portals – myOSRAM.com in Europe and Asia and mySYLVANIA.com in North America. The portal is an open, collaborative business environment of personalized solutions that are accessible on demand and let OSRAM integrate internal and external SAP

and third-party software to support quick and easy collaboration among customers, suppliers, and partners. Some 3,000 registered users in all seven countries use the portal to track orders, post accounting documents and data, and perform other purchasing and logistics tasks.

OSRAM's direct customers – approximately 2,500 original equipment manufacturers, self-service retailers, and bulk consumers – have access to an extensive online catalog containing approximately 6,900 items. These customers can use myOSRAM.com 24/7 to access technical details and other information about products, individual prices and conditions, delivery notes, invoices, and credit memos.

These customers can also customize order forms, upload order files to place orders online via shopping carts, check product availability directly, and track orders online. They also have access to data specific to their businesses, including cost-efficiency analyses and light-planning reports. Sales via electronic media account for nearly 40% of total OSRAM sales.

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Silvana Costantini, CRM Manager, OSRAM GmbH

Setting E-Business Standards in Europe

mySAP CRM helps OSRAM achieve a competitive edge as it sets e-business standards in Europe. By providing convenient, Web-based data and ordering options, OSRAM increases the satisfaction and retention of its commercial customers, and the ability to capitalize on potential cross-selling opportunities generates more revenues.

The SAP solution helps enhance efficiency so that OSRAM can shrink the time and costs involved in sales processes. The company has, for example, increased the volume of accurate orders and reduced the number of customer queries. By decreasing the amount of time that salespeople must spend on administrative tasks, OSRAM can let them focus increasingly on sales, difficult customer inquiries, and other critical sales activities.

mySAP CRM Lights the Way for OSRAM

OSRAM has additional plans for its mySAP CRM solution. “We have started using mySAP CRM to increase the effectiveness of our marketing campaigns,” says Costantini. “With a consistent and complete customer database, together with the right segmentation tools, we should be able to get closer to our customers and partners.”

The company has also deployed the SAP NetWeaver® Business Intelligence component, which OSRAM will use to help determine customer requirements more precisely and target customer groups more effectively.

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