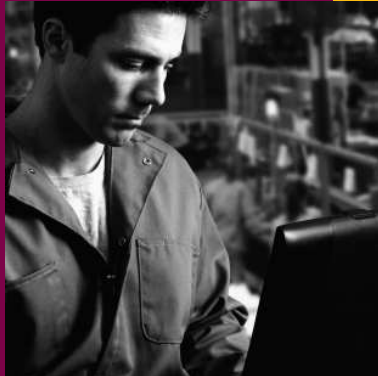


**SAP Solution Brief
SAP for Automotive**



CUSTOMER RELATIONSHIP MANAGEMENT IN THE AUTOMOTIVE INDUSTRY

How to Gain a Competitive Edge by Knowing Your Customers and Transforming that Knowledge into Successful Marketing Strategies for Future Growth

The automotive industry faces significant challenges caused by frequent disconnects in communication between manufacturers, dealers, and end customers. The mySAP™ Customer Relationship Management solution helps increase revenues by enabling firms to manage communications across all sales and marketing channels, collaborate with dealers, interact with customers, and grow brand equity and customer loyalty. The integrated solution offers global insight, low implementation costs, and low total cost of ownership.

Faced with the increasingly complex and competitive environment that characterizes the automotive industry – with challenges ranging from tighter profit margins to new entrants in the new-vehicle and aftermarket service business – original equipment manufacturers (OEMs) and dealers are turning more aggressively to customer relationship management (CRM) to help attract new customers, increase brand loyalty, reduce costs, increase efficiency, and maintain a competitive advantage.

Today's automotive consumers are increasingly well-informed and have an unprecedented level of choice in the marketplace. Customer loyalty is no longer a given and forward-looking automotive companies have to work harder than ever to earn and retain it. To respond to high customer expectations, companies are finding they have to use both traditional and emerging channels to deliver more effective, efficient, and profitable marketing, sales, and customer service.

To truly get to know and understand their customers, automotive companies are looking for ways to gather and analyze vital data about their customers, their vehicles, and their transactions with dealers. Only then can they effectively match their products and service offers with the customers they want to target. So companies need to be able to track customer behaviors and then to link that information to not only the production scheduling process – to build the right products now – but also to the product development cycle – to bring new products to market faster. And because OEMs and dealers now often need to collaborate closely, they need to be able to share information with greater visibility in real time.

Acting on these imperatives is hampered by the reality that heterogeneous systems preclude a single view of the customer or vehicle, resulting in a poor understanding of customer preferences, higher costs, decreased responsiveness, and eroding brand equity. A single, integrated solution can help connect disparate sources of relevant data and lead to a better understanding of the automotive customer and to improved implementation and execution of the processes involved in serving that customer.

The SAP for Automotive solution portfolio can help. With the mySAP™ Customer Relationship Management (mySAP CRM) solution – part of SAP for Automotive – companies like yours can integrate both SAP® and non-SAP solutions to improve relationships with customers and dealers, enhance communication, and increase profitability. In addition, the SAP solutions can help global companies understand and adapt to shifting demands and service preferences across all regions.

The mySAP CRM solution supports key automotive business processes including brand and customer management, vehicle life-cycle management, leasing and financing, dealer channel management, vehicle sales and distribution, interaction center, service parts management, warranty management, dealer business management, and analytics and business process visibility. This solution brief focuses on the core CRM processes.

Enabling Collaborative, Customer-Centric Business

SAP for Automotive is an industry-specific set of solutions that enables you to deliver customer value, enhance capabilities across the sales and service value chain, and achieve profitable growth. With mySAP CRM, supported by the SAP NetWeaver® platform, you can connect all resources – from suppliers to OEMs to dealers to sales offices – in a closed-loop customer and vehicle interaction cycle. SAP NetWeaver also provides powerful

business intelligence so that you can integrate analytics into your customer-focused business processes. Real-time business insight helps you make quick, informed decisions while capabilities for capturing and mining relevant data enable you to measure, predict, plan, and optimize customer relationships with greater effectiveness than ever before.

The SAP solution delivers functionality throughout the customer engagement and vehicle life cycle, enabling the full range of CRM processes and providing all the capabilities you need – particularly in the crucial areas of channel management, brand and customer management, customer interaction center, and roadside assistance.

Better Communication Across All Channels

Lack of communication between OEMs and their end customers is a pervasive problem. Contact between OEMs and customers is limited and often involves a customer-initiated problem or complaint. Or customers may hear only indirectly from the OEM in the form of marketing campaigns. So a key IT process requirement in the automotive industry is to facilitate effective communications between OEMs and their dealers and – through the dealers – with the customers who buy the vehicles.

The mySAP CRM solution makes channel integration across entire networks possible in a cost-effective manner and supports key business processes. Sales and service organizations can give dealer employees access through portal applications and provide access to dealer management systems through Web-based services. For example, the portal solutions help enable business processes, whether it's a dealer employee placing or confirming orders with the OEM or whether it's a national sales company representative viewing vehicle inventories, flooring cost, or aging. Using contact and vehicle management tools, you can incorporate end-customer information and history into sales processes, providing partners and brand owners with a single, comprehensive view into all the information relevant to sales accounts. You can also use the mySAP CRM solution to recruit, train, and collaborate with dealers.

Vehicle marketing and sales is at its best when OEMs and dealers collaborate in the process. With mySAP CRM, OEMs and dealers can run collaborative campaigns using tools that help them distribute marketing materials, manage sales collateral, and integrate fulfillment. In addition, powerful lead and opportunity management tools allow you to capture, route, and manage sales leads so that each lead is directed to the appropriate channel and dealer. For central campaigns, you can create rules to manage data access, giving you greater choice, flexibility, and control.

Ultimately, mySAP CRM helps OEMs better manage dealer and marketing partner relationships. This leads to a better understanding of your partners' business – and of the end customers they serve.

Build Brand Equity and Customer Loyalty

Given the constraints of maximizing profits in other areas of the industry – with constant pressure on margins and the struggle for market share – a vitally important trend is the optimization of existing customer relationships and efforts to gain new customers through the creation of unique brand images.

The mySAP CRM solution helps you manage structured but highly individualized customer treatment initiatives across multiple communication channels including call centers, brand and third-party Web sites, and dealer networks. You will be able to track data regarding customers, vehicles, partners, dealer relationships, and business transactions. You can use rules-based lead distribution to get the right leads to the right dealers. And you can leverage data in collaborative marketing activities such as strategic brand management, sales and service campaigns, customer loyalty programs, satisfaction surveys, commercial advertising, and event management activities such as vehicle transportation and disposition.

With digital asset management tools, all of your digital content and rich media files – such as brochures and flyers – will be available in a central repository. You'll also be able to track marketing expenses using scenario planning and financial forecasting tools that allow you to generate detailed cost plans and simulate the effects of financial accruals.

Closing the Loop on the Customer Interaction Cycle

The quality and convenience of services are key factors in automotive customers' choice of brand or dealership. To properly serve customers and grow brand loyalty, you need to be able to deliver consistent communication and reliable service offers synchronously across multiple channels. This illustrates a significant challenge faced by OEMs – the potential disconnect between the manufacturer and the end customer. Incomplete information often leads to redundant or even conflicting messages being sent to the consumer. As a result, OEMs and importers, as well as dealers, need access to complete and reliable customer and vehicle information to deliver efficient customer service.

The mySAP CRM solution provides a customer interaction center – tailored for the automotive industry – that gives you access to the information you need to implement case handling, marketing campaigns, satisfaction surveys, complaints, appraisals, service requests, call backs, and accessory sales. Users can search and display all customer and vehicle data and manage business transactions. The interaction center supports you in all your contacts with customers and dealers, across multiple brands and channels, assuring consistent and reliable communication with your customers and a rewarding customer experience during every interaction – be it on the phone, in person, via e-mail, or on the Web. The result: you can manage and track complaints to ensure proper resolution and provide higher quality customer service around the clock.

Your managers can also oversee and track relevant customer service information more efficiently with the mySAP CRM interaction center. With an easy-to-use dashboard and improved real-time monitoring applications, managers can track call list status, call response and processing times, e-mail response status and more. User-friendly tools help you model interaction center processes and scripts, and share information with center agents. Where appropriate, the solution's dealer collaboration tools let you share information and involve dealer personnel directly in issue resolution.

For additional efficiencies, a rules-based e-mail response management system allows you to automatically route e-mail, prepare responses, create interaction records and service tickets, and link to existing tickets. The solution brings more visibility to the process as well, with tools for reporting and analytics.

And with case management tools you can link customer and vehicle data to search for customer-initiated communications – including requests for product details and brochures, or complaints about service. Survey tools allow you to capture customer input and perform analysis on collected data, helping you to close the loop on the customer interaction cycle. Metric and anecdotal information collected through the interaction center is also a key component of early warning systems that keep you abreast of shifts in preferences, customer requirements, and economic conditions.

Increase Revenues and Cut Costs Across the Value Chain

With its industry-specific capabilities and comprehensive support for industry processes, mySAP CRM helps you increase flexibility, speed, efficiency, and profitability across the sales and service value chain. With specific configurations tailored to the needs of the automotive industry, mySAP CRM is the proven solution to support end-to-end marketing, sales, and service processes. You can expect the following solid business benefits:

- **Increased efficiency and reduced costs.** To help streamline communications and reduce friction between dealer and brand operations, OEMs and dealers can collaborate on eliminating customer-facing and back-office inefficiencies involving manual and redundant processes.
- **Improved brand and customer management.** Using enhanced access to customer information across channels and access points, you can improve your understanding of individual customer relationships. You can use improved monitoring and targeting tools to execute more effective marketing campaigns. And the analytical capabilities will provide greater information transparency to better understand the overall profitability of individual customers.
- **Better channel management.** The SAP solution allows you to collaborate seamlessly, from OEM to the dealer point of sale. In addition, you can increase sales force efficiency, productivity, and close rates by being better able to manage and qualify leads and contacts. The solution's capabilities for configuring, ordering, and customer assignment also let you increase sales and improve vehicle service.

Find Out How SAP Can Help Drive Your Success

To find out more about how SAP can help you with a complete solution for your customer-centric business call your SAP representative today or visit us online at www.sap.com/industries/automotive.