

## COMBINED DATA FIDELITY FOR RAPID RESPONSE



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The Direct Mail Company AG (Direct Mail Company) wishes to be prepared for future challenges. This requires solid foundations. The direct marketing provider hopes to find these in a solid data base that quickly and efficiently identifies and delivers key information on the company and daily operations to the responsible employees and supports them in their activities.

To this end, the Direct Mail Company needed a reliable business information tool. However, its creation did not prove easy, due to wide differences between stakeholders, as well as technical interfaces. Together with iNFORMATEC Ltd.liab.Co. (Informatec), specialists for business intelligence solutions and flexible management cockpits, a standard product has been successfully customised to meet all these requirements.

Daniel Steiner,  
CFO

*"The ever more volatile and short-term market also requires the latest daily KPIs and evaluations for a mass product such as direct mailings. "*



## 1 Creating a solid data basis from different sources

The aim of the Direct Mail Company, a subsidiary of Post AG CH with 200 full-time and 5,000 part-time employees, is to be the most competent partner for direct marketing in Switzerland. Its core business is the distribution of unaddressed leaflets and promotional material to up to 2.1 million households, spread over almost 5,900 distribution routes. Along with the parent company, it is one of the most relevant players in the market. It fulfils a bridging function between suppliers and consumers, with the capacity to transport the advertising message competently and on schedule.

A central component of corporate strategy is a proactive approach to the future and the adjustments to the corresponding challenges that this entails. Whereas all brochures were previously sorted by hand, this is now mechanised. This speeds up the process, thus permitting shorter reaction times. This also requires necessary adjustments in

data processing to assure a solid basis. Until now, the massively large quantity of data could not be centrally evaluated.

The main concern of Daniel Steiner, CFO of the Direct Mail Company and his team, was to create a single internal information platform for all evaluations. This base was to provide all relevant KPIs, diverse types of turnover breakdown and comparisons, target specifications, average prices and CRM data. With this platform, all employees involved have a process-oriented "professional tool" for their daily work. Ultimately, the new facility will allow clear and useful evaluations and help increase the capacity to react.



Figure 1: The core business of the Direct Mail Company is the delivery of unaddressed direct mail.

The following challenges were to be addressed by the new business intelligence solution:

- ▶ **Different data sources:** The Direct Mail Company drew figures on sales, customers, employees, etc. from various programs, but wished to represent everything on one platform which was accessible to all employees. The various interfaces had to be incorporated into the new application.

- ▶ **Missing consolidated figures:** One reason for this was the geographical scattering of the stakeholders. In the past, no daily or automatic evaluation of all numbers was possible. However, the Direct Mail Group requires consolidated and up-to-date figures, so that everyone is on the same page and there is only "one truth".
- ▶ **Non-uniform evaluations via Excel.** Each department compiles its own Excel reports. Data was derived from different sources: Excerpts from the ERP software, logistics data etc. Under these circumstances, a common basis for discussion was often lacking.
- ▶ **Access for different employees:** The solution should be able to be used by all eligible employees. Users are widely interspersed across human resources, marketing, production, finance, senior management and, ultimately, the parent company. All these departments have different requirements in terms of what, how and why they want to evaluate. The application should be accessible to all employees, but with clearly defined authorisation levels.
- ▶ **Flexibility and speed** Demands on flexibility and speed by employees and customers are on the increase. This tool should improve matters on both fronts, thanks to simpler processes.

Daniel Steiner,  
CFO



*"We want a "professional tool" which outputs all the necessary facts and figures at the appropriate levels. "*

## 2 A strong partner for the implementation of concrete ideas

The idea of a business intelligence solution had existed for some time in the Direct Mail Company - but it lacked the right partner to put it into practice. Technical competence to link the various interfaces was a vital factor, as was an open way of working and the capacity to collaborate closely with internal contact persons. At an initial meeting, it soon became clear that Informatec was the right partner to develop and implement this project. A business intelligence tool was developed, tailored to the needs of the Direct Mail Company. It has the

following features:

- ▶ The existing solution of Informattec called iVIEW, which by default offers the analysis of the essential modules of the Abacus business software, was **custom developed** for the Direct Mail Company to incorporate other relevant interfaces. Thanks to the flexibility of the application, all necessary data sources could be included.
- ▶ The tool works **on-line** with different terminals. The users do not need to download anything in order to use it, which facilitates accessibility.
- ▶ The **frontend** was adapted to specific needs. The dashboards were designed together with the contact person, so that all relevant figures appear and the necessary analyses can be carried out.
- ▶ All the **specifics** of the Direct Mail Company could be taken into account, such as the cost centre structure or the separation of accounts receivable and statistical clients.
- ▶ The application has a **Management Information System (MIS)** function. This is specifically geared to senior management and the board of directors and includes all figures relevant to them, without requiring them to carry out the evaluations themselves. The KPIs were determined by the Chief Financial Officer and the General Manager.
- ▶ The **data** are updated daily.
- ▶ A detailed **access concept** regulates the permission levels and guarantees that the employees only have access to the data relevant to them.

The various stakeholders were closely involved in the process. Right at the outset, in the preparation of the balanced scorecard with the desired ratios underpinning the project, the requirements were obtained from the respective departmental heads. Development took place in close contact with the future users to adapt the software to their needs.

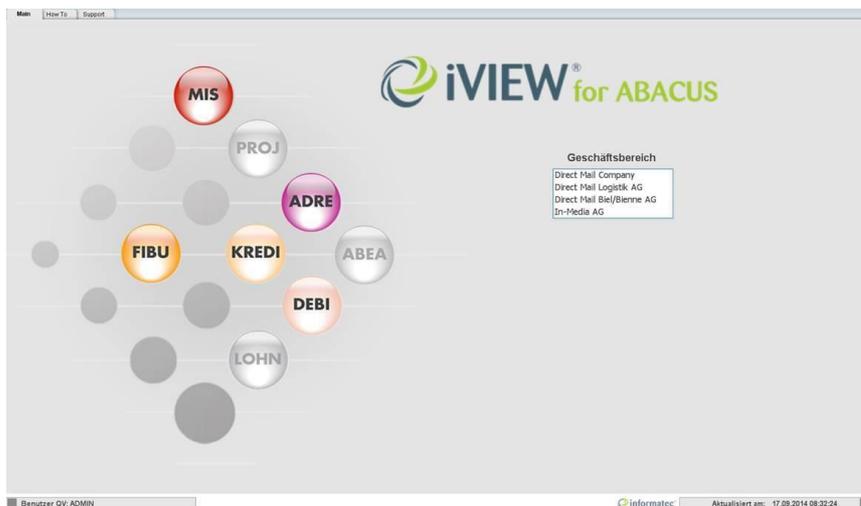


Figure 2: The frontend was adapted for the Direct Mail Company.

## 2.1 Collaborative work

The collaboration with Informatoc took place in close partnership, including close links with the internal contacts at the Direct Mail Company. The Direct Mail Company specifically created a new post for this project. Mr. Haas is Application Owner and, with his special knowledge of direct marketing and IT, is the ideal interface between practical requirements and technical implementation.

This close co-operation requires a high level of involvement on both sides. Transparency is paramount at all times and knowledge of how to deal with the right to mutual co-determination is needed. Ultimately, both parties benefitted from this kind of cooperation, as the following quote demonstrates: the Direct Mail Company, because it has a tool that works exactly as desired, and Informatoc, because they could put the flexibility of their solution to the test.

Daniel Steiner,  
CFO

*"Our collaboration has been more than successful.  
This partnership type of cooperation yields  
synergies and accelerates processes."*



## 3 More reliable figures with less effort

The solution developed for the Direct Mail Company is user-friendly and clear. In it, the numbers of all upstream systems are brought together. In this one place, employees can now find the "one truth", which was the target defined at the beginning of the project. The figures and evaluations are consolidated and reliable, which makes planning and communication easier for all involved. The effort of reporting has been significantly reduced. Many reports can be generated automatically. In order to make comparisons, for example with latest annual or monthly data, formerly the appropriate phrase had to be searched for in the folder. Today this is possible with a single click. Daily updates increase relevance and hence responsiveness. This is a big step forward in comparison to the previous monthly reporting. The various stakeholders will benefit from all the new data analysis possibilities:

- ▶ The **financial department** can analyse and process profitability figures with a few clicks. While the workload has been reduced, the reliability of the figures has increased.
- ▶ **Personal data** primarily serves the financial and personnel departments. The former uses the hourly or salary figures for their own business calculations. The latter benefits mainly from simpler evaluations of staff turnover, accidents, daily sickness allowance, number of staff, field inventories, etc.
- ▶ The **Sales Department** uses the tool to carry out its core tasks. Important information, such as the highest sales, sales per month, the number and type of new customers, etc. can easily be viewed. In accordance with the authorisation concept, each member of the sales team has access to their own personal statistics, which can be used to optimise their own sales. Thus a salesperson can correctly assess his or her own performance, which should also have a motivating effect. Previously, this was cumbersome and was only prepared once a month by the sales manager, in collaboration with a financial assistant. In this case, not only the sales department benefits: the supporting activities carried out by the finance department are no longer needed and employees can focus on their real work.



Figure 3: The analyses are clearly displayed on the dashboard.

## 4 Just the Beginning

A project is truly successful when it is actually used by employees.

This already became apparent a short time after implementation. To ensure that all employees can benefit, training and an internal contact person are important. Since the tool is demonstrably useful in everyday work situations, it is already clear that the benefits will continue to expand. The basis for a successful future has been created.

The solution should ultimately be a fundamental support for daily tasks, for many years to come. It should automatically show every movement and map all KPIs from the upstream programs. To this end, further data will be incorporated, for example from work rosters or production as well as route management. In addition, relevance can be increased by supplying updates several times a day.

Daniel Steiner,  
CFO



*"We are pleased to be able to expand the tool further. We have not yet reached the limits - especially since we shall also map the whole route controlling and customer management on the platform and thus achieve the best possible process transparency."*

The long term aim, in addition to controlling, is to allow future planning with the tool. The financial division wishes to collaborate with marketing to identify trends so that action can be taken accordingly. The basis for this is the incorporation of outside data, for example concerning demographic development or for media use. Predictive market research could be carried out to identify trends and so be even better prepared for the future.

Contact person	Company	Function
Daniel Steiner	Direct Mail Company	CFO
Dominik Haas	Direct Mail Company	Application Owner
Flávio Soares	iNFORMATEC	Head of Key Account Projects & Solution Development
Diana Brugger	Sieber & Partners	Author

## 5 CNO Network - The Interchange of New Ideas

In the Chief Networking Officer (CNO) network we explore and develop ideas and solutions for a better understanding of information technology requirements and a better understanding of the usefulness of IT for companies and administrations. The project is supported by partners from science, industry, administration and the media.

An annual congress, the CNO Panel is the Swiss platform for top management with focus lectures, workshops and plenty of opportunities for personal networking.

By Chief Networking Officer (CNO) is meant the top manager who is responsible for forming a network between the company and clients, suppliers and partners. The CNO supports internal and cross-company business processes with information technology and telecommunications, so that the participating employees can work together effectively. Thus new business areas can be opened up and value added to the company or administration.

### 5.1 Partners

Scientific partners of the CNO network 2014 are: the Competence Centre for Public Management, University of Bern; IWI (Institute for Business Informatics) University of Bern, Department of Information Engineering; IWI Bern and Department of Information Management; IfM (Institute for Marketing) University of St. Gallen

Association partners of the CNO network 2014: simsa; WinLink; Swiss Marketing SMC; asut; Swico; IFJ Institute for Young Enterprises; internet-briefing.ch; ICT Vocational Training Switzerland

Media partners of the CNO network 2014: IT Business; inside-it; Network media.