



Process redesign brings
profitability wins at Amway GmbH

The Core Customer Service Model

Amway

Amway is one of the world's largest direct selling companies and it produces and sells a wide variety of quality nutrition, wellness, personal hygiene and home care products. Customers are able to find out about the products from home, and the items they select are delivered to their door by independent direct sellers. Amway GmbH is based in Puchheim near Munich and is a German branch of the Amway Corporation. It is also home to the European service organization, which provides infrastructure, solutions, e-business opportunities and service development for all European markets.

▶ www.amway.com

By consciously moving away from conventional retail, Amway gives its customers the opportunity to assess products in the comfort of their own homes before deciding which items they want and going on to purchase them. One of the company's goals is to achieve greater customer satisfaction and generate repeat orders as a result. However, a close examination of the company's customer service statistics and the quality of customer contact provided does not paint an overwhelmingly positive picture. In view of this situation, Amway began optimizing its service processes in order to reap two-fold benefits: greater market share and increased profitability.

Initial situation

Although Amway uses its extremely motivated employees to develop contacts with independent direct sellers, the overall impression produced by the company's customer service statistics and the quality of customer contact provided is not a positive one. Availability, solution time and customer service skills are the main areas found to be lacking.

Solution

- ▶ Development of a Core Customer Service process model comprising three modules, four workflows and five applications
- ▶ Rationalized and harmonized processes

Benefits

- ▶ Service processes integrated into the existing system infrastructure
- ▶ Formal customer support process
- ▶ Predefined workflows
- ▶ Reporting on performance and reasons for contact as standard

ARIS Platform Solutions

- ▶ ARIS Toolset
- ▶ ARIS Web Publisher



"Using a complete solution comprising three modules, four standard service processes and five integrated applications, we have produced a consolidated and transparent customer service structure; all that remains is another structure."

Matthias U. Berquet, Area Manager Service Development Europe, Amway GmbH

Initial situation

Amway identified as weaknesses the customer service statistics and the quality of customer contact provided, in particular with regard to availability, solution time and customer service skills. The focus was on the business processes, which were not integrated with the systems or the unstructured customer support processes. This impression was reinforced by the lack of standardized, harmonized and integrated processes, and by a multi-faceted and often unsuitable service infrastructure throughout Europe. Armed with this knowledge, Amway intended to restructure, streamline and harmonize its service processes, as well as offer quality service with a view to boosting business. A Core Customer Service process model was established that defined the following as official guidelines for future developments: process-controlled service workflows, service quality measurement as a tool for identifying customer requirements, and potential for improvement. The overriding objective was to enhance quality through process redesign.

Solution

The Core Customer Service model was developed using a holistic approach; the long-term goal is to implement the best possible solution in Germany, while at the same time remaining sufficiently flexible to enable implementation in all European markets and using a modular method to meet local requirements. The existing service processes were analyzed and optimized, and it was also necessary to implement the appropriate applications (Graphical User Interface (GUI), European Information Portal (EIP), I3 Customer Interaction Center (I3), Ticket Tool and E-Business Applications) in order to support the company's goals. The company went to great lengths during the reengineering and development phase to implement the service level agreements (SLAs) agreed between the departments.

Standard service processes

The project got underway with an analysis of the existing service processes. This analysis incorporated any form of customer contact, be it initiated by an Independent Business Owner (IBO) or the customer himself, as well as all manner of process workflows such as order input, data input, enquiry and request. Once the service processes had been optimized, the customer service officer (first level) was able to enjoy greater transparency of information in his dealings with the IBOs, who in turn can use all communication channels in their interaction. Transactions can be received by the Contact Center, One-To-One (e.g. information desk, teller) and Automated Services functions.

Information management

Information about the European Information Portal is proactively provided by all departments (third level) throughout Europe to ensure that all employees receive reliable information. All enquiries received are forwarded to the second-level support team, which either responds to them or involves the third level. Completed enquiries are returned to the second-level support team, which then decides whether the information is individual or general for the purposes of the European Information Portal. The first level informs the IBO of the solution and the ticket for the enquiry is closed.

Using the ARIS Platform

The ARIS Platform is used to develop the business processes in 26 European countries. Amway's goal is to develop a standardized and harmonized business process environment in Europe. To help achieve this goal, the company first analyzed all the existing processes – an "As-Is" analysis. The idea is to assess the various change proposals relating to a given process and use them to define an optimized Amway best practice process. Standardized core processes that work in conjunction with these processes can be developed and implemented; this will allow Amway to respond quickly to changing market conditions and thus boost the quality of its customer service – which is synonymous with efficiency and cost savings. ARIS is employed in the projects for the integrated project management of the As-Is analysis – right up to implementation. A project idea is developed that works together with project management structure. Based on this project idea, ARIS Toolset is used to perform an approximate As-Is analysis; this analysis is then used to define the project scope in detail. Once the project scope has been approved by the management team, ARIS Toolset is used to create a detailed As-Is analysis and then finally a "To-Be" analysis. Using this To-Be analysis as a basis, the final step is to have the programming department implement the changes. The processes are predominantly documented as value-added chains and extended, event-controlled process chains. The business process models are published using ARIS Web Publisher to ensure that they are communicated throughout the company.

Benefits

The result of this project is a Core Customer Service process model comprising three modules (Contact Center, One-To-One, Automated Services), four workflows (order input, data input, enquiry, request) and five applications (GUI, EIP, I3, Ticket Tool, E-Business Applications). The process model integrates service processes in the system infrastructure and formalizes customer support. Communication is simplified by predefined workflows and a group concept featuring group responsibility is implemented. The Core Customer Service process model also provides a complete customer contact history and prevents media breaks; a consolidated and transparent customer service structure is achieved. Alongside these short-term results, the concept also brings with it clear benefits for the future. The consolidated, transparent customer service structure facilitates Europe-wide synergies, consolidated controlling of customer service workflows and standardized implementation across all European markets. The Core Customer Service process model is available to all European Amway subsidiaries. This all-encompassing, process-oriented customer relationship management tool has achieved its original goal: enhanced performance through process redesign. Ensuring performance measurement during interaction with business partners enables Amway to progressively enhance service for each and every customer and tangibly upgrade its brand image.