

SAP AWARD OF EXCELLENCE 2015

Project Award



Kao Corporation

Establishing a mobile integration platform Achieving enhanced communication and improved work efficiency

The Kao Group is Japan's leading supplier of cleaning products and toiletries, and boasts the second largest share of the cosmetics market. In order to further improve their service, the group planned to create a smartphone-based mobile integration platform.



Major Issues

- Improvements and enhancements to the quality of the sharing information system
- Improvements and cost reductions for business planning, activity reports, and attendance management
- Upgrades to an aging mobile phone-based system, and system integration

Key Achievements

- Improved service due to communications promotion and enhancement
- Discontinuation of paper-based operations; improved efficiency of everyday business reports
- Flexible approach to future technological improvements and environmental changes



Establishment of a smartphone-based mobile integration platform through close collaboration between ABeam Consulting and Kao

Enhanced communications and improved work efficiency

Cutting-edge, future-oriented ICT to accelerate Kao's service abilities

Overview

Transitioning from feature phones to smartphones with mobile platform

Kao Corporation provides the world with products essential for everyday life including detergents for home and business use, toiletry products, cosmetics, and food products. Kao is Japan's leading supplier of detergents and toiletries, and boasts the second largest share of cosmetics.

Kao Group employs approximately 7,400 field agents whose tasks include sales, beauty counseling and product displays at department stores, mass retailers, and drug stores. The various tasks of these field agents were previously complemented by a support system centered around feature phones. However, this system encountered a number of problems including the termination of the ASP service, and poor serviceability.

Kao determined to implement the use of smartphones which would solve these problems and remain effective in the future, and they also elected to establish an independent integration platform.

Masayuki Abe, Executive Officer, Information Systems, supervises the Kao Group's information systems: "There were two chief reasons why we chose to implement this new system. First, we wanted to enhance and facilitate communications with our field agents—regarding new campaign content, for example. We believe in the importance of feeding back workplace opinions into the development cycle of our products and services. Second, we wanted to optimize attendance management, such as working shifts and work leave." Consequently, Kao established a mobile integration platform based on the SAP® Mobile Platform, and distributed smartphones to approximately 2,300 of its approximately 7,400 field agents, who provide all manner of customer services at drug stores. The company chose ABeam Consulting as their partner to provide comprehensive support from implementation to operation.

ABeam offered future-focused and easy to understand proposals

Hideaki Kiyohara, of the Commercial Excellence Group at the Business System Department within Kao's Information System Division, recalled: "ABeam were passionate and easy to understand—these are the main reasons we chose them. This was the first time that Kao had undertaken such a project, and there were many things we didn't understand. However, ABeam took the time to explain everything in detail. This created a relationship of trust." In particular, ABeam clearly explained the advantages of switching from the previously used feature phones to smartphones.

ABeam's proposal consisted of three parts:

- <Future-oriented> Implement a future-focused integration platform.
- <Connections> Implement measures to improve the level of service in the field.

■ Mobile Utilization and Achievements



- Enhanced field work mobility
- Business integration and standardization
- Establishment of communications platform

■The scope of ABeam Consulting's operations



ABeam Consulting not only supports the development of business applications, but it also covers the entire scope from platform establishment and security, to procurement, training, inquiries, and maintenance and operation.

<One service> Implement measures to optimize business, systems, and operation. However, it is important to note that the project was not implemented in isolation. The starting point, of course, was for the platform to be utilized by field agents; yet various, future-focused measures were to be successively developed. The fact that ABeam's proposals took into account these future costs also earned high praise.

Challenge

From usability to training systemsconsideration and resolution of numerous diverse issues

Yasuyuki Azuma, of the Corporate Service Group at the Business System Department within Kao's Information System Division, comments: "I'm not sure if they can be classed as 'problems,' but the number of points we had to consider and the amount of content we had to resolve were by no means small."

"Since we were implementing smartphones for the first time, we engaged in lengthy discussions and received a number of suggestions regarding usability. These included text size on the screens, screen composition, and smartphone features.

System Overview Existing system New system SAP® Mobile Platform In-store customer service system Employment management system In-store customer services User management system Store establishment Information sharing system Sales Field work support system **Smartphones** (Mobile devices) Sales support Existing system A Existing system B Afaria **ERP**

The effective use of existing resources and the establishment of an integrated system were achieved simultaneously.



*MDM (Mobile Device Management): An integrated and effective method to manage the system settings, etc., of mobile information devices such as smartphones that support corporate employees.

It goes without saying, but the aim of this project for us was not to create a smartphone application. Rather, one of the key themes was how we would integrate field agents into our company's standardized business processes. Our employees are spread across a range of divisions, so we began by sorting out their respective business processes." One of the issues with establishing the new system was how to get approximately 2,300 field agents nationwide to master the new system. Since these field agents worked in different locations across Japan, from early on in the project, one focus was how these

agents could be made to participate in training; the creation of a rational training method and schedule also began in the early stages of the project.

Solution

Driving the project with comprehensive discussions and concrete samples

There are no barriers between the companies and sections that make up the Kao Group. Described by its members as a sort of corporate culture, this lack of barriers means that the various companies within the Group have an understanding of each other's businesses and can interact smoothly. Indeed, it may be said that this is one of the reasons that led the project to succeed.

Issues which merited attention were approached from a number of different angles. Working prototypes were developed for abstract content, and the usability of this content was repeatedly checked and re-considered as the project progressed.

Azuma observed: "I think the fact that ABeam created samples for us was a major factor in the project's success. The final image was developed gradually as the project advanced, and this enabled us to deepen our understanding. Because we knew at an early stage what the final form of the system would be like, we all retained our interest in the project; our desire to participate was heightened, and our motivation remained high until completion." The training of approximately 2,300 field agents took place in a total of 165 locations across Japan. A training manual and video were created in order to minimize the time needed to master the system. Kao and ABeam combined to create training teams, and they devoted themselves to training simulations in which, among other things, they measured the time required.

Yasuo Morijiri, assistant manager of Kao's Information System Division, said: "The training team was a mix of our business and system staff and ABeam employees. However, ABeam took the lead in the initial set-up phase, and as a result we were able to work as a unified team."

VOICE (Evaluation of ABeam)



Masayuki Abe Executive Officer Senior Vice President Information Systems, Global Kao Corporation

"We had previously worked with ABeam on a different project, and so we were aware of their abilities and their trustworthiness. Working on this project together again, ABeam turned out to be the 'real partner' we had been hoping for. We are extremely pleased."

VOICE (Evaluation of ABeam)



Hideaki Kiyohara Commercial Excellence Enterprise Business Excellence Information Systems, Globa Kao Corporation

"This project focused on smartphones. However, we would also like ABeam to teach us various information and techniques related to ICT. We hope that the relationship between the two companies will continue in the future."



VOICE (Evaluation of ABeam)



Yasuo Morijiri Manager Commercial Excellence Enterprise Business Excellence Information Systems, Global Kao Corporation

"ABeam's knowledge and management skills, the clarification of their aims for the project and the means of achieving them, and their outstanding project execution all contributed to smooth implementation."

VOICE (Evaluation of ABeam)



Yasuyuki Azuma Corporate Service - HCD Enterprise Business Excellence Information Systems, Global Kao Corporation

"We are thinking about building on the newly implemented integration platform and expanding horizontally with other systems. Our business is daily seeking to improve, so we are hopeful of speedy solutions in the future, too."

High prevalence of smartphones and coordinated management leads to smooth implementation

From its inception, this project was meticulously and repeatedly discussed by Kao and ABeam, and both parties steadily carried out their respective tasks. Such coordinated management resulted in the project being completed on time without a single delay. Field agents have praised the smartphones that have replaced the outgoing feature phones for their larger, more visible screens, and for being easier to use.

In addition, before the start of this project, the companies' research found that a staggering 90% of field agents already used smartphones. Given that smartphone use among the general public stands at about 60%, this is a significantly higher percentage. Indeed, the fact that the majority of field agents were already accustomed to using them invariably aided the smooth implementation of the smartphones.

Result

Enhanced communication has encouraged improved levels of service

The establishment of a smartphone-based integration platform has enhanced communications between field agents and offices. Notifications from offices can now be transmitted more easily, while interactive data collection has encouraged improved levels of service.

The integration platform has also facilitated communications between field agents themselves. This has led to the transmission of know-how and skills which, in turn, have raised the quality of the service provided.

In addition, the discontinuation of obsolete paper-based attendance management has resulted in significant labor and cost savings. This makes it clear that the effects of smartphone implementation extend to a variety of different fields.

Masayuki Abe, Executive Officer, Information Systems, comments: "In the future, we hope to keep an eye on advancements in ICT technologies, and to expand our sales and sales support operations. We intend to maintain and make more efficient use of this integration platform through upgrading to new operating systems and improving and upgrading to new smartphone models. ABeam has executed this project with sincerity and with responsibility: as they say, they are truly a 'Real Partner.'"

In this project, smartphones were implemented as a tool to support the workplace. The next question is how to develop this mobile platform, and how to ensure that it is utilized effectively. As a "real partner," ABeam's mission is to swiftly propose measures with an eye toward the future.

support system

Outline:

Client Outline Project Outline

Company name: Kao Corporation

Location: 1-14-10, Nihonbashi Kayabacho, Chuo-ku, Tokyo

103-8210

Established: June 1887

Services: <Beauty Care> cosmetic products, skin care products,

and hair care products

<Human Health Care> food and beverage products, sanitary products, and personal health products
<Fabric and Home Care> fabric care products, and home care products

Chamicales

<Chemicals > oleo chemicals products, performance chemicals products, and specialty chemicals products

Capital: 85.4 billion yen (as of December 31, 2014)
Consolidated Sales: 1.4017 trillion yen (year ending December 2014)

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ABeam Consulting Ltd.

Establishment of a smartphone-based field work

Software: SAP® Sybase Unwired Platform 2.2 / SAP® Afaria 7.0