AMPLIFON: OPTIMISATION OF SALES NETWORK PERFORMANCES THROUGH FULL INTEGRATION OF BUSINESS PROCESSES

Updating and simplifying integration procedures through the various available platforms; guaranteeing the maximum reliability of communications between the headquarters and the stores; using a solution that is capable of ensuring an open-minded approach towards partners. These are the targets that Amplifon has achieved through a careful redefinition and harmonization of business processes at store level and by introducing a new Enterprise Application Integration solution capable of harmonizing data and processes.

THE SCENARIO

Amplifon is a multinational company, headquartered in Milan. It specializes in the sale of hearing aids. Amplifon is the world leader in the distribution of hearing systems (hearing aids) and in their fitting and personalization to the needs of each individual patient.

Amplifon's distribution network is composed of personally owned stores and a franchising network, with specialized points of sale, authorized centers, affiliated stores and hearing aid specialists in many Countries: Italy, United States, Canada, France, Germany, Spain, Portugal, Switzerland, Holland, Egypt, United Kingdom, Ireland and Hungary.

Its globally recognized leadership is mainly due to three factors:
- A wide-spread presence over the territory, in Europe and the United States of America;
- The professionalism of its paramedical staff present in each store;
- Product and service innovation which the company can offer its customers.

Widespread distribution and the service offered are of particular importance since hearing aids must be configured "ad hoc" by the hearing aid specialist both on the basis of the level of hypoacusia and the life style of the patient.

The hearing aid specialist is the key professional figure in this business and plays a fundamental role in the selling phase, where, according to various parameters linked to the patient's hearing capacity recorded during the hearing test, he is able to recommend and configure the best hearing aid most suited to each type of hypoacusia.

In order to carry out all these activities, that range from the audiometric test, to configuration of the hearing aid and registration of the customer's data necessary for the accounting-administrative part and for the marketing part, each point of sale is equipped with a computer system that allows immediate registration of each item of information necessary for guaranteeing customer satisfaction and at the same time to supply the company with all the information it needs for finalizing the sale.

The data relating to Customer Management processes that include the customer's personal details file, health data, data regarding the "fitting" of the hearing aids, accounting data, invoicing data and all data of a more managerial nature, are collected and managed locally at the points of sale.

Before implementing the new system aimed at integrating the various company information sources, data exchange among the stores used to be carried out once a day in batch with the company central system, composed of a Marketing Database (Operational Data Store, ODS) and of a business system.

The process of collecting data from peripherals and their processing required as many as 7 work-machine hours. The percentage of errors was high and in many cases it was difficult to identify and re-process the error immediately and it was therefore necessary to wait for the batch processing of the following night.

Given the strong expansion of the Amplifon Group in recent years, it was necessary to optimize the processes managed at the points of sales, integrating them as much as possible with the company central systems, guaranteeing at the same time the maximum efficiency of the hearing aid specialist and the total customer satisfaction, in order to reduce the times of data exchange and processing and of processes, for example from the customer order until the supply of the hearing aids.

Moreover, the technological obsolescence of the system used for this data interface activity, made its maintenance and the possibility of achieving high quality levels in acceptable times extremely complex.

THE SOLUTION

Amplifon has developed an Enterprise Application Integration (EAI) solution that integrates data and processes enabling points of sale to exchange data relating to all activities managed locally in near real-time or batch mode. When the new system is live in all countries, it will contribute significantly to reducing the company time-to-market and will increase opportunities for customers to receive support and assistance worldwide, obtaining information about the last fitting made in Italy at any other point of sale in the world.

The solution is made up of an intermediary software layer between that of CRM and that of the back-office, which controls the dialogue of the various systems used in a centralized manner.

The tool used is also suitable for future integrations for exchanging information with suppliers outside the company and, above all, with one of the stakeholders of strategic importance for Amplifon: health insurance companies, whether they be national or private.
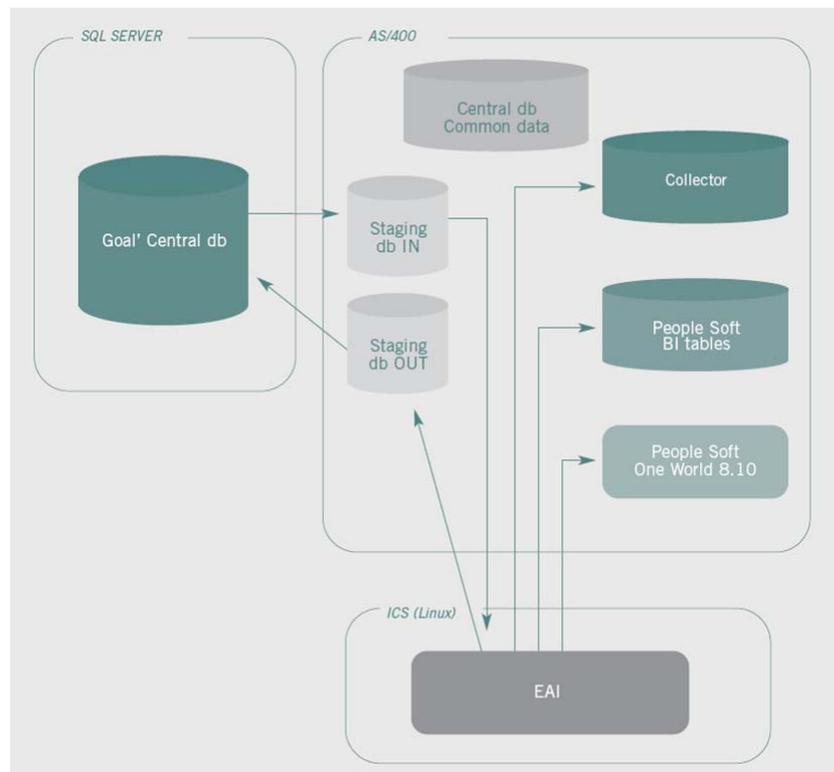
The architectural logic of Amplifon Enterprise Application Integration (EAI)

The implementation project of the new solutions started with an accurate redefinition and harmonization of business processes at store level as well as a careful verification of the data that must be transferred from systems outside the company to the central one.

This initial phase took place through the selection of a pilot country, Holland, where standard processes managed at store level were identified (18 in total) and they were replicated in each of the countries in which Amplifon is present.

Then, specific processes linked to the territory, such as, for example, management of the Dutch medical insurance companies, invoicing insurance companies and needs and habits during the materials procurement phase, were analyzed.

The design of processes with activities and information flows was then mapped onto the new platform, based on IBM WebSphere Business Integration (WBI) and installed on an AS/400 server in Linus environment.

The new platform is a standard architecture, compatible with standard Amplifon hardware (Intel and AS/400) and with the skills and competences of Human Resources within the Information Systems Division.

The selected tool also leverages a standard programming language, JAVA, recognized world-wide, which will simplify integration with other instruments in the future.

Compared with the previously used system, the new solution has introduced a new series of functional enhancements: for example:

- It is equipped with a customized control panel for leading-edge and flexible management of the integration platform;
- It contains a framework for the ad hoc error management, basing on the business management model and on the organizational structure of Amplifon;
- It contains functions for logging and tracking the status of information that enable, together with the automatic events notification functions, to repair any data transmission errors immediately.

The solution management infrastructure is simple and allows leveraging the technological skills already present in the company.

THE REPLY VALUE

Reply supported the Client in the introduction of the new solution, with a very high organizational and technical impact: analysis and process standardization, implementation, testing and preparation for roll-out.

Amplifon decided to rely on Reply and more specifically on its consultancy and integration company due to its functional and technical expertise and to the know-how, skills and competences the supplier has acquired over the years concerning the typical processes in this sector. Process analysis skills, project skills together with technical skills concerning the product meant that the project lead, in a very short time, to implementation of an effective, and above all, reliable solution.

Reply offers, within one single company network, a variety of specialized services ranging from consultancy on processes to Project Management and development on a number of different technologies (IBM, Microsoft, Oracle, etc.), which allows Amplifon to have one single reference partner for any implementation requirement that may emerge in the future.

Reply Consulting, a company belonging to the Reply Group, is specialized in strategic, organization and process consultancy. The mission of Reply Consulting is to work alongside companies in the phases of implementation, change and management of Enterprise Information Systems, from strategic design to identifying and redefining "core" processes. Reply Consulting features can be summarized into management experience and expertise, flexible and dynamic structure, comprehension and commitment in Customer Problem Solving, global/strategic vision also in tackling details, delivery excellence.
Reply Consulting offering includes: Strategy IPO Services, Human Capital, Business Performance Management, Business & Support Process, ERP assessment, optimization and implementation.

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