

# **Improving Customer Service (and profitability) for IMD**

## **The Business**

Originally a third party maintenance organisation, IMD Computer Services was established in Holland in 1989. The ISO 9002 quality accredited company specialises in the maintenance and repair of a wide range of IT equipment and has expanded its activities to include money handling systems and equipment. Turning over more than £10 million a year, the firm employs 250 people.

In 1994, IMD was acquired by Borsu Systema, part of the Royal Borsumij Wehry NV group - an international trading organisation active in consumer goods, office equipment and industrial products. In 1997, the Borsumij Wehry Group was acquired by Hagemeyer NV, a worldwide leader in business to business services. IMD now forms part of Hagemeyer.

IMD specialises in the office, banking and security sector - developing and supplying a range of money handling equipment, systems and software to government and the financial, commercial, services and transport sectors.

## **The Challenge**

Following the acquisition of IMD by Borsu Systema, the service and maintenance activities of both companies were closely integrated - substantially extending the breadth and depth of service to customers - and significantly widening the market in which the new, combined company is operating. The business focuses on providing total customer solutions.

"We needed an integrated service system that provided a complete solution to all our needs," said IMD quality manager Adrie Kreder. "These needs encompassed a huge range of core business functions including logistics, service call receipt, call handling, planning, stock control, contracts, warranty entitlement, purchasing and sales order processing. We evaluated a variety of prospective solutions - with the key qualification that the selected system would handle literally everything, including invoicing. The objective was to streamline our operations to increase efficiency and, most importantly, to improve our service to customers."

## **The Solution**

In order to facilitate company-wide information exchange, Interchange adapted an enterprise-wide software package able to support virtually all aspects of the company's business - from sales to workshop operations, planning and contracts. This was integrated with the company's existing proprietary accounting system.

Under the agreement between the two companies - signed in 1994 and continuing on a rolling basis - Interchange provides full software maintenance and support, upgrades, help desk functions, general consultancy and problem solving.

## **The Benefits**

“The Interchange solution plays a key role in all our core business operations,” said Kreder. “The emphasis is very much on integrating business information. Initially, this involved introducing and exploiting a very high level of system functionality and redefining our business processes to streamline operations, particularly in the areas of logistics and call handling. The new processes are easier to operate, control and maintain.”

“For example, under the new regime a maintenance or repair call into the system enables allocation of the necessary stock items required. Information is recorded instantly in all appropriate databases - so that everyone in the company can see stock item commitment. Logistics personnel can drill down into service call reports and check original contract fine detail to ensure that we are meeting commitments to our customers, which has enabled us to demonstrate both our responsiveness and our enthusiasm for satisfying customer needs.”

Overall, the Interchange solution has had a dramatic impact on helping IMD develop its customer relationships: “These have improved significantly over the last few years,” said Kreder. “We have around 200 main direct customers, over 800 dealers and approximately 9,000 end users at the smaller end of the market.”

“We are currently redefining our target marketplace - focusing on the top 500 companies, of which we already handle around 200. Interchange’s solution has helped us segment our market more effectively, enabling us to record all relevant information more easily and access it faster. This means, for example, that when we approach a prospective new customer we are fully armed with all the relevant information. The bottom line is sharper competitive edge - both in winning new business and in keeping and growing business from existing customers.”

There have also been significant gains in operational performance: “I’d estimate an improvement of between 30 and 40 percent in terms of response time,” said Kreder. “We have better control of spare parts availability and over suppliers. The engineers are not working any faster but everything around them is. This means better, faster service - and getting things right first time.”

The business process gains have also had a positive knock-on effect. “Because our information is better, we trust it more,” said Kreder. “This means that we can take a more aggressive stance in sales and marketing, for example, in setting price and service levels - calculated carefully against competitive threat.”

## **Conclusion**

Interchange's work for IMD demonstrates how close service support in a key business process area can pay handsome dividends in improving customer relationship management. Based originally on product provision, that relationship has blossomed into a full-blown service and support working partnership in which both supplier and customer share the same goals.

"Relations with Interchange are good," says Kreder. "If we have a problem we ring the call centre and get an immediate response - usually within the hour or a time for a problem-fix. We can discuss problems directly with Interchange programmers and have direct access to second level technical support. The company evidently understands the importance of good customer service and the positive effect it can have on a company's profitability."