

Rheem strengthens customer relationship management with SAP

CUSTOMER

Rheem Australia

LOCATION

Sydney, Australia

INDUSTRY

Manufacturing



Challenge

- Fragmented and manual processes impacted customer service
- Poor integration between systems slowed down reporting activities
- Technicians in the field could not access critical customer and product information



Solution

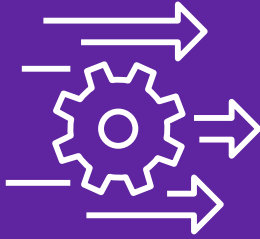
- Implement SAP's cloud-based Field Service Management application to improve accessibility and visibility of key product, pricing and customer data
- Extend SAP Service Cloud to cover both sales and service processes
- Integrate both applications to gain a more unified and transparent view of operations across the enterprise



Results

- Eleven percent uplift in revenue in one month for particular job types through FSM productivity and efficiency improvements
- Customer reports which took up to seven days to send to customers are now immediately delivered upon job completion

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Rheem has been manufacturing in Australia since the 1930s. With over 700 employees throughout Australia and manufacturing facilities in New South Wales and Victoria, the company designs and manufactures a wide range of water heating products that utilise gas, electric, solar and refrigeration technologies. Today, Rheem is the largest producer of water heaters in the country and is a leader in the residential and commercial hot water systems market.

Rheem needed to modernise and consolidate its various systems into a more robust, flexible, and intelligent solution.

Complex manual processes hinder efficiency

With a diversified range of products and services, Rheem's business processes were becoming overly complex. To help automate core repair, service agreement and installation processes to reduce the cost of servicing its customers, Rheem engaged DXC Technology.

Before the implementation project, Rheem was running fragmented and complicated service processes. For example, Microsoft Word and Excel were used to manage customer service agreements, routine service visits, agreement renewals, and pricing.

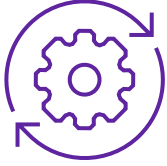
In addition, its customer service team used seven different user interfaces to arrange customer appointments without any address validation.

Bruce Kemmis, National Manager Commercial and Service, Rheem Australia, says company technicians completed pre-job safety and risk assessments on paper forms and used ten-year-old PDA devices for job completion.

"Our crowd service teams were unable to access Rheem's internal systems for part purchase and warranty reconciliation, forcing them to submit Excel spreadsheets that would then be processed for payment.

"Commissioning and service agreement job reports for customers were often passed on verbally to supervisors who would then generate the report in Excel. This could take up to seven days to send to the customer."

With a lack of consistency, accountability, and accessibility, Rheem needed to modernise and consolidate its various systems into a more robust, flexible, and intelligent solution.



“The integration with our existing warranty system has helped the company save significant time and money, as jobs are tracked through comprehensive data and photo records.”

— **Bruce Kemmis**
National Manager
Commercial and Service,
Rheem Australia

Adding SAP from the cloud

The organisation decided to use native SAP applications to solve the critical challenge of integrating them with Rheem’s existing SAP ERP. “Our pre-project research showed a non-native application would cost the business additional time and money for plugins and API adaptors to enable the required integration,” says Kemmis.

The research conclusively demonstrated that non-native applications would make future developments with the system challenging and costly. Coupled with this, Rheem had earlier chosen to launch SAP Sales Cloud with its commercial sales team.

“With DXC’s support, we knew we could extend the cloud ticketing system used for sales to include service,” says Kemmis. “Down the track, we could develop other parts of the supply chain, allowing us to end up with integrated, streamlined processes.”

System integrations improve customer experience

As a result of integrating key SAP digital technologies Rheem has lowered service costs and increased revenue

through productivity and efficiency improvements.

The new platform has integrated various disparate and labour-intensive processes. For example, Rheem has unified its customer service team across two call centres and simplified the job booking interface to a single screen.

With reporting through one single point, SAP provides live data to keep the brand connected with staff and customers. In addition, the introduction of SAP Field Service Management (FSM) has allowed Rheem to establish equipment location manufacturing details, track product failures, and receive early warning of potential field issues.

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Job reporting to customers has improved dramatically as the reports are now dispatched immediately after job completion, streamlining the previously manual process.

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Field service improvements

SAP FSM has also established a charging regime that helps determine the different types of jobs in the field, classifying when technicians arrive, their labour time, and the parts consumed.

“Field staff safety is critical to Rheem,” says Kemmis. “Our field technicians can now undertake risk assessments through SAP FSM with these features integrated into each job. Customers can also be classified according to priority, ensuring long-standing customers receive the right service and pricing. This gives us more control in how we manage staff, customers, and contractors.”

Rheem can also ensure and verify the suitability of each technician for the job they undertake by classifying their skills in SAP FSM.

An extensible platform

Rheem is accessing more SAP Service Cloud features after each release to help operate with greater agility and transparency. In addition, SAP Service Cloud’s ability to integrate with SAP FSM offers Rheem an end-to-end view of the organisation and its extensive customer network, providing a single source of truth, control, and oversight.

With complete visibility and accessibility, Rheem has redefined its employee and customer experiences to make the processes safer, faster, and more efficient. In doing so, it is also improving profitability.

Says Kemmis: “SAP Service Cloud and FSM is enabling Rheem to move from a low margin, unscheduled service business to a high margin, customer-centric, scheduled service business.”

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