Targeted marketing for media services

IBM Cognos Business Intelligence supports sales controlling and business management with decision-making insight
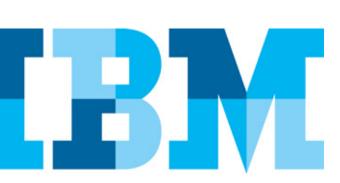
Overview

Business challenge

kdg mediatech AG needed a centralised reporting solution, providing users in sales controlling and business management with up-to-date and consistent decision-making insights.

Solution

Leveraging IBM Cognos Business Intelligence, kdg mediatech AG implemented a centralised system that processes corporate information from a data warehouse and displays it clearly via a web-based interface as well as through dashboards.

kdg mediatech AG, headquartered in Eldigenalp in Austria, offers the complete range of media services, spanning from authoring and trailer cutting, via high-quality media production, to multi-channel commerce and logistics services. The company, founded in 1985, has established itself as a general contractor for the video and music industry. More than 300 employees in Austria, Germany, France, Italy, and Denmark work at four group subsidiaries (kdg mediascope, kdg mediafactory, kdg medialog and kdg mediadirect), and aim to deliver excellent service to clients across the industry.

New markets, new chances

kdg mediatech AG faced different massive changes in the sales market: fewer and fewer CDs and DVDs are being sold in physical form as music and videos are increasingly becoming available on demand as downloads or media streams. As a result, the quantity of physical media being produced has dropped dramatically. Since the company's main business used to be as a press shop for CDs and DVDs, it needed to transform itself through a step-by-step change process from a production company to a general contractor.

This transformation process led to a much higher demand for information, especially in the sales controlling function. To market the company's various services (such as audio mastering, packaging refinement or webshop services) and be able to manage the performance of the business, the sales and distribution functions needed accurate information about markets, customers, competitors, sales channels, trends and risks.

In the past, the data required was exported out of the source IT systems and consolidated with help of Microsoft Excel.

"Because of the way that the company landscape has grown, doing the sales controlling with Microsoft Excel is not possible any longer," explains Florian Zangerl, project manager at kdg mediatech AG. "We were spending about 90 hours every month on manual report generation. With such a laborious and error-prone reporting process, it was impossible to provide reliable performance figures on a daily basis."

The need for a solution

kdg mediatech AG needed a new information system that could support the increased information requirements in the sales controlling function. The actual requirements were as follows: staff in sales

Business Benefits

- The self-service features of the solution allow users in the sales controlling function to generate reports at the touch of a button, as well as conducting root cause analyses.

- Users can monitor their sales performance on a daily basis and market products and services in a targeted manner.

- Business managers can monitor business performance through management dashboards and get the decision-making insight they need to manage the company.

controlling should be able to create reports and analyses on their own, based on quality assured and standardised data structures and models. Furthermore, senior managers also needed highly aggregated performance figures in the form of graphical dashboard, to help them gain an overview not only of the sales data, but also of the performance of the company as a whole.

Convincing performance, smooth implementation

In an evaluation process that began at the end of 2010, kdg compared several vendors of reporting solutions. A proof of concept by consulting company Pitagora Informationsmanagement GmbH finally led to a decision for IBM Cognos Business Intelligence.

"The features of the latest version of IBM Cognos convinced us completely," says Florian Zangerl. "With respect to the various possibilities in the areas of response time, report design, collaboration and mobility we were convinced quickly, that we found the solution for the future."

At the beginning of 2011, kdg began working with Pitagora on the implementation of the solution. As a first step, the project team developed a market- and value-oriented performance measurement system, as well as a data model that integrates the reporting structures of the company. The data structures required for reporting were read in from the source systems and imported into a request-oriented data warehouse with IBM InfoSphere DataStage used as a central data repository for reporting. Subsequently, the data was mapped to metadata models, which allows users to create reports and analyses independently. Finally, the project team configured management dashboards for the senior managers, which re-use existing reporting components.

Web access provides a quick overview

Since April 2011, the sales controlling function at kdg has been using IBM Cognos as its main tool for reporting and analyses. IBM InfoSphere Information Server provides data integration functionality with IBM InfoSphere DataStage. The new reporting solution directlyaccesses the data warehouse and generates automated and quality-assured analyses that provide insight for decision-making. Users can access the web-based interface through a browser and compile the information they need on their own, without support from the IT team. Standard reports are generated to provide a regular update on sales performance, and users can also conduct ad hoc analyses, depending on their permissions.

Information available as self-service

IBM Cognos has optimised the information management and reporting at kdg mediatech AG substantially, and provides the sales controlling function with the decision-making insight that they need on a daily basis. In the past, reports needed to be requested and then created by the IT department; now, standard reports deliver up-to-date information on sales, customers, orders, partner relations and markets at the touch of a button. In addition, the system responds proactively

Solution Components

Software
- IBM® Cognos® Business Intelligence
- IBM InfoSphere™ Information Server with IBM InfoSphere DataStage

IBM Business Partner
- Pitagora Informationsmanagement GmbH

"The speed and performance of the latest version of IBM Cognos is tremendous and gives us a flexibility previously unknown when it comes to information-gathering and distribution."

— Florian Zangerl, Project Manager, kdg mediatech AG

through an alarm function when variables deviate from predefined target values.

IBM Cognos proves its strengths on a daily basis through its intuitive and easy-to-use front-end for self-service report generation. The solution utilises a completely new query engine, which delivers greater performance and faster retrieval speeds than ever before. The workload for reporting has been reduced drastically: in the past, 90 hours per month were spent on report generation; the same results can now be achieved in about one minute.

"The speed and performance of the latest version of IBM Cognos is tremendous and gives us a flexibility previously unknown when it comes to information-gathering and distribution," explains Florian Zangerl enthusiastically.

Analytics value-add

The analytics functions of the new solutions also ensure a substantial value-add for information. Users in the sales controlling function select the performance figures as they like and then dive into the multi-dimensional data structures by drilling down. Root cause analyses have thus become easy, and users can answer various questions instantly by using ad-hoc analyses: Why have packaging sales collapsed in a certain region? Which sales representative achieved the highest profits in for the authoring business? Which kdg mediascope's creative and mastering services are most profitable and should be expanded? Which logistics services in least demand in the last half-year and why? As a result, controllers can gain insight into the current sales performance much faster and more accurately than before, and they can also recognise trends and react instantly to critical situations.

Dashboards: everything in one view

In terms of dashboarding, the latest version of IBM Cognos Business Intelligence offers a range of completely new functionalities. The Business Insight feature, enables senior managers to access specific management dashboards that consolidate corporate data and present it in a clear graphical format. Even without IT knowledge, these managers can select the performance figures they need, render them in a range of graphical styles, and filter them in real-time by criteria such as time, region, country or product line.

"Managers can create, place and edit content just as they like, and actually build their own personal dashboards," says Florian Zangerl. "As a result, they can keep the overall performance of the business in clear view and make decisions based on reliable information."

Switches changed for the future

In near future, kdg will exploit the broad range of features of IBM Cognos Business Intelligence more deeply and expand the use of the software to more business areas. This will include the use of specific collaboration features that will allow users to rapidly share information in the form of dashboards with other users. The new Active Reports feature will also be used, as Florian Zangerl explains:

"The interactive offline reports provide additional flexibility and will put the finishing touch on a reporting solution that has already reached a whole new level with the latest version of IBM Cognos Business Intelligence. We are also considering re-organising our sales planning processes with IBM technology. We have already gained a lot of experience, and want to continue to leverage IBM's expertise to improve the planning as well."

About Pitagora

Pitagora Informationsmanagement GmbH was founded in 1993 by Robert Wittnauer in Innsbruck. The company has become a partnership with its customers, who are the focus of its business. Only through a stable and fair relationship is it possible to properly recognise customers' needs. Through Pitagora's corporate structure, it can identify these needs holistically and develop solutions, no matter what process customers want to follow to support their business electronically.

pitagora

Partnerschaft ist unsere Stärke

About IBM Business Analytics

IBM Business Analytics software delivers actionable insights decision-makers need to achieve better business performance. IBM offers a comprehensive, unified portfolio of business intelligence, predictive and advanced analytics, financial performance and strategy management, governance, risk and compliance and analytic applications.

With IBM software, companies can spot trends, patterns and anomalies, compare "what if" scenarios, predict potential threats and opportunities, identify and manage key business risks and plan, budget and forecast resources. With these deep analytic capabilities our customers around the world can better understand, anticipate and shape business outcomes.

For more information

For further information or to reach a representative please visit **ibm.com**/analytics.

Request a call

To request a call or to ask a question, go to **ibm.com**/business-analytics/contactus. An IBM representative will respond to your enquiry within two business days.

IBM

Business Analytics software

YTC03302-ATEN-00