IBM

Mostransagentstvo transforms business operations with IBM solution.

Overview

■ **Challenge**
Transportation company had outdated business processes for handling orders and tracking customer information

■ **Why Become an On Demand Business?**
Company needed to streamline its business processes and respond to customers in a more timely manner

■ **Solution**
New e-commerce system enables business customers and consumers to reserve travel tickets and arrange transportation in realtime

■ **Key Benefits**
For Mostransagentstvo: Full payback within 2 years; improved customer service resulting in 1,000 new clients in first month of implementation; lost-client rate reduced to zero; annual customer travel ticket sales climbed to more than 1.5 million
For customers: Greater satisfaction with reduced hold times and fewer lost orders; realtime Web-based reservations

Mostransagentstvo's new IT infrastructure, based on WebSphere® software from IBM, allows customers to order travel tickets online in realtime.

In Russia, a popular saying goes, "One move equals two fires." This phrase, which refers to the way things tend to get lost or destroyed during a move, is quite familiar to Mostransagentstvo. The Russian transportation company has been carefully moving the personal belongings of Muscovites since 1957.

Today, Mostransagentstvo, with 1,500 employees and 47 branches throughout Moscow, is far more than a simple moving company. Its many services

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ON DEMAND BUSINESS™

On Demand Business Benefits

- Full payback within 2 years
- Improved customer service resulting in 1,000 new clients
- Annual customer travel ticket sales climbed to more than 1.5 million
- Lost-client rate reduced to zero
- Realtime Web-based reservations for customers
- Realtime customer history and relationship information automatically forwards to appropriate agents

Technology Benefit

- Standards-based environment enables rapid integration of third-party applications and paves way for future business growth, with minimal disruption to day-to-day operations

"Thanks to ComputerAge and IBM, Mostransagentstvo is a dramatically better company than we were before we launched this new system. Our employees are a lot more efficient, and we can now offer superior levels of customer service."

–Igor Chermenyov

include cargo hauling, railway transport, logistical support and vehicle repairs. It has even branched out into the travel and tourism industry.

But with its ever-expanding list of offerings, Mostransagentstvo found it increasingly difficult to communicate effectively with—and ultimately service—its growing customer base. Long telephone hold times were standard, and orders frequently did not get processed. In a single season, 40 percent of its customer base was lost due to poor service. In addition, it lacked a way to track customer information, which meant that service representatives could not be as responsive to customers as they wanted.

Compounding matters, Mostransagentstvo no longer held the monopoly status it enjoyed during the Soviet era. The company now faced stiff competition on all fronts, which made its problems loom larger. "Truth be told, we were actually losing customers due to the inadequacies of our business processes," says Igor Chermenyov, head of the IT department at Mostransagentstvo.

Mostransagentstvo desperately needed to start responding to its customers in a rapid and relevant manner. "We had to find a more responsive way to match customers with available resources," adds Chermenyov. If Mostransagentstvo did not transform its business processes, it risked going out of business. To do so, it needed to be able to provide customers convenient, anytime access to its sales channels as well as the ability to integrate and capitalize on the customer relationship management processes.

Mostransagentstvo and ComputerAge team on On Demand Business solution
To accomplish its goals, Mostransagentstvo worked closely with IBM Business Partner ComputerAge to build a new online transportation system—an e-commerce Web site with realtime features. The system, which was up and running in just six months, allows businesses and customers to book a plane flight, reserve a railway transport car, schedule a moving truck and order logistical support. The system also captures information from every business and individual customer transaction, enabling Mostransagentstvo to track orders, manage customer contact lists, analyze client behavior and research relationship histories.

In addition, the company developed a new call center that immediately connects customers to an appropriate phone operator, so they are no longer left waiting for service. "Our main purpose was for our business to become much more responsive, aggressive and focused," explains Chermenyov. "And, we have accomplished these goals."

Mostransagentsvo used WebSphere, Lotus and DB2 software from IBM running on IBM @server iSeries systems to create a comprehensive solution to support both its transportation and logistics services business as well as its travel business. Mostransagentstvo chose to base its IT infrastructure on scalable, open standards-based and highly reliable IBM software that could easily keep pace with the company's future growth. The solutions enabled ComputerAge to create a dynamic Web site capable of handling the complex business processes unique to Mostransagentstvo's industry.

IBM WebSphere Application Server functions as the runtime environment for the Java™ technology-based ticket-booking programs, while IBM WebSphere Studio Application Developer provides a rich on demand application development environment. The Web site runs on an iSeries 270 system, which also hosts IBM DB2 Universal Database, the staging database that manages information for the business transactions. The site integrates with the backend CRM system—based on eSales software from IBM Business Partner Relavis—through WebSphere Application Server and IBM Lotus Domino, with Domino providing the collaborative applications for tracking and disseminating information.

Customers who cannot take advantage of the Web-based services can utilize a new phone system that automatically routes calls to the appropriate operator, based on line of business. The telephony solution is based on IBM @server xSeries systems, DB2 Universal Database and Genesys Enterprise Routing from IBM Business Partner Genesys Labs. "We've totally streamlined our call center operations and eliminated the more than 100 telephone numbers that customers had been using to reach a service representative," says Chermenyov.

Key Components

Software

- IBM WebSphere Application Server, Version 4.0
- IBM WebSphere Studio Application Developer
- IBM DB2® Universal Database™
- IBM Lotus® Domino™ Server, Version 5

Servers

- IBM @server iSeries™ 270
- IBM @server xSeries® 220, 230

Business Partners

- ComputerAge
- Relavis
- Genesys Labs

Mostransagentstvo's integrated telephony system enables customers to place orders 24 hours a day, 7 days a week.

A thousand new clients after launch

By transforming the way that it operates using IBM technology, Mostransagentstvo has unified its numerous services into a single, cohesive business. In just one month after implementation, the company acquired 1,000 new clients. The updated technology has slashed sales order processing cycle times and greatly reduced call waiting times. As a result, the lost-client rate has plummeted to zero. Mostransagentstvo expects full payback in no more than 18 to 24 months.

What's more, Mostransagentstvo has sharply improved the efficiency of its customer service operations. Mostransagentstvo now sells more than 1.5 million airline, railway and train tickets annually through the system.

In the future, the company plans to integrate the call center with the CRM system, which now is only linked with the e-commerce site. And soon, customers will be able to purchase travel tickets over the Web—not simply order and reserve them.

"Thanks to ComputerAge and IBM, Mostransagentstvo is a dramatically better company than we were before we launched this new system," enthuses Chermenyov. "Our employees are a lot more efficient, and we can offer superior levels of customer service. Now, we not only can keep pace with our growth, but we can also meet our goals."

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