

SEGA OF AMERICA

Through a software toolbox based on the Microsoft® Windows™ operating system, a major video-game manufacturer enables its sales representatives to access the information they need to allocate product and track orders, thus streamlining the order process, satisfying customers, and increasing sales.

In the 1991 peak Christmas season, video-game manufacturer Sega of America was suffering from too much good fortune. Its recently introduced Genesis game was outselling the competition, Nintendo, by a large margin, and customers were clamoring for products. But all this success had its downside: Sega could not keep shelves stocked at the 19,000 stores it serves across North America.

According to Bill Downs, Sega's director of information services and telecommunications, the problem could be solved only by enhancing the capabilities of the company's computing system. Based on an IBM® AS/400® with remote dial-in access, the system did a good job of tracking daily sales and providing representatives with regularly updated reports and custom analyses on request. However, as Sega's business grew—doubling yearly since the company's 1990 launch to reach revenue of more than \$1 billion in 1992—the system failed to provide what was needed most: a means of forecasting demand in time to allocate production and a timely way to keep customers informed of product availability.

Slow Information Access Hinders Customer Service

Under Sega's computing system, sales representatives using home- or office-based PCs dialed in to the AS/400 at headquarters in Redmond City, Calif., and, through a character-based interface, gathered sales information. Alternatively, they requested a custom report, which was later faxed or sent to them via air freight. The drawback was that, either way, information might be as much as a week old by the time customers received it.

If the age of the data was one problem for sales representatives, the way it was presented was another. For example, they could see detail, but not a summary; they could see order status, but not total

products shipped to a given customer in a given month. Based on what was commonly week-old data, they couldn't keep customers adequately informed, and they couldn't accurately plan their business. So, in early 1992, Downs and his staff began their search for a better solution.

Building a Solution by Christmas

After considering several proposals for system development, Sega selected one from Lante Corporation, a Chicago-based system integrator. Lante's proposal specified a platform of 386-based Compaq® color notebook computers running the Microsoft Windows operating system version 3.1. "Sales representatives needed both ease of use and a strong graphical environment for presenting information to customers," Downs says. "We knew Windows could provide that and more."

In the fall of 1992, the initial development work was tackled by a team of five programmers: two from Sega and three from Lante. Using the Microsoft Visual Basic™ programming system as their primary development tool, team members delivered the first release of what would be called the Sega Sales Force Tool Box in 90 days. That was just in time for the critical Christmas season, a three-month period during which the company traditionally generates a large percentage of its yearly sales.

Downs considers Visual Basic to have been a big help in meeting the Christmas-season deadline and in generally easing development. "The way Visual Basic presented data really made it stand out, helping us be more creative with our approach," he explains. "Another plus was its powerful data-transfer capabilities—particularly into Microsoft Excel spreadsheets."

The Sega Sales Force Tool Box connects users to the corporate AS/400 through a telephone link

based on Rochester Software's WindowLink™ to access an array of information on sales and forecasting. In turn, by downloading the information into SQLBase®, and through links with Microsoft Excel, Microsoft Word, and the Microsoft PowerPoint® presentation graphics program, the Tool Box presents the information to users in their choice of Windows-based formats.

Through the Tool Box sales representatives can learn instantly everything there is to know about a certain customer's sales history with Sega. They also can upload their own data, receive confirmation of an order, and review order status at any point.

Time Savings and Sales Growth

The Tool Box has earned rave reviews from users for its role as a powerful sales tool. "Having direct access to product information, I'm better able to ascertain availability, allocate products, track orders, and ensure they reach customers on time," says Northeast Regional Sales Director Jim Ireton. South Central Regional Sales Director Carey Bay concurs. "Before, customers might have had to wait five days for product information, and now it's available instantly," he says. "It definitely has helped me make more sales."

The Tool Box is also an invaluable time saver, according to both Ireton and Bay, who estimate that it saves them around six hours every week. "That gives us a lot more opportunity to work on keeping customers satisfied," Ireton points out.

To Downs, the key advantage is how the Tool Box helps Sega shine in the eyes of its customers. "Essentially, it bolsters the credibility that Sega has with customers, which has contributed to increased outlets for our product and increased sales," he says. The numbers speak for themselves, he notes: Over the past year Sega products have been available

through twice the number of stores as before, and revenue has shot up by 128 percent.

A Technical and Creative Fit for the Future

One Tool Box enhancement that Sega is planning for the near future involves multimedia presentation of upcoming products. Another enhancement and vital part of Sega's move toward client-server computing involves linking the Tool Box to a planned enterprise-wide network, thus making complete corporate sales data available to executives.

In the meantime, as Downs sees it, the Tool Box fits in perfectly with Sega's commitment to technical ingenuity and creative, innovative marketing, while helping sales representatives get more product to more customers. "From what the reps tell me," he says, "they couldn't do their jobs without it."

For More Information

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Pull Quotes

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Bill Downs, Director of Information Services and Telecommunications, Sega of America

Solution Summary

Industry

Video-game manufacturing

Business Solution

Sales toolbox system automating product allocation, order entry, sales tracking, and other information helping field sales representatives forecast and allocate product and keep customers informed of product availability.

Architecture

Sales and product data on IBM AS/400 downloaded via Rochester Software connectivity products to Gupta SQLBase server; notebook computers with dial-in access to server; custom Windows application written in Visual Basic to manage product tracking; Microsoft Office on notebooks for front-end analysis and display.

Products Used

Gupta SQLBase
Microsoft Excel
Microsoft Office
Microsoft PowerPoint
Microsoft Visual Basic
Microsoft Word for Windows
Rochester WindowLink

Development Resources

Two internal and three external developers working 90 days to initial release and since then on enhancements.

Development Time and Cost

To initial release: 90 days, \$200,000. Subsequent investment expected to total \$300,000.

Benefit

Faster and easier access to sales information, bolstering customer confidence and contributing in its first year to a doubling of sales outlets and a 128 percent increase in revenue. Time savings for sales representatives of six hours weekly.

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