



Business challenge

Lemvigh-Müller offers more than 300,000 steel, metals and technical goods. How could it help sales reps navigate its extensive product range to respond to client queries faster and more effectively?

Transformation

When you stock thousands of products, no sales representative can be familiar with them all—but making a client wait while a rep pulls up information could cost you a sale. With IBM® Watson® Explorer technology, Lemvigh-Müller gives employees easy access to relevant product catalog, purchase history and add-on sales data, streamlining client service.

Results

Increases

sales representatives' productivity significantly

50%

expected reduction in the time required to train new members of the sales team

Augments

client experiences, offering a competitive advantage

Lemvigh-Müller

Empowering sales teams to deliver superior client experiences and supercharge their productivity

Founded in Copenhagen in 1846, **Lemvigh-Müller** is Denmark's leading wholesaler of steel, metals and technical goods. Each day, the company collects thousands of products from manufacturers, packs and delivers them to installation contractors, industrial companies, supply firms and construction sites across the country with a turnaround time of less than 24 hours. Employing 1,300 people, Lemvigh-Müller generates annual revenues of DKK 6.1 billion (equivalent to around USD 0.93 billion).

"[The IBM Watson Explorer solution built by IBM Services] gives our sales reps the information they need to act fast on sales opportunities, rapidly finding what a customer wants even when their inquiry is very vague."

— Tony Christensen, Vice President of Finance, Lemvigh-Müller

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Scaling expertise

When you pride yourself on giving your customers choice, well-informed sales representatives are a must to guide clients through product selections. But for Lemvigh-Müller, a steel, metals and technical goods wholesaler, a product catalog of more than 300,000 items made equipping reps with the right information to satisfy client queries a significant challenge.

Tony Christensen, Vice President of Finance at Lemvigh-Müller, picks up the story: “The sheer volume of products we offer makes it impossible for even the most experienced sales rep to have full oversight. Customers often call not knowing exactly what they want, asking to reorder something they bought before or requesting an equivalent to a competitor’s product.

“Before, reps could find the answer by searching several platforms, such as the Lemvigh-Müller website, vendor sites, our SAP ERP system or using an internet search engine. The speed of their response depended on whether they’d chosen the right place to look. Sometimes, they had to offer to call customers back once they had located the correct product, increasing the risk that a client would purchase elsewhere.”

It took a long time to on-board new members of the Lemvigh-Müller sales team, with the company estimating that someone in the

role for five years typically sold three times as much as someone with less experience. To help new sales reps to close more deals and enable better experiences for clients, Lemvigh-Müller set out to simplify access to sales-relevant information.

“We started a Big Data department a couple of years ago focused on solving these kinds of problems with data-driven innovations,” comments Christensen. “The search was on for the technology to help our sales team serve clients more efficiently.”

Finding the cure for big data pains with AI

At an IBM event focused on digital disruption, Lemvigh-Müller saw Watson technology in action and realized that it could hold the answer to its challenges. So, the company engaged IBM Services to run a Proof of Technology (PoT) exercise, in which IBM experts worked with Lemvigh-Müller data scientists to identify typical use cases and build a prototype solution based on Watson Explorer technology.

“We saw the opportunity to use IBM Watson technology to help our sales reps ‘prescribe’ the right product based on what a customer tells them about their needs,” explains Christensen. “The PoT was successful, and IBM Services helped us to put together a business case to present to our board of directors.”

Lemvigh-Müller’s corporate leadership gave the project the green light. Aiming to have a solution in production within six months, the company embarked on an agile, scrum-based development process with IBM Services.

Christensen remarks: “IBM helped us take an iterative approach to the project that worked really well. It was difficult to define what we wanted the final solution to look like at the outset, so the ability to review lots of component deliverables was ideal for us.”

Building a one-stop-shop for sales reps

To create a Lemvigh-Müller product dictionary, the IBM team worked with stakeholders throughout the company to understand all the possible synonyms for each item and suitable add-on sales. This was imported into the Watson Explorer platform and connected to SAP ERP, where the solution’s AI capabilities enabled powerful searches of the company’s entire product set, vendor information, client details and invoices, as well as providing suggestions for up-and cross-sell options. Soon, the solution will crawl suppliers’ websites for new information to enrich the underlying data set.

Through a single, easy-to-use interface, Lemvigh-Müller’s sales rep can find everything they need to respond to client queries using imprecise search terms. IBM embedded relevancy tuning in the tool, optimizing the order that search results appear so that they’re well-suited to the client making the call and profitable for Lemvigh-Müller. The solution displays stock levels and inventory location, and the option to filter by active promotions. If a user searches for a discontinued product, the Watson Explorer solution suggests substitute items. Once a sales rep finds the right products for a customer, they can add them to a shopping cart and send it to the company’s SAP ERP system for easy check-out.

To capitalize on institutional knowledge and optimize the solution continually, the IBM team included a feedback mechanism. Users can suggest improvements around missing or irrelevant search results, product synonyms or nicknames, overlooked sales opportunities as well as ideas for new features. Christensen adds: “By incorporating gamification into the solution, where employees are recognized for improving the system, we can encourage user uptake.”

Unlocking new levels of efficiency

By putting sales-relevant information at sales representatives' fingertips, the IBM solution is helping Lemvigh-Müller respond efficiently to customer queries. As a result, they can answer more customer calls per hour and almost always satisfy their queries during the first conversation.

"Using the IBM Watson Explorer solution built by IBM Services saves our customer contact teams a significant amount of time," says Christensen. "It gives our sales reps the information they need to act fast on sales opportunities, rapidly finding what a customer wants even when their inquiry is very vague."

Now, it will take less time for Lemvigh-Müller employees to reach their full sales potential, with the IBM solution enabling faster onboarding by scaling knowledge throughout the organization.

"We expect that Watson Explorer will help a new sales rep reach the output of someone with five years' experience in half the time," explains Christensen. "Because we're capturing staff expertise on an

ongoing basis, we won't lose a precious resource when someone leaves, and we're constantly adapting our approach to maximize sales."

Most importantly, Lemvigh-Müller can use the IBM solution to pinpoint the products that will fit a client's needs faster, helping to make every interaction with the sales team more positive.

Christensen concludes: "In the B2B space that we occupy, clients don't tend to make impulsive purchases. To succeed, our reps need to make thoughtful, relevant product recommendations—and Watson Explorer is helping us raise our game in this area.

"Next, we plan to offer the new smart search engine to customers via our website. Looking further ahead, we're exploring the use of Watson's image recognition capability to speed up the returns process and provide blueprints to customers. With Watson, we're finding new ways to deliver exceptional client experiences, setting us apart from our competitors."

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Solution components

- IBM® Services™
- IBM Watson® Explorer

Take the next step

To learn more about IBM Watson Explorer, please contact your IBM representative or IBM Business Partner, or visit the following website: ibm.com/products/watson-explorer

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