CHARLE Co., Ltd.

Driving the future of retail with cloud solutions

CHARLE

'Even after the new IT infrastructure is constructed, this project will carry on for many years via operation and maintenance services. We selected NTT because we trust they are a reliable company with a dedication to security and will commit themselves to this long-term project.'

Isao Ueda, Associate Office, General Manager of Information Technology, Promotion Division, CHARLE Co., Ltd.

Challenges

• Improve sales system performance to support expansion

• Improve the system response and security

Solution

• Migrate to cloud to improve response and stability

• Use an established infrastructure to reduce operational load and TCO

Benefits

• A long-term IT solution that improves performance, availability, and operability

• Reduced TCO and halved response time to customers

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CHARLE

'Since migrating to cloud, we can swiftly prepare the deployment environment. I want to make full use of cloud as an environment for experimentation.'

Miki Okamura, Corporate Service Department, Information System Division, CHARLE Co., Ltd.

Challenges

The obsolete IT infrastructure became an issue when sales channels expanded

CHARLE Co., Ltd. sells apparel (mainly women's underwear), cosmetics, and wellness products under its slogan 'We aim to be Japan's best at making ladies feel fine.' Since the company wants consumers to buy products after their feel and comfort have been fully understood, it uses a unique door-to-door sales method. The salespeople, or 'business mates', are customers who host sales demonstrations for other customers. This systematic sales structure in which business mates become authorized agents, or dealers, has contributed to the expansion of CHARLE. 'For a company like CHARLE that highly values communication with customers, this sales method is a key to our business,' explains Executive Officer Hirosuke Takata.

In recent years, the needs of customers are diversifying owing to the social progress of women and nuclear family trends. The need for direct sales is increasing mostly for working women who are unable to attend in daytime demonstrations. So CHARLE launched its mail-order shopping service, 'CHARLES Direct Service', in 2009 to take orders via telephone, fax, and the web. The number of users of this service has steadily increased.

'We run indirect sales through our business members and direct sales via telephone, fax, and online. For each business, we constructed and used separate IT infrastructures, but their usage became complicated over the years. Their performance, reliability and, above all, operational burdens became major issues,' recalls Takata.

Specifically, the moving screen display in the telephone/ fax order system used by operators at the call centers to process received telephone and fax orders became too slow, and performance worsened in the C-Line System, a customer management portal that some business mates used. Maintenance work also increased due to physical deterioration of the infrastructure.

'The situation was very stressful for our business members and customers. Moreover, the longer maintenance dragged on, the more sales opportunities we lost. It became absolutely indispensable for us to renovate our infrastructure and realize a system that works with higher performance and stability,' states Takata.

Solution

Migrate multiple systems to cloud for stability through NTT

After much internal discussion, the company decided to migrate its systems to our Enterprise Cloud service.

Takata explains, 'With the cloud, you don't need to own your own infrastructure and you can rely on a service company to operate the infrastructure and maintain security. We had worked with various service companies and evaluated NTT highly for their assistance with our hosting services because their downtime was one third that of others. Based on provisional calculations, we confirmed there were no problems with performance and decided to apply this service.'

The number of registered customers who purchased CHARLE products via telephone, fax, and online increased by 15 times in 5 years after starting the service in 2009. Of course, this vastly increased the volume of data the system had to process. Once the service became available through the cloud, where CPU and data storage volume could be extended, the company could confidently handle any future increases in registered customers.

'Another major reason we chose NTT was that it fulfilled our one condition that we could keep on using our current application without making any changes. When migrating to cloud, if we had to change the application everybody is familiar with, it would adversely affect on-site operations and require development cost and effort. NTT, with its high-level technology, would let us migrate without any of these demerits,' Mika Okamura at CHARLE Information System Department explained.

Benefits

A sophisticated, stable system with 5% lower TCO

CHARLE consolidated its IT environment by migrating 18 separate systems — including telephone, fax and online order system, C-Line system, administrative system for monitoring/ backup and databases — to Enterprise Cloud.

In the three months since the migration, the new IT environment has provided sufficient flexibility and performance to reliably meet all of CHARLE's requirements. 'In the telephone, fax and online order system, for example, it takes dramatically less time for the operator to enter data while looking into the screen display and talking to the customer on the phone. In fact, it takes half as much time to process each customer,' says Okamura. There hasn't been a single malfunction yet, and stability has been a non-issue.

Through our expertise and know-how, consolidation was maximized in the migration process. Overlapping and non-essential features were eliminated from the old system, reducing TCO by 5%. CHARLE will continue to reinforce its business using the new IT environment. In the future, the company envisions consolidating more systems in Enterprise Cloud to create an environment that utilizes data even more systematically.

'In the future,' says Takata, 'CHARLE will need a consolidated IT environment that includes the core system if we hope to connect direct sales and brick-and-mortar shops for an omnichannel strategy. Enterprise Cloud would be a strong candidate for that new system and I look forward to receiving attractive suggestions from NTT because they know our system in and out.'