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– Konrad Reuter, Area Manager, European Solution Center, Amway



INDUSTRY

Direct selling in the areas of nutrition, wellness, beauty and home care

WEBEX APPLICATION

WebEx Meeting Center

SUMMARY

Amway in Puchheim near Munich coordinates their virtual teams with a web conferencing solution by WebEx. The supplier of nutritional, wellness, beauty and home care products has thus reduced its travel expenses by ten per cent and drastically increased the efficiency of meetings.

ABOUT AMWAY

Line of Business

Nutritional, wellness, beauty and home care products

Headquarters

Puchheim near Munich, Germany

Number of Employees

226 (administrative headquarters in Puchheim)

WebEx Customer since 2006

Lower travel expenses, higher efficiency

Founded in 1959 and represented in over 50 countries, Amway is one of the largest direct selling companies worldwide in the areas of nutrition, wellness, beauty and home care. Amway products are exclusively sold through independent consultants. In addition to its core range comprising more than 450 products such as cosmetics, personal care, wellness and home care products, the company also sells items of other renowned manufacturers, including household appliances by Kenwood and Kärcher.

Amway GmbH, located in Puchheim near Munich, is the German subsidiary of Amway Corporation and was founded in 1975. Today there are 226 employees working at the Puchheim administrative headquarters. Amway's presence in Germany over the past 30 years has been marked by a continuous and robust growth in revenues, innovative high-quality products and optimum service for Amway partners and customers.

The Challenge

At European Services, Amway's IT department, it became necessary to use web conferences due to an urgent need to improve communications. “We are active in almost all European countries,” says Konrad Reuter, Area Manager, European Solution Center, Amway. “A sophisticated communications strategy is therefore of the utmost importance to coordinate all the Amway teams in the best possible way.”

However, this has not always been easy. “We had an extremely high volume of business travel as our employees were travelling from meeting to meeting across Europe,” Reuter recalls. The cost pressure was equally high. But that was not the only problem: “It's not worth flying somewhere for a 4 hour meeting as a whole working day is lost on the

journey there and back.” Thus the top-priority objectives were to cut travel expenses and to optimise working time. “This is why we are increasingly opting for web conferences.”

The Solution

Amway is using the web conferencing solution WebEx Meeting Center, which is supplementing their two existing communication solutions – video and telephone conferences. “Depending on what is required and especially on what equipment is available, we schedule a web, video or telephone conference,” Reuter explains. And web conferences are the most flexible option. This is particularly true for communications with external partners and for meetings which require desktop, application or file sharing. “For instance, when we want to present what a new software prototype looks like and how it will work, we always start an on-line session with WebEx,” Reuter says. “Because in a web meeting it's easy to clarify matters such as which modifications a prototype might still need.”

Reuter emphasises that getting started with an online meeting is very easy. “I don't have to install anything on the PC, I just log onto the portal amway.webex.com, click on the relevant link, and that takes me directly into the meeting, allowing me to collaborate with my team and share documents, applications or presentations.” Conversations are held over the phone. Reuter adds that comparable solutions are more complicated to use because they always require the installation of software, which often does not work reliably. Unlike WebEx: “The solution is virtually self-installing, and it's always working.”

Amway's European Services are holding up to 30 online meetings each month.

"Sometimes it can happen that sessions last a whole day – with breaks, of course," Reuter smiles. Usually there are two or three colleagues attending one session. But occasionally there may also be more participants – then a beamer is used to project the events from the PC onto the conference room's wall.

With WebEx Meeting Center, online meetings can be held at any time around the clock from any PC, notebook or hand-held device, and the number of companies or participants involved makes no difference. Within meetings, it is possible to share and work on any application, multimedia presentation or text file – in real time. Remote desktop control allows a participant in the meeting to remotely access the system of another participant (subject to prior permission, of course). Live chat enables participants to communicate in public or in privacy. All meetings can be recorded and replayed at a later time. Meeting Center web conferences are easy to schedule and can be launched from Microsoft Outlook or Lotus Notes.

WebEx delivers its Meeting Center service on a subscription basis over the MediaTone Network, a redundant, secure and extremely powerful global network that was specifically developed by WebEx for transmitting real-time communications over the internet. The MediaTone Network currently comprises over 2,000 servers at ten locations in the US, Europe and Asia, monitored by the Network Operations Center in Silicon Valley. Automatic fail-safe functions integrated into the network architecture ensure the high reliability of WebEx services.

The Benefits

Using web conferences is paying off for Amway. "With WebEx, we have reduced

our travel expenses by 10 per cent," Reuter is pleased to note. But that is not all. "The coordination of our virtual teams has become far easier and our meetings have become much more efficient." During a project, for instance, it is now possible to directly share, view and discuss software prototypes with colleagues at other locations without having to get onto a plane. Or to edit contracts together with external partners: "Without web conferences, it is

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really like a game of ping-pong," says Reuter. "After a telephone conference, you need to go back to your desk to revise the contract, which is then sent to and fro by e-mail countless times before agreement is reached. "With WebEx, the document can be finished off right in the session," Reuter explains. "It simply means that you get to your goal much faster."

Basically, a WebEx web conference is like an ordinary meeting, Reuter says: "It takes a certain culture but it works." Correspondingly, there is a high acceptance among the 100 employees of Amway's European Services. "They quickly recognised the benefits and are therefore happy to use WebEx," Reuter explains. "However, we are also trying to promote the tool to other Amway departments as they, too, are struggling with high travel expenses and could improve on their work efficiency." The prospects are not too bad. "WebEx is a straightforward tool",

says Reuter. "There is no great need for explanations; everybody gets the hang of it fairly quickly. Even employees with little technical know-how are taken by how easy it is," Reuter adds approvingly.

However, Reuter stresses that web conferences cannot completely replace business trips and face-to-face meetings. "It does not work to use web conferences for meetings that last several days." But they do make good

sense for meetings lasting only a few hours, he continues. "As there is no journey to the meeting and back, a whole working day is won." Reuter feels that WebEx is a very good add-on because it is really tremendously helpful. "We have long since made up for the monthly service charge – with the increase in our meeting efficiency and a ten per cent reduction in travel expenses alone."

The Future

Due to the positive experience, Amway is currently considering to expand their use of web conferences. Possible options might be to use WebEx as a support tool in the Amway call centre and for integrating the independent Amway selling partners.

HIGHLIGHTS

- Using WebEx, Amway has cut their travel expenses by 10 per cent
- The coordination of virtual teams has become far easier and meetings have become much more efficient
- Even employees with little technical know-how find WebEx easy to use
- Acceptance of the web conferencing solution is very high