

HITACHI
Inspire the Next

Pandora Jewelry, LLC

PANDORA®



 **Hitachi Solutions**

Written by Washburn Communications



PANDORA®

CUSTOMER PROFILE

PANDORA designs, manufactures and markets hand-finished and contemporary jewelry made from high-quality materials at affordable prices. PANDORA jewelry is sold in more than 90 countries on six continents through approximately 9,500 points of sale, including more than 1,600 concept stores.

INDUSTRY

Retail & Consumer Goods

LOCATION

United States
Mexico
Canada
Australia

Hitachi Solutions & Microsoft Customer Story

Jeweler spreads the sparkle, streamlines global operations using Microsoft technology

Pandora is disrupting and transforming the jewelry industry by making beautiful jewelry an affordable luxury. Experiencing explosive growth, the company turned to Microsoft to help it establish global processes, streamline operations, and gain business insights. With Microsoft cloud services—including Microsoft Azure, Office 365, and Microsoft Dynamics solutions—Pandora better connects and serves its retailers, wholesalers, franchisees, and consumers worldwide to further its competitive edge.

PUTTING A SHINE ON GLOBAL OPERATIONS

Tapping into a woman's taste, creative energy, and flair is Pandora's secret to success. Whether it's a meaningful charm, a ring that features signature gemstones, or a symbolic pendant, Pandora jewelry makes a statement. The company designs pieces that represent important elements for the women who wear them, offering them accessories that express who they are and what they believe in.

Giving women worldwide the dazzling jewelry they want is no small matter. Pandora sells its pieces in more than 90 countries through approximately 9,500 points of sale, including retailers, franchises, and 1,500 concept stores. Today, all those points of sale interact, sharing best practices and gaining both efficiencies and insights for improved sales. The company is progressing on a path toward providing tailored service to the women who wear Pandora jewelry and those who purchase the jewelry as gifts. The goal: keep customers happy by consistently producing fresh, modern designs that reflect the images that they want to show the world.

By offering its jewelry at truly affordable prices, Pandora has transformed the jewelry industry and itself. Its role as disruptor spurred explosive growth and caused Pandora to rethink how it ran as a company. Before, it functioned as independent internal organizations, each dealing directly with the Pandora factory in Thailand and using its own systems and business processes. "We had no such thing as cross-company collaboration," recalls





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ADDING SELF-SERVICE AND STANDARDIZATION

Even as it kept its eye on jewelry and design, Pandora determined that it could achieve global system and process unification by standardizing on key Microsoft technologies. Its first step was working with Applied Information Sciences, a member of the Microsoft Partner Network, to build a business-to-business (B2B) portal site on Microsoft Azure to support online ordering for retailers and improve companywide information access. “Our business owners saw how we could use Azure to be more flexible and agile in our service to customers,” says Kennedy. “That resulted in taking even more creative approaches with the business.”

The company continues to transform the way it serves customers by enhancing its portal with new features every few months, all running on the Microsoft cloud. “We’ve seen a significant drop in support costs, because all our franchisees, retailers, and wholesalers now have self-service access to order reports, customer return data, marketing materials, jewelry specs, and other information that they used to have to ask customer service representatives to provide,” says Kennedy. “We now earn the large majority of our wholesale orders through our 26 Azure-based portal instances supporting 40 countries.”

Another critical part of the puzzle is how Pandora manages its enterprise resource planning (ERP) system on Microsoft Dynamics AX. “Most options involved more resources and higher costs than we wanted,” says Kennedy.

Standardizing on Microsoft Dynamics AX helped us save costs while giving employees a familiar user experience. Plus, Microsoft had a good technology road map and an understanding that customers like us want products that work well together.”





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Marketing and selling jewelry requires beautiful photography—plenty of it. A single piece may have dozens of different pictures, and Pandora offers more than 2,500 pieces. To manage all that and other activities, the company has been using an on-premises customer relationship management (CRM) solution based on Microsoft Dynamics CRM. Pandora is now moving these tools and processes to the cloud. “With Microsoft Dynamics CRM Online, we’ll further boost our teams’ responsiveness and agility,” says Kennedy.

OPERATIONAL TRANSPARENCY AND ANALYSIS

The company’s ultimate vision is “to become the world’s most-loved jewelry brand.” To achieve this goal, Pandora is using its Microsoft Dynamics–based ERP and CRM solutions to support not only its internal employees but also its thousands of wholesalers, retailers, and franchisees as together they create amazing customer experiences. In the past, Pandora had no structured reporting or ability to compare stores and analyze results. “We needed better business intelligence and transparency so we could make data-driven decisions. We didn’t know, for instance, if ring sales in Australia were outpacing those in the United States and, if so, why,” says Kennedy. “Now we use our ERP and CRM systems to see how different markets are doing, how the franchise business is growing, whether some stores have stronger visual merchandising or different promotional marketing programs, and other valuable input.”

Pandora field teams use a central location to submit data about the retailers they visit; to view their performance, goals, and other account-related details; and to obtain timely information to share. Continues Kennedy, “Using CRM to make data available and sharable across roles, we’re building our sales community’s knowledge and enthusiasm, which helps them provide an even better jewelry-buying experience.”

As the popularity of Pandora jewelry increases, creating new points of sale has rapidly become a company priority, whether the new accounts are Pandora stores or sections of existing department stores. It’s critical for the company to maintain consistency across all aspects of these retail locations, from their look and feel to their financial data routing. “We’re filling the gaps and covering the full lifecycle of an account—all from within one integrated





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system,” says Kennedy. “By tracking and managing all related teams and activities from within Microsoft Dynamics CRM, we can open new accounts more quickly and smoothly than before.”

CUSTOMER FOCUS

Next, Pandora will shift its focus to improving the shopping experience for its end consumers, including the addition of omni-channel sales. “We’re going to make the shopping experience more personal, so that when a customer walks into any location that sells our jewelry, the retailer will know who she is, what she’s purchased, and what she’s interested in, and will have what she needs,” says Kennedy. “We wanted tools that would enable us to build a closer relationship with customers, both online and in stores, and that’s what we got with Microsoft Dynamics CRM.”

ENHANCED GLOBAL COMMUNICATIONS AND PROCESS IMPROVEMENTS

Running a profitable global business requires close collaboration among geographically dispersed employees. To foster teamwork, improve global processes, and support mobility, Pandora adopted Microsoft Office 365, a suite of cloud-based services for email, document and project collaboration, conferencing, information discovery, document storage, and enterprise social networking. “We looked at the cloud productivity offering from Google, but it just wasn’t ready for what we needed and wouldn’t be familiar to our workforce the way Microsoft Office is, so it was an easy decision,” says Kennedy.

In early 2015, Pandora moved all its productivity software to Office 365, and it is redeploying its global intranet on a combination of Microsoft Office 2016, SharePoint Online, and Yammer to streamline business processes. Says Kennedy, “For example, we’ll use the new intranet for an accelerated global onboarding program, to share best practices among markets, and to communicate better with external suppliers and partners.”

Pandora teams relish their new mobile capabilities, using Skype for Business Online for instant messaging, presence, video calls, and





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Enterprise Voice—the Microsoft software-powered VoIP solution—worldwide. Because they can connect with colleagues from nearly any device, teamwork doesn't suffer, even when employees are on the road. "We've found Skype for Business so reliable that we not only use it from home and when we travel, but also in our call center to respond to customer issues," says Kennedy.

The company also uses Microsoft Office 365 ProPlus so that employees always have up-to-date Office programs. Pandora used Click to Run to install Office 365 ProPlus, which updates the software whenever new features launch. "We love getting to use Office on up to 15 devices per user," says Kennedy. "I installed it on my MacBook Pro, iPhone, and Microsoft Surface Pro 3, so I have the same programs available wherever and however I work."

ADDED EFFICIENCIES

Pandora teams have quickly embraced Microsoft Office Delve, which sends them personalized information based on what they're working on and what's trending around them. "With Delve, we can hunt down documents, people, and other resources so easily—it's almost astonishing but in an awesome way. It's that good," says Kennedy.

As part of a pilot implementation of Microsoft OneDrive for Business, Pandora set out to overhaul its process for releasing new jewelry pieces in limited quantities. When Pandora produces those new releases, it has to determine how to allocate them. The process for gathering the data necessary for deciding which locations should receive the jewelry was extremely time-consuming and labor-intensive. It involved numerous spreadsheets and a cumbersome manual compilation process that occurred five to ten times each year. So Pandora set up a single Excel template and posted it in OneDrive for Business. All stakeholders filled out their data in the online spreadsheet, which automatically sent the compiled information to the company's Microsoft Dynamics CRM Online solution.

"By using our Office 365 resources, we've come up with a process that's convenient for our field teams, eliminates five to ten weeks of tedious labor a year, and gives us the timely information we need to make important





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decisions more quickly,” says Kennedy. “And from a security standpoint, we can better safeguard the documents that employees upload and download when they use OneDrive for Business instead of the other options on the market.”

PREPARING FOR A BRIGHT FUTURE

Becoming an industry game changer triggered tremendous success for Pandora, along with a few growing pains. “We view Microsoft as a key partner in helping us support rapid growth worldwide,” says Kennedy. “We’ve replaced static data with interactive information, modernized the way we work together, and made it easier for our wholesalers, retailers, and franchisees to provide customers with unrivaled experiences.”

Kennedy adds, “And we’re just getting started. We have the capabilities that we need to transform the consumer experience and optimize business processes worldwide to be an even more agile, successful enterprise.”

