



CHARLE Co., Ltd.

By consolidating 18 separate systems into one highly reliable cloud environment, the company reduced TCO and cut response time to customers in half

Service: Enterprise Cloud



Hirosuke Takata
Executive Officer
Department Manager
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CHARLE Co., Ltd.

"The core of our business is sales via business members, but we must respond to changing market needs. Thanks to Enterprise Cloud for our system migration, we now have a flexible environment that will allow us to expand in the future."



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

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

Customer profile

Name: CHARLE Co., Ltd.

Revenue: JPY 18,836 millions (as of March 31, 2016)

Business: The company sells apparel (mainly women's underwear), as well as cosmetics and wellness products mostly through door-to-door sales. With the motto "CHARLE, always alongside you", the company aims to create high-value products of added quality for women and society through "monozukuri" based on the company's superior manufacturing technology.

URL: www.charle.co.jp

- 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

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 Mr. 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 Mr. 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 to 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 Mr. Takata.

Solution

Migrate multiple systems to cloud for stability through NTT Communications

After much internal discussion, the company decided to migrate its systems to the Enterprise Cloud services of NTT Communications.

Mr. 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 Com 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 Com 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 Com, with its high-level technology, would let us migrate without any of these demerits," Ms. 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.

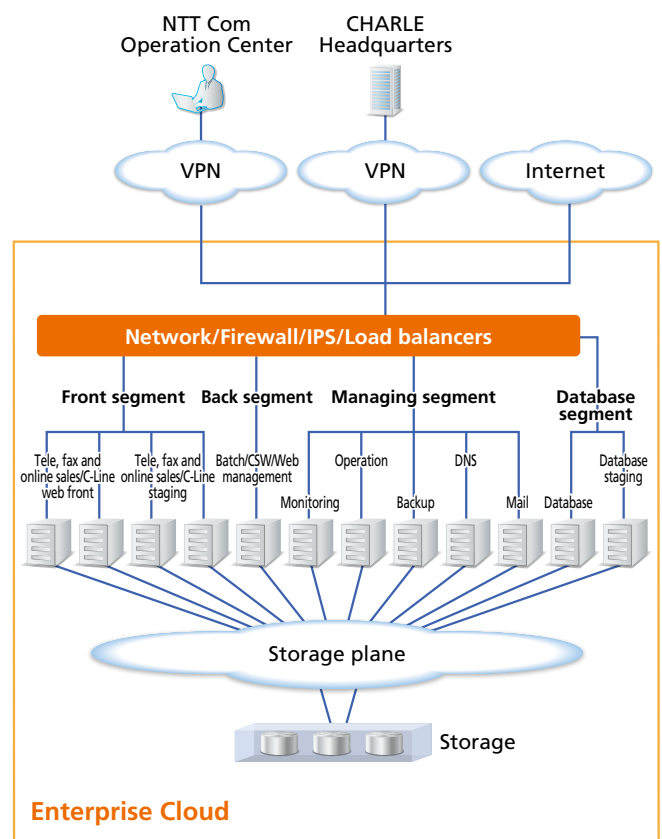
In the three months since the migration, the new IT environment has provided sufficient flexibility and performance to reliably meet all of CHARLE's requirements. "In the telephone, fax and online order system, for example, it takes dramatically less time for the operator to enter data while looking 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 Ms. Okamura. There hasn't been a single malfunction yet, and stability has been a non issue.

Through NTT Com 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 Mr. 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 omni-channel strategy. Enterprise Cloud would be a strong candidate for that new system and I look forward to receiving attractive suggestions from NTT Com because they know our system in and out."

Diagram: CHARLE's Enterprise Cloud use



By migrating to NTT Communication Cloud services that offer both superior performance and stability, the infrastructure of multiple systems including the sales system was renovated.