

SERVICES - WASTE MANAGEMENT: BIFFA



Biffa

STATS

DATABASE: SQL

DATA SIZE: 60GB

USERS: 40-100

APPLICATIONS

MANAGEMENT REPORTING, GL REPORTING,

CUSTOMER RELATIONSHIP MANAGEMENT, CUSTOMER

VALUE MANAGEMENT, CUSTOMER ANALYSIS,

SALES ANALYSIS, CROSS SELL/UP SELL OPPORTUNITY

REPORTING, MARKET RESEARCH ANALYSIS

“... WE SAW AN IMPROVEMENT IN THE INFORMATION WE WERE RECEIVING, WHICH RESULTED IN FASTER AND BETTER BUSINESS DECISION MAKING – WHICH HAS UNDOUBTEDLY IMPROVED CUSTOMER RETENTION AND INCREASED PROFITABILITY.”

— RICHARD CHIVERS, IT DIRECTOR, BIFFA

Waste Management – A Changing Market

At a time when environmental issues and changes in public opinion have been increasingly in the news, Biffa – a leading integrated waste management business in the UK – has implemented decisive business change to adapt to an ever changing market. Trends that have been evident in Continental Europe for some years – with emphasis on recycling and reducing the volume of waste going to landfill – are now a reality in the UK.

The cost in the management and pre-treatment of waste is, therefore, an increased cost to businesses – primarily as a result of legislation and increasing landfill tax. As a leading player in the industry, Biffa has implemented a number of customer service initiatives in order to manage this challenge and strengthen their position in the market.

“We have adopted a strategy to improve customer retention levels,” explains Richard Chivers, IT Director at Biffa, *“Among other initiatives to achieve this, we have implemented initiatives*

to increase awareness of our recycling capabilities and undertaken work to analyse the type and costs of service we offer to our customers.”

Facing the Information Challenge

To achieve the new strategy Biffa had to look at their customer base in detail through analysis of their customer data. With a legacy database, which offered basic reporting on a green screen, character based system, Biffa had been exporting data into Excel – living with the limitations of basic spreadsheets – namely, time intensive, error prone reports with little flexibility.

However, with the new strategy in place, the business demanded more information which the legacy system could not accommodate. Biffa realised they had to update their internal systems – to cope with the ever growing business demand for analysis – by creating a data warehouse to store data from multiple systems and a business intelligence (BI) platform to report, analyse and monitor the information.

Finding a Solution

"We began a formal tender process, where we invited the leading BI vendors – Cognos, Business Objects, Microsoft and MicroStrategy – to demonstrate their solutions," explains Chivers, "We wanted it to be a business led project so we assembled a team of business end users and IT personnel to form as a committee to assess each vendor."

"After the assessment it became clear that one company stood out – MicroStrategy had the right balance in ease of use, for business users, as well as in-depth analysis, for IT and business analysts – all presented on one web-based interface. And, with MicroStrategy's unique architecture there was no need for data cubes, so we were able to drill anywhere and access all information – even to the floor of the data warehouse – which was not possible with the other solutions."

"Microsoft was originally presented to us by Gartner. Although Microsoft is a new entrant to the BI space, with less functionality, we brought them along to the proof of concept (POC) stage as Gartner believed they would be a cost effective option."

After the POC from Microsoft and MicroStrategy, Biffa had to make a decision based on cost versus functionality. *"Obviously there was quite a difference in terms of cost, as you would expect from Microsoft," explains Chivers, "The winning factor was the superior functionality and long term scalability offered by MicroStrategy. Microsoft was cheap but we had serious doubts about their ability to take us where we ultimately wanted to go with BI. Looking back, from where we are today, we now know we made the right decision going with MicroStrategy."*

Implementation

With 12 million rows of data from 75,000 customers, nearly 200 different locations, 63 collection depots, 33 operational landfill sites and over 5000 staff, Biffa required a considered and structured process to implementation.

"We appointed a BI project board – with senior personnel from operations, finance, and IT – who are tasked with prioritising projects, resources and deciding on the road map," explains Chivers, "Ultimately, the BI project board is responsible for where we go next – to gain maximum return on our investment."

As Biffa's new strategy was to improve customer retention, the first project was sales and customer analysis of their waste collection business. This included the use of heat maps to visualise the cost involved in waste collection from different geographical locations, industries and even individual customers.

"The reports allowed us to see how much we should be charging each customer. It helped us find a fair price at a value that customers would expect, which has now improved customer retention."

"We can now analyse cross sell and up sell opportunities. We can identify customers who are not using us for all of their waste disposal and target these businesses with sales campaigns to win more contracts. Furthermore, through customer value analysis, we now understand our customer base a lot more. We can identify lucrative industry verticals or geographical areas to seek out new customers and win new contracts."

Bottom Line Results

"From the outset, and the very first reports, we saw an improvement in the information we were receiving, which resulted in faster and better business decision making – which has undoubtedly improved customer retention and increased profitability," explains Chivers.

"We have moved on to new areas of the business, driven by new initiatives which drive more value from the MicroStrategy BI platform. Going from market research analysis to GL reporting and beyond waste collection to our landfill and recycling business, we continue to roll out to new areas of the business to gain ever increasing returns."

"People used to spend hours bringing together different spreadsheets and trying to work out answers to complex questions. What used to be complex analysis is now standard reporting on MicroStrategy. It's no longer days or hours of time and resource from IT and business analysts, it's a matter of minutes for end users who are now running standard reports to find answers to crucial business questions."

"I have no doubt in saying the initial investment in MicroStrategy has paid for itself within 12 months and will continue to create returns for the foreseeable future."

About Biffa

Biffa is owned by Waste AcquisitionCo Ltd, an entity formed by Global Infrastructure Partners (GIP), Montagu Private Equity & UCIL (Uberior Co-Investments Limited). Biffa is a leading integrated waste management business in the UK which operates across the breadth of the waste management value chain.