

The logo for Keste, featuring the word "keste" in a lowercase, sans-serif font. The letter "e" is highlighted in red, while the other letters are black. The logo is positioned in the top right corner of the slide.

keste

The background of the slide is a solid red color. It features a pattern of semi-transparent hexagons of varying sizes and shades of red. A faint world map is visible in the background, centered behind the text. The text is white and centered on the slide.

**Transformative IT Solution**  
Disrupts the Status Quo  
**Enables Global Growth**

Direct selling firm modernizes infrastructure and enhances mission critical applications to recognize record volume increases.



Keste has always delivered excellent solutions.  
Whether partnering on a transformational project —  
where they provided strategic roadmap guidance and  
project delivery — or Oracle EBS stack and SOA implementation —  
where they provided development expertise— Keste has provided  
a solid foundation for our technology future....

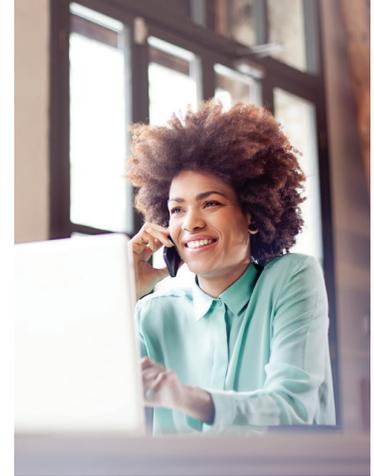
*....Company CIO*

# Business Challenges

A leading cosmetics and direct sales company found that their entire IT infrastructure was not delivering strategic value. Their 20+ year, internally developed legacy enterprise system had been patched and added on to the point where it was negatively impacting business operation timeframes and could not further support international growth.

In order to enable continuous growth and re-emerge as a strong player in the global direct sales market, the company needed a new modern, enterprise system that could:

- **support new advanced ecommerce initiatives** (video streaming, on-the-go credit card processing, mobile order submission, etc.).
- **improve the user experience** and **shorten business operation timeframes** for their independent sales consultants (who are key to the company's success).
- **support the quick rollout of new product introductions**, new promotions and/or new spiffs (i.e. sales bonuses).
- enhance the customer experience by **streamlining and automating the flow of orders** through the system. .
- increase the reliability/stability of the IT infrastructure to **meet dynamic ordering needs** and **shorten the fulfillment cycle**.
- **decrease total cost of ownership**.
- **reduce compliance risk**.



*As a direct selling company, their success hinged on the success of their independent sales consultants, who market and sell directly to the ultimate consumer.*

*Investing heavily in online and software-based models for strategic areas of the business... makes a company more nimble and capable of responding to opportunity in international markets.*

*Harvard Business Review,  
March 2015.*

## Keste Delivers - Solution and Innovation

The company decided to supplement their new solution with a 3rd party, cloud-based, ecommerce application designed specifically for direct selling organizations. By leveraging best-of-breed, pre-packaged solutions, the company reduced deployment time and total cost of ownership, as well as established a framework that could be built upon for future growth.

The company then focused on modernizing its hardware and software footprints through:

- 1) Oracle EBS stabilization and modernization
- 2) Enhanced integration capabilities via Oracle SOA
- 3) Hybrid cloud application integration between Oracle EBS and a 3rd party, cloud-based ecommerce application
- 4) A complete replatforming to the Oracle stack
- 5) Consolidation of the Agile PLM implementations

## 1) EBS STABILIZATION AND MODERNIZATION

By replacing the 20+ year old legacy system with an updated version of Oracle EBS, the company is able to optimize all EBS features which — in turn — has allowed them to **streamline the fulfillment cycle** and **boost inventory management capabilities**.



## 2) ENHANCED INTEGRATION CAPABILITIES

**IBM WebSphere was replaced with Oracle SOA and Oracle WebLogic.** This provided the company with 1) better integration capabilities 2) the agility needed to get applications up and running faster 3) the flexibility to deploy solutions where needed, and 4) the stability to ensure transactional integrity.

This single integration platform is allowing the company to extend (as needed) their solution —through best of breed, 3rd party software packages or custom-developed apps —into new areas of mobility, logistics, tax, warehouse management, etc.

This changeout solved many of the company's key business requirements, including the ability to support secure payments with full PCI DSS compliance. SOA also made it possible to remove the remaining homegrown, legacy system, completely eliminating the data siloes that were slowing business operations.

## 3) HYBRID CLOUD APPLICATION INTEGRATION

To address the company's independent sales consultants' real-time needs, Oracle SOA Suite provided for the integration between Oracle EBS and a best of breed, direct selling-specific ecommerce application (hosted on **Amazon Web Services**). This integration made it easier for the consultants to:

- sell product.
- accept orders.
- calculate taxes correctly.
- view those orders as they traveled through the fulfillment cycle.

## A word about taxes and getting product into the hands of customers...

Direct sellers have a number of unique tax circumstances; sales tax obligations are complex due to the relationship between the direct sales company, the independent sales consultant and the customer. This uniqueness was impacting the company's ability to get orders through into the system — and product into the customers' hands. It became one of the biggest inefficiencies for the independent sales consultants, impacting their earnings per hour and morale.

One large issue dealt with the way taxes were calculated by the front-end system that the consultants used to sell product to customers, and the way they were calculated within the order entry system (which was used to sell product to the independent sales consultants). The two systems usually ended up calculating the taxes differently. These miscalculations would result in orders getting stuck in the fulfillment system.

Once a consultant realized that there was a problem (which usually occurred when an upset customer began to complain), she would have to call customer service to get the order "unstuck" and resolve customer complaints about delayed shipments.

Keste's hybrid cloud application integration solution now supports the passing of all tax calculations between the cloud-based ecommerce system and Oracle EBS. Today, orders flow freely (and quickly) through the entire fulfillment cycle and into the customers' hands.

#### 4) COMPLETE REPLATFORMING TO THE **ORACLE** STACK

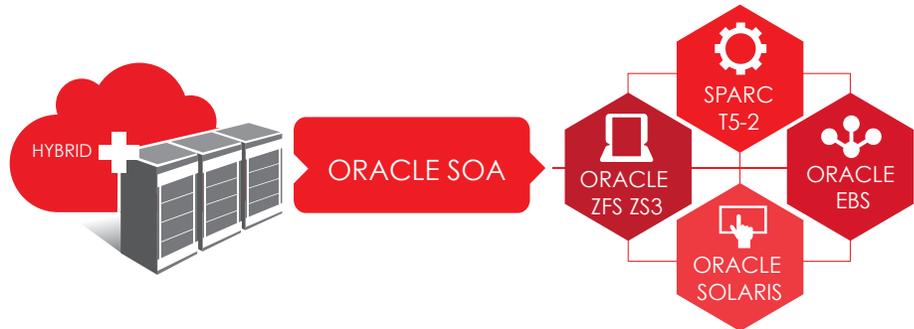
As part of their modernization efforts, the company undertook a data center rationalization and relocation effort, designed to 1) reduce costs 2) deliver the reliability and stability the independent sales consultants needed and 3) provide the scalability to support growth and movement into new international markets.

The company decided to utilize a **colocation strategy** which allows them to maintain control over their IT infrastructure, with the colocation provider supplying all the cooling, network bandwidth, power distribution/backup and security needed to run the equipment. To support this decision, Keste assisted the company in **migrating off of AIX on IBM hardware to Solaris on Sun/Oracle hardware (SPARC T5-2)**. The company also **migrated away from EMC, IBM and Hitachi storage to Oracle ZFS ZS3 Storage**.



*The most important (strategy) is to give the consultants everything they need to be successful...*

*Company CEO*



## 5) CONSOLIDATION OF AGILE PLM IMPLEMENTATIONS

To increase sales and retain the interest of their independent sales consultants and customers, direct sales companies need to bring new products to market in a timely and cost effective manner.

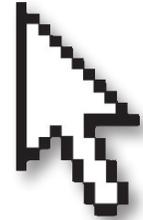
Previously, the company maintained new product setups in parallel in two different systems — the old legacy system (which managed product sales on the website) and Oracle EBS (which managed the fulfillment cycle). To support this cumbersome process, Agile 9.2 and Agile 9.3 were run in parallel.

Keste reviewed specific ways the company was using Agile PLM and found new ways to derive greater value. Keste simplified the implementation down to Agile 9.3 and identified additional features that would allow new products to flow more efficiently through a single process....removing the company's need to develop custom code except in those cases of competitive differentiation.

### Benefits include:

- ◆ Setting up new SKUs in the system and having them display on the website now requires minimal IT oversight
- ◆ The time to deliver a sales promotion to the website changed from a 3-4 month development process to a 3-4 hour configuration process.

*What was once  
custom coding is  
now configuration.*



**CLICKS -  
NOT  
CODE**

*For CEOs and other C-suite leaders, future success depends on their ability to shift the focus of technology from a back room cost to a business model enabler.*

*McKinsey & Company  
2012*

## **Business Benefits – Providing a license to grow**

Thanks to Keste, this direct sales company successfully revamped the entire enterprise platform, shortening the business operation timeframes for consultants, providing on-the-go mobile applications, and seamlessly supported future international expansion.

With is comprehensive solution, the company can focus on their core competencies (and their market differentiators) ...not software development. Because they have this new modern platform and industry-specific, off-the-shelf software packages at the core of their direct sales operation, they can focus their resources on strategic opportunities and not be burdened with basic operational functionality and logistical support

This transformative IT solution has provided the company with a license to grow. The IT stack is now an enabler...not an inhibitor...providing the tools that their independent sales consultants need to sell and deliver product, reducing the total cost of ownership, and allowing them to recognize record volume from the very first month.



## Let's Get Specific...

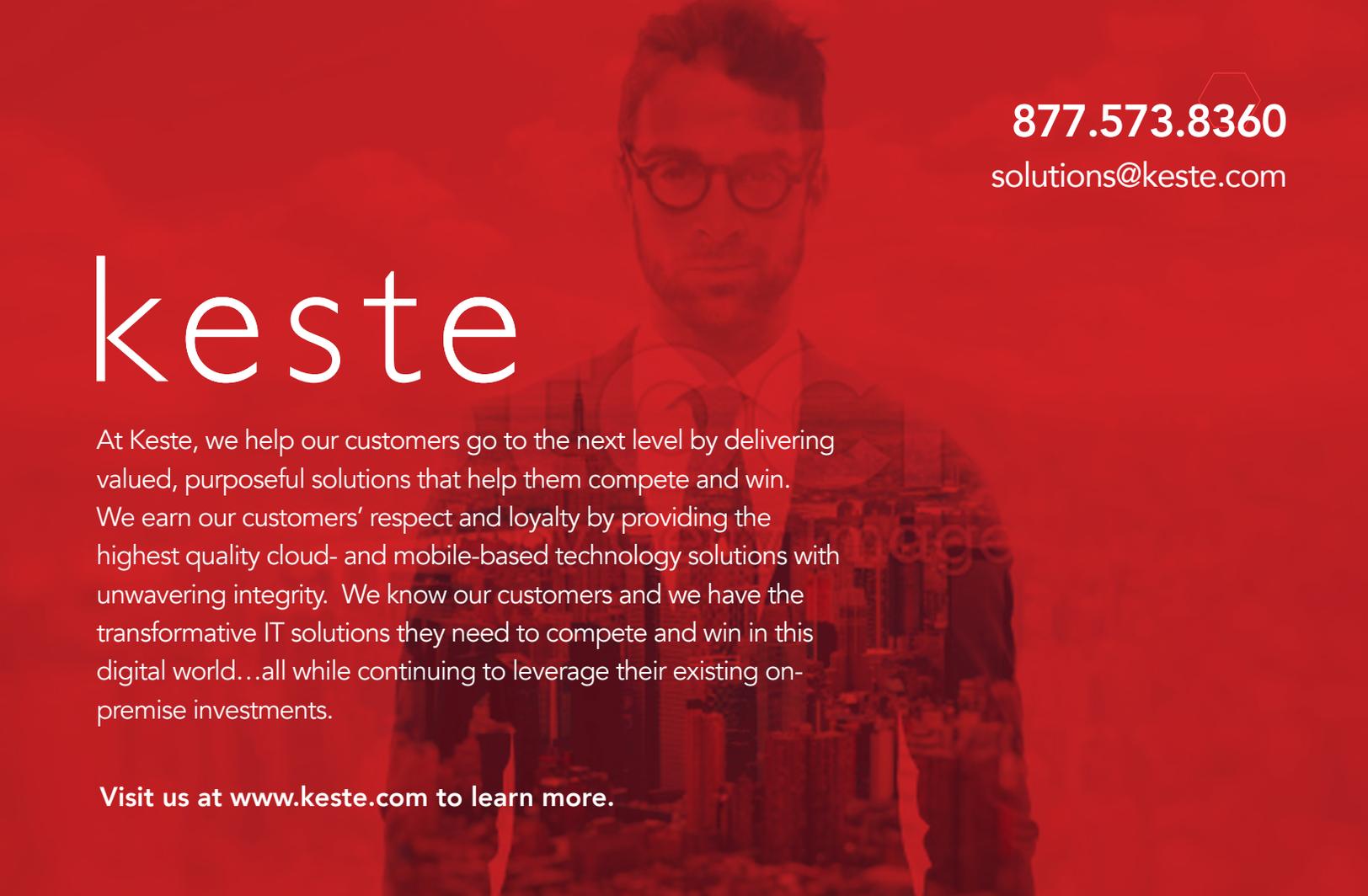
The company recognized record volume and improved earnings per hour dramatically, due to:

- a decrease in the time to develop, test and rollout a new promotion (from a 3-4 month development process to a 3-4 hour configuration process). There is no longer the need to design custom code for every change.
- an improvement in inventory management.
- an upgrade in the user experience for the independent consultant, due to new mobility features as well as improved visibility throughout the entire ordering and fulfillment cycle .
- a reduction in time from order to delivery (greatly improving the customer experience and consultants' earning per hour).
- an improvement in compliance and governance provisions ( i.e. thanks to secure payments and PCI compliance functionality).

To learn how you can begin to see results like this, contact Keste today!

**Call 877.573.8360** or email [solutions@keste.com](mailto:solutions@keste.com)





877.573.8360

solutions@keste.com

# keste

At Keste, we help our customers go to the next level by delivering valued, purposeful solutions that help them compete and win. We earn our customers' respect and loyalty by providing the highest quality cloud- and mobile-based technology solutions with unwavering integrity. We know our customers and we have the transformative IT solutions they need to compete and win in this digital world...all while continuing to leverage their existing on-premise investments.

**Visit us at [www.keste.com](http://www.keste.com) to learn more.**