

THE CHALLENGE AND STRATEGY

Global Business Solutions is the internal service delivery organization for Philip Morris International (PMI); supporting services across finance, commercial, and people & experience delivery, they forward the global vision of improving customer experience and digital innovation. PMI began by enhancing the customer experience in their purchase-to-pay (P2P) function, which is part of the Global Business Services (GBS) organization. This unit is large and geographically diverse, covering over 80 countries and managing more than 62,000 suppliers.

The purchase to pay helpdesk team connects with 200 Business units, 30,000 business users and 62,000 suppliers. This led to various issues such as inconsistent and disconnected customer touchpoints, fragmented customer experience, low visibility on payment and invoice status, and delays in 'payment on time' (POT). From this PMI established a Customer Centricity Program, focusing on providing a seamless experience to its customers. The program has had a significant impact on both internal and external customers, clearly evidenced by the substantial value created since implementation.

PROJECT LEAD



Elżbieta Melibruda

P2P GPO

CUSTOMER CENTRICITY IMPACT AWARD:



PHILIP MORRIS INTERNATIONAL



RESULTS

100%

Supplier adoption achieved

93%

Payment on time 'POT' improved globally

60%

Reduction in supplier queries



PROJECT IN BRIEF

The program involved the organization putting focus on providing a seamless experience for customers, via 3 approaches. Firstly, they implemented self-service portals for suppliers, secondly, creating 'MyPMI' a CRM tool for internal customers and the helpdesk team, and lastly, they established a new organizational structure the 'Centre of Excellence' model consisting of a specialized team dedicated to prioritizing critical suppliers' requests. The value created from adopting these 3 approaches was significant, evidenced by a reduction in supplier queries by more than 60%, and improved query-to-invoice ratio from 9% to 4.8% due to self-service options and constant visibility of invoice status and payment schedules for the customer. This program has had a profound impact on both internal and external customers, clearly demonstrating the substantial value created since its implementation.

BENEFITS ACHIEVED

★ Volume Reduction and Cost Savings

Philip Morris International (PMI) has reduced business disruption by 90% caused by late payments, through improving POT.

★ Quality and Efficiency

PMI were able to reduce supplier queries by more than 60%. They also reduced their query-to-invoice ratio from 9% to 4.8% due to the adoption of self-service options, and constant visibility of invoice status and payment schedules.

★ Customer and Employee Satisfaction

PMI increased their customer satisfaction score (CSAT), a score for internal customers, over 90%. With their representative response rate increasing by 15%.

★ Value- Added Activities

Valuable insights for PMI's Centre of Excellence (COE) were generated through the use of a process mining solution.

