dotData

Case Study:

AI Facilitates More Than 70,000 Business Deals in Six Months

Gaining the trust of sales through accurate analysis

70K BUSINESS PROPOSALS IN SIX MONTHS

300% INCREASE OVER PREVIOUS PERIOD

0 ADDITIONAL DATA SCIENCE STAFF

1.2B SALES-RELATED RECORDS ANALYZED

Otsuka Corporation has leveraged Artificial Intelligence (AI) using dotData to boost the efficiency of its sales activities. By utilizing big data based on 20 years of sales and support, the system automatically extracts characteristics of sales leads to drive business. The system is used as an "AI Sales Lead Guide" that accurately grasps the needs of the market and customers, and incorporates them into the schedule of the sales staff automatically. By using dotData, Otsuka found unexpected relationships between data and is now able to propose the most suitable business partners to its sales staff. Over 70,000 business proposals were made in six months - three times more than the previous period -, and productivity has increased, resulting in significant benefits.

Otsuka Corporation, which continues to use IT to help customers digitize and streamline their operations, applies the same level of sophistication to its own business. One of Otsuka's key strengths is its ability to leverage investments in technology to deliver products and services to customers that it can

"Otsuka has been accumulating a large amount of data since before the words AI and Big Data were coined. We are using AI to discover customer needs and purchasing patterns to further strengthen our sales force."

- Takahiro Jinushi
  Managing Officer
  General Manager of Marketing Automation Center
  Otsuka Corporation

https://dotdata.com

recommend with a high degree of confidence since recommended offerings are evaluated in-house beforehand. For instance, Otsuka Corporation has used AI technology to improve the efficiency of their sales activities.

THE CHALLENGE:
Using AI to Analyze Huge Amounts of Accumulated Big Data to Strengthen Sales Capabilities

Two unique long-term initiatives at Otsuka were behind the use of AI: The first was the establishment of a business model to increase sales without increasing the number of employees: until the late 1980s, employee growth was linked to sales growth. In recent years, however, the company has continued to expand its presence in the market without increasing the number of employees through a variety of systems that improved productivity and efficiency. To continue this business model, Otsuka needed to make sales activities more efficiently than ever.

A second initiative was the Sales Process Reengineering (SPR) system, a sales tool used by all Otsuka sales representatives since 2001 to capture data on all sales activities. Since 2000, more than 50 million business negotiations and more than 1.2 billion sales details have been accumulated in the system. This vast data set includes not only the details of business negotiations and transactions, but also information on post-sales support, accumulating sales activities, and customer status.

Even though Otsuka has been promoting efficiency against this backdrop, there have been challenges. Each sales representative has his or her strengths and weaknesses, and performance between salespeople varies. "Every company has a certain percentage of salespeople who can sell, but that is not enough to improve the company's bottom line. We had to find a way to give every salesperson the ability to sell beyond their capabilities." recalls Mr. Jinushi.

Having accumulated data for more than 20 years, Otsuka Corporation wondered if it would be possible to use AI to analyze this data to capture previously unseen changes in the market and customer needs.

WHY DOTDATA: FEATURE DESIGN FROM MONTHS TO DAYS

Because there is a vast amount of data, even leveraging traditional data science processes can

take months of effort to get to the point of designing features that quantify the objects and characteristics that AI should analyze. For Otsuka, the benefit of dotData is that it automates the pre-processing part, including feature extraction, shortening the time needed from months to just a few days, allowing the company to immediately build AI models and analyze the data.

"Our data is vast and highly diverse. It is necessary to find the changes in the market and customers' IT needs and deliver them quickly to the sales staff. Using dotData, we can analyze data with a sense of speed " Mr. Jinushi.

In 2019, Otsuka began to leverage dotData to develop its "AI Sales Lead Guide," an initiative aimed at improving sales activity efficiency. The AI system automatically schedules appointments in SPR's calendar based on features analyzed by dotData that complement Otsuka's sales goals.

For example, Otsuka leverages AI models to predict the optimal destination for an in-person meeting based on the time interval from the last in-person meeting and an analysis of increasing market demand. The AI system supports sales staff with intelligence by suggesting customers in areas where sales can travel to in between meetings.

SUPPORTING SALES INSTINCTS THROUGH AI:

How do dotData features impact AI destination guide suggestions to salespeople? Ikuo Ochi of Otsuka explains the features provided by dotData and how they are interpreted.

"For PC order forecasting, dotData extracted features based on natural language processing of customer inquiries. For example, inquiries about the topics 'year-end adjustment' and 'revision upgrades' are likely to generate demand for PCs."

For salespeople to make effective use of the insights provided by dotData's feature data, Otsuka has created a business process for "deciphering" feature data. By having both the analysis and operations departments interpret the meaning behind the feature values, the information can be used in sales activities in a way that is easy for salespeople to understand.

As a result of internal training efforts, the number of members who can decipher the feature data is increasing rapidly. Their success in using AI is also due to the fact that Otsuka has trained

RESULTS

- More than 70,000 business proposals were facilitated by AI in six months, and the number of business proposals driven by AI tripled in one year.

- With dotData, AI analysis was reduced from several months to just a few days.

- Enabled development of multiple AI models in a short time.

- dotData leveraged over 50M business deals and more than 1.2B in sales data, across 20 years, to discover unexpected data relationships (features) to provide key guidance for salespeople.
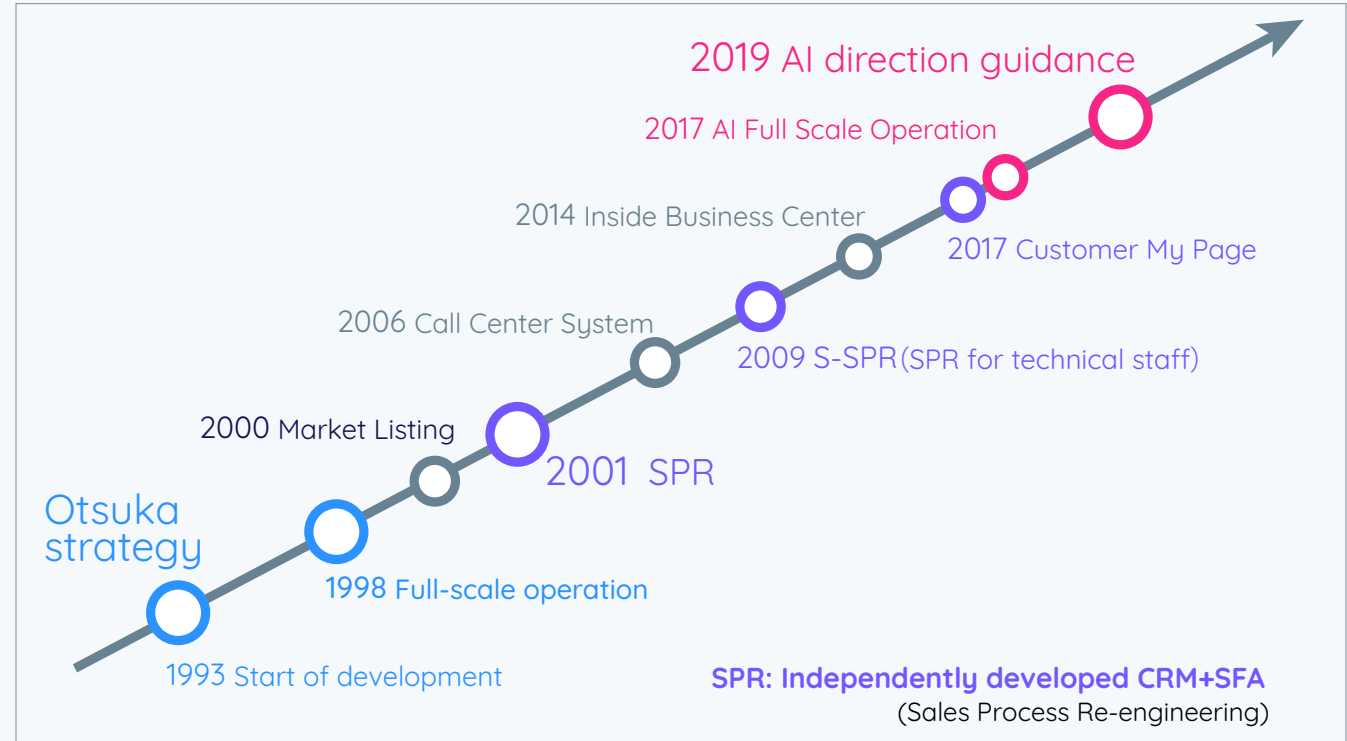
LEARN MORE

https://dotdata.com

https://dotdata.com/products

people who can gain insights in the field that require information analysis.

In some cases, Otsuka found unexpected relevance from the number of characteristics in dotData. One example is the relationship between multifunction device operation data and orders for LED lighting. "Otsuka Corporation handles all aspects of the office, providing not only PCs and MFPs, but also LED lighting and other products. In that context, dotData has discovered customers who

2019 AI direction guidance

2017 AI Full Scale Operation

2014 Inside Business Center

2017 Customer My Page

2006 Call Center System

2009 S-SPR (SPR for technical staff)

2000 Market Listing

2001 SPR

Otsuka strategy

1998 Full-scale operation

1993 Start of development

SPR: Independently developed CRM+SFA
(Sales Process Re-engineering)

Transitions in Otsuka Big Data

have increased their facsimile use of MFPs over the past two years and have generated more orders for LED lighting. The relationship between facsimile usage and LED lighting purchases is a novel concept that would never have occurred to a human analyst. "Discovering hidden insights like that is one of the powers of dotData's features," says Mr. Ochi.

Other examples include the relationship between a salesperson's success and the interval between sales activities.dotData was able to identify that the optimal interval between sales activities

was neither too short, nor too long. Mr. Ochi credits dotData's feature extraction capabilities with giving him many insights into relationships that he would not have been able to find without it, and relationships that he had sensed and understood but which the data supported

RESULTS: PROPOSALS TRIPLE IN ONE YEAR
Promoting use in human resource development in the future

AI-driven destination guidance is another project that has been impacted by dotData. By leveraging Otsuka's vast data, dotData was able to analyze market and customer needs and propose ideal destinations for business meetings. With this new process, the number of AI-driven business negotiations has grown by 300% to 74,300 in the first half of 2021, compared to the same period a year earlier. The impact of AI business negotiations has also led to an increase in the overall number of business negotiations, with an increase of 8.4% in the first quarter of 2021." Says Mr. Jinushi.

One of the key success factors is that AI is now able to create sales proposals with high accuracy, and salespeople have come to trust AI. Another is the integration between AI-driven business proposals and SPR - the sales team's daily calendar tool. The power of dotData's fast, automated data analysis can be used for more than just AI destination guidance. As part of their management strategy, Otsuka is also promoting the use of AI in human resource development, and expanding the use of dotData's features to measure employee performance. The next generation of young salespeople are quickly discovering the value of using the system and getting results.

About dotData

dotData is the first and only company focused on full-cycle data science automation. Fortune 500 organizations around the world use dotData to accelerate their ML and AI projects and deliver higher business value. dotData's automated data science platform speeds time to value by accelerating, democratizing, augmenting and operationalizing the entire data science process, from raw business data through data and feature engineering to machine learning in production. With solutions designed to cater to the needs of both data scientists as well as citizen data scientists, dotData provides unmatched value across the entire organization.

dotData's unique AI-powered feature engineering delivers actionable business insights from relational, transactional, temporal, geo-locational, and text data. dotData has been recognized as a leader by Forrester in the 2019 New Wave for AutoML platforms. dotData has also been recognized as the "best machine learning platform" for 2019 by the AI breakthrough awards and was named an "emerging vendor to watch" by CRN in the big data space. For more information, visit www.dotdata.com, and join the conversation on Twitter and LinkedIn.

About Otsuka Corporation

Otsuka Corporation serves a wide range of companies, providing comprehensive support for their business activities by presenting, within a concrete framework, new business opportunities and management improvement strategies brought about by innovations in information and telecommunications technology. By so doing, we continue to facilitate the growth of our client companies and contribute to the development of our country and the creation of a spiritually enriching society.