



Toyota's Analysis and Reporting Capabilities Shift into High Gear

Business Challenge For Toyota Motor Sales USA dealership performance analysis is critical to growing the bottom line, given fluctuating market forces and competitive pressures. An antiquated legacy system and labor-intensive, paper-heavy processes were greatly hindering access to data and reporting, however. With about 1,400 Toyota and Lexus dealerships in the continental U.S. accounting for a significant portion of Toyota Motor Corporation's total worldwide revenue, implications were significant.

Solution For TMS Analysis Team designed and deployed a solution with Oracle Essbase to provide headquarters and regional staff access to critical information for analyzing dealer performance. Data is integrated from a variety of internal and external sources. The Essbase model calculates a wide range of standard performance indicators, while accommodating differences between the Toyota and Lexus divisions.

In the first phase, applications were designed that provided detailed dealership financial statements for all U.S. dealerships in both the Toyota and Lexus Divisions. The second phase delivered other performance measures beyond financial metrics, providing the ability to benchmark dealerships and do scorecard-like reporting on them.

Automated processes update the applications from all sources as soon as new data is available, keeping information current. An intuitive "wizard" interface delivers pre-formatted reports on demand, while the Essbase's Excel Add-In provides powerful capabilities for ad hoc analysis and reporting.

Benefits Analysis Team delivered a completely automated, robust Essbase solution in less than half the time and for one-sixth of the cost originally projected internally by Toyota, delivering huge on-going benefits:

- Easy, immediate access for all users to comprehensive dealer performance information and elimination of highly manual processes.
- Dramatic cost and time savings:
 - Labor and administrative costs associated with processing, printing and mailing reports were virtually eliminated.
 - Productivity increase that enabled headcount redeployment of 2 full-time headquarters employees, and an estimated savings of 2 person-days per month in each of 16 regional offices (representing approximately 1.5 "full-time equivalent" staff).
- Standardized and pre-calculated complex key performance indicators, reducing time and errors.

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- Ability for all users to conduct ad hoc reporting and analysis. This fosters fact-based decision making company-wide and frees up staff to focus on driving growth, rather than collecting and re-keying information.
- Improved data accuracy (legacy mainframe system had continuous data reliability issues).
- Flexible system to meet evolving business needs.
- Minimal time and attention required by Toyota's Information Systems department for maintenance
- Improved dealer financial performance, resulting from leveraging analytical capabilities of the application.