Luxottica case study
Vodafone Global Enterprise
Luxottica focuses on business growth and innovation

Vodafone
Power to you
Luxottica focuses on business growth in partnership with Vodafone Global Enterprise

As the Luxottica business expanded country by country, so too had its range of communication suppliers. With 30 suppliers in 20 countries, the result was as complex as it was inefficient. The Vodafone Global Enterprise solution centralises each country’s communication requirement under one contract. Instead of dealing with 20 suppliers, Luxottica now deals with just one – Vodafone – for all contract, commercial and support issues.
The need

Luxottica Group is a leader in the design, manufacture and distribution of premium, luxury and sports eyewear with approximately 7,000 global optical and sun retail stores. House brands include Ray-Ban, the world’s most famous sun eyewear brand, Oakley, Vogue Eyewear, Persol, Oliver Peoples, Alain Mikli, Arnette and REVO, while licensed brands include Giorgio Armani, Bvlgari, Burberry, Chanel, Coach, Dolce & Gabbana, Donna Karan, Polo Ralph Lauren, Prada, Starck Eyes, Tiffany and Versace. In addition to a global wholesale network involving 130 different countries, the Group manages leading retail chains in major markets, including LensCrafters, Pearle Vision and ILORI in North America, OPSM and Laubman & Pank in Asia-Pacific, LensCrafters in China, GMO in Latin America and Sunglass Hut worldwide. In 2012, Luxottica Group posted net sales of more than €7.0 billion.

Luxottica is expanding and investing into emerging markets. To make the most of this global opportunity it needs robust, flexible and efficient communications between its remote sales teams and central management.
"Our business is growing globally. Our team are travelling more and they want to be connected at all times."

Mario Pacifico, Executive Vice President, Luxottica Shared Services

Complex and inefficient

As the group expanded, country by country, so too had its range of communication suppliers. The result was as complex as it was inefficient.

“We’d grown to around 30 providers in 20 countries. There was no standard contract, no standard rates, and no global reporting. It was fragmented and we lacked any real governance,” says Mario Pacifico, Executive Vice President of Luxottica Shared Services.

“We needed a global mobile provider.”

This was a strategic decision, says Pacifico, not simply a question of cutting bureaucracy. After a lengthy RFP process through 2010, and after considering options from regional suppliers, Luxottica chose Vodafone Global Enterprise. No other supplier could deliver a truly global footprint.

Audit of global estate

The Vodafone solution consolidates every local Luxottica communication requirement under one contract. Instead of dealing with 30 suppliers in local markets, Luxottica now deals with just one – Vodafone – for all contract, commercial and support issues.

To manage this effectively, Vodafone started with an audit of the entire global communications footprint, from New Zealand to Japan, to Europe and the US. The Vodafone team gathered data on usage, rates, hardware and service support agreements.

Vodafone then pools data and minute usage for every country in which Luxottica operates, negotiating rates for each, with the flexibility to alter the bundle size each quarter. The approach allows Luxottica to tailor an appropriate solution by market, with the reassurance of central governance. Vodafone calls it ‘global control, local rules’.

At the same time, Luxottica pushed Vodafone to create a roadmap of innovations capable of transforming productivity and mobility. Savings made on contract renegotiations would be invested back into the business.
Single view, transparent action

The immediate impact of the Vodafone solution is that, for the first time, Luxottica has a single view of its communications estate. It can see global and local usage, and, identify trends and benchmark best practise.

The central contract has produced immediate cost savings (in addition to closer scrutiny, negotiating in bulk produces lower rates), but the savings are deeper and more wide ranging. A central contract means Luxottica does not need to use local resource to monitor and administrate contracts, it benefits from a standardisation of languages, forms and templates. Vodafone does all the chasing, leaving Luxottica staff free to concentrate on the core business.

With savings in place, Luxottica has invested in iPads for its sales teams and senior management. Vodafone supplied 1,000 devices, with a standardised hardware, support and warranty, with data usage agreed locally. There is a global sales platform for their sales teams, allowing users to show marketing and product materials directly to the customer. This has created a more engaging, immediate and effective sales experience.
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Luxottica Shared Services

The mobility push has since been extended, replacing BlackBerrys with iPhones. The switch allows for a more consumer-led approach to hardware and applications. There are plans to extend this consumerisation with the creation of a Bring Your Own Device policy.

“Our business is growing globally,” says Pacifico. “Our team is travelling more, and they want to be connected at all times. We’ve seen a 370% increase in the demand for data, and 300% for voice roaming in the last three years.”

Pacifico says, “with hardware and contract governance in place, the next phase of the relationship with Vodafone will be on service support. Vodafone is trialling in-house support teams at some of the larger Luxottica locations, and is working on a VIP service for senior management.

“The Luxottica motto is ‘leverage the past to design the future.’ It’s the same with our relationship with Vodafone: we must learn from the past and make changes for the future,” concludes Pacifico.
Executive summary

Business need:
Luxottica Group is a leader in the design, manufacture and distribution of premium, luxury and sports eyewear. Its business is global and growing, but its country by country communications estate was complex. It needed a global communication partner to manage its telecoms estate, lower operating costs and drive innovation.

Solution:
Vodafone Global Enterprise manages a new, Global Master Services Agreement standardising communications policy while allowing local flexibility. The solution delivers savings in terms of both costs and resources, simplifying the communications estate for Luxottica. The partnership is also providing a roadmap of innovation, helping shape future strategy.

Business benefits:
- Single view of global communications estate providing transparency
- Global Master Services Agreement delivers savings on costs, time and resources
- Partnership with Vodafone Global Enterprise assists the planning of long term response to communication trends and innovation
- Enables faster, more consistent roll-out of new mobility solutions
- Global partner provides solidity in expanding into new, emerging markets

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