Value Drivers and Solution Enablers

Reduce Revenue Loss Due To Stock-outs
Real-time alerts based on current stock requirements with integrated decision support. Significantly improved ATP via fast mass product availability checks for sales, planned and production-orders (all items of an order at once, releasing large production orders). Enhance on-time delivery performance by integrating pick, pack, and ship processes.

Reduce Days in Inventory
Increase inventory turnover by making informed decisions based on accurate demand and supply data. Simplified data model resulting in increased throughput, flexible analytics at the most granular level and accuracy based on primary data.

Reduce Inventory Carrying Cost
Leverage mobile inventory management and warehouse applications via SAP Fiori apps

Reduce Inventory Obsolescence
Get the ability to automate warehouse operations with RFID and sensors with IoT framework for integration to manage just-in-time availability, unit handling, serial numbers, electronic data interchange, and proof of delivery.

Enhance Supply Chain Planning Productivity
Enable personalized views for Planners with relevant analytics

Reduce Total Logistics Cost
Leverage new planning algorithms - leveraging predictive analytics (e.g. demand sensing) algorithm in combination with optimization. Increase process flexibility through optimized logistics processes.
SAP S/4HANA FOR SUPPLY CHAIN

Saving money for a large European retailer

- Large European retailer
- Over 100 years old, over 1400 stores with 9 million customers daily
- S/4HANA implemented by NTT/Itelligence
- Real-time data on previous day’s sales, not 2-3 days later
- Immediate adjustments: pricing, supplier orders (volume)

We want to be the number one retailer based on customer satisfaction, financial performance and employee satisfaction.

Customer

- #1 nation-wide grocery retailer
- International retailing
- Franchises (e.g., Starbucks)
- Online stores

20% of $150M
The goal to save in the first year of S/4HANA operations.

- Real-time data on previous day’s sales, not 2-3 days later
- Immediate adjustments: pricing, supplier orders (volume)
For many years, every transaction went into the in-house developed system. It was very tailored but no match for SAP. So for us, agility and fast response was key to select SAP.

Tayfun Yiğit, CIO

On-time
Delivery of all products ordered by retailers

Timely
Consolidation of all subsidiary financials

$1B Turnover
500 Employees
200+ Suppliers
8000+ Partner Ecosystem
#1 Turkish wholesale distributor of computer and related products

Detailed Story (SAP Jam)
SAP S/4HANA as the entire value chain platform for a shoe manufacturer

Large manufacturer and distributor of premium shoes

Current platform isn’t very efficient. We need something different – with fewer customizations.

Customer CIO

- €1.2bn turnover
- 5 factories globally
- 1,300 shops
- 19,000 employees

"With the migration to S/4HANA, we plan to achieve efficiency and new abilities: reduce redundancies especially in the store operations such as returns. We are ready to adjust our business processes and need higher visibility in the production yield, customer profiles, our entire value chain"
SAP S/4HANA FOR SUPPLY CHAIN

Ensuring full transparency for CEITEC

**Centro Nacional de Tecnologia** is the first Brazilian semiconductor company

- Created recently by the Ministry of Technology, CEITEC is $80m in revenue with 300 staff
- Clients include HP (the largest), as well as governmental agencies such as the Federal Police, the Ministry of Transportation, and specially the Ministry of Agriculture
- Detailed story

Before, nobody could have visibility into contracts. Now we know exactly how much and when to pay.

Ireneo Alfaro Demanarig, CIO

**Budget Execution Flow:**
The entire supply process, which used to be manual, now runs on S/4HANA. The transparency between S/4HANA and the governmental system is invaluable. With the S/4HANA and government system combo, CEITEC can much faster qualify the suppliers, check whether they have the right credentials, and execute each contract with regards to allocated budget.
Ensure **timely drug delivery** to patients for Boryung Pharmaceutical.

**Objectives**

- Support global expansion with a coherent business process and streamlined system landscape
- Establish infrastructure for real-time business management and analytics
- Simplify IT architecture to lower cost and boost efficiency of IT operations
- Gain an accurate, full view of cash and reliable liquidity forecasts

**Why SAP**

- High visibility and control of business information in real time with the SAP® S/4HANA Finance solution
- Differentiated implementation methodology to realize time to value with lower total cost of ownership
- Intuitive design with the simple, personalized SAP Fiori® user experience to meet the expectation of today’s business users

**Resolution**

- Simplified financial business processes and IT architecture for real-time business operations and analytics
- Improved business operation, cash management, and analytics accuracy by adopting the SAP Integrated Business Planning application for finance
- Minimized deployment risk, eased change management, and increased process visibility using a system based on the "best model company" and SAP Application

17% 15% 4.5% 75%

- Higher on-time delivery performance
- Fewer days in raw material inventory
- Higher operating margin for in-house manufacturing goods
- Less time required for closing period

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SAP S/4HANA Finance helped Boryung drive business process harmonization while improving our operational efficiency. We are now able to tap into a variety of analytical information previously unavailable to us.

*Jae Hyun Ahn, COO, Boryung Pharmaceutical Co. Ltd.*