SAP Retail Execution Overview

Improve Sales and Merchandising to achieve the “Perfect Store”
Agenda

• Retail Execution (REX) Introduction
• Features and Benefits
• Value Proposition
• Demo
• Customer Success Stories & Roadmap
• Q&A and Next Steps
• Appendix - Screen Captures from iPad
• Appendix - Screen Captures from Android
Agenda

- Retail Execution (REX) Introduction
- Features and Benefits
- Value Proposition
- Demo
- Customer Success Stories & Roadmap
- Q&A and Next Steps
- Appendix - Screen Captures from iPad
- Appendix - Screen Captures from Android
Deliver mobile applications to customers and consumers to improve service, and build loyalty

**Result**
- Increased sales
- Improved customer service
- Enabled self service access to key information

Improve sales effectiveness and overall shopper experience

**Result**
- Improved distribution levels
- Consistent merchandising practices
- Pricing and promotion compliance

Improve decision making by providing more real-time information and communication

**Result**
- Faster response to markets
- Improved ordering / shipping
- Fewer out of stocks
- Ability to sell inventory in other physical locations
- Improved inventory turns
Retail Execution Challenges

• Inability to leverage best practice business processes at the retail level
• Inability to ensure that product & brand strategies are being executed in the retail level in a consistent and reliable way
• Inability to monitor compliance of product distribution, plan-o-grams, trade promotions
• Poor return on brand and promotion investments
• Paper based and not integrated systems
• Poor sales decision-making
• Lost revenue and customer loyalty
Barriers to effective Retail Execution

- Lack of smart recommendations to increase penetration, assortment and reduce out of stocks: 28%
- Lack of tools and real-time information to make business decisions: 25%
- Lack of visibility to product, price, promotion and placement: 20%
- Disjointed collaboration with retail: 18%
- Ineffectiveness of customer meetings: 5%
- Lack of business KPIs to measure and track performance: 5%

Consumergoods.com, November 2012
Top Features / Benefits:

- Real-time access to customer data
- Ability to integrate to existing systems and data
- App can work offline and use online connectivity when available
- Ability to take a sales order in offline format
- Implement standardized processes and best practices
- Ability to plan customer visits
Perfect Store: It’s all about having the right product, in stock, at the right time, at the right price. It’s a methodology that makes the most of information and takes a highly disciplined approach to achieving maximum sales.

Today’s best-run consumer product companies understand that “standardized” does not mean “inflexible.” Standardized processes that can be tailored for individual customers enable you to optimize sales, profitability, and customer satisfaction.

How well you execute the processes supporting sales, marketing, and service will directly impact your success. By becoming “best in class” in these areas, you have an opportunity to distinguish yourself in the eyes of your customers. You position yourself to deliver – consistently – the Perfect Store experience.
Retail Execution directly impacts Sales and Merchandising

Sales, Merchandising, Operations

Sales & Channel Planning

Sales Operations & Management

Customer Analysis

Target Setting

Channel & Account Teams

Account Mgt.

Contract Mgt.

Distribution & Operations

Supply Planning

Warehouse Operations

Sales Execution

Cycle Planning

Visit Scheduling

Visit Execution

Order to Cash

Order Processing

Order & Credit Mgt.

Customer Service

Order Capture

Delivery & Invoice

Settlement

Check-In

Delivery Planning & Mgt.

Customer Services

Areas where Retail Execution impacts Perfect Store
How Retail Execution impacts sales and merchandising: A day in the life example

**Check key performance metrics**
- User checks how she is doing
- Monitor dashboards
- Adjust your visits/tasks/to-do’s if needed

**Review today’s schedule**
- User reviews today’s visits, adjusts the visit schedule if needed
- Review visits on day, week, month or list calendar views
- View stores on map
- Review visit activity/task summary on schedule view
- Adjust the visits if needed

**Visit Stores**
- User visits the stores and performs the activities and tasks
  - Review activities/tasks
  - Review customer information & dashboard
  - Perform merchandising activities/tasks
  - Perform sales activities/tasks

**Plan for next visits**
- User recaps today’s visits and plans next visits
- Recap today’s visits, enter visit notes
- Plan next visits
Agenda

- Retail Execution (REX) Introduction
- **Features and Benefits**
- Value Proposition
- Demo
- Customer Success Stories & Roadmap
- Q&A and Next Steps
- Appendix - Screen Captures from iPad
- Appendix - Screen Captures from Android
SAP Retail Execution 3.x Key Features

- Create and manage visits, activities and your calendar
- Monitor key areas at stores via audits and surveys
- View promotion calendar
- Monitor key performance metrics
- Access history of previous visits, orders, notes, photos and videos
- View and manage customer, contacts
- Create and manage orders, credits and returns
- Manage trade assets
- View store binder for sales assets

iPad, iPhone, Android Tablet and Android Phone
Key Benefits
Increase Revenue, Increase Effectiveness

**Business Benefits**

- Anywhere, anytime access to merchandising data
- Higher productivity of merchandisers and sales reps
- Improved compliance with product placement agreements and in-store promotions
- Reduced Out of Stock
- Increased POG compliance
- Maximized spend ROI

**IT Benefits**

- Mobilized workforce on SAP applications
- Multi-device support
- Easy deployment
- Enterprise data encryption and security
- Increased ROI on SAP Business Suite investments
## Retail Execution v3.x Feature Details

### Calendar
- View your work schedule by Day, Week or Lists.
- Calendar Views split to holistically view schedule and visit summaries.
- Toggle between Maps and Calendar.
- Search on your calendar by Customers or Visits.
- ‘Drag and Drop’ visits.
- Cancel Visits.
- Native Events.

### Visit Management
- Check-in/Check-out visits.
- Visit Contacts.
- Visit Hierarchy.
- Offline Survey Determination.
- Retail Audit.
- GPS Tagging of Visits.
- Re-assign Visits to your colleague.
- Mass Visit and Activities creation.
- Assign Tasks (To-dos) to your visits.
- View valid promotions for the store.
- Start Visit by barcode scan.

### Products
- Images.
- Marketing attributes.
- Rules based download.
- Documents and Media.
- Notes.
- EAN / UPC Codes.
- Sales UoM / Base UoM.
- Multiple levels of product hierarchy.
- Listings and Assortments.
- Listing Set Type.

### Order Management
- Item proposals.
- Delivery status.
- ATP/Delivery Schedule.
- Hybrid Pricing.
- Copy orders.
- Manual discounts.
- Historical orders.
- Print order summary.
- Barcode Scanning.
- Signature Capture.
- Free Goods.
- Promotions Integration.

### Store
- Store communication Details.
- Contact communication Details.
- Marketing Attributes.
- Customer Classification.
- Business hours.
- Listings and Assortments.
- Interaction History.
- Documents.
- Store Promotions.
- Binders.
- Binders from Customer Hierarchy.
- Account factsheet.
## Retail Execution v3.x Feature Details

### Trade Assets
- View Assets
- Create ERP Service Requests

### Product Audit
- Exception Report
- Pre-fill Audits for efficient visits
- Offline determination

### Promotions
- Future “n” week released promotions/campaigns
- Promotions details:
  - Discounts
  - Attachments
  - Products
  - Customer
  - Target Group

### Alerts
- Push Alerts

### Planning
- Filter customer to plan visits
- Create visits by ‘Drag & Drop’ customers

### Returns
- Create returns from orders
- Return Reason
- Print
- Signature Capture

### Target Groups
- Determination of promotions for a store by Target Groups
- Drill through to find “My Stores”

### Analytics
- Configurable Dashboards
SAP REX Architecture Overview

- CRM 7.0 with REX add-on
- ECC 6.0 with REX add-on (Optional)
- BW 7.0 (Optional)

**SAP Mobile Platform**
- JCO Connector
- RFC
- Reliable Messaging
- Device Management
- Application Provisioning
- MBO Services
- Internal Firewall
- DMZ
- External Firewall

**Networks**
- 2.5G Networks
  - GSM/GPRS
- 3G Networks
- Wi-Fi

**Relay Server**
Agenda

• Retail Execution (REX) Introduction
• Features and Benefits
• **Value Proposition**
• Demo
• Customer Success Stories & Roadmap
• Q&A and Next Steps
• Appendix - Screen Captures from iPad
• Appendix - Screen Captures from Android
Successful Consumer Product Companies Are Able to…

Mobility for Consumer Product Industry

Mobilize Key Processes

- Customers & Consumers
  - improve service, build loyalty
- Retail Execution
  - improve sales effectiveness
- Supply Chain
  - improve decision making with more real-time information

Build Scalable and Secure Mobile Infrastructure

- Mobile Application Platform
  - Establish a standard and scalable mobile application platform
- Mobile Device Management
  - implement robust and secure mobile device management system

- Higher revenue growth
- More customer interactions resulting in sales
- Fewer stock-outs
- Increase employee productivity
- More on time in full deliveries
- Improve margins

- More mobile employees
- Better mobile access
Mobilize the Process to:

- Provide real-time visibility to sales information
- Promote greater customer engagement to increase sales and/or lower churn
- Capture customer preferences to drive additional cross-sell/up-sell revenue

**Impact of Mobility**

“Organizations\(^1\) with a higher % of users with mobile access: Field Services typically double their average Revenue Growth”

<table>
<thead>
<tr>
<th>Revenue Growth (in %)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.6%</td>
<td>3.8%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

“Organizations\(^2\) with agent visibility into product information have on average 15% higher interactions resulting in sales”

<table>
<thead>
<tr>
<th>Customer Interactions Resulting in Sales (%)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.9</td>
<td>33.6</td>
<td>36.9</td>
</tr>
</tbody>
</table>

Note 1: Based on 300+ responses to the Enterprise Mobility BM survey
Note 2: Based on 150+ responses to Customer Contact Center BM survey
Mobilize Business Processes: Retail Execution

- Mobilize the Process to:
  - Connect salespeople to accurate customer and product information
  - Maximize the value of retail visits with mobile access to information in SAP CRM
  - Provide merchandisers and promotions planners with critical insights

**Impact of Mobility**

"Consumer Products’ organizations with higher Forecast Accuracy have, on average, 40.2% lower revenue loss due to Stock-outs”

<table>
<thead>
<tr>
<th>Revenue Loss Due to Stock-outs (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low 1.3%</td>
</tr>
<tr>
<td>Medium 1.0%</td>
</tr>
<tr>
<td>High 0.8%</td>
</tr>
</tbody>
</table>

"Companies² with a higher % of users with mobile access: CRM experience on average 8% higher Employee Productivity”

<table>
<thead>
<tr>
<th>Revenue Per Employee ($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low 378</td>
</tr>
<tr>
<td>Medium 388</td>
</tr>
<tr>
<td>High 408</td>
</tr>
</tbody>
</table>

Note 1: Based on 86 data points for Consumer Products Industry
Note 2: Based on 300+ responses to the Enterprise Mobility BM survey
Mobilize Business Processes: Supply Chain

Mobilize the Process to:

- Manage/record the picking/put-away processes via a hand-held device
- Improve supply chain collaboration with tracking and tracing of goods and shipments
- Enable dynamic spend analysis and deliver actionable insights to procurement personnel
- Automate asset installation, removal, maintenance, inspection and repair processes

Impact of Mobility

“Consumer Products’ organizations with real time enterprise wide visibility to inventory have on average 7% higher Order Fill Rate”

<table>
<thead>
<tr>
<th>Order Fill Rate (in %)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>89.4%</td>
<td>91.4%</td>
<td>95.2%</td>
</tr>
</tbody>
</table>

“Companies² with a higher % of users with mobile access: Procurement typically double their margins”

<table>
<thead>
<tr>
<th>Operating Margin (in %)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.0%</td>
<td>7.6%</td>
<td>17.0%</td>
</tr>
</tbody>
</table>

Note 1: Based on 103 data points for Consumer Products Industry
Note 2: Based on 300+ responses to the Enterprise Mobility BM survey
Mobilize the Process to:

- Communicate with multiple device types and data sources
- Reduce time and cost to develop new applications
- Reduce total cost of ownership for mobile application development

Impact of Mobility

“Companies\(^1\) that implement mobile platform standards and policies to limit application complexity have on average 55% more mobile employees”

<table>
<thead>
<tr>
<th>% of Mobile Employees (in %)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.6%</td>
<td></td>
<td>20.7%</td>
<td>25.7%</td>
</tr>
</tbody>
</table>

“Consumer product companies\(^2\) which are leveraging a single, scalable, secure mobile platform have almost three times more mobile employees”

<table>
<thead>
<tr>
<th>% of Mobile Employees (in %)</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.5%</td>
<td></td>
<td>10.6%</td>
<td>26.8%</td>
</tr>
</tbody>
</table>

Note 1: Based on 300+ responses to the Enterprise Mobility BM survey
Note 2: Based on 20+ responses from consumer product companies to the Enterprise Mobility BM survey
Build Scalable and Secure Mobile Infrastructure
Mobile Device Management

Mobilize the Process to:

- Enhance security updates for enabling simplified device management
- Improve Mobile Worker Equipment Uptime
- Enable easier software deployment, configuration and management

Impact of Mobility

“Companies¹ with a policy in place to ensure data security, protection and compliance have on average, 99.7% higher Average % Users with Mobile Access to Cross Functional Applications”

<table>
<thead>
<tr>
<th>% Users with Mobile Access to Cross Functional Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low: 15.1%</td>
</tr>
<tr>
<td>Medium: 30.1%</td>
</tr>
<tr>
<td>High: +99.7%</td>
</tr>
</tbody>
</table>

“Consumer Product Companies² that ensure their mobile workers have the correct software and data, and adherence to security policies have 50% higher % Users with Mobile Access to Cross Functional Applications”

<table>
<thead>
<tr>
<th>% Users with Mobile Access to Cross Functional Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low: 16.3%</td>
</tr>
<tr>
<td>Medium: 20.0%</td>
</tr>
<tr>
<td>High: +50%</td>
</tr>
</tbody>
</table>

Note 1: Based on 300+ responses to the Enterprise Mobility BM survey
Note 2: Based on 20+ responses from consumer product companies to the Enterprise Mobility BM survey
Agenda

• Retail Execution (REX) Introduction
• Features and Benefits
• Value Proposition
• Demo
• Customer Success Stories & Roadmap
• Q&A and Next Steps
• Appendix - Screen Captures from iPad
• Appendix - Screen Captures from Android
Agenda

- Retail Execution (REX) Introduction
- Features and Benefits
- Value Proposition
- Demo
- Customer Success Stories & Roadmap
Retail Execution Examples

- Retail Execution Overview Video
- Ferrero Retail Execution Presentation
- Carlsberg Webcast on Retail Execution
- Carlsberg REX presentation from SapphireNow
- Werner & Mertz REX presentation from SapphireNow
- Werner & Mertz Polishes Sales processes with SAP Retail Execution
- DB Breweries Gets Enterprise Mobility Right, On Time the First Time, with SAP
Thank you!

CONTACT DETAILS:

BG BUSINESS SOLUTIONS LTD
137 Tsarigradsko Shose Blvd, fl. 2
Sofia 1784, Bulgaria
Tel: +359 2 904 2336
E-mail: info@bgbs.bg