Improve Your Supply Chain with Cloud-Based Business Partner Collaboration
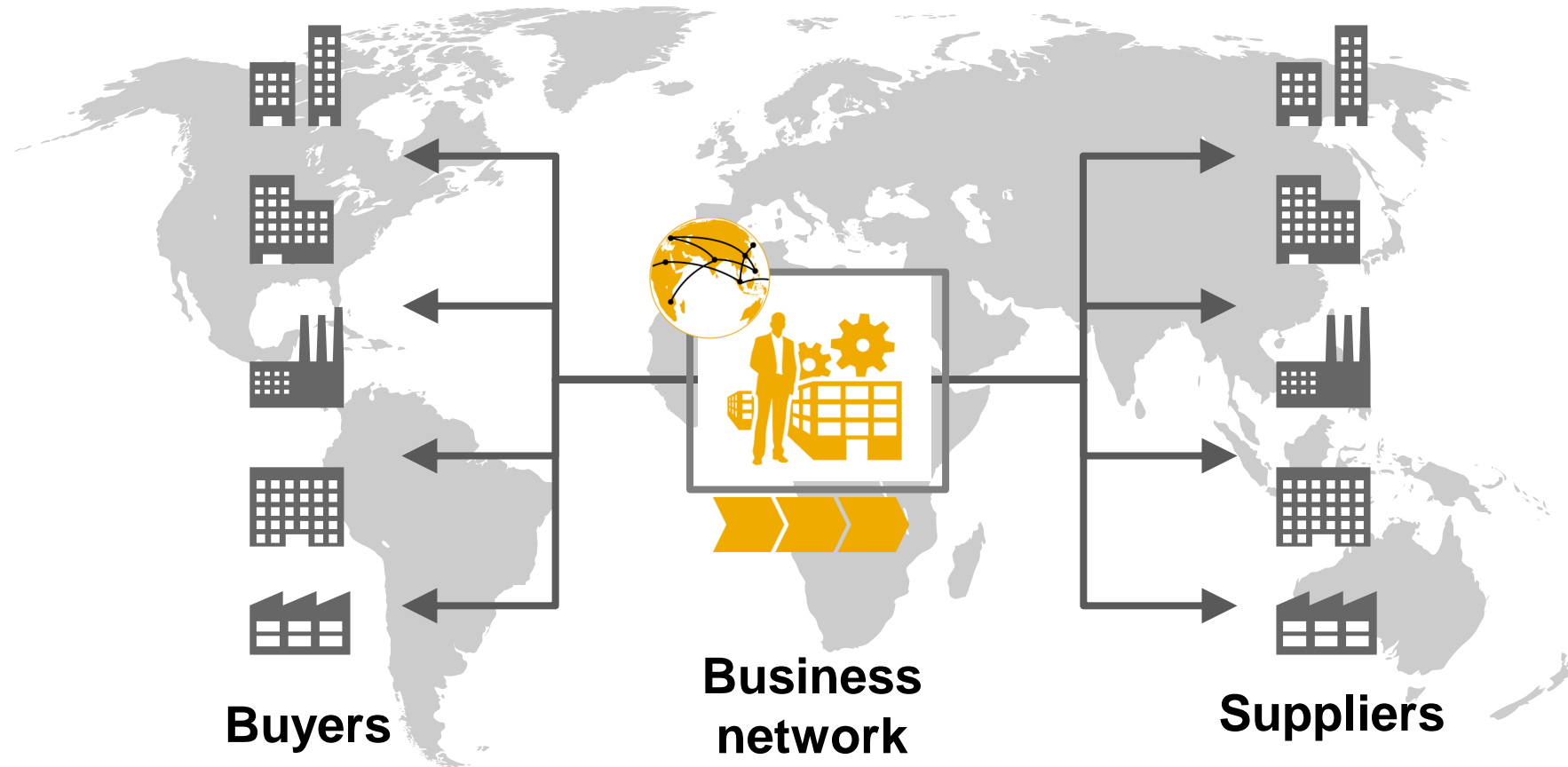
Frank Ruland, Head of Solution Management, SAP
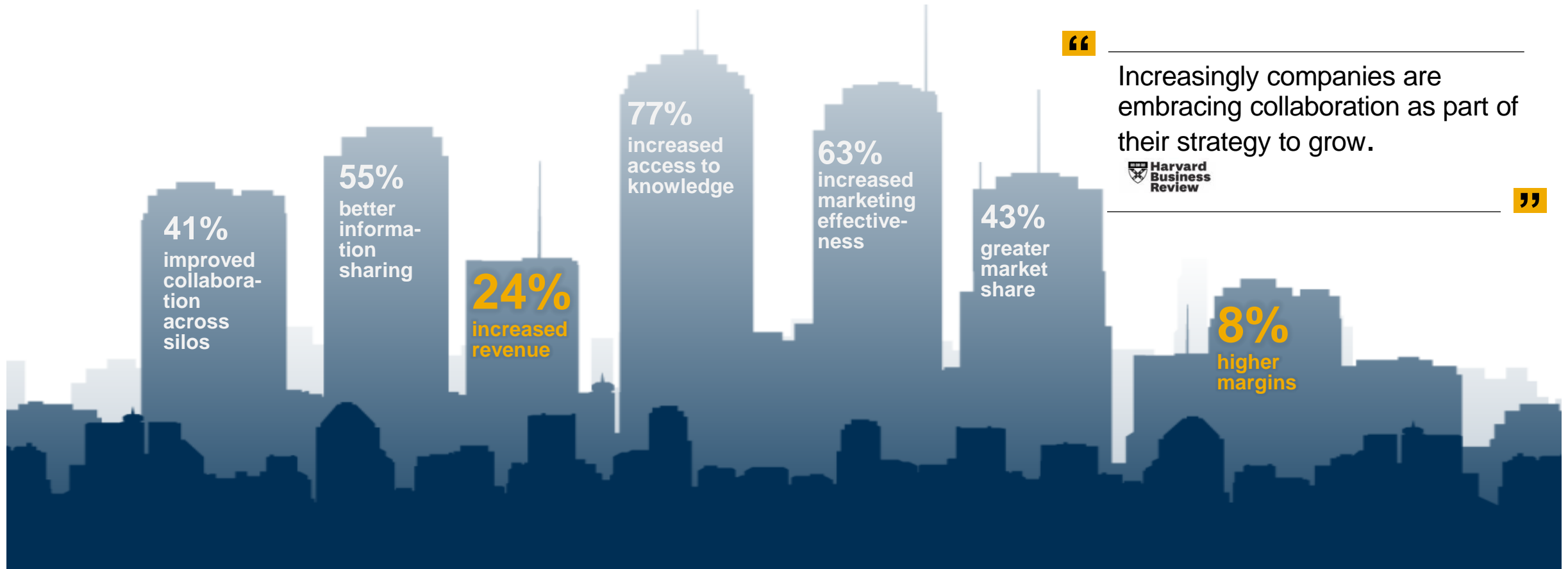Abhijit De, Vice President & Initiative Lead, Ganges, SAP

SAP

Improved interenterprise collaboration is crucial in global supply chains

Business networks facilitate electronic interenterprise collaboration between trading partners.

Buyers

Business network

Suppliers

The rise of the networked economy

41% improved collaboration across silos

55% better information sharing

24% increased revenue

77% increased access to knowledge

63% increased marketing effectiveness

43% greater market share

8% higher margins

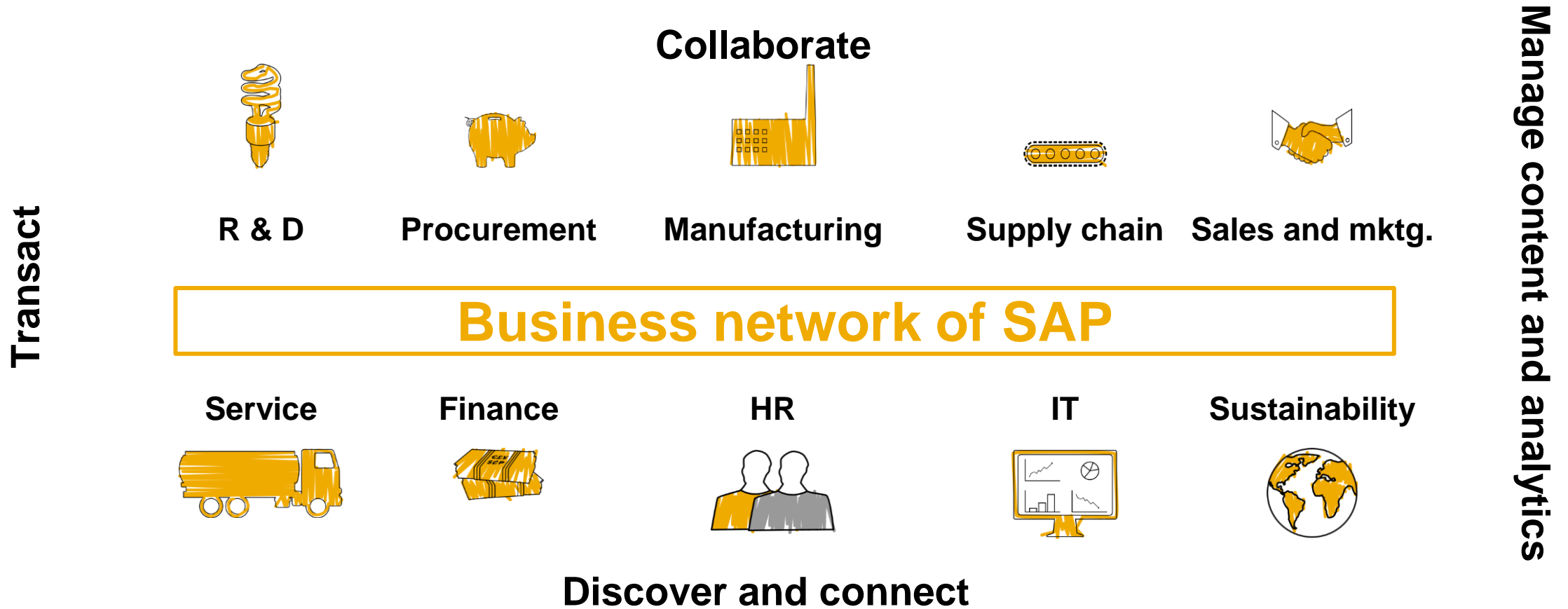" Increasingly companies are embracing collaboration as part of their strategy to grow.
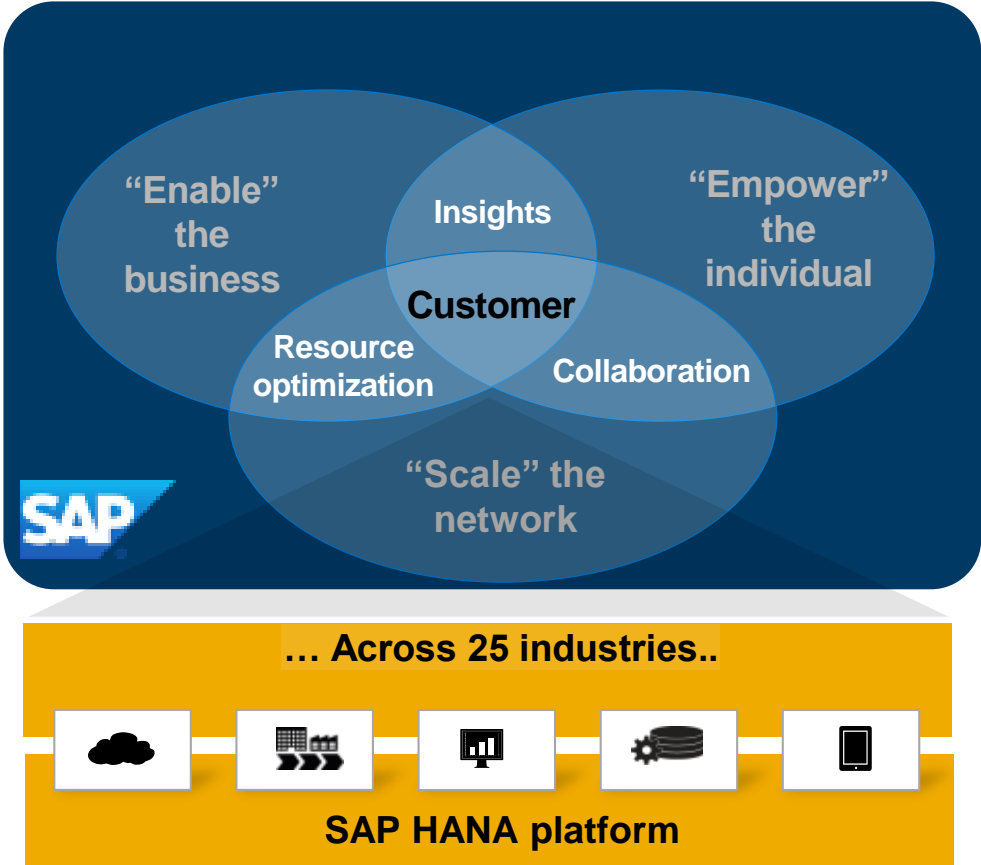
Harvard Business Review "

"Networked enterprises are 50% more likely to have increased sales, higher profit margins, gain market share, and be a market leader."

McKinsey & Company, "The rise of the networked enterprise, Web 2.0 finds its payday." Survey of 4,394 executives. Spring 2011

Evolution of the value of Ariba Network: power of one enabling the networked economy

Collaborate

R & D   Procurement   Manufacturing   Supply chain   Sales and mktg.

Transact

Business network of SAP

Manage content and analytics

Service   Finance   HR   IT   Sustainability

Discover and connect

The new reality: the business network of SAP

"Enable" the business

Insights

"Empower" the individual

Customer

Resource optimization

Collaboration

"Scale" the network

SAP

… Across 25 industries..
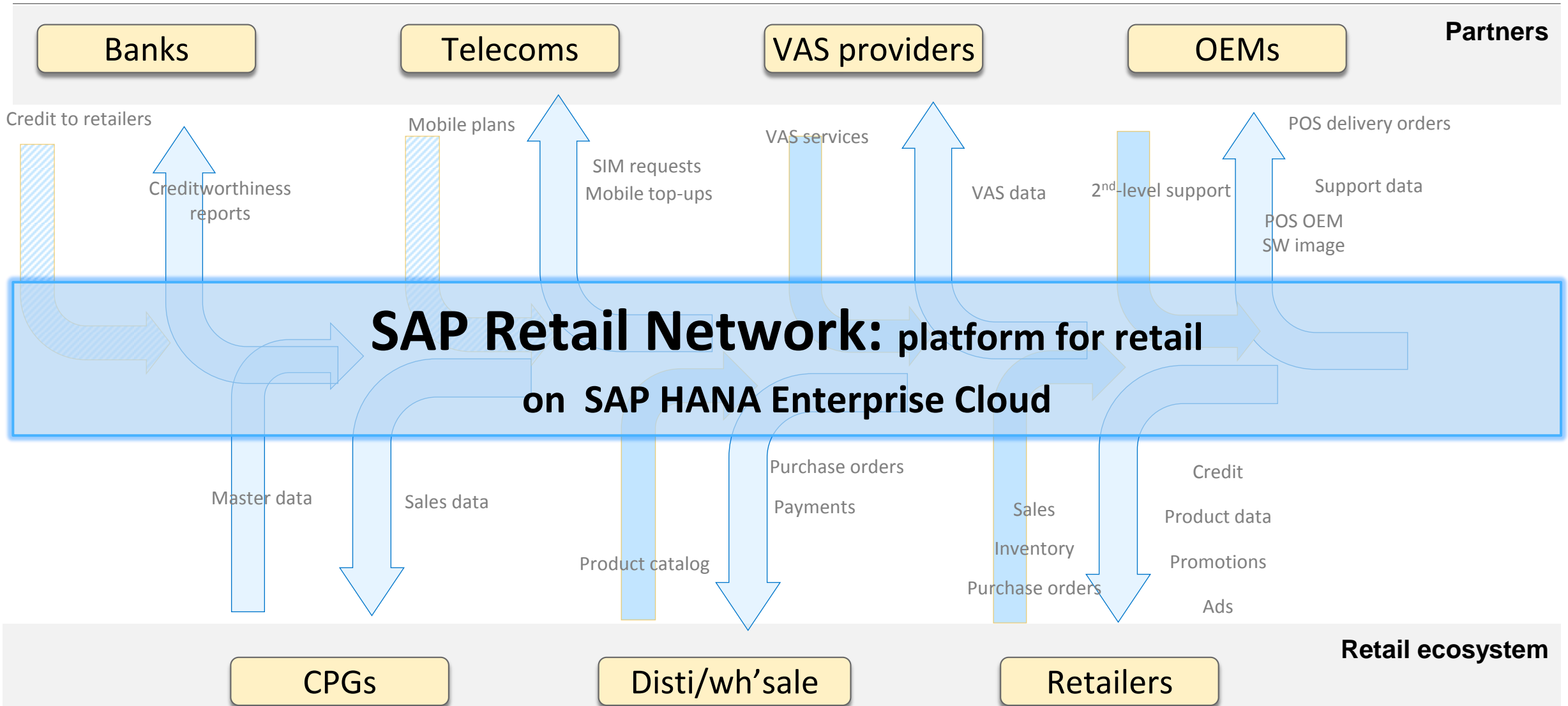
SAP HANA platform

SAP Retail Network

Abhijit De, Vice President & Initiative Lead

May, 2013

SAP Retail Network: business network for the retail ecosystem
Designed for high-retail-intensive countries

Banks

Telecoms

VAS providers

OEMs

Credit to retailers

Creditworthiness reports

Mobile plans

SIM requests

Mobile top-ups

VAS services

VAS data

2nd-level support

POS delivery orders

Support data

POS OEM SW image

SAP Retail Network: platform for retail
on SAP HANA Enterprise Cloud

Master data

Sales data

Purchase orders

Payments

Product catalog

Sales

Inventory

Purchase orders

Credit

Product data

Promotions

Ads

Retail ecosystem

CPGs

Disti/wh'sale

Retailers

Objective: a connected retail supply chain
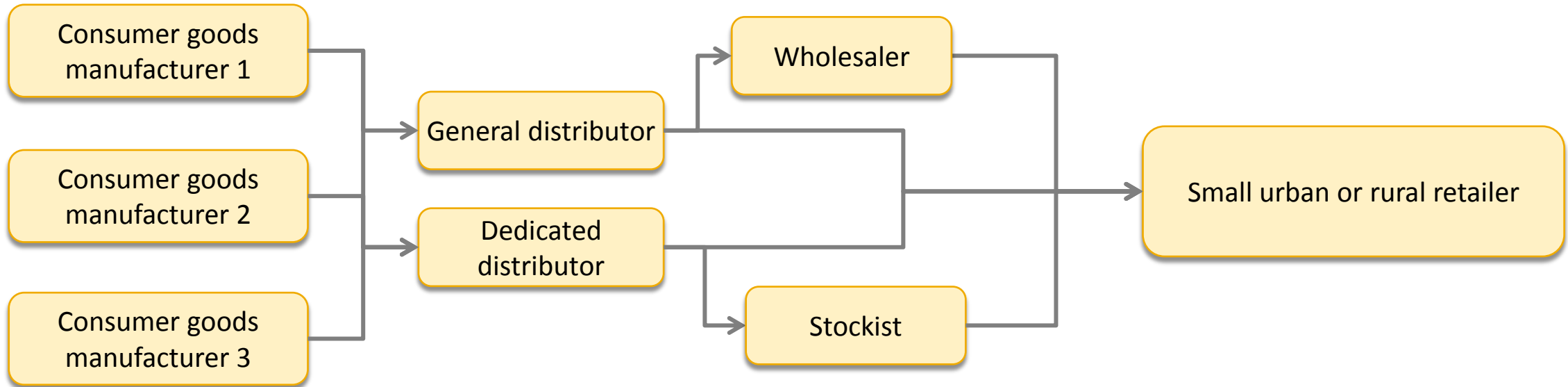
SAP Retail Network: global rollout to retail-intensive economies

Russia – 0.3M
Russia, Belarus, Ukraine

Turkey – 0.3M
Turkey, Egypt

PRC – 1M

USA, Canada

India – 1M
RTC: 2013, Q3

Nigeria – 0.5M
Nigeria, Ghana, Ivory Coast

Base: Singapore – 1M
Philippines, Thailand, Indonesia, Malaysia

Brazil – 1 M
Brazil, Mexico, Argentina,

Base: SA – 0.6M South Africa, Uganda, Kenya, Tanzania
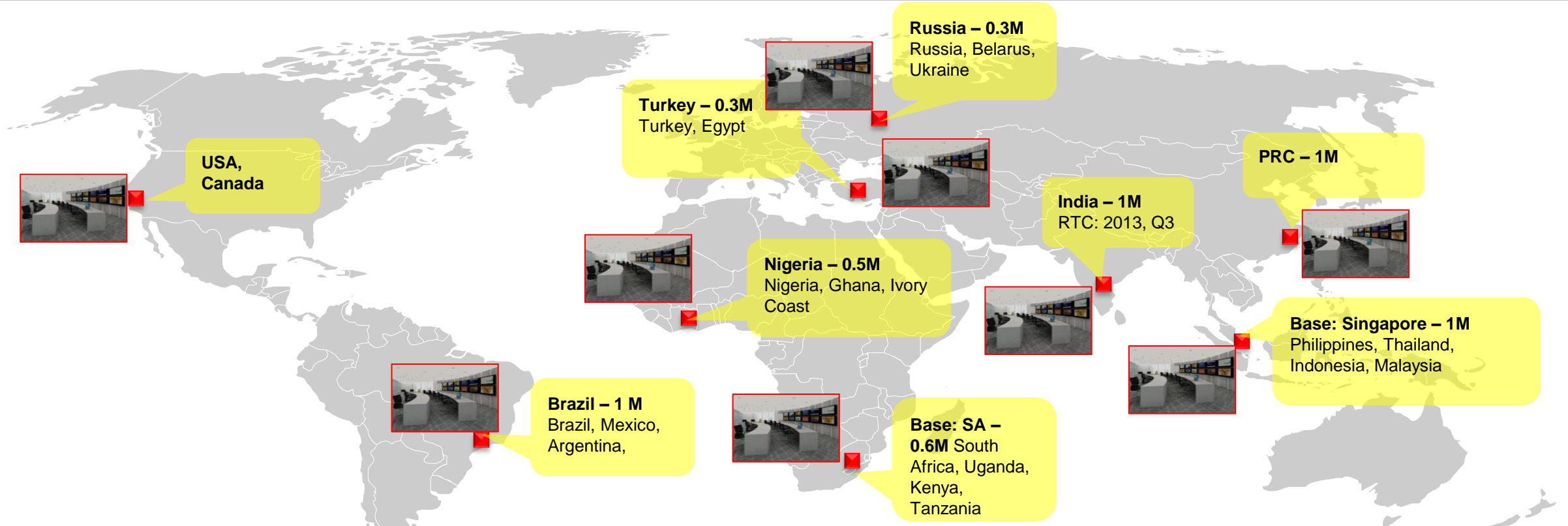
2015: 10M retailers, 100K distributors, top 100 CPG companies, top 50 POS OEMs

Cover 21 countries from 10 command centers

Starting with launch in India on August 15, 2013

Vision 2015

- **SAP Retail Network is the first of five last-mile business networks (pharma, oil and gas, steel, food, and microATM) that together generate more than $1B+ for SAP.**

- **All these last-mile business networks are connected to the Ariba supplier-side business network.**

- **Top 50 global hardware OEMs manufacture and sell POS devices that have the embedded SAP POS application and connect to SAP Retail Network.**

- **10M+ retailers across the world are connected to SAP Retail Network (India, PRC, Indonesia, Malaysia, Philippines, South Africa, Egypt, Turkey, Russia, Brazil, and Mexico)**

- **100,000 distributors, top 50 FMCG companies, 30 banks, 10 telco companies, and partners connect to SAP Retail Network.**

- **The influence of SAP Retail Network reaches 1B+ people on the planet.**

- **This is an example of one of the applications running on SAP HANA Enterprise Cloud (core petabyte Big Data business).**

Command center: SAP Bangalore
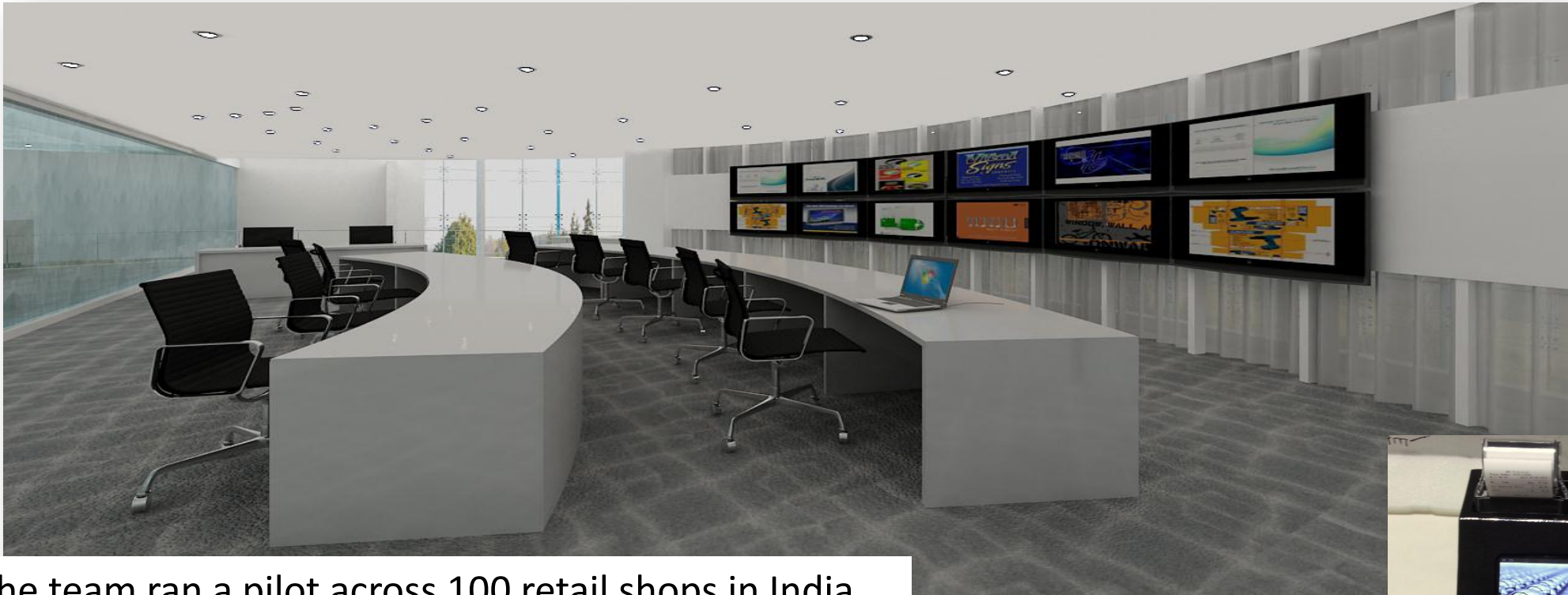
The team ran a pilot across 100 retail shops in India. The POS devices at these shops sent their sales data every hour via GPRS to SAP HANA on the cloud. This data is very valuable to FMCG/CPG product companies.

$100 prototype GPRS-connected POS device built using design-thinking methodologies

Value to customers

FMCG/CPG companies
- ✓ Improved supply chain efficiency
- ✓ Higher efficacy on marketing and promotion spends
- ✓ Increased revenue due to increased retailer capital

Retailer
- ✓ Access to additional working capital (through bank credit)
- ✓ Increased income from selling value-added services (e.g., billpay, mobile top-ups)

Distributor
- ✓ Increased business due to increased working capital at the retailer
- ✓ Better operational efficiencies (fewer stockouts, real-time replenishment, route planning, etc.)

Value to partners

Bank   :
- ✓ Lending to priority segment at lowered risk
- ✓ New channel to expand reach of banking operations

Telco   :
- ✓ Acquiring a new set of mobile-minutes resellers
- ✓ Channel for value-added service and promotions

OEM   :
- ✓ New business opportunity for large (10M-unit) POS device market

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