

Learn How Komplett Utilizes SAP TM 9.3 to Optimize its Distribution Network in the B2C E-Commerce Industry Within 90 Days



Presenter: Tom Rune Bjørnstad Komplett Group



- Company Overview
- Buying Groceries Online
- Project Introduction
- Highlights for SAP TM
- Driver APP Using SAP Fiori Technology
- Tracking & Tracing with SAP EM
- Highlights for SAP EWM
- WEB-Order Life Cycle in the Supply Chain
- Wrap Up & Questions



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Company Overview





The Nordic countries' largest e-commerce player

The Komplett Group is one of the Nordic countries' largest e-commerce player. Its corporate headquarters are in Sandefjord, Norway. Running SAP since 2003.

The only link between manufacturers and customers

The Komplett Group strives to be the only link between manufacturers and customers. This results in an efficient operating model, allowing the Komplett Group to operate profitably and offer competitive prices. The Komplett Group's webshops sell to endusers, businesses, public enterprises and resellers.

| 7,3 billion | 16 webshops | |
|------------------------|-------------------------------|--|
| 1 800 000 customers | 800 employees | |
| 20 years of experience | Preferred by customers | |

Company Overview



We operate in a wide spectrum of markets

Our vision is to be "the obvious







HOME & LEISURE







PHARMACY

Company Overview



- 94 Million Visitors in 2015
- Google analytics is used to track all activity
- New sales order created every 1.9 second by IDoc
- Average pick lines of 2.6



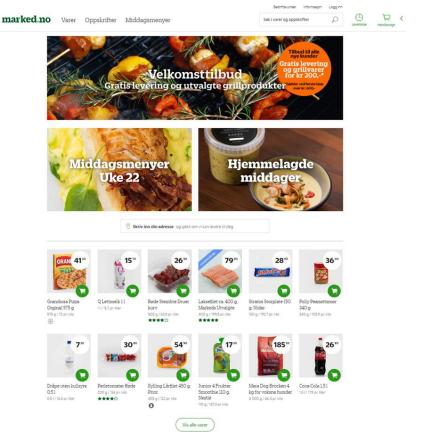


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Marked.no – Buying groceries online



- Online groceries shopping is no longer an interesting experiment, it is here to stay!
- Norwegian online grocery shopping has huge potential



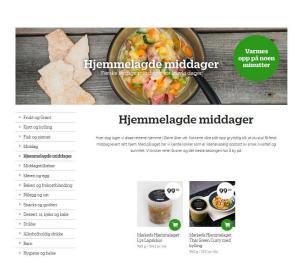
Marked.no – Buying groceries online



High quality fruit, vegetables and fresh food like fish

Readymade food from your own kitchen

Recipes

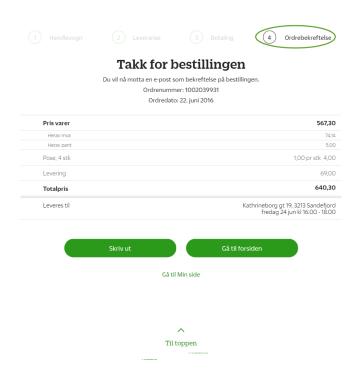




Marked.no – Buying groceries online



- Easy to use web
- Responsive design
- 4-step check out process





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Marked.no – Project Introduction



- New e-Commerce platform www.marked.no
- Integration to Komplett Group SCE platform
- SAP TM and SAP EM selected as transport management system
 - Komplett Group approved for SAP TM 9.3 ramp-up
 - SAP HANA platform selected
 - Standard SAP EWM setup for warehouse
- 3 month ambitious implementation plan



- Westernacher and internal Komplett resource for SAP TM –SAP EM setup
- Komplett internal resources for SAP EWM setup
- Pearl Consulting and internal Komplett resources for SAP ERP and SAP PI setup
- 90 day implementation marathon
- Delivered on time!



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Online interaction with WEB store

- Delivery Time Slots
- Delivery Zones
- Pick Up Locations
- Capacity utilization data for Time Slots and Pick-up Locations
- Dynamic price changing based on utilization of time slots

Resources

- Vehicle Resources Different capacity dimensions such as boxes&bags
- Calendar Resources Opening and closing times for Pick Up locations

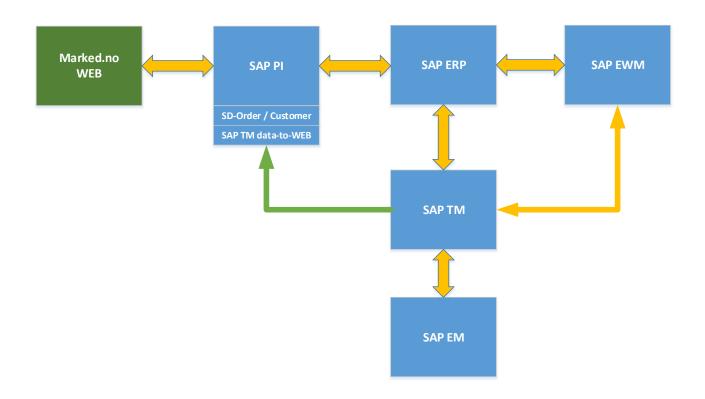
Advanced Planning

- ■Break patterns for trucks
- Detailed unloading durations
- ■High volume optimization



Interaction between systems





Integration Methodology Order-Based Planning & Execution





Sales Order Processing (SAP ERP)

Order Related Transport Request distributed SAP TM



Transportation Planning (SAP TM)

- TM triggers creation of delivery in SAP ERP
- Delivery distributed from SAP ERP to SAP EWM
- SAP TM triggers Load Appointment, creation Transport Unit to SAP EWM (i.e., Load Sequence, Leave Yard Time)



- Automatic Wave Creation for Tus (SAP EWM)
- Picking, packing, staging & loading (SAP EWM)
- Goods issue (SAP EWM)
 - Delivery update in SAP ERP with actual result
 - Update delivery-based transportation request & freight order (SAP TM)

SAP TM Means-of-Transport "Home Delivery"



 Goods are directly shipped to different customers from the warehouse respecting the delivery appointment times which are part of Marked delivery zone

- New customers will after user account creation most likely fulfill a sales order minutes later
 - Distribution of Corporate Master(CIF-model) data to SAP TM and SAP EWM is important



SAP TM Means-of-Transport "Pick-Up Locations"



- Goods are delivered to customer pick up points for the customers to pick up or if they are not part of Marked delivery zone
- Enhancement in order interface consider different partner function usage
 - Sold-to party = Customer
 - Pick-up location = Consignee



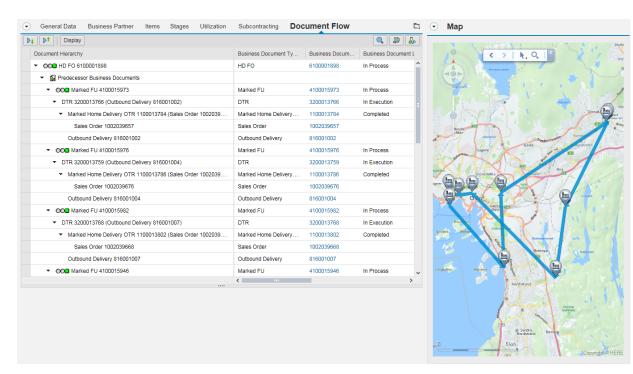


- Automatic background optimization considering below parameters
 - ■Planning based on dimensions such as boxes and bags
 - Separate planning runs for considering morning and afternoon delivery times
 - Considering exact distance and duration
 - Mass delivery proposal to SAP ERP from SAP TM
- Automatic Transport Unit creation (Integration with SAP EWM)
- Leave yard time, Load Sequence
- Vehicle Resource info and Means of Transport

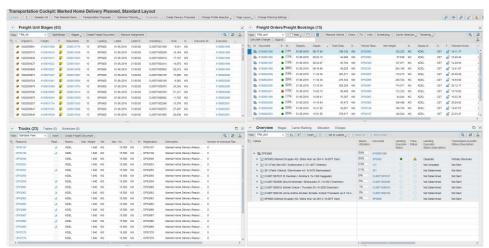




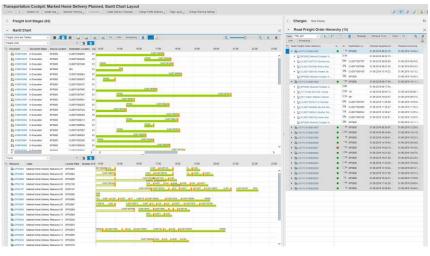
- GIS-data and Map integration is provided by Here to:
 - Utility for Distance & Duration calculation
 - ■Provide accurate location data
 - ■Visualization of Map



Transport Cockpit









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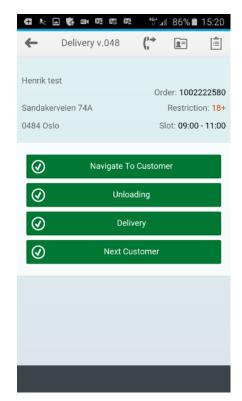
Driver APP Using SAP Fiori Technology

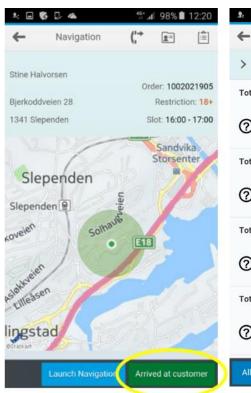


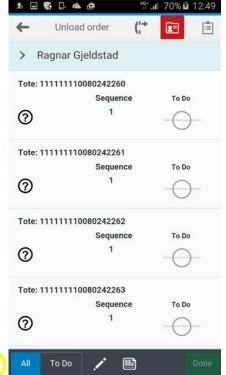
- App for our drivers and employees at pick-up location
 - Guide driver/employee throughout the tour and also provide real time tracking information for dispatcher and customer service.
 - Keep control on every single event, planned/unplanned that might happen during delivery
 - Pre-trip and Post-trip scenario for truck or Pick up location

Driver APP Using SAP Fiori Technology













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Tracking & Tracing with SAP EM



SAP TM – SAP EM integration to report following activities

- Track and trace of delivery appointment
 - Capturing proof of delivery exception handling situations
 - Capturing reasons for "No delivery"
- "Heads-up" notification sending SMS approximately 15 minutes before delivery appointment
- Social control for age verification when delivery contains alcohol or tobacco
- Milestones reported via Mobile App



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Highlights SAP EWM

KOMPLETT*GROUP

- Trolleys used as resources
 - ■12 Crates per Trolley
 - 3 bags per crate
- Warehouse order grouped by crates and bags
 - ■1 Trolley = 1 Warehouse order
- Optimized pick path





Highlights SAP EWM – Picking at Warehouse



- RF picking used in the first months of operation
- RF Framework
 - Catch weight used
 - ✓ Scanning of GTIN-13 variable weight EAN codes
 - Deviation handling
 - ✓ Different exception codes
 - ✓ Physical inventory
 - ✓ Deviation queues



Highlights SAP EWM – Picking at Warehouse



- Pick-by-Voice project going from RF completed
 - Pickers in warehouse has increased efficiency between 28-40% going from RF to Pick-by-Voice
 - ■Bin-labels with both color and directional(left mid right) verification codes



Highlights SAP EWM – Storage Use and Labels



- Pallets
- Throughput

- Racks
- Dynamic and fixed bins



Highlights SAP EWM – Staging



- Crates palletized on staging bins to be loaded on to the vehicles
- Full overview and interaction of staging, doors, picking, loading, GI and Yard checkpoints, in the Warehouse Cockpit



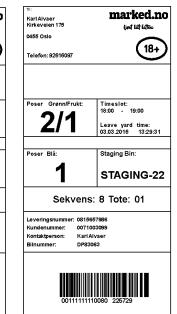


Highlights SAP EWM – Transportation Labels and Loading Sequence



- Unique loading sequence per customer
- Notice of age verification/social control
- Leave yard time
- Staging bin
- Vehicle/license plate







Highlights SAP EWM – Miscellaneous



- Fresh on demand products
 - Fish, Meat, Sushi, bread, own produced meals
 - ✓ Automatic created POs by night based on demand with automatic goods receipt to fixed bins
 - ✓ Automatic replenishment/posting change from frozen goods to thaw goods with worklist. Ex. half baked bread
- Everything done automatically based on different business rules
- Advanced shipping notification (ASN) implemented
- Automatic creation of packaging specification and warehouse products based on business rules



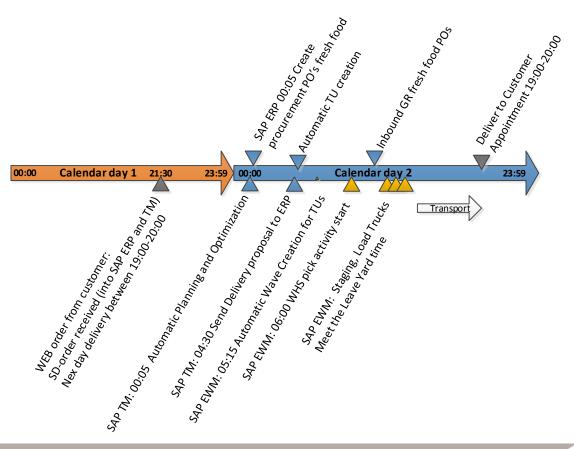
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WEB-Order Life Cycle in the Supply Chain





Wrap Up & Questions



You have now seen:

- SAP Supply Chain Execution platform fully used in a e-commerse environment
- Transportation management and Track & trace in orchestration with e-commerce platform and driver APP



Thank you for listening!





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