



Digital Transformation & The Customer Experience

Robert Jackson, SAP MM Consultant and MM/PM Training Specialist, Hybris



Agenda

- What is Digital Transformation?
- How Does Hybris fit in?
- Digital transformation
 - Retail
 - Financial Services
 - Utilities



**““ BY 2018, ONE THIRD OF THE
TOP 20 IN EVERY INDUSTRY WILL
BE DISRUPTED BY DIGITALLY
TRANSFORMED COMPETITORS.””**

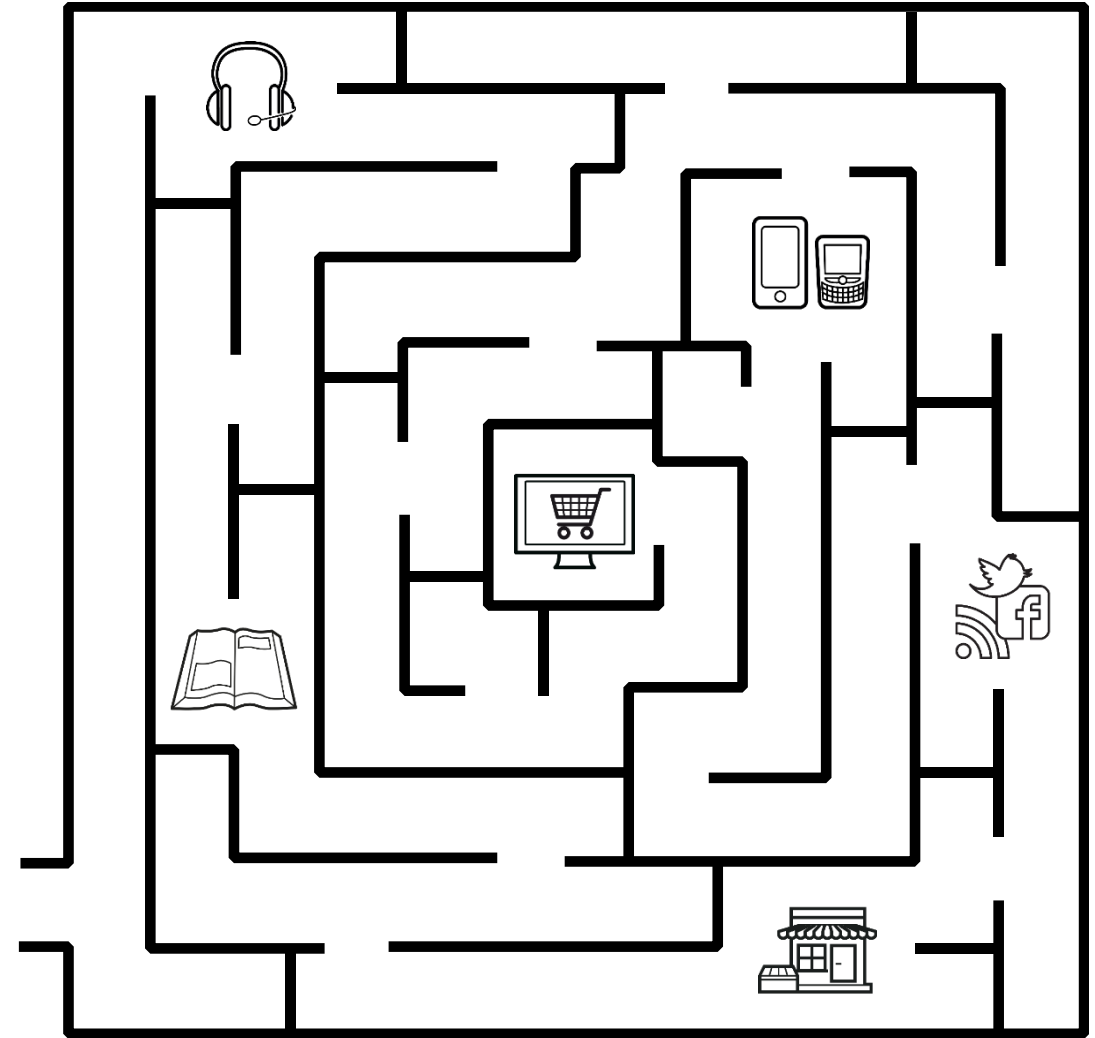
Frank Gens
Chief Analyst, IDC



THE MAJORITY OF
BUSINESSES CAN'T
SUPPORT AN OMNI-
CHANNEL CUSTOMER
JOURNEY.

**JUST 12% CAN PROVIDE
A SEAMLESS HAND-OFF
BETWEEN CHANNELS.**

SOURCE: Forrester Wave Customer Service Solutions 2014



Welcome to the digital economy



1900



1950



2000



ABUNDANCE

PRODUCTS

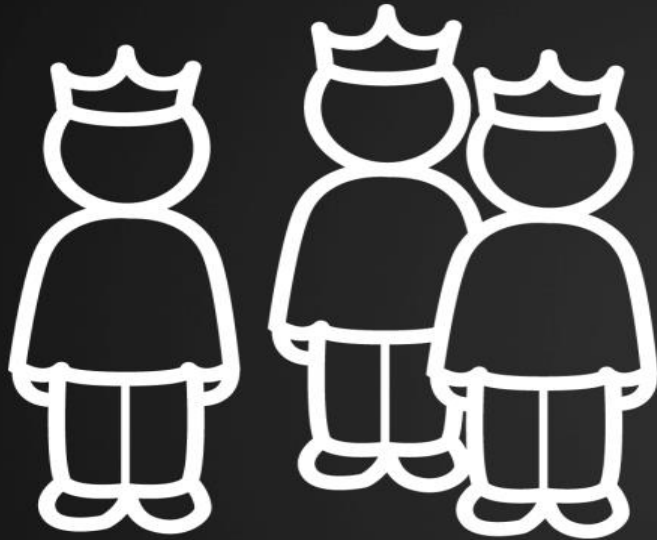
DESIRE

ENGAGEMENT

SCARCITY



Customers Today



MOBILE

INFORMED

SOCIALLY CONNECTED



So What is Digital Transformation



**CONSUMERS
HAVE TAKEN
THE DRIVER
SEAT.**

**YOUR COMPANY
HAS TO BECOME
CUSTOMER-
CENTRIC.**



What are the Challenges?



Customers are harder to engage



99.76%

of online ads are ignored.
Source: Google



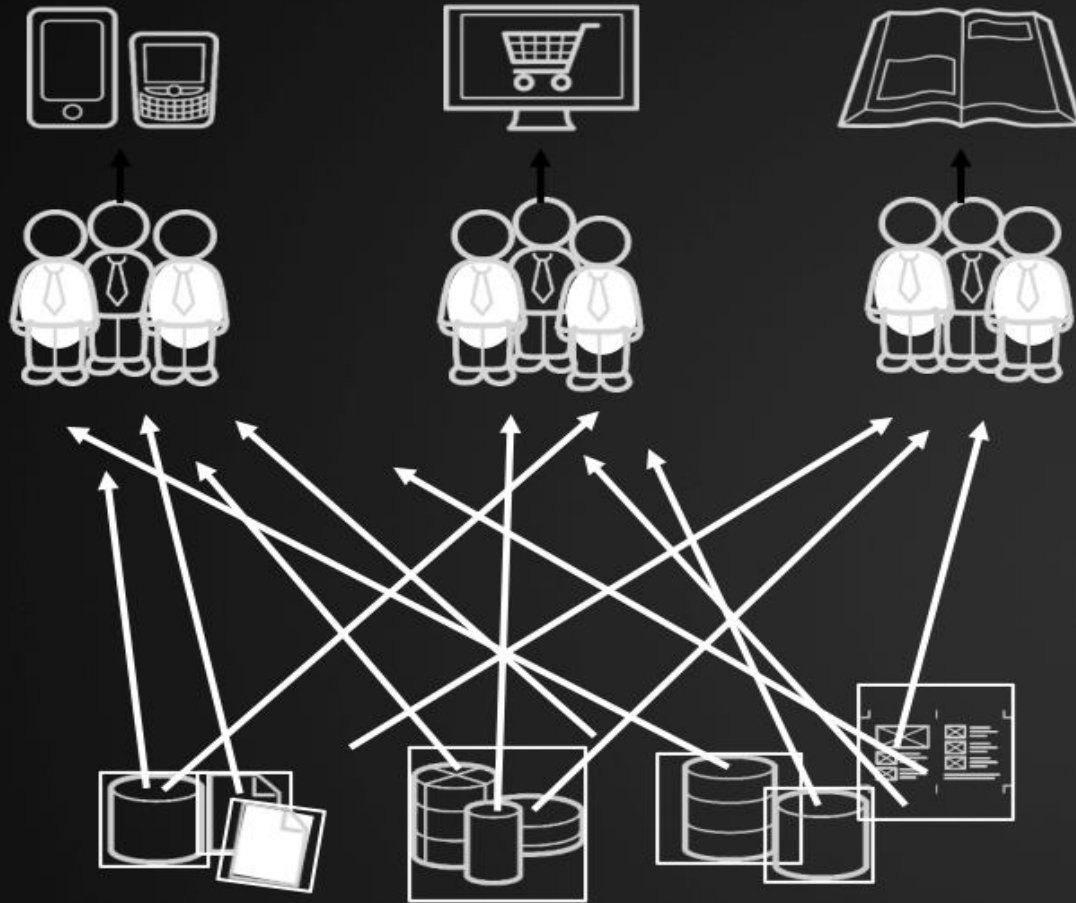
57%

of the buying process is completed before a first interaction with sales.
Source: Customer Executive Board



60%

of consumers abandoned a purchase due to a poor service experience.
Source: American Express Global Barometer



COMPLEXITY
MAKES AGILITY
IMPOSSIBLE.

CRM. WEB CMS. MOBILE. MARKETING. OMS.
STORES. CONTACT CENTERS. ETC.

16

How do Companies Respond to These Changes?

Key Areas of Investment



**DELIVER
PERSONALIZED
EXPERIENCES
IN CONTEXT**



**ORCHESTRATE
PROCESSES AND DATA
TO SIMPLIFY YOUR
FRONT OFFICE**



**TRANSFORM AGAIN
AND AGAIN AND BE
AS AGILE AS YOUR
CUSTOMERS**





How Does SAP Hybris Help?

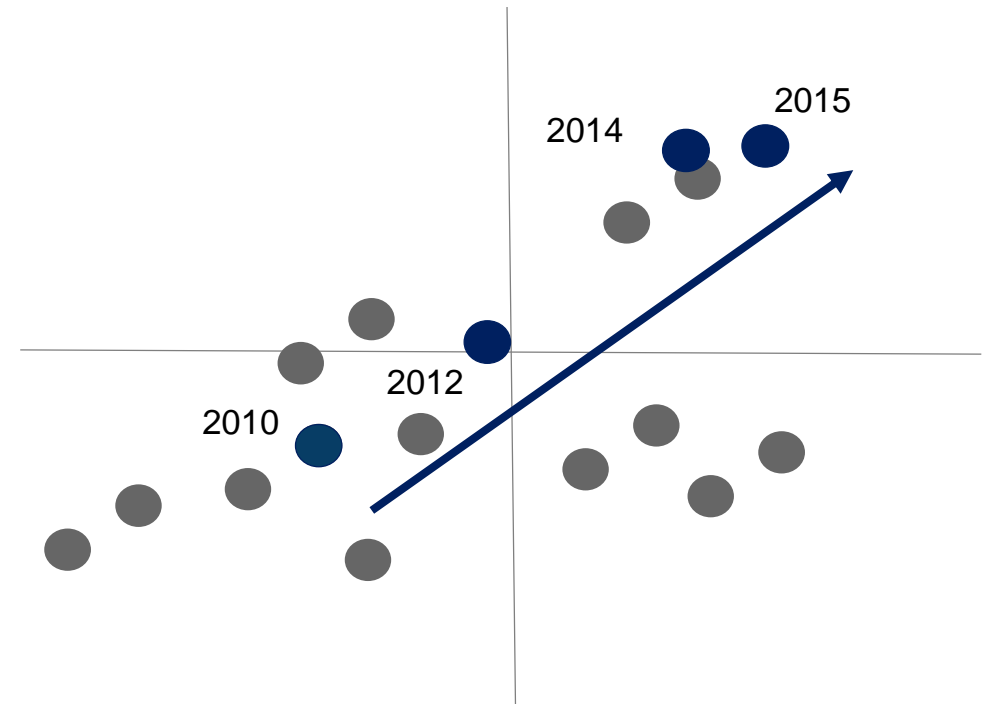


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LIVE
NATIONAL EVENT SERIES

HYBRIS HAS AN UNPRECEDENTED RECORD OF INNOVATION

“hybris leads all other commerce software vendors on strategy. This reflects their continuous investment and improvements to their commerce platform as well as their comprehensive vision, strategy, roadmap for an omni-channel B2B commerce platform.”

- Forrester





WEB



MOBILE



IN STORE/
BRANCH



CONTACT
CENTER



DIGITAL
GOODS



MARKET-
PLACE



IoT



SOCIAL



TEXT/
NOTIFICATION



SEARCH
ADS / SEO



DIGITAL
ADS



E-MAIL



PRINT

EXPERIENCE MANAGEMENT

COMMERCE

BILLING

MARKETING

SERVICE

SALES

DATA MANAGEMENT PRODUCT | CUSTOMER

PLATFORM, INFRASTRUCTURE, INTEGRATION

SIMPLIFIED FRONT OFFICE WITH **SAP HYBRIS**

A MODERN PLATFORM, DESIGNED FOR MODERN BUSINESS



Web

Mobile

POS

Call Center

Social

Print

TV

MOVE AT SPEED OF BUSINESS

Product Content Management.
Customer Experience. Merchandising.

ONE CUSTOMER EXPERIENCE

Commerce. Order Management. Together.

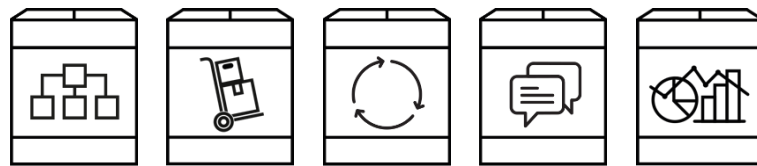
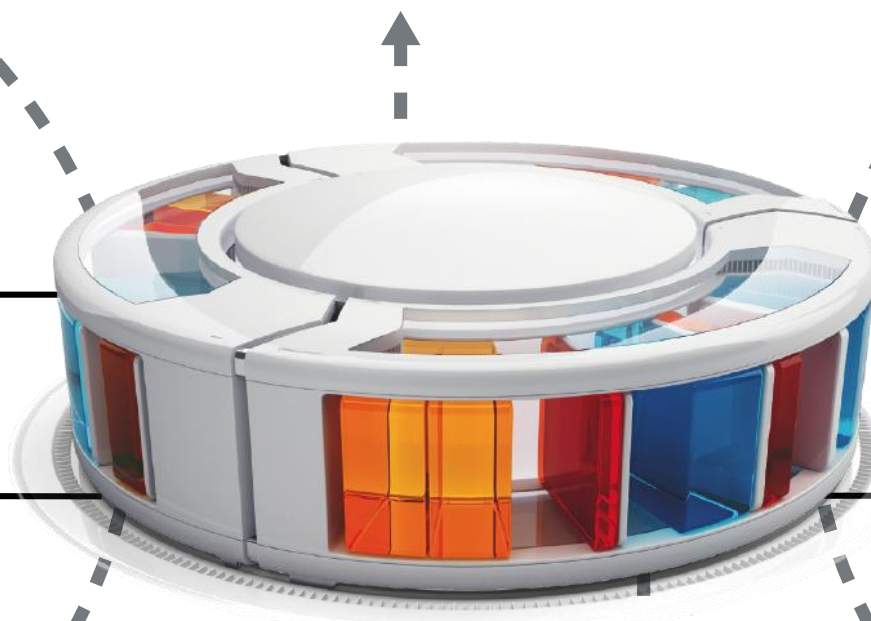
Built to complement not replace existing investments

Modern. Extensible. Standards-based.

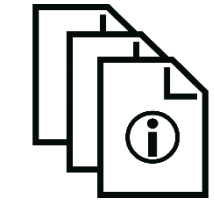
CONFIGURED FOR SUCCESS

Our Customers. Our Partners.

Accelerators. Hybris Extend. The Data Hub.



ERP WMS PLM CRM Data Pools

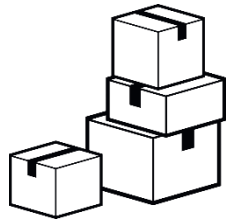


CONTENT



CMS

Streamlined and intuitive management of content



PRODUCTS



MERCHANDISING

Auto-optimized product mix based on business goals and context

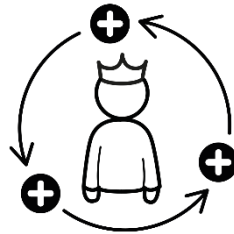


COMMERCE



PERSONALIZATION

Tailor to match customers and their intent



OPTIMIZATION

Measure, learn, improve

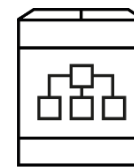
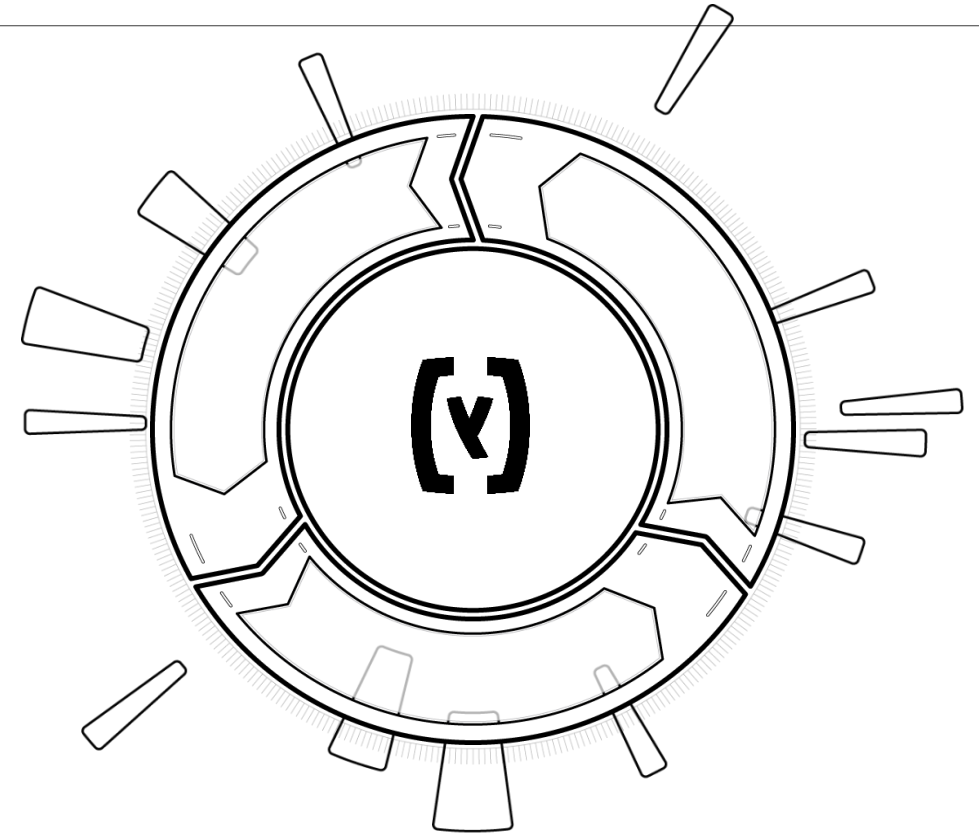
EXCEPTIONAL CUSTOMER EXPERIENCE

Relevant engagement to drive loyalty

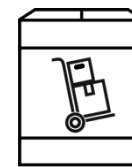
BUILT TO COMPLEMENT *NOT* REPLACE EXISTING INVESTMENTS

Modern platform
designed to add
value and **agility** to
existing systems and
processes.

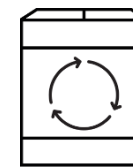
RESTFUL.
Extensible.



ERP



WMS



PLM



CRM



Data Pools

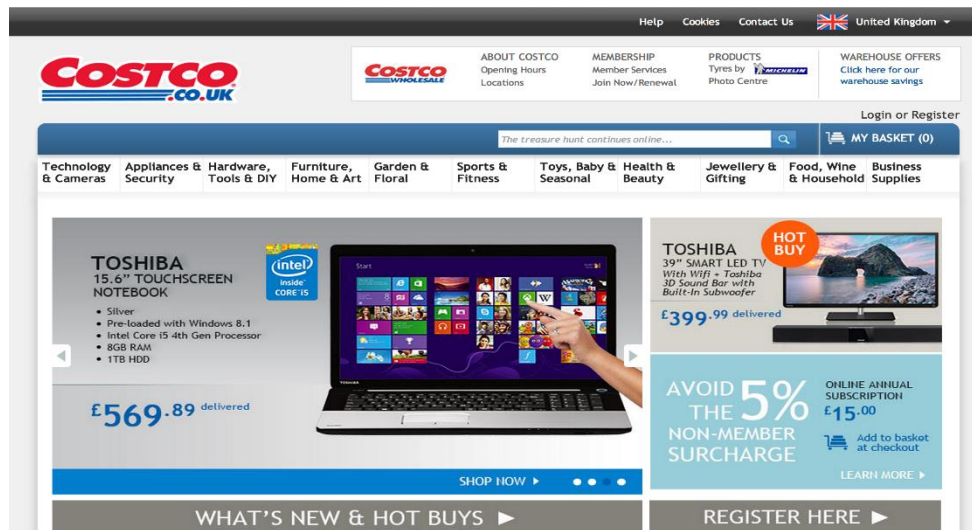


Digital Transformation in Retail



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NATIONAL EVENT SERIES

Case Study: Costco



- World's 7th largest Retailer, **£2bn online sales** in North America, \$90bn turnover
- International rollout **halted on the IBM** platform in favor of hybrid due to **speed of delivery and cost of deployment**
- Drop ship vendor integration using EDI
- 7 months in **discovery and development**
- Sophisticated **checkout capability** for multi address shipment, gifting and B2C / B2B
- Integrated to Reply **SaaS WMS**
- Developed **a template for global expansion** covering UK & Mexico. South Korea, Taiwan & China in progress

Case Study: Iceland



- UK's **5th largest** Supermarket
- £1bn in home delivered sales
- Fulfillment from **800 stores** nationwide
- **Advanced promotions** capability to re-populate basket promotions on product / promotion change-over
- Store ranges managed through **Solar search engine for high performance** and scalability
- **8 month** delivery schedule
- Integration to delivery routing engine for high availability slot allocation
- Stock and substitutions management
- hybrid **web, mobile and call centre** for Phase 1

Case Study: Delhaize

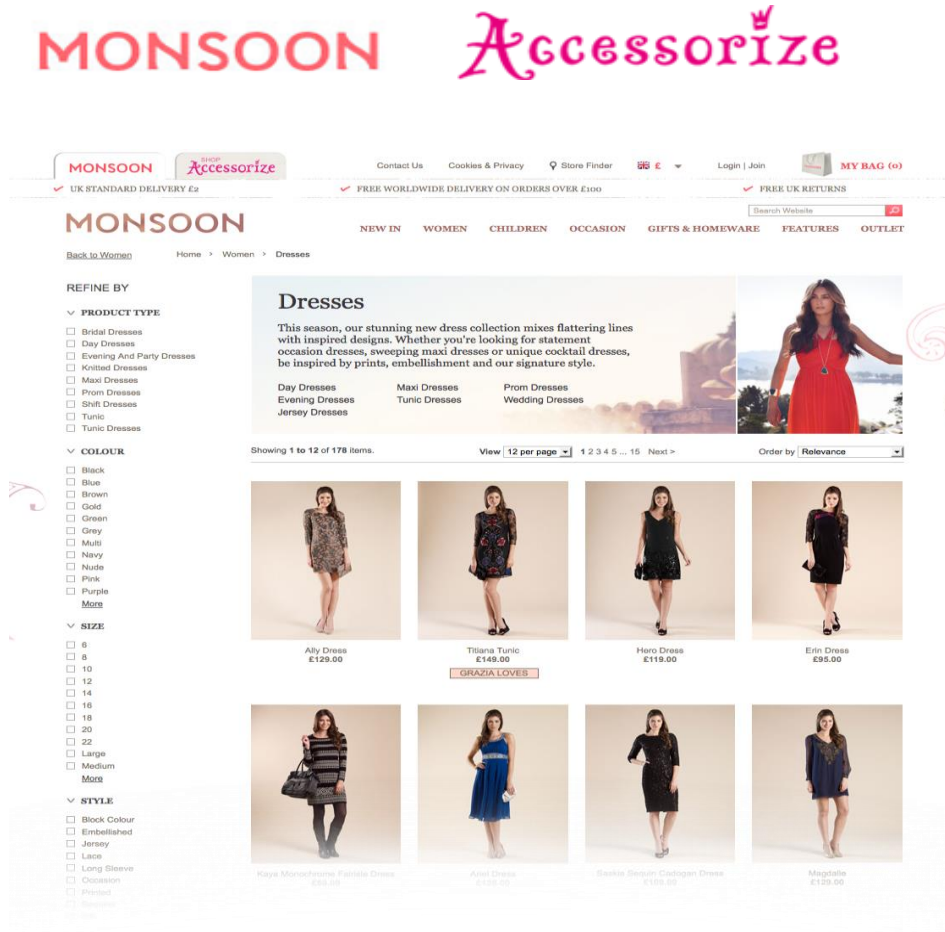


The screenshot shows the Delhaize e-commerce website interface. At the top, there is a navigation bar with links for 'Trouver un magasin', 'Delhaize Wineworld', 'CaddyHome', 'Carte-plus', 'Tom&Co', 'Photo', 'Jobs', 'Se Déconnecter', 'Bienvenue NIKHI', 'Mon compte', 'Aide', and 'FR'. Below this is a search bar with the text 'Je recherche dans l'e-shop' and a 'Chercher' button. To the right of the search bar, there is a 'Mes Listes' button and a location selection area for 'AD Braine-le-Comte' with a 'Modifier' button. Below the search bar, there is a navigation menu with links for 'E-SHOP', 'PROMOTIONS', 'NOS MARQUES', 'RECETTES', 'SANTÉ & BIEN-ÊTRE', and 'NOS MAGASINS'. The main content area shows a shopping cart with a total of €9.18 for 3 products and a 'Voir le panier' button. Below the cart, there are two steps: '1 Choisir un point d'enlèvement' and '2 Choisir un créneau horaire pour l'enlèvement'. The '2' step is active. Under 'Choisissez un créneau de retrait', there is a text box for 'AD Braine-le-Comte' with a 'Modifier' button. Below this, there is a table showing available pickup slots for various days and times.

jeudi 31 juillet	vendredi 01 août	samedi 02 août	dimanche 03 août	lundi 04 août	mardi 05 août	mercredi 06 août
09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité	09:30 - 11:30 Créneau limité
11:30 - 14:30	11:30 - 14:30	11:30 - 14:30	Créneau indisponible	11:30 - 14:30	11:30 - 14:30	11:30 - 14:30
14:30 - 18:30	14:30 - 18:30	14:30 - 18:30	Créneau indisponible	14:30 - 18:30	14:30 - 18:30	14:30 - 18:30

- Food retailer operating in seven countries across three continents
- **Four-staged roadmap**
- Supports various business models
 - In-store Picking / Warehouse Picking / Mixed Picking
 - Home Delivery / In-store Collection & Pick-up Point
- **Store specific assortment** managed through Solr search engine for high performance and scalability
- **Advanced promotions capability**
- Store Dashboard & PDA integration for in-store picking and putaway
- Integration to Delivery routing engine for **high availability slot allocation**
- Stock and substitutions management
- hybris web, mobile, APP and call center

Case Study: Monsoon



- £1bn retailer, over **£100m online** with plans to grow to £200m in three years
- **Virtual machines** added during peaks for immediate scale then taken offline
- Worked with the board to define Multi Channel Strategy including **web, mobile, contact centre & in store systems**
- Website, mobile & tablet, call centre on hybrid
- **Shared basket** between brands, Amazon, Internationalization
- **Implementing 14 international sites** for multi brands and with multiple languages, currencies
- **Fixed Price Contract**



Digital Transformation in Financial Services



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Emerging Impacts in the Financial Services Industry

- Pay as you go Automobile Insurance
 - where you go, how fast you go, when you go
- FitBits for Health
- Driverless Cars – Who pays? Who's covered?
- Drones
 - Utility inspection
 - Crop protection
- FinTechs in emerging Banking markets
 - Smart Phone “branches”
- The “Connected Home”
- Internet of Things

Disruption in Financial Services

- FinTechs are going direct to consumer
 - Taking out the Banks
- Insurance is ripe for Disruption
- Starting to be focused on marketing as much as technology
- Financial Service companies are recognizing that the Customer Experience is key

UNPRECEDENTED CHANGES ARE AHEAD



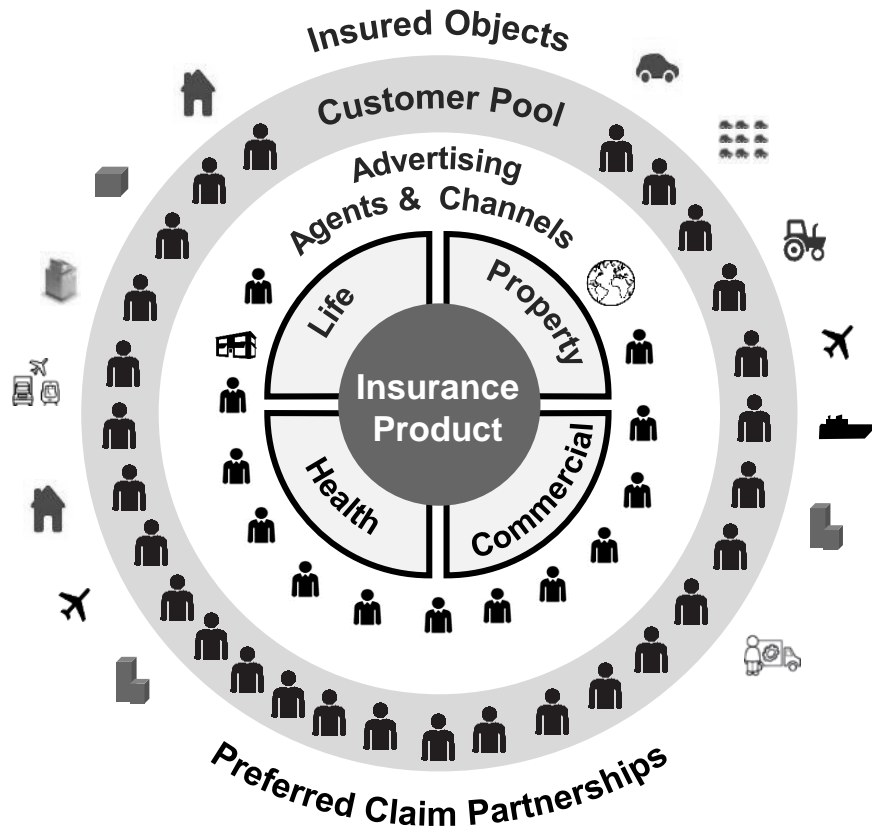
Policy
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...\$...



Insurance business model evolution

Today

Product - centric
Loss Compensation

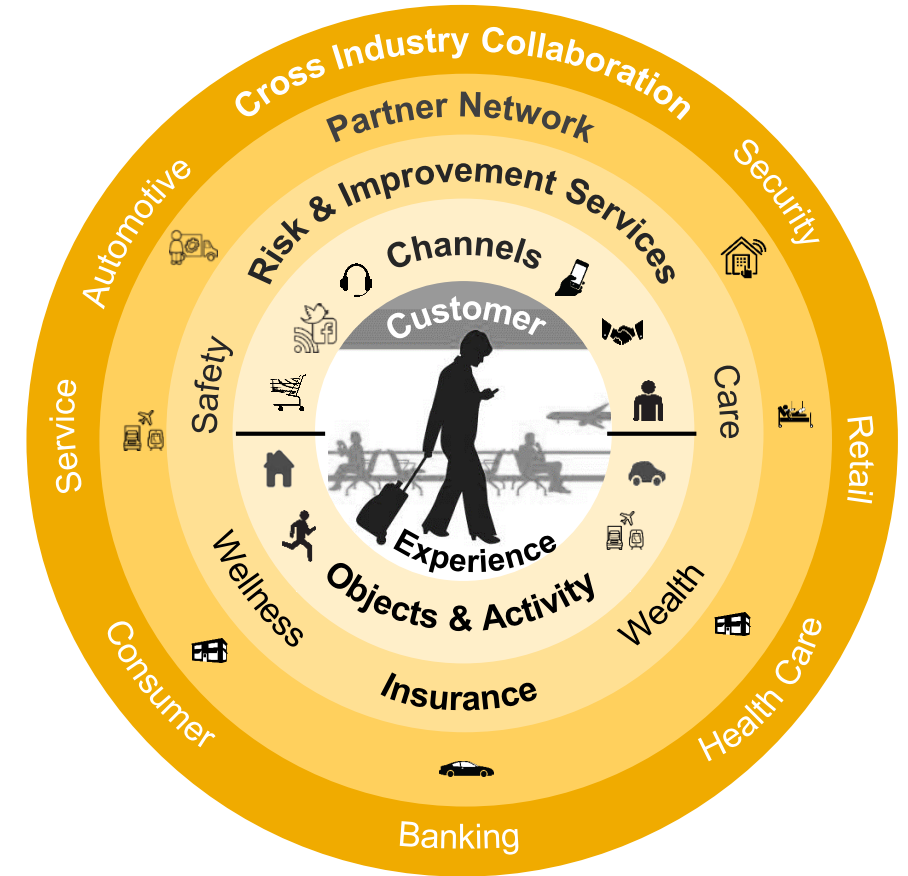


Mathematical abstraction of reality

A Financial Service

Tomorrow

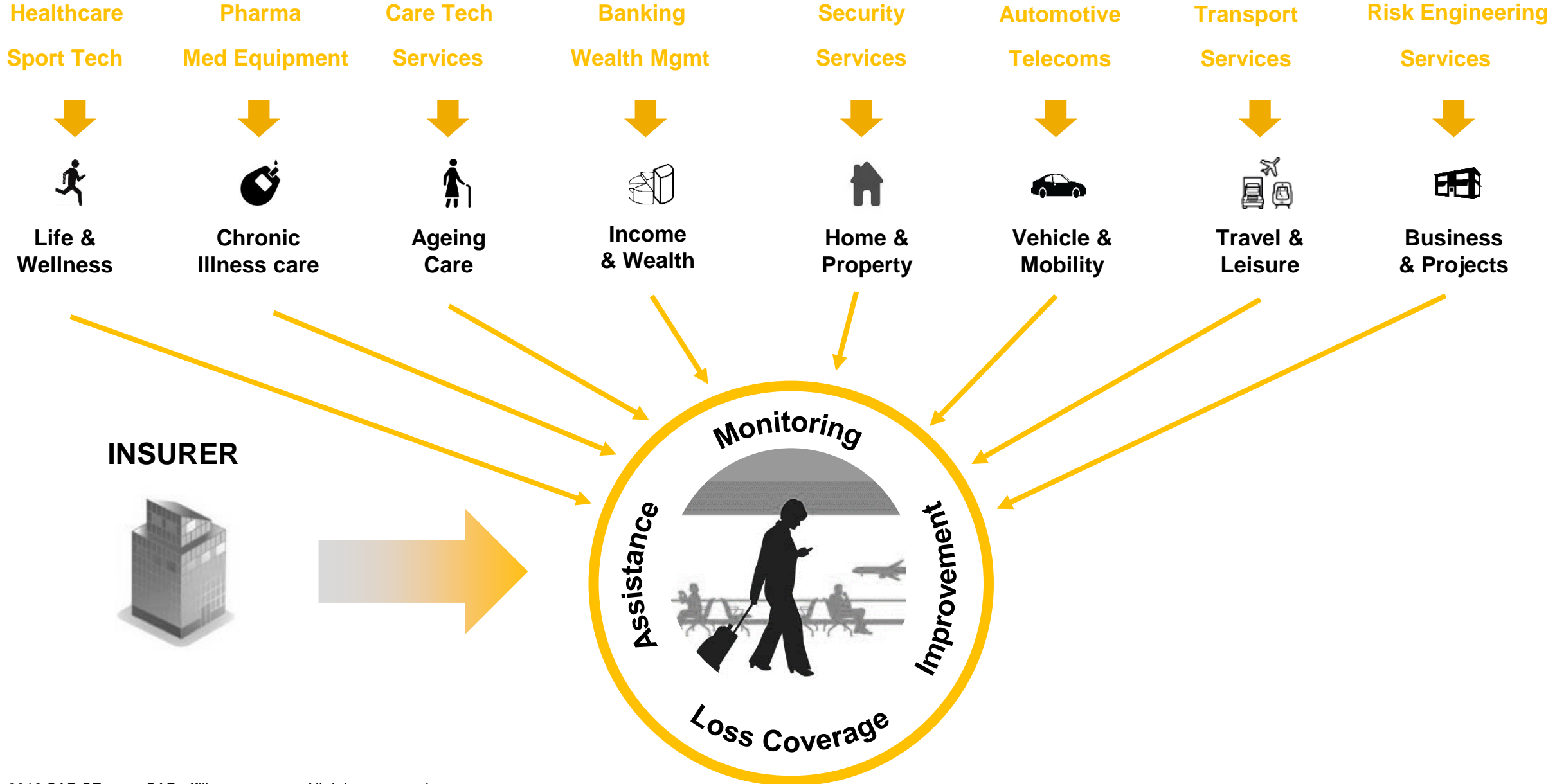
Customer - centric
Loss prevention



Influencing physical reality

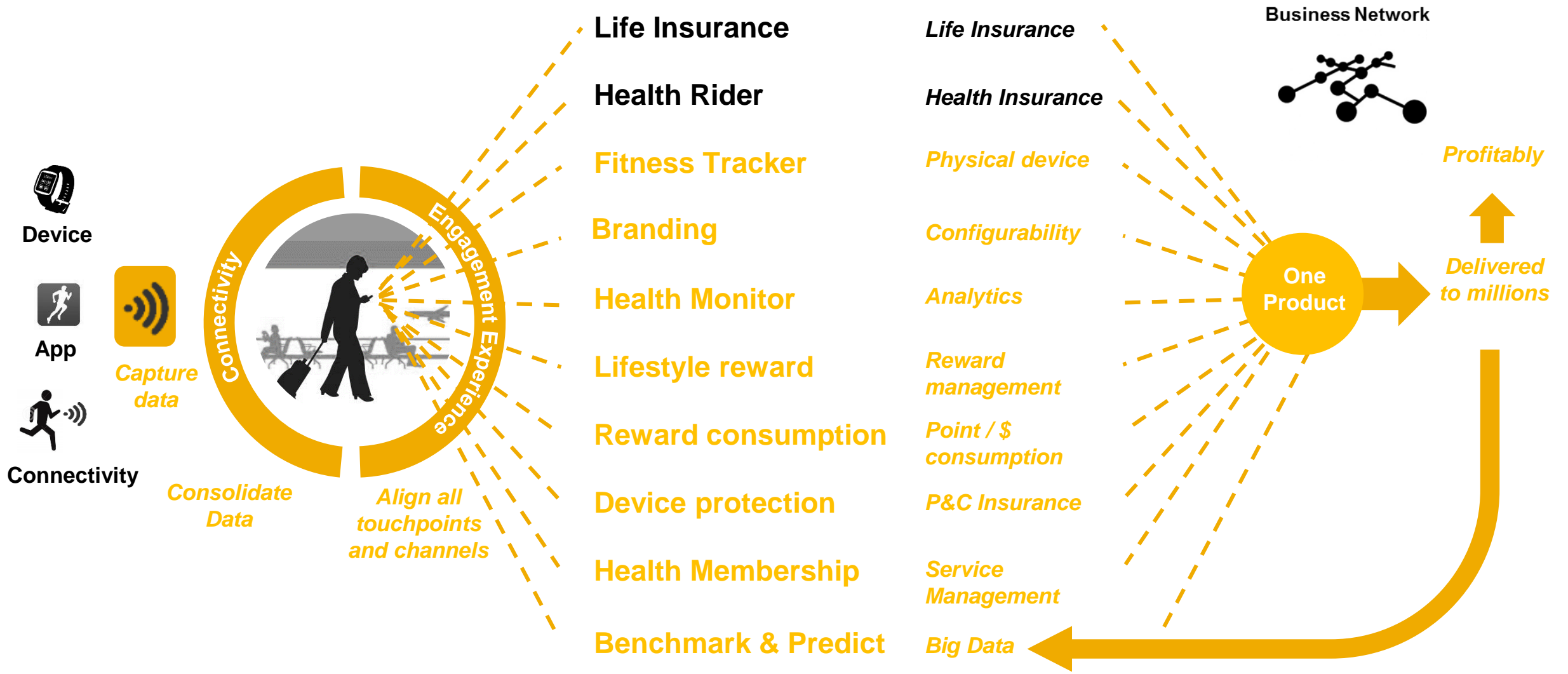
A Risk Service

Neighboring industries' business models are also evolving

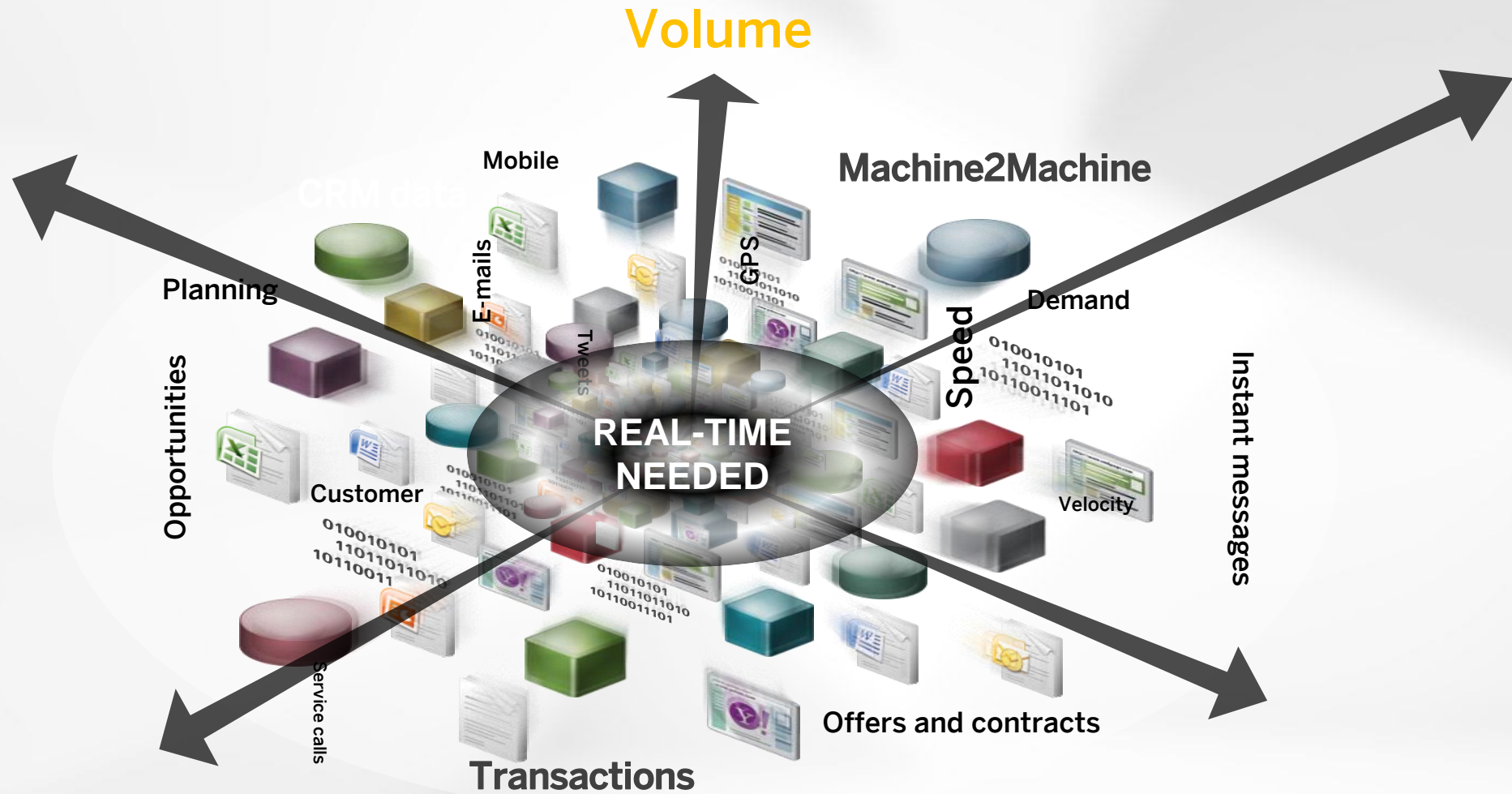




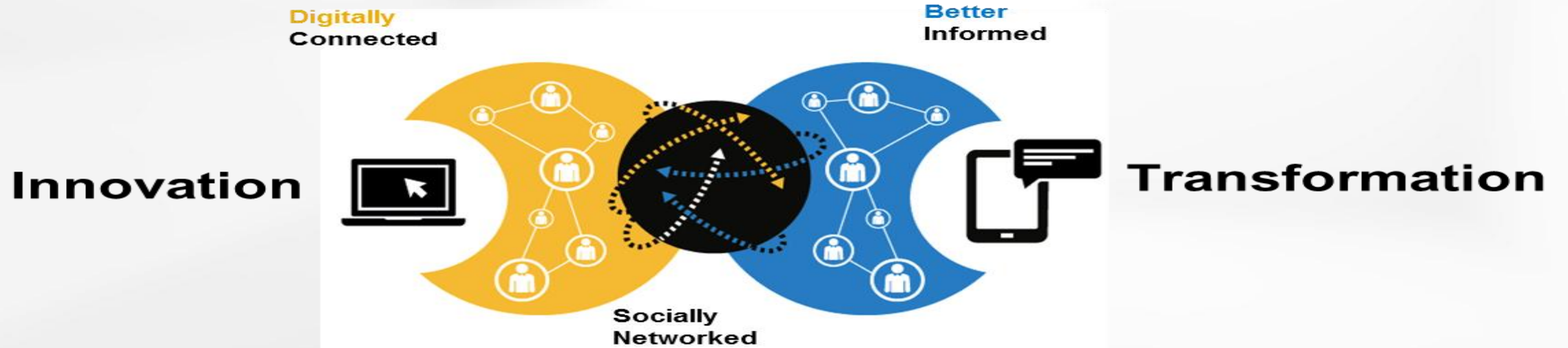
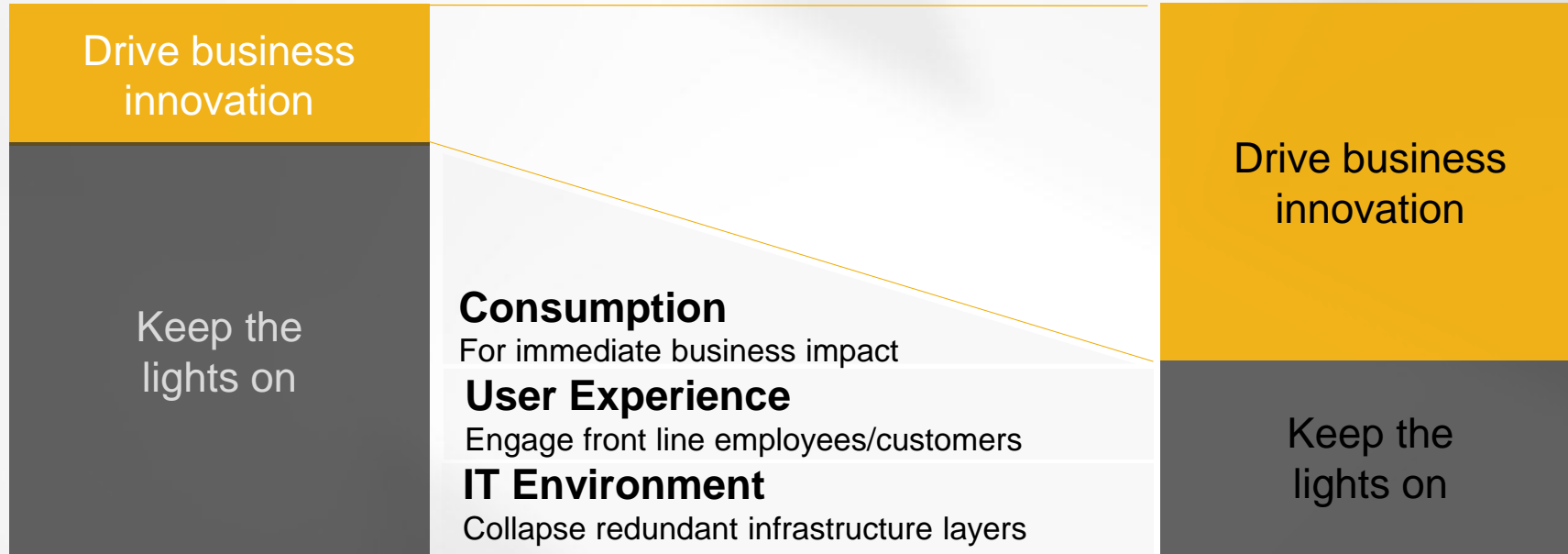
Life & Wellness – New Business Model

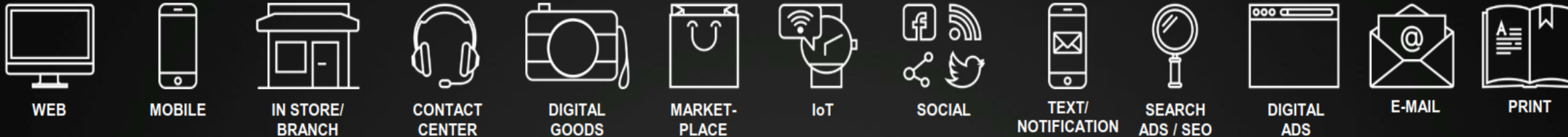


PAST SOLUTIONS CAN'T COPE ANYMORE



RADICAL SIMPLIFICATION IS NEEDED





EXPERIENCE MANAGEMENT

COMMERCE

BILLING

MARKETING

SERVICE

SALES

DATA MANAGEMENT

PRODUCT | CUSTOMER

PLATFORM, INFRASTRUCTURE, INTEGRATION

SIMPLIFIED FRONT OFFICE WITH SAP HYBRIS

Industry Transformation From Loss Compensation... → ...to Loss Prevention → ...to Customer Care

Protection across insurance lines

Connection across industry lines

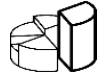
Business Model Transformation



Life & Wellness



Health & Ageing



Income & Investment



Home & Property



Vehicle & Mobility



Travel & Leisure



Business & Projects

Company Challenges

Business

Technology

Platform

SAP S/4 HANA Insurance



Digital Boardroom



Digital



Marketing



Sales



Products



Operations



Procurement



HR



Assets



Finance



Information

Digital Orchestration



HANA Cloud Platform

Internet of Things

Business Process Management

Customer Experience



Business Partner

Omnichannel Marketing

Customer Engagement



E-Commerce Sales

Service Comissions Loyalty

Product Agility



Product Rating

Quotation Case & Contracts Actuarial Modelling*

Cross-Line Operations



Policy Claims

Billing Fraud Reinsurance Logistics

Business Networks



Procurement Ariba Network

Adaptive Workforce



Human Capital Success Factors

Field Glass (External Labor) Concur Travel

Investment & Liquidity



Cash & Liquidity Financial Assets

Calypso Trading Real Estate

Finance & Compliance



Accounting Planning

Consolidation Risk & Compliance Insurance Analyzer Profitability

Analytics & Prediction



Visualization Prediction

Visualization Master Data Sentiment

SAP HANA

Best Practices

Cloud

Engagement

Executive Overview



Innovation Day



A Day in the Life



Design Thinking



A Week in the Life



Test Drive



Jump Start

*Actuarial modelling done outside SAP system (e.g. Moses / Prophet / R)

The background features a blue umbrella with water droplets on its surface, set against a blurred green and yellow background. A circular graphic composed of multiple overlapping, colorful lines (including shades of purple, blue, green, yellow, and orange) surrounds the central text.

ageas®

The SAP logo, consisting of the letters 'SAP' in white on a blue rectangular background with a white triangle on the right side.

SAP®

Ageas Approach at a Glance



Customer Strategy

- Strategic growth through activities in Asia
- Launch of next greenfield operations with joint venture partner in Philippines and Vietnam



Project Scope

- Front Office (incl. Hybris, CRM, Product and Quotation Mgmt), Middle Office, Back office (incl. Financials, HR, Business Planning, Procurement)



Project Start: October 2015

Go-live dates (Philippines)



- Go-live Rel. 1.0 on Feb 1st 2016 - New business
- Go-live Rel. 1.1 in April 2016 - Entire insurance operation



Highlights

- Greenfield supported wall-to-wall by SAP
- Project acceleration through Best Practice
- Software hosted in SAP HANA Enterprise Cloud
- SAP provides Onboarding and Application Management Services (AMS)

Ageas Group

- International business for over 190 years
- Focuses business activities in Europe and Asia
- Owned subsidiaries and partnerships in over 50 markets
- Among Top 20 European insurer
- #3 Car insurer in UK
- 13,000+ people in the consolidated entities, 30,000+ in the non-consolidated partnerships
- Annual inflows close to EUR 26 billion in 2014
- Joint-venture companies related to SAP
 - EastWest Ageas Life, Philippines
 - MB Ageas Life, Vietnam



Placing customer needs first regardless of line of business



Example



Configura il tuo abbonamento ?

Scegli la combinazione dei moduli e personalizzali

La tua soluzione

12 €

AL MESE

CASA
Proteggi la tua casa dagli imprevisti

Danni a terzi

Casa

5 €

Danni al contenuto della casa

Casa

2 €

Danni ai locali della casa

Casa

5 €

Furto in casa

Casa

4 €

MOBILITÀ
Assistenza satellitare per la tua auto

Emergenze alla guida *(Non comprende RC Auto)*

Auto

13 €

Commerciante

19/12/1980

ANCONA

PERSONA
Prenditi cura di te e delle persone che ami

Invalidita' permanente da malattia

Persona

7 €

Grandi interventi e malattie gravi

Persona

17 €

Invalidita' permanente da infortunio

Persona

12 €

Premorienza

Persona

10 €

Diaria da infortunio

Persona

1 €

Emergenze in casa

Casa

2 €

Emergenze in famiglia

Persona

3 €

Offerta di partenza

Aggiungi tutti i moduli

SALVA

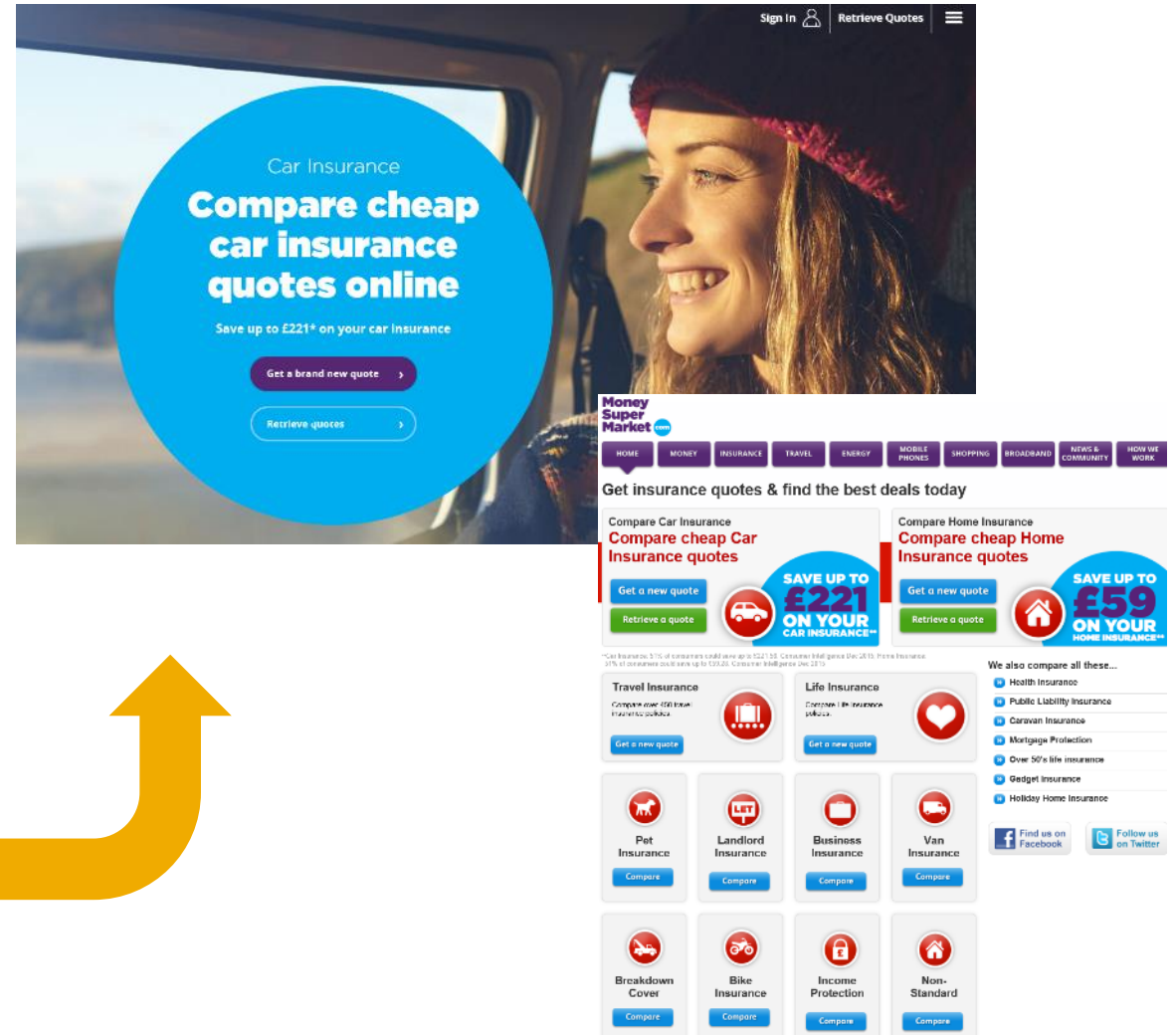
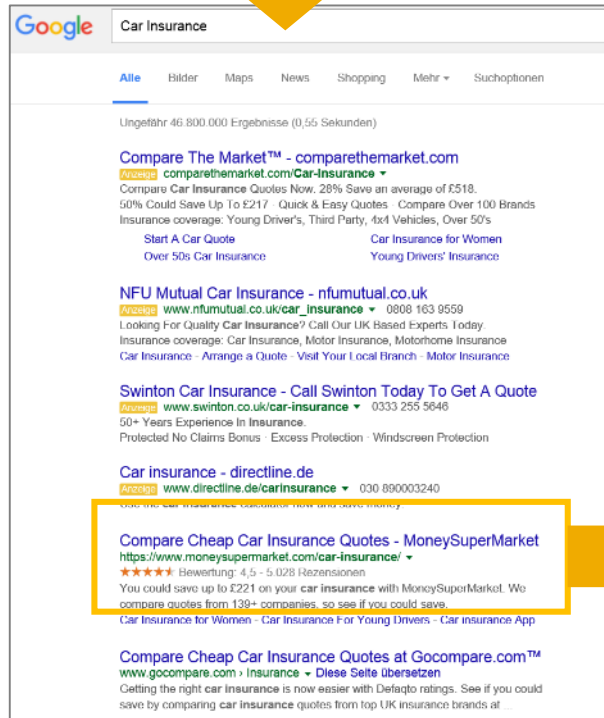


Example

<https://www.google.co.uk/>



Simple access





Example



Simple entry

Banking Home buying Investing Super & retiring

Log on

SIMPLE LIFE INSURANCE. SIMPLE IS HERE AGAIN.

Easy-to-get life insurance, in 4 quick steps. It's really that simple.

Call 13 3982

[Get a quote >](#)

What is Simple Life?

Simple Life is insurance that helps protect your lifestyle and the people who depend on you. You might consider it when your circumstances change such as changing jobs, entering the property market, or starting a family.

Simple Life offers four types of cover, with benefits paid as a lump sum – Life Cover up to \$1 million, Total and Permanent Disability Cover up to \$500,000, Critical Illness Cover up to \$200,000 and Bill Protection up to \$5,000. To make things simpler, you can choose from one of our packages, or any combination of covers when you get a quote.

<input checked="" type="checkbox"/> Life Cover	<p>\$500,000</p> <p>\$100,000 ————— \$1,000,000</p>	<p>\$51.00 per month</p>
<input checked="" type="checkbox"/> Disability Cover	<p>\$250,000</p> <p>\$100,000 ————— \$500,000</p>	<p>\$19.00 per month</p>
<input checked="" type="checkbox"/> Critical Illness Cover	<p>\$50,000</p> <p>\$30,000 ————— \$200,000</p>	<p>\$11.00 per month</p>
<p>OK</p>		<p>Total cost \$81.00 per month</p>

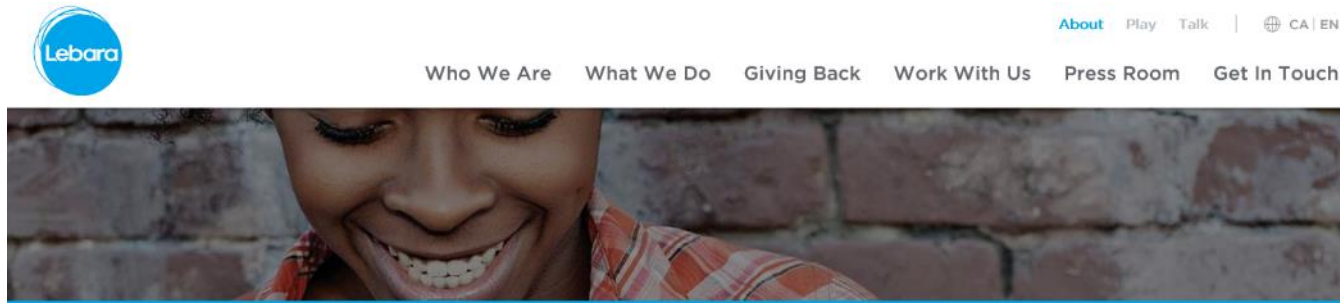
https://www.commbank.com.au/personal/insurance/life-insurance/simple-life-1.html?s_tnt=9071:1:0



Example



Designing experiences around special needs



Enhancing migrant lives

We provide a selection of products and services that enhance the lives of migrant communities.

We at Lebara are committed to meeting the needs of our migrant communities at every step of their journey: from planning, to arrival, to living within their new home in any part of the world, wherever they should choose to settle.

Providing insurance and banking services to refugees and migrant communities.



<https://www.lebara.com/ca/en/lebara-has/services>

SAP STRATEGY 2020

Our Strategy is aligned with the Key Success Factors for the Bank of the Future

Digital Customer Engagement



#1 in Digital Customer Engagement

- Front and center of our strategy
- Digital Banking for retail and commercial banking
- Predictive analytics, profiling and customer information hub for real-time, digital customer engagement and eCommerce

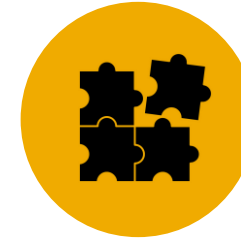
Real-time Insight



1 in Real-time Insight

- Leverage S/4HANA and industry solutions to enable real-time insight on transaction level
- Industry specific solutions for Accounting for Financial Instruments, Performance Mgmt, Risk & Compliance to address regulatory needs
- Leverage investment in FRDP and in HANA (EDW) to provide Financial Services Data Platform

Agile Platform



#1 in Agile Platform

- Adaptive, scalable product systems / digital core
- Establish the HANA Cloud Platform as the market leading innovation platform for FinTechs/FSI eco-system.
- Make use of disruptive technologies such as Blockchain

Anticipates Customer Demand with SAP Predictive Analytics

Achievements

- Personalized communication: creation of **tailored offers** based on customer profiles
- Ability to choose the most relevant groups for their retail marketing campaigns
- Better understand the preferences of its customers and **anticipate future demand** by using predictive models
- Significant and rapid increase in marketing campaign response rates:
 - **400% increase** in **credit** products hit rate
 - **200% increase** in **insurance** products hit rate
 - **250% increase** in **savings** products hit rate



“SAP Predictive Analytics has allowed mBank to discover individual customer preferences. Now we are able to initiate more direct conversations, resulting in a better understanding of our clients on a personal level.”

Bartosz Witorzenc, Director of Strategic Initiatives, mBank

PAYPAL

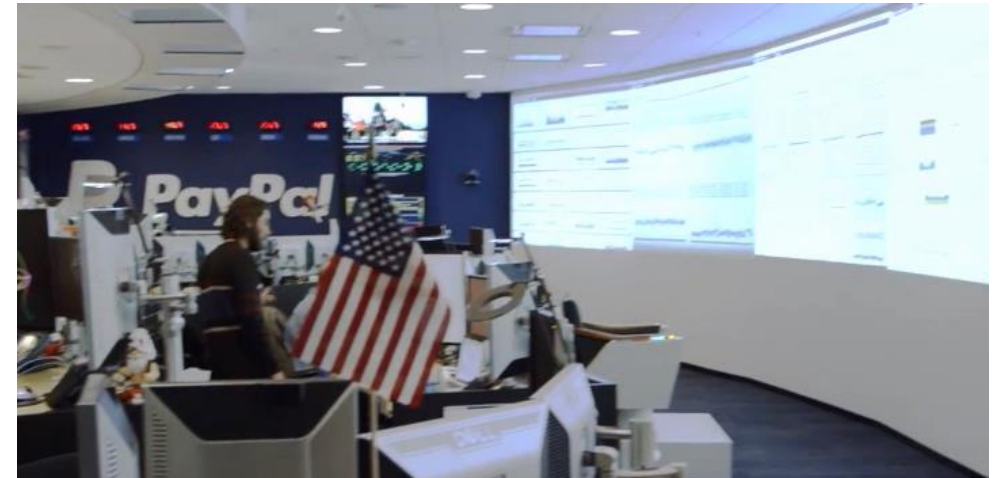
Managing online payments with SAP HANA

Objectives

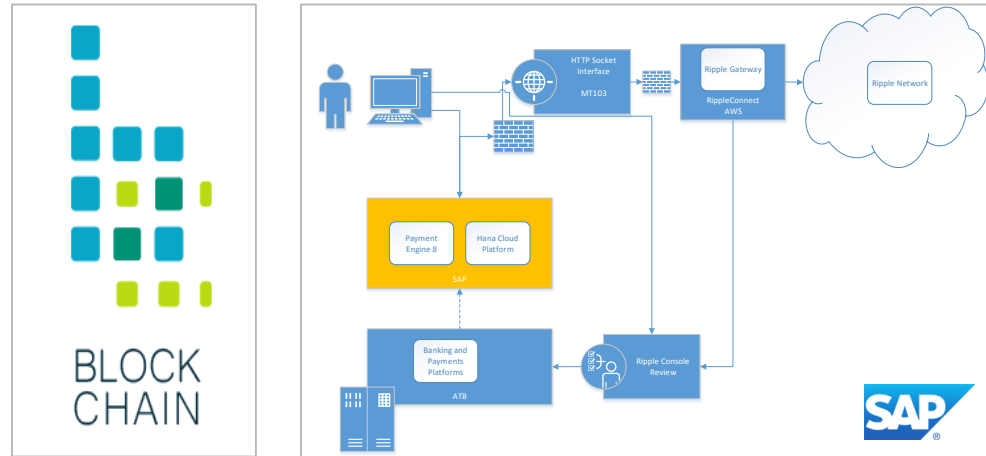
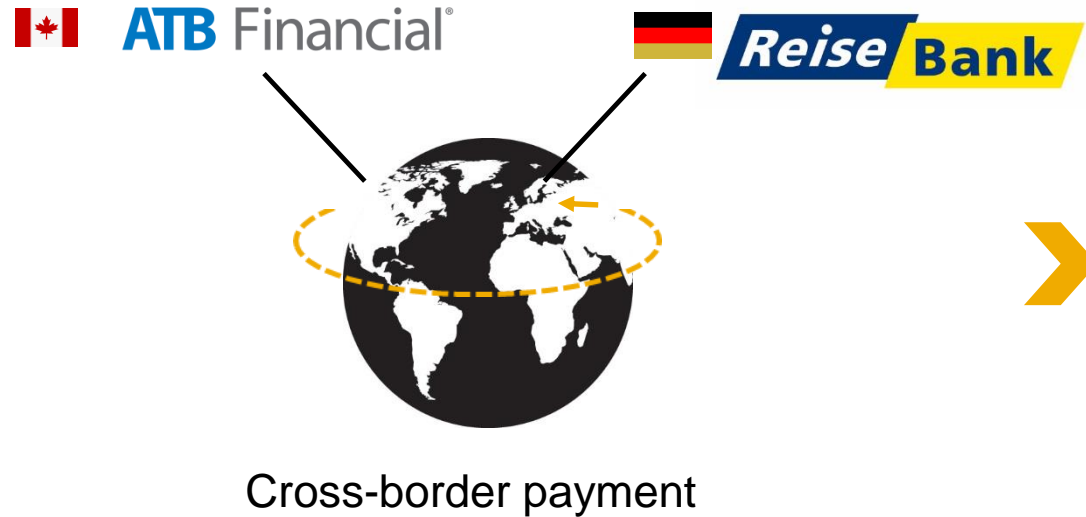
- Increase **data quality and granularity**
- **Reduce time** to acquire data
- Increase accuracy by **reducing manual processes**
- **Increase time** spend on **value-add activities**

Statistics

- **400m active accounts**
- Online payments in **190+ countries**
- **15m payments per day**
(doubles on Black Friday and Cyber Monday)
- Expected **growth rate: 30% YoY**
- **All on a single HANA box (48 TB)**



INNOVATION LEVERAGING SAP HCP AND BLOCKCHAIN TECHNOLOGY



TORONTO, Canada — July 14, 2016 — ATB Financial, the largest Alberta-based financial institution, has collaborated with [SAP SE](#) (NYSE: SAP), financial technology start-up [Ripple Labs Inc.](#) and ReiseBank AG in Germany to send the first real international blockchain payment from Canada to Germany.

Overseas payment process took **20 sec** instead of **3 days**

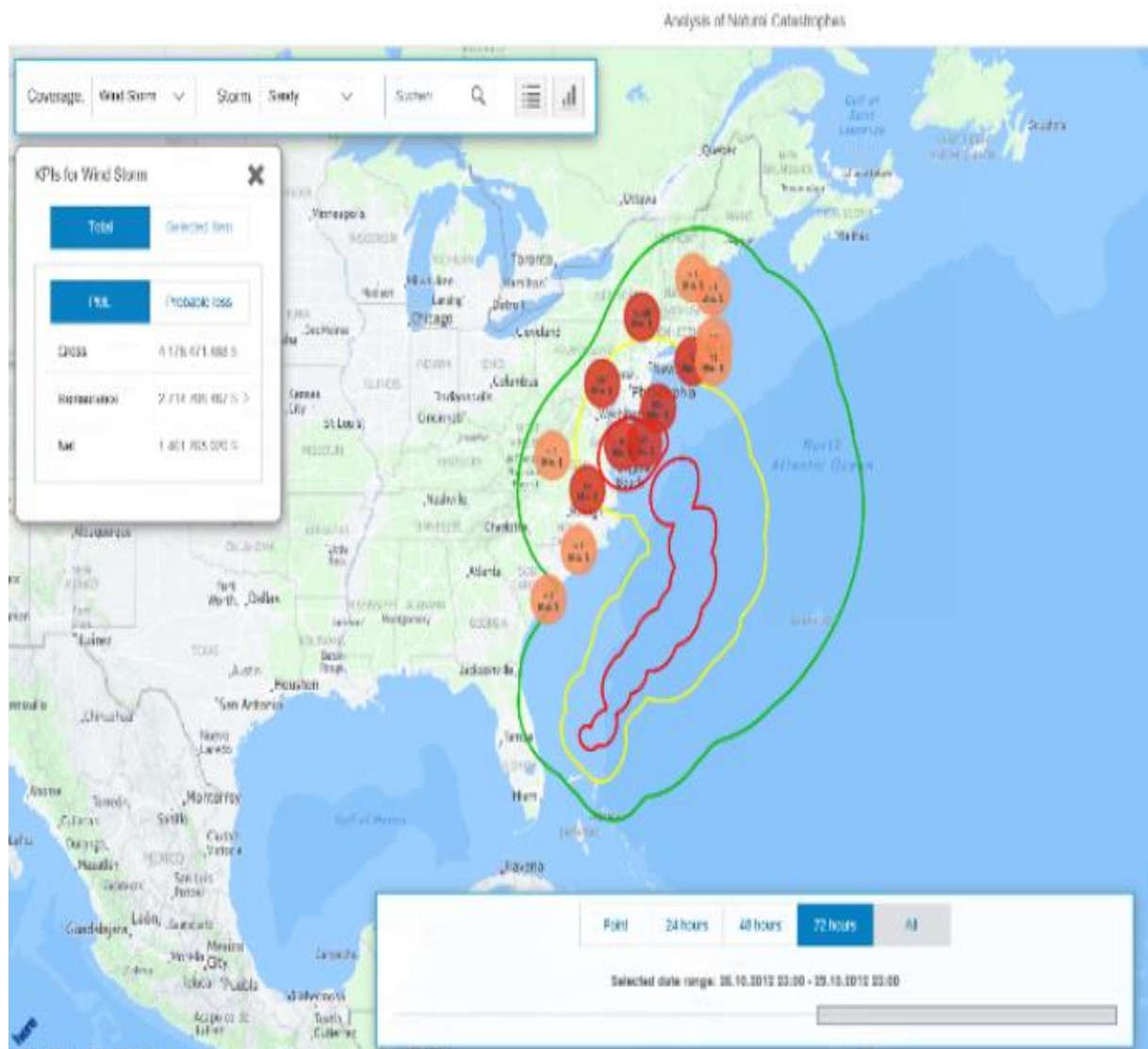
FINTECH @USA - THE SAP NEXT-GEN LAB - HUDSON YARD FS

This will be place where we will feature (opening in Q1.2017):

- The future of banking
- Meet-ups on thought leadership in Fintech with internal and external speakers including academia
- Dedicated startups working on Fintech and the future of banking where the ideas can be seeded into SAP customers
- Executive education with the Ivy League universities (Cornell, Columbia, Princeton, ...) on the future of Financial Services
- A place where our Financial Services customers can come and work and interact with students and startups
- The best HANA expertise through HPI graduates with deep knowledge of HANA



Many new models are emerging



METEOPROTECT

Meteo Protect: Providing Fully Customized Weather Insurance in Real Time with SAP HANA®

Meteo Protect, a French startup, offers customized index-based weather insurance to farmers and others. It created an app that lets customers select their policy specifications, including geolocation, coverage period, and weather parameters, and uses the SAP HANA® platform to aggregate weather-related data, analyze risks, and price and underwrite the policy – all in real time.

WE HELP CREATE DISRUPTORS



“The vision here is **a single user database** that combines the traditional consumer purchasing habit information with Under Armour's additional insights gained through our Connected Fitness platform. This work can be categorized into two main areas: Architecting the future to create **a business platform that will scale our organization and sustain our global growth**, and developing the consumer insight engine that will use data to **drive this business to \$7.5 billion and beyond.**”

Kevin Plank
CEO, Under Armour





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Thank you