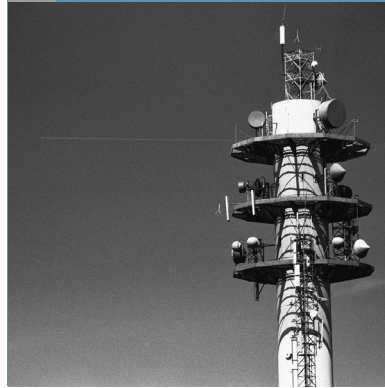


## SAP Customer Success Story

**“SAP Incentive and Commission Management in mySAP ERP, combined with SAP’s global presence, gives us the opportunity to achieve synergy on an international level.”**

Arndt Schulz, Head of Sales Partner Clearing, T-Mobile



### AT A GLANCE

#### Company Name

T-Mobile, Germany  
www.t-mobile.de

#### Industry

Telecommunications

#### Key Challenges

- Improve incentive and commission management: more transparency, better reporting, flexibility, and greater speed in processing
- Replace outdated legacy system for incentive and commission management to gain competitive advantage

#### Implementation Partners

- SAP® Consulting
- msg systems AG

#### Solution and Services

- mySAP™ ERP Corporate Services including SAP Incentive and Commission Management
- SAP Business Intelligence, a component of the SAP NetWeaver™ platform

#### Existing Environment

Legacy system

#### Implementation Highlights

- Project completed on time, within budget
- Implementation went live after only 11 months

#### Key Benefits

- Greater transparency and powerful reporting
- More motivated sales staff and partners
- Rapid and easy changing of commission rates for thousands of contracts in one step
- Faster, accurate commission payouts provide a competitive advantage

#### Hardware

HP AlphaServer ES45

#### Operating System

Tru64 5.1B UNIX

## T-MOBILE

### MOTIVATING SALES PARTNERS AND STAFF WITH SAP® INCENTIVE AND COMMISSION MANAGEMENT

German market leader T-Mobile wanted to strengthen its position in the ever-changing mobile communications industry. By replacing its aging legacy system with SAP® Incentive and Commission Management – an application in the mySAP™ ERP Corporate Services solution – the company gained a powerful solution for motivating its entire sales organization. Today, the software enables T-Mobile to respond more quickly to market requirements, and to effectively motivate sales channels to sell more of its most profitable products and services.

### A COMPANY WITH THE RIGHT CONNECTIONS

The mobile communications industry is young, highly dynamic, and competitive. While the 1990s saw tremendous growth in the number of cell phone users, an additional focus today is on new, emerging technologies. As a result, it’s no longer about simply selling large numbers of products, but about selling the right products – from an evermore complex range. Companies need to find innovative ways of motivating their sales channels to sell the most profitable products to customers who are most likely to make use of them. Powerful commission management systems play a key role in turning this strategic goal into a business reality.

T-Mobile Deutschland is a member of T-Mobile International, a subsidiary of telecommunications giant Deutsche Telekom. T-Mobile Deutschland is Germany's leading mobile operator, with 9,000 employees, more than 27 million users, and revenues of over €4.3 billion during first half of fiscal 2004. T-Mobile sells its products and services through 40,000 independent sales partners, and processes about 2 million commission transactions per month.

#### **OUTDATED LEGACY SYSTEM OBSTRUCTED GROWTH**

T-Mobile had no shortage of new ideas for achieving its strategic sales goals. But bringing them to fruition meant a constant struggle with its legacy commission management system. After the company's continuous growth over years, the system had outlived its usefulness.

T-Mobile looked at a variety of applications before opting for SAP Incentive and Commission Management. It chose the SAP solution for several reasons. The solution guarantees flexibility and speed – and enables rapid development and deployment of sophisticated commission structures, effective management of internal and external sales organizations, and in-depth analyses of all results.

#### **HIGHLY AGILE, HIGHLY FLEXIBLE**

Coordinated by SAP, the project team included SAP Consulting and development partner msg systems AG. The team carried out the implementation working in close conjunction with T-Mobile's competence center. The new solution went live after just 11 months, on time and within budget.

SAP Incentive and Commission Management helped T-Mobile encourage new sales by enabling it to quickly and easily change the commission rate – to reflect new products and services, for example – for thousands of contracts at the click of a button. The result: more motivated and thus more effective sales staff and partners.

#### **ACCURATE AND TIMELY COMMISSION CALCULATIONS**

During the first month of the SAP solution's operation, T-Mobile tested the new software for accuracy, running it in parallel to the legacy system.

It passed with flying colors. "The SAP solution fulfills all our requirements in terms of quality and speed," explains Klaus Weyers, vice president of sales partner administration at T-Mobile.

The SAP solution's functions support different payout periods. As with the legacy system, T-Mobile can settle twice a month.

**"The SAP solution fulfills all our requirements in terms of quality and speed."**

*Klaus Weyers, Vice President of Sales Partner Administration, T-Mobile*

This means the company can pay out commissions, in many cases, significantly earlier than its competitors. This considerably increases the liquidity of sales partners and has an impact on motivation, which ultimately ensures a significant competitive advantage for the company.

#### **MORE INSIGHT, MORE INCENTIVES**

SAP Incentive and Commission Management also brings greater transparency. "We can now follow individual transactions through the entire system," explains Arndt Schulz, head of sales partner clearing at T-Mobile. What's more, the new software seamlessly exchanges data with other applications – such as the data warehousing component of SAP Business Intelligence, a key offering within the SAP NetWeaver™ integration and application platform. "The integration of the various SAP solutions makes life much easier for us," adds Karsten Burgenger, project leader at T-Mobile.

Powerful reporting and analysis features enable sales planners to identify valuable contracts, look at sales and commissions from different angles, and quickly spot strengths and weaknesses. “Decision makers can now generate their own reports with speed and ease,” says Schulz. “Overall, SAP software lifts a considerable burden from our commissions department.”

#### **READY FOR FUTURE CHALLENGES**

In an ever-changing environment like mobile communications, T-Mobile now feels it has the right tools for meeting – and mastering – whatever challenges lie ahead. The SAP implementation represents an important step toward securing and expanding T-Mobile’s leading market position. And as Schulz explains, “SAP Incentive and Commission Management in mySAP ERP, combined with SAP’s global presence, gives us the opportunity to achieve synergy on an international level.”

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