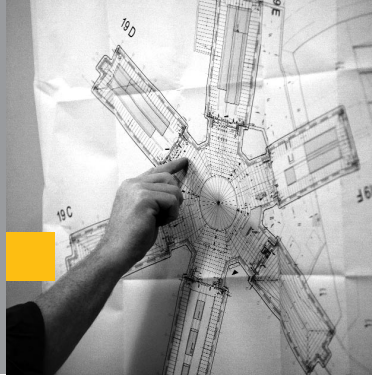


SAP Customer Success Story Engineering, Construction, and Operations – Residential Construction



“SAP NetWeaver Master Data Management gives us the flexibility we need.”

Glenn Stevens, Director of Internet Technologies, ebuild

AT A GLANCE

Summary

To increase its efficiencies in managing over 300,000 SKUs from nearly 300 manufacturers, ebuild.com, published by Hanley Wood e-Media in Washington, D.C., replaced its homegrown electronic-catalog solution with the SAP NetWeaver® Master Data Management (SAP NetWeaver MDM) component. ebuild is one of the largest online catalogs in the home-building market.

Web Site

www.ebuild.com

Key Challenges

- Increase efficiencies, reduce costs, and improve data quality of electronic-catalog creation processes
- Augment magazine exposure and advertising, as well as support sales and marketing efforts through a strong data management tool

Project Objectives

- Replace homegrown system with master data management-based marketplace solution supporting an online catalog of products and services from multiple vendors for the residential construction industry
- Manage content for over 300,000 SKUs from almost 300 different manufacturers

Solution and Services

SAP NetWeaver MDM

Why SAP® Solution

- Easily manages content for a high volume of SKUs from numerous manufacturers
- Supports fast product information updates and quick, error-free taxonomy modifications

Implementation Highlight

Fast implementation of SAP NetWeaver MDM-based marketplace solution allowed quick replacement of ebuild's homegrown system.

Key Benefits

- Reduced data acquisition costs resulted in \$250,000 savings in SKU preparation, from \$19.00 to \$10.50 per SKU in the first year – in 2005 the per-SKU-unit cost dropped further to \$5.90
- Time savings through streamlined processes and data unification resulting in rapid data updating – 27,000 products were refreshed for 1 manufacturer in less than half the previous time
- Enhanced ability to make taxonomy changes eliminated errors while saving hours of manual time; solution creates and posts content for over 300,000 SKUs from almost 300 manufacturers
- 60% fewer FTEs

Existing Environment

Proprietary, in-house solution that cannot support the MDM requirements of a modern, online catalog of products and services from many vendors

Database

Microsoft SQL Server

Hardware

Hewlett-Packard

Operating System

Microsoft Windows 2000

ebuild

Electronic Catalog Revolutionized Using SAP NetWeaver® Master Data Management Component

“The ebuild catalog has existed online since January of 2001, and now thousands of building professionals visit it every day,” says Glenn Stevens, director of Internet technologies for ebuild. He is referring to the ebuild.com Web site, where building professionals throughout the residential construction industry can find a comprehensive, interactive online catalog that makes researching and comparing construction products of all kinds fast and easy. The popularity of the Web site has increased steadily since its inception. “In fact,” says Stevens, “we now average 310,000 Web visits each month.”

Published by Washington, D.C.–based Hanley Wood e-Media, the leading media company in the residential construction industry, the ebuild Web site was created by and for building professionals so that they could easily navigate the diversity of building products available and quickly zero in on the ideal product to satisfy any situation – all in just a few mouse clicks. Today the ebuild Web site offers information and specifications on more than 300,000 building materials, construction products, and tools for home building from 26 supercategories of building products. Stevens remarks that it is the diversity of products on ebuild.com that “makes us different” for builders, architects, remodelers, subcontractors, dealers, and homeowners.

Soon after the Web site opened, and with its rapid reception in the marketplace, ebuild realized the need to more efficiently manage the high volume of dynamic product information offered in its catalog. “The time had come for a sophisticated master data management tool,” says Stevens.

The Challenge: How to Best Manage Hundreds of Thousands of SKUs

ebuild is not an e-commerce site; you cannot purchase products there. It is a business-to-business Web site that serves as a comprehensive guide to building products and specifications, manufacturer information, and news about building products –

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giving building professionals a central source to find, compare, evaluate, and store product information. It includes everything needed to make informed selections on the thousands of products that comprise the \$350 billion building-products industry – from diagrams and descriptions to installation specifics, product reviews, and supplier locators. And for the nearly 300 building-product manufacturers who sponsor the Web site, ebuild provides an immediate opportunity to connect with customers at the moment of their buying decisions.

“We built the catalog as a ‘specifier tool’ to allow people to have one place to come to specify products for their building projects,” explains Stevens. “We have more than 300,000 products that we are actively managing right now. And we have 300-plus categories of products, with anywhere from 5 to 30 attributes per product. There is no way you could manage that much data without a master data management tool.”

But in 2001, when ebuild began, it did not have the master data management tool it really needed to support the growing catalog. “When we started building the site, we were using a tool from a company that we had an equity stake in, but we wanted to stop using that pretty quickly,” says Stevens. ebuild devised its own set of Microsoft Excel macros to enable data imports, and it optimized its processes down to a few tables. This workaround would allow

some data management of the Web site, but it was a clumsy solution. “If we wanted to manage data, we had to export it to a spreadsheet, edit it, then reimport it back to the database. There wasn’t any way to really manage data in the database,” Stevens explains. In addition, images were kept in separate files. “The images in the database were pretty loose, and it was easy for things to get lost,” he comments.

To continue augmenting its magazine exposure and advertising, and to fully support its sales and marketing efforts, ebuild needed a new solution. It required a strong, robust master data management solution with the power to increase efficiencies, reduce costs, and improve the data quality of its electronic-catalog creation and data-maintenance processes.

Building a Solid Master Data Management Foundation with SAP NetWeaver®

Stevens reports that ebuild considered a number of solutions, but the master data management solution from SAP® was the clear choice: “SAP NetWeaver Master Data Management gives us the flexibility we need,” he says. The master data management functionality of the SAP NetWeaver® platform is designed to easily manage content for a high volume of SKUs from numerous manufacturers. It supports fast product-information updates and edits, as well as quick, error-free taxonomy modifications – both essential in meeting ebuild’s specific requirements.

A Smooth Implementation Results in Enhanced MDM Capabilities for ebuild

The implementation of SAP NetWeaver Master Data Management (SAP NetWeaver MDM) began in June of 2002. “The first phase was converting our existing catalog, our database, into the new tool, followed by getting our team up to speed and using the tool to do all their data entry,” Stevens says. “The database conversion was completed in mid-July and all the users were trained and using the solution by September of 2002.” Stevens reports that this phase of the implementation went smoothly with no disruption to ebuild’s running processes.

The second phase – interfacing the new solution with the actual Web site itself – was a bit trickier: “It took some adjustments to get things the way we wanted them, but we were fully up and running on the new system by December of 2002,” Stevens says.

The implementation met all of ebuild’s MDM project objectives and equipped it to efficiently manage its catalog content requirements. SAP NetWeaver MDM quickly replaced ebuild’s legacy solution with a robust solution capable of creating, editing, and posting content for hundreds of thousands of SKUs from hundreds of manufacturers. In one case, soon after the imple-

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mentation, the solution was able to refresh some 27,000 products from a single manufacturer in less than half the time it would have taken with ebuild’s old system. And with SAP NetWeaver MDM, the modifications to ebuild product taxonomies, which had previously been a slow, error-prone process, became easy to achieve.

The Impact of SAP NetWeaver MDM on ebuild’s Bottom Line

The indisputable business benefit of implementing SAP NetWeaver MDM at ebuild shows up in the bottom line. The reduced data-acquisition costs offered by the solution have resulted in a \$250,000 savings in SKU preparation expense in the first year – down from \$19.00 to \$10.50 per SKU. This initial savings, realized in 2003, was followed by another dramatic decrease to just \$5.90 in 2005. Adding to these cost savings are the time savings

achieved through streamlined processes and data unification, which result in much more rapid data updating than was previously possible at ebuild.

“As our catalog has grown, we not only enter new products, but we also maintain existing products, and we try to refresh our data once a year,” says Stevens. “As a result, we’ve been able to keep our catalog up-to-date with actually a smaller staff than we had before. With these tools, it makes it very easy to update our data,” he adds.

Before the implementation, it was difficult and time-consuming to make changes to the catalog. Stevens explains: “When a new type of product was introduced – for example, a new type of glass window with embedded fiber for hurricane protection – it would take a lot of work to add the new product to our database, including rebuilding indexes and having to synchronize the database. Now, it just takes minutes.”

Stevens also comments on the new degree of flexibility available to ebuild: “Sometimes we decide to make our building-product categories more granular. For example, we might start off with double-hung windows as a subcategory of general windows. Later on we might decide that that is not granular enough; we actually want to categorize our windows by material type first. So instead of the catalog-listing going from windows to double-hung windows, it might go from windows to vinyl windows to vinyl double-hung windows. Our taxonomists and editors can make these types of changes very easily now.”

Finally, when asked why the implementation of SAP NetWeaver MDM at ebuild was worth the cost, Stevens has this to say: “With SAP NetWeaver MDM, we’ve gone from three managers to one senior-level manager by delegating more authority to data-entry staff to do things like data cleanup. The savings plus efficiencies we’ve been able to make – yes, there’s no question about it, this has definitely been well worth it.”

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