

The background of the slide is a photograph of a Kellogg's Corn Flakes cereal box standing in a field of golden wheat. The box is partially obscured by the wheat stalks in the foreground. The text 'Kellogg's' is visible in its signature red script, and 'CORN FLAKES' is printed vertically in large, bold, black letters on the side of the box. A semi-transparent white rectangular box is overlaid on the center of the image, containing the main title text.

# **Kellogg: SAP® Solutions and Services for Enterprise Information Management Support Growth Objectives**

Picture Credit | Kellogg Company. Used with permission.



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**Company**

Kellogg Company

**Industry**

Consumer products

**Products and Services**

Cereal, crackers, cookies, savory snacks, toaster pastries, and frozen foods

**Web Site**[www.kelloggcompany.com](http://www.kelloggcompany.com)**SAP® Solutions**

Data management services from SAP® Consulting; SAP Data Services and SAP Data Quality Management software, release 4; SAP Information Steward software, release 4; and rapid data migration to the SAP ERP and SAP Customer Relationship Management applications

When Kellogg Company decided to set up a new IT environment to better support its business strategy for focusing on acquisitions, the company had to determine how best to migrate all data to the new environment while ensuring data consistency and quality. **By using proven services from SAP® Consulting and a solution for rapid data migration – based on SAP Data Services software –** the company successfully realized all migration and transformation requirements for this implementation scenario.



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# Creating great-tasting, better-for-you breakfast foods

The Kellogg Company history goes back more than 100 years to 1906, when the Battle Creek Toasted Corn Flake Company was founded in Battle Creek, Michigan, inspired by Will Keith Kellogg's idea to produce innovative breakfast cereals. In 1922 the company was renamed Kellogg Company (Kellogg), which became a well-known, worldwide brand name. At that time Kellogg continued to expand into new markets, exporting cereal to England in the early 1920s and to various other countries in the following decades.

Kellogg is known for its large variety of cereals, cookies, crackers, toaster pastries, and snacks. The company's great number of famous brand names includes Special K, Rice Krispies, Keebler and Pringles. Today Kellogg is upholding the values Will Keith Kellogg instilled more than a century ago, but now Kellogg is doing it in 180 countries across the world. The company has annual revenues of approximately US\$14 billion and employs approximately 30,000 people worldwide.



Approximately  
**30,000**  
employees



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# Enterprise information management strategy supports growth

To support its corporate vision – “enrich and delight the world through foods and brands that matter” – Kellogg has pursued selective growth opportunities via recent acquisitions. One of Kellogg’s largest new business integrations was the acquisition of Keebler in 2001. At the time, Keebler used a heavily customized SAP system and Kellogg decided to make the Keebler IT environment the central landscape for all Kellogg operations. As a result, the data from Kellogg’s other acquired companies had to be integrated into this central installation. However, the customized system demanded intense maintenance and increasingly impeded Kellogg from taking advantage of new SAP functionality.

In 2009 Kellogg took a strategic “greenfield” approach to create a new, standardized IT environment – based on its SAP ERP application – to support its North American enterprise operations. The reimplementation project affects all system functionality and impacts every Kellogg employee, customer, and vendor. The project covers several SAP Business Suite applications such as SAP ERP, SAP Customer Relationship Management, SAP Supply Chain Management, and SAP NetWeaver® Business Warehouse. Kellogg used services from SAP Consulting to set up an enterprise information management strategy. In addition, Kellogg chose a rapid data migration solution from SAP – based on SAP Data Services software – to cope with the extensive data migration and conversion requirements.

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“Executive management understood from the start that this initiative would improve the way Kellogg does business while creating more efficient operations and sources of information.”

Diana Karklins, Vice President of Application Solutions, Kellogg Company



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## Choosing the best experts for data management needs

Corporate acquisitions always come with data management needs such as integrating, validating, and cleansing data of various types and from various data sources. After integrating huge amounts of data from the acquired companies into Kellogg's existing IT environment, the company had to cope with numerous issues. For example, a large amount of duplicated customer data prevented Kellogg from having a single view of its existing customer base. The duplications also prevented the company from obtaining relevant key metrics and resulted in high efforts to accurately maintain data.

In light of the company-wide reimplementation project, Kellogg saw the opportunity to build up a consistent strategy for meeting all data integration

requirements. Kellogg also saw it could address the company's future needs for enterprise information management – making data an asset to the business. SAP Services experts supported all phases of the project: evaluation, implementation of SAP Data Services software, expert guidance, and knowledge transfer to a dedicated, in-house data management team providing clear value to the Kellogg team.

By choosing a rapid data migration solution from SAP, Kellogg took advantage of an easy-to-deploy solution based on state-of-the-art best practices for data migration. Moreover, the integrated migration content and detailed documentation helped Kellogg speed up data integration, facilitate adoption by end users, and reduce project risk.

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“SAP Data Services proved to be the right choice. Supported by SAP Consulting services, we were able to gather data from various data sources and transform it as required.”

Wynter Johnson, Senior Solution Architect, Data, Kellogg Company



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# Phased data migration based on SAP Data Services

As soon as the project team defined the most suitable data migration approach, it needed to closely align all migration activities with the overall reimplementation initiative. During this project SAP worked together with more than 100 Kellogg employees from various functional teams.

To minimize risk and ensure continuity of business operations after the complete reimplementation, Kellogg is realizing the project based on a phased approach. Wynter Johnson – Senior Solution Architect, Data, at Kellogg – explains the overall requirements: “Due to the phased implementation approach, data for our first phase was migrated to the new SAP systems to support specific business functions: financial planning, customer relationship management, and demand planning. Our second

phase is being migrated in waves to Kellogg manufacturing plants, comanufacturers, and distribution centers. A detailed plan helps us to ensure that all the data from Kellogg’s installation for the North American region is integrated by the scheduled date in 2014.”



# 100

Kellogg employees supported the data migration

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# Using a proven solution for the data management requirements

Due to duplicated data entry, Kellogg faced data quality issues; the resulting high maintenance effort tied up key resources. Emil Beloglavec – Senior Solution Architect, Data, at Kellogg – says: “Prior to this project, several teams were involved in trying to keep our information base up-to-date and investing a lot of time in manual ‘deduplication’ work. The requirements of the massive data integration called for a standardized methodology based on suitable software solutions and required a specific skill set. This is why we decided on a rapid data migration solution from SAP Services.” The solution’s automated functionality for validating, cleansing, and integrating the data – supported by guidance from SAP experts – fully supported the objectives and helped accelerate

the project. Moreover, prebuilt migration content saved time and effort: embedded reports and dashboards helped monitor all migration activities.

During the data integration phases, Kellogg used SAP Data Services to extract the original data and transform and load it into the target environment. Emil Beloglavec outlines one example: “We had to move 200 million sales records from the old environment to the new one, including several transformation and recalculation activities. The data extraction served as the basis for the transformational phase, based on SAP Data Services. The transformation phase took only two hours.”

[Read more](#) ►

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“SAP Data Services is one of the most stable applications I have ever seen. It is extremely flexible and capable for our sophisticated data management requirements.”

Emil Beloglavec, Senior Solution Architect, Data, Kellogg Company



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# Setting up a proven approach for maintaining data quality

The key to improving data quality and providing the basis for efficient business processes resides in the data validation and cleansing that the team performs during the data integration phase. The team identified various examples of duplicated data and also more effective means of structuring data; for example, data cleansing was able to reduce the original customer base of more than 50,000 accounts down to about 40,000.

Besides having the right software to integrate the data, the team also needed a suitable approach for maintaining the improved data quality going forward. Wynter Johnson points out: "After the initial data integration phase, we have started working to build up a dedicated team to focus especially on sustaining the data quality. This team will comprise data stewards who are very familiar with the different data areas

and work closely together with the business. SAP Data Services and SAP Information Steward software help us to constantly monitor the data quality and provide valuable input to the team." Thanks to the coaching provided by the SAP Services data management experts, Kellogg will be well prepared to realize the data migration activities in the remaining phases of the implementation initiative independently.

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## 20%

Reduction of customer base via data cleansing



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# Ensuring high-quality data and creating a repeatable process

By establishing the new system and cleansing, integrating, and converting data from various sources, Kellogg achieved a major step toward overall corporate goals. Diana Karklins, vice president of application solutions at Kellogg Company, says: “The data cleansing activities helped us to achieve high-quality data in our new environment – enabling our business to make decisions based on reliable and consistent information.”

By using a rapid data migration approach from SAP, Kellogg also set up a solid and efficient foundation for ongoing data management and governance. The standardized methodology and repeatable process that Kellogg established are key components for quickly meeting the needs of future data integration.

The SAP Best Practices for Data Migration package has already helped during the successful acquisition of Pringles. “The clean-up of the Kellogg data we did prior to the acquisition was key for seamlessly and efficiently integrating Pringles’ data. We used SAP

Data Services to analyze all the Pringles data against the cleansed Kellogg data to ensure high-quality data,” says Wynter Johnson.

The successful running of enterprise information management solutions from SAP and the better-managed data ensure accurate analytics as well as timely, consistent, and trustworthy information at every level of the company – making Kellogg’s data a strategic asset.



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