

SAP Customer Success Story

“SAP is a credible, cooperative supplier that focuses on a broad range of business needs. It is not a supplier of a particular market sector or segment; it is a supplier of applications that support different aspects of business.”

Carvalho Pereira, CEO of iwaytrade
and Member of the AIP Executive Board



AT A GLANCE

Company Name

Portuguese Industrial Association
www.aip.pt

Industry

Public sector

Key Challenges

- Promote relationships with partners
- Enhance communication via portal technology

Implementation Partners

- SAP® Consulting
- iwaytrade

Solution and Services

SAP Enterprise Portal –
a component in the
SAP NetWeaver™ platform

Existing Environment

mySAP™ Business Suite

Implementation Highlight

Phased implementation

Key Benefits

- Enhanced knowledge management
- Improved collaboration
- Ability to make better use of information

Hardware

Hewlett-Packard (HP)

Operating System

Microsoft

PORTUGUESE INDUSTRIAL ASSOCIATION

STRENGTHENING INTERNAL AND EXTERNAL COLLABORATION AND COMMUNICATION WITH SAP® ENTERPRISE PORTAL

A STRATEGIC CHALLENGE

Like many other national business associations, the Associação Industrial Portuguesa (Portuguese Industrial Association or AIP) used traditional methods to communicate with its members. Founded in Lisbon in 1837, AIP provides services for its members in the fields of economic information, education and training, consultancy, fairs and congresses, and, more recently, in the information technology area. The association owns the Lisbon International Fair and the Lisbon Congress Centre. It generates more than €50 million a year and employs around 250 people.

The traditional communication processes in place were expensive and could only reach a small audience. AIP decided to improve its communication processes and also to effectively implement collaboration tools, especially for small and midsize companies, for its partners, public, the media, and public administration. AIP's iWeb project, designed to answer to those objectives, defined that AIP services should be available on the Internet, a powerful way to promote relationships with partners and to facilitate two-way communication.

AIP defined a cooperative model that involved several communities on a noncompetitive basis. It sought a supplier that could guarantee the best solution for building portals and that could integrate AIP's back-office systems, which are based on the mySAP™ Business Suite family of business solutions. AIP opted for SAP® Enterprise Portal (SAP EP) – a key component in the SAP NetWeaver™ platform – early in the prototyping phase, before its commercial launch.

PROJECT STRUCTURE

The goal of the iWeb project is to provide centralized tools for user management, content management, security, cataloguing, purchases, and payments. It is organized into communities, with the iWeb constituting the first level. The AIP portal and other portals from other business associations that will join the project make up the second level. Examples of entities at this level are the portals of the Confederação dos Agricultores de Portugal (Portuguese Farmers Confederation or CAP), which is now up and running, and Confederação da Indústria Portuguesa (Portuguese Industry Confederation or CIP) and Associação Empresarial da Região de Santarém (Santarém Region Business Association or NERSANT), both of which are currently under construction. The third level will be company sites, which will include the functions contained in the solution.

IMPLEMENTATION STRATEGY

The project kicked off in December 2001. The first implementation phase, which ended in January 2002, encompassed content management and the technical structure that will support the growth of the planned portals. The second phase, which ran until November 2003, is focused on cataloguing products and services, preparing the basis for dissemination of the company sites. SAP Enterprise Portal, given its high degree of sophistication, allows for the automation and replication defined in the AIP model. Users can edit, manage, and maintain their sites' content intuitively and independent of technology. AIP is also implementing simultaneously the mySAP Customer Relationship Management (mySAP CRM) solution to support the relationship with users and partners.

At the end of this second phase, AIP created a network, the Virtual Business Centre, which interconnects associations, companies, and buyers. Using the Virtual Business Centre, they can place orders with several suppliers and make a single payment. The centralized system divides the orders and payment among the different suppliers.

The third phase will run until the end of 2004 and involves the implementation of order sales and payment functionality.

A TEAM PROJECT

The project was a complete success even though SAP Enterprise Portal was still being fine-tuned at the end of 2001. A crucial factor contributing to the success of the project was the close work carried out by teams from SAP Consulting, from the German parent company, and from AIP itself. The team was able to overcome all problems and adjust the solution to fit the AIP business model.

BENEFITS FOR AIP

Because AIP does not have direct financial goals, the main benefits arising from the iWeb project are somewhat intangible, but they translate into knowledge management, the better use of information, and better collaboration within the community. A good example is the use of the portal to support the work of national

“On the Internet there are no big guys and small guys. Competition focuses on having or not having certain kinds of tools. These tools to serve small and medium-sized companies constitute the big benefit, the big advantage. This is our challenge.”

Carvalho Pereira, CEO of iwaytrade
and Member of the AIP Executive Board

and international teams for the IN'NOVA fair, which is to replace the Ceramex fair. Says Carvalho Pereira, CEO of iwaytrade and member of the AIP executive board, “These are intangible benefits, which nevertheless can be seen.” There are also definite tangible aspects, such as digitalization, reduced use of paper, and faster access to information for third parties. When the companies added their sites in September, these kinds of benefits became more apparent.

In addition, the community acknowledges the user-friendliness of the system. Just two hours of training on average is sufficient for users to manage the content of the portal.

RETURN ON INVESTMENT

Despite the predominantly intangible nature of this project, AIP expects return on investment will occur just two to three years after the first portal (an intranet for approximately 300 users) went live. “Return on investment will be judged by the number of companies that join the project and consider it a useful tool. In joining they obviously acknowledge its utility,” says Pereira. Implementing portals allows AIP to adjust its investment to match the use of the platform in a scaled manner.

FUTURE PLANS

AIP's challenge for the portals over the next two years is to obtain the critical mass to make up the communities, adjusting the business model and the functions provided as needed. It will channel its investment chiefly into customer relationship management, especially exploiting the mySAP CRM functions for partner and customer relationship management.

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