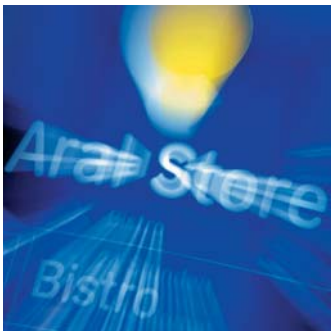


**SAP Customer Success Story**  
**mySAP™ Retail**



**Aral**, Germany's leading service station operator, has deployed mySAP Retail as a key part of its strategy to expand its convenience store business. SAP's integrated solution provides seamless information flow and powerful functions for all aspects of **Aral's** retail business. Plus, mySAP Retail, which is an open and flexible solution, supports **Aral's** growth, and it will continue to do so well into the future.



**mySAP™ RETAIL**  
**PROVIDES FLEXIBLE**  
**SUPPORT FOR**  
**ARAL'S CONVENIENCE**  
**STORE BUSINESS**

**MAINTAINING A LEAD**

Aral, headquartered in the city of Bochum, in the Ruhr valley, is Germany's number one service station operator, operating more than 2,500 service stations in Germany alone. In 2000, it had 4,276 employees in Europe and generated revenues of 20,397 million euros. Despite its dominant position, however, Aral recognizes that expanding its convenience store business is essential to its long-term success. The company also knows this approach must be backed up with powerful and flexible IT support.

**MUCH MORE THAN A GASOLINE RETAILER**

Against the background of declining sales of fuel and lubricants, gasoline retailers are well aware of the need to identify and exploit new sources of revenue. Aral's response has been to expand its service station-based convenience stores and diversify its product offering. For example, it has introduced sales of items such as newspapers, food and drink, CDs, books and toys, and has launched the Pananino chain of bistros.

## A SOLUTION FOR THE LONG TERM

To underpin this strategy, Aral needed state-of-the-art information technology. Although it had used SAP core business functions since 1981, the company had previously relied on an in-house solution to manage its convenience store business. As this grew in importance, the host-based legacy solution was no longer able to provide effective support. The answer? A standard software solution that is robust and easy to use, yet flexible enough to meet Aral's specific needs – both now and in the future.

## THE NEED FOR VERSATILITY

Versatility was especially important for Aral because it runs company-owned, dealer-operated (CODO) stations and because it recently introduced a new outlet model in the form of company-owned-and-company-operated (COCO) stations. In the former, the dealer is responsible for the convenience store products whereas Aral is only in charge of sales of gasoline and lubricants. COCO stores, as the name suggests, are fully owned, staffed, and managed by the company.

These two types of outlets require different forms of IT support. For COCO stores, Aral's aim was to provide end-to-end software support for the entire supply chain. In the case of CODO outlets, support was limited to certain areas, including promotions management, and centralized assortment management of consignment goods, such as CDs, books and videocassettes, and bistro products.

## THE NATURAL CHOICE

When Aral considered the available solutions, one stood out by a mile: mySAP Retail, developed and marketed by SAP AG, the world's leading provider of industry-specific e-business solutions. Not only would SAP's end-to-end solution for the retail industry fit easily into Aral's existing SAP environment, but it also included all the functions that the company required. Aral was also influenced by SAP's track record as a continual innovator and felt that an investment in SAP represented long-term security.

**"The functionality, flexibility and integrated processes of mySAP Retail will make it a mainstay of our convenience store strategy for the foreseeable future."**

*Karin Schaefers, Head of Application Development for Service Station/Retail Systems*

## SHORTER TIME TO BENEFIT

Aral's own IT experts implemented mySAP Retail, working closely with consultants from SAP. To provide the company with the maximum benefit in the shortest time, the implementation team used SAP's own Solution Life-

Cycle Management (SLM) methodology. This helped speed up implementation by using predefined plans (Roadmaps) to guide the project from design to go live. SAP provided Aral with a preconfigured system, which included sample data for food and non-food items. That allowed Aral to test the system's capabilities at a very early stage in the project. It was relatively simple to customize the system to meet Aral's specific needs – first, in a prototype system covering the core functions of mySAP Retail and then in the final production system.

The project encompassed integration of about 1,500 service stations into Aral's promotion management system, centralized assortment management of selected items for about 100 outlets,

and end-to-end supply chain management for about 20 stores. The project began in February 2000, the software went live in May 2001, and the roll out to all stores will be completed by the end of 2001.

### A SUCCESSFUL TRANSITION

mySAP Retail has helped Aral adapt its business model to current market needs by expanding its convenience store operations. The flexibility of SAP's solution means that both types of Aral outlets receive the right kind of IT support: End-to-end supply chain management for stores run by Aral itself and support for selected product lines for dealer-operated service stations. Aral now has much more flexibility to decide what assortment of goods it will manage for the stores.

### FACTS AND FIGURES

Integrated, centralized data management has significantly improved the availability and quality of information for planning and decision making. Seamless integration with Aral's existing SAP solutions, like its financials solution, has streamlined key processes. The maintenance of all data in one central system has enabled end-to-end consistency, and comprehensive, quality information is now available to all users rapidly and conveniently.

Using mySAP Retail's promotions management functions, Aral can now coordinate its marketing strategies throughout Germany. It can also gauge consumer demand more effectively and respond faster to new needs or trends. In addition, SAP's solution is open and expandable, which will allow Aral to use additional functions as and when needed – for example, when introducing new sales channels or business models.

### At A Glance

<b>Software</b>	mySAP Retail, mySAP Business Intelligence
<b>Hardware</b>	IBM
<b>Operating system</b>	AIX
<b>Database</b>	Oracle
<b>Number of users</b>	Currently 30 (Aral HQ)

### A FUTURE-PROOF SOLUTION

At present, Aral enters sales at individual service stations in separate merchandise management systems. Information from these systems is uploaded into mySAP Retail each day. The company plans to replace these local systems with a browser-based component of mySAP Retail, which will enable staff in Aral stores to directly enter good movements into the central mySAP Retail system.

Aral plans to expand further into convenience sales by opening a chain of kiosks selling only convenience products. mySAP Retail will be at the heart of this strategy. The company also intends to implement SAP software for handling payments to suppliers. Karin Schaefer, Head of Application Development for Service Station/Retail Systems, says "The functionality, flexibility and integrated processes of mySAP Retail will make it a mainstay of our convenience store strategy for the foreseeable future."

THE BEST-RUN E-BUSINESSES RUN SAP



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