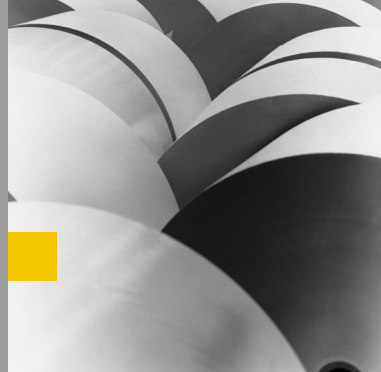


## SAP Customer Success Story Media – Newspaper Publishing



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Debashish Ghosh, Vice President Corporate, IT & Operations,  
The Times of India Group

### AT A GLANCE

#### Summary

The Times of India Group – which publishes the world’s largest-circulation English-language daily newspaper, *The Times of India* – replaced disparate legacy systems with 1 integrated system, combining solutions from SAP and ppi Media. As a result, the Group has accelerated its invoicing, smoothly implemented significant system changes and almost doubled its revenue in 3 years.

#### Web Site

[www.timesofindia.com](http://www.timesofindia.com)

#### Key Challenges

- Replacing nonintegrated legacy systems that were developed in-house
- Overcoming inefficiencies of decentralized business and production processes
- Improving very slow customer response times
- Improving inefficient billing systems

#### Project Objectives

- Implement new IT solutions to integrate operations of over 52 offices and over 11 production plants spread across India
- Leverage new solutions to improve customer service and reduce response times from days to hours

#### Solutions and Services

SAP for Media set of solutions

#### Why SAP® Solutions

- Fully integrated enterprise software
- Most complete integration with ppi Media GmbH publishing software

#### Implementation Highlights

- First integration of combined ppi Media and SAP® solutions
- 10-month implementation, plus 3 months of support
- Go-live on time

#### Key Benefits

- Tremendous flexibility for strategic maneuverability
- Vastly shorter customer response times
- Overnight invoicing

#### Implementation Partner

Siemens Information  
Systems Ltd.

#### Existing Environment

Departmental legacy systems

#### Database

IBM DB2

#### Hardware

IBM

#### Operating System

IBM AIX

## THE TIMES OF INDIA GROUP

**SAP® for Media Solutions and ppi Media Software Combine to Usher in New Era of Flexible, Coordinated Newspaper Publishing in India**

“Of all the things that change the rules of competition, technological change is among the most prominent.” Debashish Ghosh, Vice President Corporate, IT & Operations, The Times of India Group, knows what he’s talking about. Ghosh has presided over a monumental technological change within his organization – a successful change that now enables The Times of India Group to preside over its market unchallenged. In addition to its other Hindi- and English-language publications, The Times of India Group produces and distributes the largest-circulation, English-language broadsheet newspaper in the world, *The Times of India*, with a daily readership of nearly 3 million.

Back in 1998, Ghosh and the Group were facing some serious challenges. The company operates over 11 production sites and over 52 offices spread around a vast country. An advertiser who wanted to place an ad in two different editions of the paper – Delhi and Bombay, for example – might have to wait five days before the ad appeared. Invoicing was handled manually. “We would have to manually verify every ad that ran,” says Ghosh, “and go back and update the invoicing system with regard to size and position and the day on which it ran. It used to take us seven days to get the invoice out.” Invoicing, like all the computer systems in the organization, was decentralized and nonintegrated.

### **Wanted: Integration, Speed, and Scalability**

Between 1998 and 1999, The Times of India Group began to research the market for vendors who could provide them with a completely integrated replacement for its myriad advertising, business, and production systems. “We researched the field for about 18 months,” says Ghosh. “We had three major criteria: integration, speed of operation, and scalability. Ultimately we found there was no single vendor who could give us an integrated system which met our three core priorities.”

The Group management decided to consider vendors who could integrate their products most successfully. They engaged the consulting services of the Ifra organization, the world’s leading association for media publishing, based in Germany. Ifra provided the Group with a list of some 14 vendors for their consideration.

“We began to look at which solutions promised the best degree of integration,” recalls Ghosh. “Because what we required was a booking system, a technical system, a financial system for handling billing, and a data warehouse to act as a repository for all

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Debashish Ghosh, Vice President Corporate, IT & Operations,  
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our information that we need from a marketing perspective. Now that was a huge range, a tremendous spectrum of requirements, and there simply weren’t too many vendors who could handle all that.”

### **SAP® for Media Delivers a Unique Set of Solutions**

Some time into the process, Ghosh discovered that SAP offered an integrated solution specifically for the media industry. The SAP for Media set of solutions uniquely provides end-to-end business integration, ensuring that both the organization and

its customers always have consistent, up-to-date information. It provides full support for advertising and other product sales, including customer relationship management (CRM), product life-cycle management, and intellectual properties management. In addition, it allows publishers to capture and analyze relevant information across the entire value chain.

“We realized they did have a solution,” says Ghosh. “The SAP solution by itself was able to handle the bulk of our needs, starting with financials, through booking to invoicing, business warehouse, and the rest of our business requirements. The only thing it couldn’t handle was a technical system, and that was what

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Debashish Ghosh, Vice President Corporate, IT & Operations,  
The Times of India Group

ppi Media could do when integrated with the SAP software. That’s how we finally chose the solution.” ppi Media GmbH of Hamburg provides end-to-end automated workflow for the production end of the newspaper business.

In early 2000, having made their decision, the Group began implementation. Siemens Information Systems of India served as the implementation partner and the project took 14 months. The system has now been in place for almost 4 years.

### **Integration Crucial for Fast Invoicing**

The integration between the ppi Media system and the SAP® solutions is crucial for the Group. Since advertising represents 85% of the newspaper’s revenue, efficient handling of advertising of all kinds has a direct impact on the publishing company’s bottom line. Besides handling page planning for the editorial content of the paper, the ppi Media system also determines space availability and location on each page for the advertising content. But where advertising is concerned, the ppi Media system gets its information directly from SAP for Media software, where it is stored when staff members take and enter an ad.

The system then verifies that the space desired by the advertiser is available, inserts the ad, and confirms to the SAP for Media software that the ad was placed as ordered. The SAP software can then get on with the job of invoicing the customer and updating the financial records accordingly. No manual intervention is required in any part of the process.

“Earlier, our invoicing system was not integrated with our production or our prepress systems,” says Ghosh. “We would have to manually verify every ad that had been published and go back and update the invoicing system in terms of its size and position, which day it got published, and so on. Today, the billing process

**“In three years time, this system has provided us with significant competitive advantage in terms of speed, efficiency, and turnaround time . . .”**

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IT & Operations, The Times of India Group

that used to take us seven days now happens postpublication automatically every night. So in the morning when the newspaper hits the stands, we are virtually ready to send out the invoices to our advertisers. This has provided us a huge advantage in terms of manpower and time.”

### **Capacity for Change and Innovation**

The capacity for change and innovation that this integrated solution has provided to The Times of India Group can scarcely be exaggerated. “Over the years since the implementation, we’ve had a whole lot of changes with respect to business policies and configuration,” says Ghosh, “both in terms of product configuration and marketing configuration, in terms of pricing and billing, and just about everything else.”

According to Ghosh, the system has been able to resiliently handle all that change. For example, just three months after *The Times of India* went live, the newspaper changed the width of its paper. That meant a complete makeover of the technical solution on the ppi Media system side. Moreover, in September that same year, the Group changed its entire pricing policy,

which had not changed in about 10 years. In addition, in May 2004, the Group changed its units of measurement. “We had been measuring ads in column-centimeters, but we went over to square centimeters, that is, the actual area,” explains Ghosh. “This was the most significant change because that is a foundation-level change in any system. And with ample preparation, we were able to switch over from one unit of measurement to the other virtually overnight.”

The change in unit measurement created additional revenue for the Group. “In a multicolumn ad, you tend to lose out on the gutter space that is not being charged for,” adds Ghosh. More importantly, the change went down well with the newspaper’s advertisers. “They didn’t have to give us separate materials,” says Ghosh. “We could accept any material they prepared for any other publication and they didn’t have to deal with different sizes of materials for us, which was the predominant pain in the Indian market till then. And we were able to invoice them on the actual area — the actual real estate on the newspaper that they bought.”

### **Higher Customer Satisfaction, Better Ad Tracking**

Customer satisfaction also took a big jump in another area. Changes can now be accepted by *The Times of India* almost up to publication time. Where before it might take days to make a change in advertising material, *The Times of India* can now handle changes up to within about two hours of press time.

Ad tracking has also improved dramatically. In the past it was not always possible to trace where the ad had come from or to know whom to invoice. In addition, there have been several pricing and contractual changes. All of this has been handled smoothly because the system is completely capable of allowing all of these kinds of revisions in policy, procedure, and pricing.

### **Tremendous Flexibility**

The Group has reaped considerable benefits from the implementation of the combined ppi Media and SAP solutions. “This system has given us a tremendous amount of flexibility,” says Ghosh. “It allows us to change our production strategy and our marketing strategy — as our management team sees the need — almost at will.”

That flexibility translates directly into market superiority. As Ghosh observes, “In three years, this system has provided us with significant competitive advantage in terms of speed, efficiency, and turnaround time with respect to changes – from all possible aspects, whether to do with business, technical requirements, or page production.”

Along with the competitive advantage have come other benefits in terms of efficiency, time, reductions in staff, and better customer service. And together all this is reflected directly in the bottom line. “It is naturally manifested in terms of business benefits, a direct increase in revenue,” says Ghosh. “We’ve doubled our turnover in a three-year span to over US\$400 million.”

#### **Looking Ahead: Further Changes Planned**

The Times of India Group has no plans to rest on its laurels. The company has already automated how it processes classified advertising, from insertion via the Web portal to invoicing. It has begun implementing the mySAP™ ERP Financials solution, the mySAP ERP Human Capital Management solution, and also the circulation management functionality in SAP for Media. And the Group is expanding its advertising reach into other media.

“The next thing on the way, actually, is a sort of CRM solution for our clients and agencies,” says Ghosh, “which will cover all kinds of communication channels, including telephone, SMS [short message service], mobile, Internet, and e-mail. It will allow them to transact business and obtain information from us and we from them on virtually a 24/7 basis.”