

# Retail Right Now



## Engaging at the Right Moment

### Market Situation

#### Retail Right Now

#### Business Priorities

#### SAP Innovations

Customers expect relevant products, information, and engagement when they want, meaning now. How do retailers respond to this increasing need to engage at the right moment, consistently, across multiple sales channels and technologies? By transforming their business with a single real-time retail platform that helps them see the future and deliver on the promises they're making to customers and investors.

Connected customers are redefining the shopping experience. A vast majority of all shoppers start purchases on a PC or mobile device and want to be digitally engaged in their shopping experiences. Expectations have never been higher for retailers to deliver consistent shopping experiences through online channels, mobile technology, and social networks.

Yet, even with this shift taking place, the brick-and-mortar store still accounts for most of the transactions. And even though some transactions start elsewhere, they're still completed in the physical store. Innovative retailers are taking the lead to turn these storefronts into an integration hub of mobile, social, and digital retailing trends.

To remain relevant, retailers need to provide localized and personalized interactions with compelling choices and execute transactions flawlessly. The store experience must evolve to attract and keep customers.

A fresh view of the future of commerce is necessary to create differentiated value. Leading retailers are utilizing SAP technology and software to deliver personalized customer experiences that use a single foundation of real-time information so whenever a customer engages with you, your brand remains authentic.



## Retail Right Now

Market Situation

**Retail Right Now**

Business Priorities

SAP Innovations

**The insight, speed, and efficiency to be the retailer you want to be.**

### **Develop the Right Assortments**

Based on customer insights, create the assortments that match the needs of the target customer, based on localized and personalized buying patterns, to maximize sales margins.

### **Deliver Service That Exceeds Customer Expectations**

Bring new products to market faster and increase stock turns with improved supply and distribution via real-time visibility across your global network of vendors, warehouses, and stores.

### **Offer New Generation Shopping Experiences**

Create personalized customer interactions that increase loyalty and sales, as well as enhance the overall shopping experience.

### **Best-Run Retail**



Drive loyalty and win customer commitment by anticipating customer needs and responding with the right product when, where, and how they want it.

## Best-Run Retail Priorities

Market Situation

Retail Right Now

**Business Priorities**

SAP Innovations

Best-run retailers engage multichannel customers by understanding what works well now and implementing new business models that drive growth.

- Customer-Centric Marketing and Merchandising
- Sourcing, Buying, and Private Label
- Supply Chain
- Omncommerce Customer Experience
- Human Resources
- Finance
- Information Technology
- Technology and Platform



Understanding the value drivers for each of these priorities is key to executing as a best-run retailer.



## SAP Innovations

Market Situation

Retail Right Now

Business Priorities

**SAP Innovations**

Customers are at the heart of technology consumption. Whether it's one billion Facebook users, the rise of smartphones, or the widespread adoption of tablets, the appetite for consumers to adopt technology continues to grow. SAP technology helps retailers take their brands literally into the hands of the consumer.

Retailers have access to vast amounts of highly variable, internal, and external qualitative and quantitative data. Breakthrough database and technology solutions, such as the SAP HANA platform, can make information available instantly at any level of granularity to any business process enterprise-wide.

To deliver value to stakeholders, retailers need flexible, scalable, and cost-effective analytics embedded within business processes that support real-time modeling and optimization, decision support, and effectiveness analysis to inform future planning.

Shoppers today are mobile, connected, and always on. Reach, engage, and satisfy them with mobile solutions. Innovate to drive marketing and sales, while meeting demand with a customer-driven supply chain.

Finally, as IT transforms from a supporting function to a strategic driver, new cloud-based solutions for differentiating business functions offer low-cost, low-risk deployment while helping to ensure flexibility, scalability, and full integration across business processes.



# Retail Value Map

## SAP Solutions

## Retail without boundaries with SAP solutions.

Marketing Merchandising

Sourcing and Buying

Supply Chain

Customer Experience

Human Resources

Finance

Information Technology

Technology and Platform

	Customer-Centric Marketing and Merchandising	Sourcing, Buying, and Private Label		Supply Chain	Omnicommerce Customer Experience		
	Social, Marketing, and Merchandising Insight	Sourcing, Vendor Management, and Insight		Supply Chain Insight	Customer Insight		
	Omnichannel Marketing	Buying		Demand and Replenishment Planning	Customer Interaction and Personalization		
	Optimized Merchandise and Assortment Planning	Private Label		Omnichannel Inventory and Order Response	Digital Commerce		
	Lifecycle Pricing	Collaborative Retail		Optimized Logistics and Fulfillment	Order Management and Orchestration		
	Promotions				Store Excellence		
<b>Human Resources</b>	Core Human Resources and Payroll	Talent Management	Time and Attendance Management	Workforce Planning and Analytics			
<b>Finance</b>	Financial Planning and Analysis	Accounting and Financial Close	Treasury and Financial Risk Management	Collaborative Finance Operations	Enterprise Risk and Compliance Management	Real Estate Lifecycle Management	Indirect Procurement
<b>Information Technology</b>	Application Lifecycle Management	IT Infrastructure Management	IT Portfolio and Project Management	IT Service Management	IT Strategy and Governance		
<b>Technology and Platform</b>	Big Data	Real-Time Enterprise	Real-Time Analytics	Enterprise Mobility	Enterprise Information Management	Application Integration	Cloud Solutions



## Customer-Centric Marketing and Merchandising

SAP Solutions

**Marketing Merchandising**

**Priorities**

SAP Solutions

Customers have abundant choices today in how and where they shop. Best-run retailers know how to manage and keep them satisfied by effectively analyzing customer demand and reacting in real time to help ensure a superior shopping experience.



With access to new levels of information and technology, customers are empowered to make informed decisions and command instant communication and interaction.

A significant number of retailers agree that the inability to identify new ideas and innovate quickly on price, promotion, and customer preferences is a top business challenge.

Managing high volumes of customer data and accurately analyzing data are critical for retailers to react in real time to customer needs and proactively create a welcoming customer experience.

Retailers that develop marketing and merchandising strategies that personalize interactions with customer information have greater success in maintaining loyal customers and differentiating their brand in the market.

# 14%

Of retailers have advanced tools to develop an accurate merchandise or category forecast plan from consumer demand patterns, historical data, and seasonality

Source: SAP Performance Benchmarking



# Customer-Centric Marketing and Merchandising

SAP Solutions

## Marketing Merchandising

Priorities

**SAP Solutions**

# 13%

Higher cross- and up-sell revenue achieved by organizations that use business intelligence to gain customer and product insights

Source: SAP Performance Benchmarking

## Improve customer loyalty and increase conversion rates.

Build personalized shopping experiences with your customers. Develop targeted promotions and pricing strategies that give a high return on investment, while lowering inventory costs.

Social, Marketing, and Merchandising Insight

Develop deep insights about your customers' buying preferences and manage their shopping experience in real time.

Omnichannel Marketing

Create integrated marketing, promotions, and loyalty programs based on a common view of the customer.

Optimized Merchandise and Assortment Planning

Strategically plan assortments by customer, product, and location to provide relevant and localized merchandise.

Lifecycle Pricing

Develop strategic pricing by channel and align optimal prices with operational execution.

Promotions

Plan and execute dynamic, real-time promotions on any device and in any location.

## Benefits

- Increase customer loyalty and sales
- Improve promotional conversion rates
- Build localized and relevant assortments
- Influence shopping decisions in real time



## Sourcing, Buying, and Private Label

SAP Solutions

### Sourcing and Buying

#### Priorities

SAP Solutions

Retailers source globally, buy from domestic vendors, and manage private-label brands. However, best-run companies manage a global business network to source, buy, or manufacture their products as efficiently as possible.



Whether products are sourced from overseas, bought from a reliable domestic vendor, or produced as a private-label brand, retailers need to effectively manage and collaborate in a global network of business partners.

Collaborative sourcing, buying, and private-label retailers select and involve the right partners and work together globally through a central platform.

Collaborative sourcing handles the entire material procurement process, from analyzing your total spend to negotiating terms with selected vendors.

Collaborative buying supports the entire purchasing process – including invoicing, vendor funds settlement, and specific support for fresh or seasonal merchandise.

Private label supports integrated product innovation and development, as well as full or outsourced manufacturing of a private-label brand.

# 47%

Higher average annual savings for retailers that have more mature sourcing processes, such as category management and spend analysis

Source: SAP Performance Benchmarking



# Sourcing, Buying, and Private Label

SAP Solutions

## Sourcing and Buying

Priorities

### SAP Solutions

# 41%

Lower error rate in purchase orders for retailers that streamline and automate sourcing and procurement processes

Source: SAP Performance Benchmarking

## Manage and operate global business networks.

Efficiently source, buy, or produce products by collaborating with a global network of business partners.

Sourcing, Vendor Management, and Insight

Identify and onboard suitable vendors, manage the entire vendor lifecycle, and continuously analyze vendor performance.

Buying

Understand total spend, define your sourcing strategy, and efficiently manage the operational buying process.

Private Label

Create differentiation by delivering product innovation and development, as well as production planning and execution of a strategic private-label brand.

Collaborative Retail

Collaborate and align with your global network of business partners.

## Benefits

- Onboard new vendors efficiently
- Negotiate better terms
- Automate ordering process
- Enhance the quality of private-label products
- Improve customer satisfaction



## Supply Chain

SAP Solutions

### Supply Chain

#### Priorities

SAP Solutions

Shoppers can buy from almost anyone, anytime, and anywhere. And the moment of truth in retail is at the physical or online store. Best-run companies can anticipate customer demand and fulfill it – wherever that demand might be.



# 23%

Decrease in inventory carrying costs where forecasts are dynamic and updated frequently

Source: SAP Performance Benchmarking

To satisfy highly variable and dynamic customer demand, retailers need to gain insights into buying behaviors, while mitigating the risks of global demand and supply volatility.

On the other hand, imperatives for cost reduction point to optimizing inventory levels and managing the complexity of a global network of vendors, warehouses, and stores.

With improved visibility into omnichannel customer demand, a dynamic supply chain can fulfill demand from anywhere in the extended business network.

Simultaneously, a supply chain integrates and automates logistics and fulfillment across warehousing, transportation, and distribution to meet demand where it actually occurs.

To protect shoppers and brand, retailers need to ensure service and product safety along their supply chain and effectively execute returns and recalls.

# Supply Chain

SAP Solutions

## Supply Chain

Priorities

### SAP Solutions

# 26%

Reduction in revenue loss due to stock-outs, where forecasts incorporate demand history and automatic adjustments for bad data and past promotions

Source: SAP Performance Benchmarking

## Create transparent and agile supply networks.

Optimize customer service and profitability by balancing supply and inventory to meet dynamic demand at optimum cost.

### Supply Chain Insight

Gain visibility into large volumes of real-time consumer data. Combine that data with actual supply-chain information to deliver valuable insights across the entire supply network.

### Demand and Replenishment Planning

Base constrained and unconstrained demand and supply planning on real-time consumer data in a multi-echelon supply network.

### Omnichannel Inventory and Order Response

Achieve inventory visibility across channels to fulfill orders in the best possible way from the best possible location.

### Optimized Logistics and Fulfillment

Automate logistics operations across warehousing and transportation.

## Benefits

- Optimize company-wide inventory
- Accelerate inventory turns
- Reduce transport and distribution costs
- Maximize on-time, fulfilled deliveries
- Improve customer satisfaction



## Omnicommerce Customer Experience

SAP Solutions

### Customer Experience

#### Priorities

SAP Solutions

Customers expect a consistent shopping experience, regardless of how they engage with a brand. They navigate retail channels and do research before making a purchase. To satisfy them, retailers must understand their needs, anticipate their demands, and deliver an inspiring shopping experience in any channel.



Every customer experiences a wide range of emotions – from exhilaration to disappointment – during each retail interaction. Retailers that create a positive experience will earn loyal customers.

Winning retailers know how to deliver an impressive, unified customer experience. They maintain a positive perception by creating an environment that embodies superior value and exceeds customer expectations.

They deliver the best customer experience at any touch point by managing the customer order consistently across its entire lifecycle from order capture to orchestration and fulfillment.

They also offer promotions and awards that are exceptionally aligned to their customers' needs, buying habits, and social trends.

Outstanding customer service can become a way of doing business by offering the product the customer wants to buy through any channel – every time. And this is only possible by understanding customers' needs, anticipating demand, and inspiring shoppers to purchase through all channels.

# 13%

Of retailers use advanced inventory management systems to gain visibility into inventory across channels

Source: SAP Performance Benchmarking



# Omnicommerce Customer Experience

SAP Solutions

## Customer Experience

Priorities

**SAP Solutions**

# 25%

Of organizations fully leverage multichannel communication to optimize customer contact

Source: SAP Performance Benchmarking

## Deliver the future of commerce, now.

Truly understand customer needs to increase brand awareness, improve interaction, and transform the way you engage with customers.

### Customer Insight

Analyze customer behavior and buying trends, and start building personalized customer profiles.

### Customer Interaction and Personalization

Help ensure all customer contacts are personalized with real-time access to customer buying history, preferences, and previous dialogue.

### Digital Commerce

Interact via the Web, mobile, and social media to build a multichannel customer experience that can help increase loyalty, build revenue, and delight customers.

### Order Management and Orchestration

Manage the customer order throughout all phases of completion – from commitment, delivery, and returns.

### Store Excellence

Extend the relevance of the store by engaging and influencing shoppers and delivering excellent customer service.

## Benefits

- Deliver a consistent experience across channels
- Empower teams with information anywhere, anytime
- Turn social media sentiments into opportunity
- Influence behavior with mobile technology



## Human Resources

SAP Solutions

**Human Resources**

**Priorities**

SAP Solutions

Talent is a true competitive advantage and critical when aligning business strategy and execution. Best-run retailers achieve profitable growth by leveraging their talent and out-innovating the competition.



For organizational growth and an agile response to business change, businesses must give people the knowledge and technology to facilitate innovation. They must also move into new markets, adapting to local practices and tapping the right local talent.

In addition, they must identify and retain new talent acquired through mergers and acquisitions. Organizations that quickly respond with the right talent in the right places will have a unique advantage in the marketplace.

# 32%

Decrease in employee turnover for retailers that highly engage their employees

Source: SAP Performance Benchmarking



# Human Resources

SAP Solutions

## Human Resources

Priorities

### SAP Solutions

## Support the new world of work.

Enable growth and sustainability by providing choice in the delivery of HR processes and services. Couple global capabilities, integration, and real-time insight with mobile-device support to drive greater value, increase employee and customer satisfaction, and improve business performance.

### Core Human Resources and Payroll

Consolidate HR and payroll processes on a common global platform for better workforce data and legal compliance.

### Talent Management

Improve strategic alignment, increase productivity, and accelerate results by identifying, developing, motivating, and retaining talent.

### Time and Attendance Management

Streamline time management processes to enhance resource effectiveness, as well as visibility and control over labor costs.

### Workforce Planning and Analytics

Identify and analyze talent gaps, while streamlining workforce planning, for efficient, effective management of workforce demand and supply.

# 17%

Decrease in HR transactional costs per employee for retailers that establish a single point of contact for benefits-related inquiries

Source: SAP Performance Benchmarking

## Benefits

- Align people to organizational business strategies
- Support global expansion into new markets
- Improve productivity and engagement
- Provide real-time insight into business needs



## Finance

SAP Solutions

**Finance**

**Priorities**

SAP Solutions

CFOs implement best practices to strike a balance between sound stewardship and value creation, while walking the fine line between entrepreneurship and caution. At the same time, they need to view the right information, whether it's the big picture, exacting detail, or somewhere in between.



During one of the most difficult and volatile economies of modern times, financial organizations are struggling to achieve excellence.

On a daily basis, they encounter persistent challenges, such as ongoing market instability, ever-changing regulations, and increasing pressure on margins. Plus, the speed of financial operations is accelerating, requiring access to insight on the go – anytime and anywhere.

Finance executives are tasked with cutting costs and providing insight into the financial impact of decisions. To achieve these goals in this high-pressure environment, finance

organizations must rely on best practices that help them achieve excellence and drive business results.

More than ever, financial organizations need best practices to help them achieve excellence.

With the right solutions for finance, organizations can excel where it is needed most to help ensure regulatory compliance and effective risk management, outperform financial objectives, create sustainable value, and deliver superior service.

# 29%

Fewer days to close annual books for retailers where the AP system is integrated with the general ledger so that no reconciliations are necessary

Source: SAP Performance Benchmarking



# Finance

SAP Solutions

## Finance

Priorities

**SAP Solutions**

# 43%

Lower audit cost for retailers where the internal audit department regularly performs financial, operational, compliance, and IT audits

Source: SAP Performance Benchmarking

## Best practices help financial organizations excel.

Organizations that use 360-degree finance processes enable their people to collaborate more efficiently and use business insight more effectively.

Financial Planning and Analysis

Manage financial performance to execute organizational strategies and control costs.

Accounting and Financial Close

Deliver a fast, accurate, and compliant close with less cost and effort.

Treasury and Financial Risk Management

Enable greater insight and control over complex processes for managing cash, liquidity, and risk.

Collaborative Finance Operations

Automate transactional processes for increased efficiency, effectiveness, collaboration, and service with lower cost.

Enterprise Risk and Compliance Management

Protect revenue and optimize financial performance with risk and compliance management.

Real Estate Lifecycle Management

Gain visibility into all phases of investments and projects with better controls while minimizing risk using single source of data.

Indirect Procurement

Maximize cost savings and contract compliance with a standardized indirect procurement process across the business.

## Benefits

- Provide forward-looking insights
- Enhance efficiency at lower cost
- Deliver accurate financial data
- Help ensure regulatory compliance



## Information Technology

SAP Solutions

### Information Technology

#### Priorities

SAP Solutions

The role of IT organizations has changed to become a strategic partner for the business. Business-oriented IT management is about supporting current and new business models and processes while maximizing efficiency and responsiveness by running IT like a business.



A recent study conducted by Gartner shows that lines of business want to ascertain the value of their IT investment. IT organizations no longer decide alone which IT projects to fund.

The challenge is that IT management is often seen as just running the technical landscape. To become more relevant to an enterprise, IT needs to reposition itself to run like a business.

SAP offers an integrated portfolio of solutions to do just that. New technologies such as mobile, in-memory, and cloud computing generate value to a business in an unprecedented way.

However, these new technologies also make IT landscapes more complex, requiring more tools to manage them. By leveraging SAP solutions that follow best practices, CIOs, CEOs, other executives, management, and employees can tap into and help ensure efficiency, continuity, and responsiveness – making IT more strategic to the business.

**2x**

Increase in projects delivered on or ahead of time when top-performing IT management overachieves on value drivers

Source: SAP Performance Benchmarking



# Information Technology

SAP Solutions

## Information Technology

Priorities

SAP Solutions

**Maximize strategic value. Evaluate and mitigate risk. Control and optimize costs. And achieve all this with greater flexibility and scalability.**

Help ensure business continuity, drive efficiency, increase IT responsiveness to business objectives – with information technology solutions designed for businesses of any size.

Application Lifecycle Management

Use application lifecycle management best practices, methods, and services based on IT Infrastructure Library (ITIL).

IT Infrastructure Management

Monitor all network assets to drive an integrated infrastructure and application lifecycle.

IT Portfolio and Project Management

Align the portfolio and manage projects to drive innovation efficiently.

IT Service Management

Align service-desk operations with service-level agreements (SLAs) to resolve issues quickly. Adopt ITIL best practices to meet evolving business goals.

IT Strategy and Governance

Track IT costs and risk, as well as map risks and compliance activities to business impact.

# 14%

Lower IT spend where the business units have incentives aligned with the adoption of standard and common solutions

Source: SAP Performance Benchmarking

## Benefits

- Better align IT with business strategy
- Shorten IT delivery and business cycles
- Lower the ratio of IT budgets: profits/IT upkeep
- Decrease system upgrade and operation costs
- Lower the cost of risk mitigation or revenue loss
- Limit downtime of critical business systems



## Technology and Platform

SAP Solutions

### Technology and Platform

#### Priorities

SAP Solutions

Technology solutions can make the difference between surviving and thriving. And businesses know that they need to innovate to drive transformation. Technology and platform solutions from SAP enable quick adoption of cutting-edge technology to run the business better and faster with agility and innovation.



Users expect to run a real-time business with collective insights from real-time analytics for better decision making, prioritization, forecasting, and modeling of outcomes, and access to applications from the latest mobile devices. They demand that these functionalities seamlessly integrate with their favorite social platforms, allowing cross-stakeholder collaboration.

At the same time, data volumes are exploding, while the window to capitalize on opportunities is shrinking. Users must be empowered with information available from real-time applications available securely on any device. And developers need a platform to innovate faster.

SAP enables the real-time enterprise with an innovative data platform to power a new class of real-time analytics and applications that give businesses a true competitive advantage. Companies can harness the value of Big Data, while improving governance with timely, trusted, and consistent information.

Plus, SAP provides a comprehensive set of cloud solutions, including line-of-business applications as well as social and business network collaboration. The SAP HANA Cloud Platform enables customers to build new apps or extend and customize existing ones with managed and subscription-based services.

# 4

“Cloud, social networking, mobility, and the strategic use of information are the four forces that combine to create a new era of computing and new opportunities for business.”

Source: Gartner, “SAP Is Driving Analytics, Cloud and Mobility in the Nexus of Forces,” Donald Feinberg, August 24, 2012



## Technology and Platform

SAP Solutions

### Technology and Platform

Priorities

SAP Solutions

# 20%

“Through 2015, organizations integrating high-value, diverse, new information types and sources into a coherent information management infrastructure will outperform their industry peers financially by more than 20%.”

Source: Gartner, “Hype Cycle for Information Infrastructure, 2012,” Michael Blechar, July 31, 2012

### Drive transformation and help your business thrive with technology.

SAP technology and platform solutions enable the real-time enterprise by unleashing the power of collective insights, empowering developers to innovate, and unwiring the business.

#### Big Data

Achieve tangible results on every business priority by accelerating how you acquire, analyze, act on, and apply insights continuously.

#### Real-Time Enterprise

Power a new class of real-time analytics and applications with an innovative data platform to give businesses a true competitive advantage.

#### Real-Time Analytics

Unleash collective insight through enterprise business intelligence, agile visualizations, and advanced analytics on any device and platform.

#### Enterprise Mobility

Deliver a platform for mobile development and security to innovate employee and consumer apps for any mobile device.

#### Enterprise Information Management

Maximize the business value of your data – both structured and unstructured – across your organization.

#### Application Integration

Integrate application delivery to maximize agility across people, processes, and systems – within and beyond your SAP software landscape.

#### Cloud Solutions

Extend existing on-premise apps and infrastructure to enable new innovative business processes, gain greater insights, and unlock new business value.

### Benefits

- Enable real-time operation
- Lower time to value innovation
- Accelerate innovation
- Turn data into an enterprise asset
- Unwire the business
- Innovate customer engagement



## SAP Innovations

### SAP Innovations

Applications

The SAP HANA Platform

Mobile

Analytics

Cloud

# 36%

Increase in operating margin,  
where organizations use IT  
to enable strategic and  
competitive advantages

Source: SAP Performance  
Benchmarking

Sophisticated shoppers expect information at their fingertips and consistent experiences across every touch point and channel. Retailers must implement technology faster than ever before to create intimate customer interactions and achieve operational efficiencies



Presently, the appetite for technology is unbelievably high. Technology and connectivity are empowering customers and retailers to connect, share, and conduct business differently.

This is also the age of business and social networks. Retailers are no longer centrally organized and self-reliant. They rely on value-chain partners and people across company boundaries. The goal now is not to optimize just ourselves; it's about optimizing the entire value chain in service of the end consumer.

People are collaborating at amazing speeds by using digital environments, specifically smart phones, which give consumers amazing power and voice. Consumers are connected to each other. They can compare and discover more easily. They can even voice their opinion not only through their wallets, but through digital environments – which can seriously enhance or damage a brand's reputation with just a click.

For the last 40 years, SAP has led innovation. Now, a new generation of technology will help retailers better understand and serve the needs of their consumers, as well as help ensure that employees have access to the information needed to run the business better.



## SAP Business Suite powered by SAP HANA

SAP Innovations

### Applications

The SAP HANA Platform

Mobile

Analytics

Cloud

SAP Business Suite powered by SAP HANA can help retailers realize a real-time enterprise to proactively innovate across the enterprise.



### Customer-Centric Marketing and Merchandising

Provide near-real-time monitoring and reporting on marketing performance. Automate marketing with rule-based and event triggers to orchestrate inbound and outbound activities in waves. Personalize every interaction with the customer with precision marketing. Gain real-time insight and manipulate information intuitively.

### Sourcing, Buying, and Private Label

Establish a comprehensive, complete, and real-time working environment for purchasers. Enable cross-company search for all purchasing business documents. Negotiate contracts early on with deep insight into sales planning and orders.

### Omnicommerce Customer Experience

Quickly identify customers and get a complete 360-degree view in real time. Route all inbound communications to the best resource. Automate transactions with real-time speech analytics

## The SAP HANA Platform

SAP Innovations

Applications

**The SAP HANA Platform**

Mobile

Analytics

Cloud

8

Out of 10 decision makers think access to the right information at the right time is critical to their business

Source: SAP Performance Benchmarking

With increasing customer-generated data available from social media platforms, retail systems must be able to make sense of this data and deliver meaningful insight. With SAP HANA, best-run retailers can leverage insights from Big Data to differentiate their brands with compelling assortments and personalize the shopping experience regardless of channel.



### **Customer-Centric Marketing and Merchandising**

Instantly analyze high volumes of customer shopping data to develop relevant merchandising strategies. Provide customer insight by combining profiles and buying preferences with the current shopping context.

### **Supply Chain**

Meet customer demands by combining rich point-of-sale data with advanced scientific algorithms to drive a responsive, unified demand forecast. Use real-time consumer data to deliver integrated demand and replenishment planning across a multi-echelon network.

### **Omnicommerce Customer Experience**

Meet and exceed customer service expectations by gaining real-time insight with granular, line-item data on point of sale and inventory position. Untether store associates with mobile devices and real-time data to deliver an enhanced customer shopping experience. Deliver personalized offers and content on a mobile device optimized in real time at the moment of decision.

SAP Innovations

Applications

The SAP HANA Platform

**Mobile**

Analytics

Cloud

**61%**

Of retailers recognize mobile technologies as highly important, whereas 74% have yet to implement these enablers extensively

Source: SAP Performance Benchmarking

## Mobile

Connect, inform, and engage with customers throughout their path to purchase anytime, anywhere. Simultaneously empower marketing and operations and executive teams through convenient real-time business visibility.



### **Omnicommerce Customer Experience**

Enhance shoppers' ability to gain additional product knowledge (including nutrition and allergens) to drive consumer loyalty and product margins. Empower store associates with tools and information, turning them into strategic selling resources to combat show rooming. Influence customers' buying behavior through compelling offers delivered at the point of decision. Untether store employees to improve operational efficiency and increase the opportunities for customer interaction. Increase store sales and improve customer service by giving store associates direct access to key information in real time.

### **Supply Chain**

Make decision makers efficient wherever they need to be – whether in the warehouse or in the field working with suppliers. Deliver compelling analytics that provide real-time insight with drill-down capabilities to granular data. Provide access to SAP for Retail solutions from anywhere and at any time.

## Analytics

SAP Innovations

Applications

The SAP HANA Platform

Mobile

**Analytics**

Cloud

# 90%

Of retailers recognize business intelligence and analytics as highly important, whereas 60% have yet to implement these enablers extensively

Source: SAP Performance Benchmarking

Gain up-to-date visibility into key performance indicators across every facet of your operations. Understand the past, adapt and react in the present, and choose the best path for the future – with real-time monitoring, root cause analysis, risk mitigation, and predictive modeling and optimization.



### **Customer-Centric Marketing and Merchandising**

Deliver differentiated products and services to customers with timely delivery of tailored retail products, product bundles, and services across all customer interactions.

### **Finance**

Make optimal business decisions with trusted real-time insight into retail operations and proactive management of enterprise-wide risk and compliance.

### **Supply Chain and Omncommerce Customer Experience**

Reduce overall costs and complexity by streamlining all core retail processes and simplifying configuration of products and services.

## Cloud

SAP Innovations

Applications

The SAP HANA Platform

Mobile

Analytics

**Cloud**

# 85%

Believe cloud computing will have a major impact on their organization, through efficiencies, innovation, or competitive differentiation

Source: SAP Performance Benchmarking

The speed and flexibility offered by cloud computing is creating new opportunities for best-run retail companies. Cloud applications from SAP and the open SAP HANA Cloud Platform allow companies to build differentiating solutions at the point of engagement – establishing nimble global business networks or connecting faster and more directly with customers.



### Customer-Centric Marketing and Merchandising

Modern chief marketing officers need a holistic picture that includes marketing insight, performance management, and optimization. By using real-time, analytics-based insight, they can make informed strategy-related decisions and drive tangible business results.

### Supply Chain

Ariba Inc., an SAP company, is a business commerce network that combines industry-leading, cloud-based technology with one of the world’s largest Web-based trading communities. Connect with your trading partners anywhere at any time from any application or device to buy, sell, and manage their cash more efficiently and effectively than ever.

### Omnicommerce Customer Experience

Attract, recruit, train, and retain superior store associates to help ensure the most-positive customer experience possible. Create a personalized customer experience by generating timely and relevant offers at the point of decision. Analyze social media content to understand overall sentiment, buzz, passion, conversation drivers, and intensity about the brand.

## Best-Run Customers

### Best-Run Customers

More than 12,080 retailers in 114 countries are innovating with SAP solutions.

Bemol

86% of the retailers in the Forbes Global 2000 are SAP customers.

Chico's

Our customers distribute more than 71% of the world's food.

Coop Switzerland

Our customers produce more than 50% of the world's brand-name jeans.

Euro Disney



Abyat



Grupo Ramos



Indigo



Why SAP?





Best-Run Customers

**Bemol**

Chico's

Coop Switzerland

Euro Disney

Abyat

Grupo Ramos

Indigo

Why SAP?

**Benchimol Irmão e Cia Ltda. of Brazil is a department store company.**

How does a retailer consistently achieve 17% annual revenue growth? Maintaining 100% control over costs and budgets is a great first step. SAP for Retail solutions made it possible for Brazilian department store chain Benchimol Irmão & Cia Ltda., helping the company reduce out-of-stock situations, boost productivity, and cut costs in operations and IT.

**Key Benefits**

- Attained integration and control throughout business processes
- Realized higher inventory accuracy and full traceability of goods at all stages
- Provided more autonomy for business users, easing reliance and burden on IT

**-87%**

Online sales canceled due to stock-outs

**+38%**

Productivity in accounting

**-63%**

Time required for financial closing

“For over 10 years SAP for Retail solutions have supported our growth strategy because of their robustness, best practices, and flexibility for developing and improving our specific solutions.”

França Bandeira, IT Manager, Benchimol Irmão e Cia Ltda.



# chico's

## Best-Run Customers

Bemol

**Chico's**

Coop Switzerland

Euro Disney

Abyat

Grupo Ramos

Indigo

Why SAP?

### **Chico's: Enabling a Multibrand Retailer.**

Chico's FAS Inc. consists of four women's specialty brands offering sophisticated casual-to-dressy apparel, intimate apparel, accessories, and gift items. The company operates 1,225 boutiques and outlets throughout the United States and has direct to consumer channels for each brand. Chico's implemented SAP for Retail solutions to enable a high-growth strategy, improve merchandising decisions, and gain greater efficiency throughout its operations.

### **Key Benefits**

- Improved manager efficiency with timely information for decision making based on facts, not on assumptions
- Aligned procurement planning with sales strategy, giving greater control over what is purchased and sold
- Increased visibility and control over operating margin

## 50%

Reduction in time to create purchase orders

## 75%

Improvement in physical inventory performance

## 80%

Improvement in inventory accuracy

“SAP for Retail solutions help us track products not only to the store but also to online and catalog channels. The visibility is critical to supporting decisions that we make throughout the business to serve our customers.”

Gary King, Executive Vice President and CIO, Chico's FAS





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Why SAP?

### **Coop Switzerland: Succeeding with a Sophisticated E-Commerce Platform.**

Basel-based Coop Group wanted to take up a leading position in the Swiss online food retail market. It launched coop@home – a full-range supermarket accessible through the Internet and mobile devices, such as iPhones. Its upgrade to the SAP Customer Relationship Management application gave Coop the future IT backbone to add further online shops.

#### **Key Benefits**

- Ability to make coop@home accessible through Web services from the latest mobile devices, such as iPads
- Flexibility to extend coop@home with more and differing products and services
- Noticeable increase in customer satisfaction

**2.6%**

Increase in market share

**10%**

Increase in revenues in 2011

“We were able to increase our revenues from coop@home by 10% in 2011 thanks to our e-commerce platform in place. We will try to optimize our efficiency. So far, we have made some valuable progress.”

August Harder, CIO, Coop Group





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Why SAP?

Disney S.C.A. counts on 14,500 employees to maintain Disneyland Paris as Europe's top tourist spot. Using the SAP Talent Visualization and SAP Organizational Visualization applications by Nakisa, Euro Disney reinforced the SAP ERP Human Capital Management solution as a basis for HR plans and built a dedicated talent pool for ongoing success.

**Key Benefits**

- Automatic creation and distribution of employee data and organizational structure reports for simplified validation
- Improved succession bench strength
- Improved employee engagement and satisfaction

**60%**

Reduction in manual labor for key organizational and talent report

**50%**

Increase in successors identified for key roles

**50%**

Automated employee profiling to enable position match-up

“Visualization applications from SAP reinforced our HR foundation by automating a variety of talent reporting activities and helped increase workforce engagement for more reliable succession plans.”

Eric Pingal, HRIS Manager, Euro Disney





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**Abyat**

Grupo Ramos

Indigo

Why SAP?

**Abyat: Making shopping more convenient with Sybase Unwired Platform.**

Committed to quality and convenience, the company is using mobile technology from SAP to help make shopping in its 22,000-square-meter showroom easier than ever.

Sales staff can now accompany shoppers through the store, check product availability on mobile devices, and provide everything the customer needs to complete the transaction. So customers can get in and out faster on the way to making their house a home.

**Key Benefits**

- Ability to check stock availability from the showroom floor
- Real-time communication between sales staff, the warehouse, and the checkout counter
- One-on-one attention for each customer
- Less time required to serve a customer

**70%**

Reduction in training time for sales staff

**30%**

Improvement in sales efficiency

**50%**

Improvement in customer service

“We wanted to provide customers with the best experience possible while shopping.”

Ahmad Alnusif, IT Senior Manager, ABYAT Megastores





Best-Run Customers

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Indigo

Why SAP?

Based in the Dominican Republic, super- and megamarket operator Grupo Ramos S.A. integrated supply chain processes, optimized inventories, and freed up warehouse space with the SAP Forecasting and Replenishment for Retail and Wholesale Distribution package. Given the wide variety of goods the company sells, transparent management of sales, distribution, storage, and replenishment is crucial.

**Key Benefits**

- Optimization of supply chain
- Generation of inventory with product differentiation for more accurate reporting
- Reduction of stored stock and increased warehouse space

**11.6%**

Increase in total sales

**33.9%**

Increase in stock-keeping unit sales

**4.77%**

Decrease in days inventory

“Partnering with SAP has allowed Grupo Ramos to take a huge step forward to supply chain optimization. It feels like we have progressed from the Stone Age to the space age.”

María Teresa Rayó, Technology and Services VP, Grupo Ramos S.A.



# Indigo

Enrich your life

Best-Run Customers

Bemol

Chico's

Coop Switzerland

Euro Disney

Abyat

Grupo Ramos

**Indigo**

Why SAP?

**Indigo Books & Music is where Canadians go for books, music, games, and gift ideas.**

As online shopping continues to grow, the company needed to streamline material handling, so it turned to SAP, a longtime and trusted partner. With the SAP Extended Warehouse Management (SAP EWM) application, deliveries are faster and shipping costs for online purchases are down.

### Key Benefits

- Insight into inventory and improved confidence in data accuracy
- Better consolidation and increased savings for the online supply chain
- Lower shipping costs and unit-picking costs in the warehouse
- More capital available, enabling the flow of goods
- More time for customer-facing initiatives that grow the business
- 1.5 to 2 times faster peak processing rates for outbound and inbound deliveries

**35%**

More units picked per week

**10%**

Reduction in picking time and cost

**15%**

Increase in stock-keeping unit count in warehouse

Since the SAP EWM implementation, we are confident that our data is right and our inventory is accurate; and when running a supply chain, that is critical.”

Sumit Oberai, Chief Information Officer, Indigo Books & Music Inc.



## Why SAP?

### Best-Run Customers

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### Why SAP?

SAP solutions for retailers help drive business transformation with real-time unified and simplified business processes across channels, business models, and customers

#### **Creating the Real-Time Retail Enterprise**

SAP solutions that support retail can help create real-time personalized experiences, customer-driven assortments, as well as efficient and profitable multichannel supply chains.

#### **Leveraging Key Breakthrough Innovations**

The SAP portfolio is based on the industry's most innovative technology foundation – including SAP HANA, mobile solutions, analytics, and cloud solutions – to deliver business-process optimization and efficiency at the lowest possible cost.

#### **Delivering Value to Retailers for More Than 40 Years**

Most of the world's leading retailers, across every segment, are reaping the benefits and running better with SAP software and services.



## Why SAP?

### Best-Run Customers

The best-run retailers rely on SAP.

### Bemol

SAP touches \$12 trillion of consumer purchases around the world.

### Chico's

SAP customers represent 85% of the Top 100 most-valued brands in the world.

### Coop Switzerland

Our customers distribute more than 71% of the world's food.

### Euro Disney

Our customers produce more than 50% of the world's brand-name jeans.

### Abyat

Our customers produce more than 86% of the world's athletic footwear.

### Grupo Ramos

### Indigo

### Why SAP?



# Find Out More About How Your Organization Can Become Best-Run

## Benchmark Your Performance

Position your organization for dominance in this new economy with the business performance benchmarking program from SAP – available free to SAP customers and select prospects. The SAP benchmarking program has helped more than 3,000 organizations assess their strengths, uncover areas for improvement, and identify best practices and IT strategies that generate clear, tangible value – not someday, but today.

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Go for a test-drive, visit us online at <http://sap.com/retail>.

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<http://wiki.sdn.sap.com/wiki/display/retail/IS-Retail>

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