

Company Information

Headquarter	Philippines
Industry	Pharmaceuticals
Website	www.zuelligpharma.com/about-us

Zuellig Pharma is one of the largest healthcare services groups in Asia and their purpose is to make healthcare more accessible. They provide world-class distribution, digital and commercial services to support the growing healthcare needs in this region. The company was started almost a hundred years ago and has grown to become a US\$13 billion business covering 13 markets with over 12,000 employees. Their people serve over 350,000 medical facilities and work with over 500 clients, including the top 20 pharmaceutical companies in the world.

More recently, They launched our Zuellig Health Solutions Innovation Centre to develop new services and address some pressing healthcare needs in Asia. Since then, their teams have been focused on creating data, digital and disease management solutions, supporting patients with chronic conditions and helping payors manage healthcare costs.

Next Stage of Consumer Engagement with SAP Marketing



Zuellig Pharma



One of the biggest asset of Zuellig Pharma is Trade Accounts Receivable with a total daily average of close to USD 2B for 2.3M AR Line Items from 85K customers.

The current processes of collecting the cheque, monitoring maturity and depositing into our bank accounts, is both tedious and a costly activity.

Online banking provides Zuellig an alternative to move away from these manual activities. Linking this to SAP solutions has made the whole process seamless and led to an enhanced customer experience

Daniel Laverick, Head of SAP and IT Solutions

Challenges

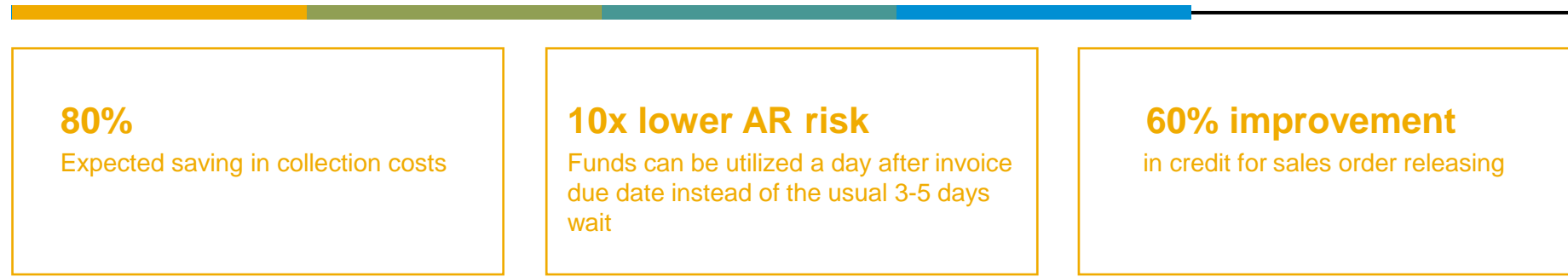
Around 95% of sales from Zuellig Pharma are on terms, and collection is managed through the support of nearly 1,000 personnel. Collection risk is high and the cost of investment in getting money back is considerable.

Solutions

Zuellig Pharma's eZPay uses SAP's Cloud for Payment portal for customers to view Statement of Account and identify invoices for payment. The bank or payment gateway portal is integrated with C4P for customers to execute payment via online banking, QR Code scanning, or fund transfer. An interface file is received from bank/payment gateway, at a defined frequency, in order to close identified invoices automatically.

Outcomes

Zuellig Pharma were able to fully automate eZPay. No system manual intervention is required from them since all jobs are done in the background and physical collection is no longer required. All disputed invoices are managed through Dispute Management. The solution is also fully integrated into our existing e-commerce solution for a seamless user experience.





Business Challenges and Objectives

On daily average more than 20% of Zuellig Pharma's receivables are beyond invoice date, ranging from 1 to 360 days overdue. Millions of USD are being utilized annually to compensate collection activities. Statement of Accounts sending is triggered manually and on paper. More than 50% of sales orders are blocked in Credit due to overdue invoices. This requires Credit manpower to resolve.

The objective is to improve Zuellig Pharma's working capital and reduce trade accounts' receivable management and collection's cost. They also wanted to increase sales orders' auto-release rate in Credit, manage Trade AR and Collection via a shared service and create an enhanced customer user experience.



Project / Use Case Details

To develop technology foundations for Cloud for Payment including:

- Ability to show Statement of Account where users can filter in several variates.
- Functionality to allow users to select invoices for payment with option to indicate amount to be paid
- Connection with FSCM Dispute Management to allow customers raise dispute for selected invoices.
- Link with ECC to pull AR data from FBL5N (at real time) and auto create Payment Advice after confirmation of the selected invoices.
- Process to auto populate bank portal with reference Payment Advice and confirmed value.

To develop Technology Foundations for ECC including:

- Auto-creation of Payment Advice
- A mini-program to trigger auto invoice knock-off using Tcode F110.
- Auto generation of QR code containing customer ID, Payment Advice Number, Transaction Date, and PA Value.

To integrate Bank/Payment Gateway for the following:

- Link to member bank's online portal.
- Facility for QR Code transmission
- Auto-sending of MT940/942
- Receiving and sending of Direct Debit Authorization files.

To boost adoption by Zuellig Customers:

- Target is to enroll all customers, across all markets

Allow use of functionalities as follows:

- QR code scanning via mobile devices
- Online banking via mobile devices
- Ability for customers to delete unprocessed Payment Advices.



Benefits and Outcomes

Business / Social

1. A good alternative for both Zuellig Pharma and customers during crises like the current pandemic
2. Easier and faster for Zuellig Pharma customers to raise disputes and Zuellig Pharma to resolve them
3. Sales Order block can be addressed faster via online transactions
4. Both Zuellig Pharma and customers can view real-time account statuses online
5. Sales improvement for our partner pharmaceutical manufacturers. Efficient and faster communication and transfer of data information between Zuellig Pharma and customers

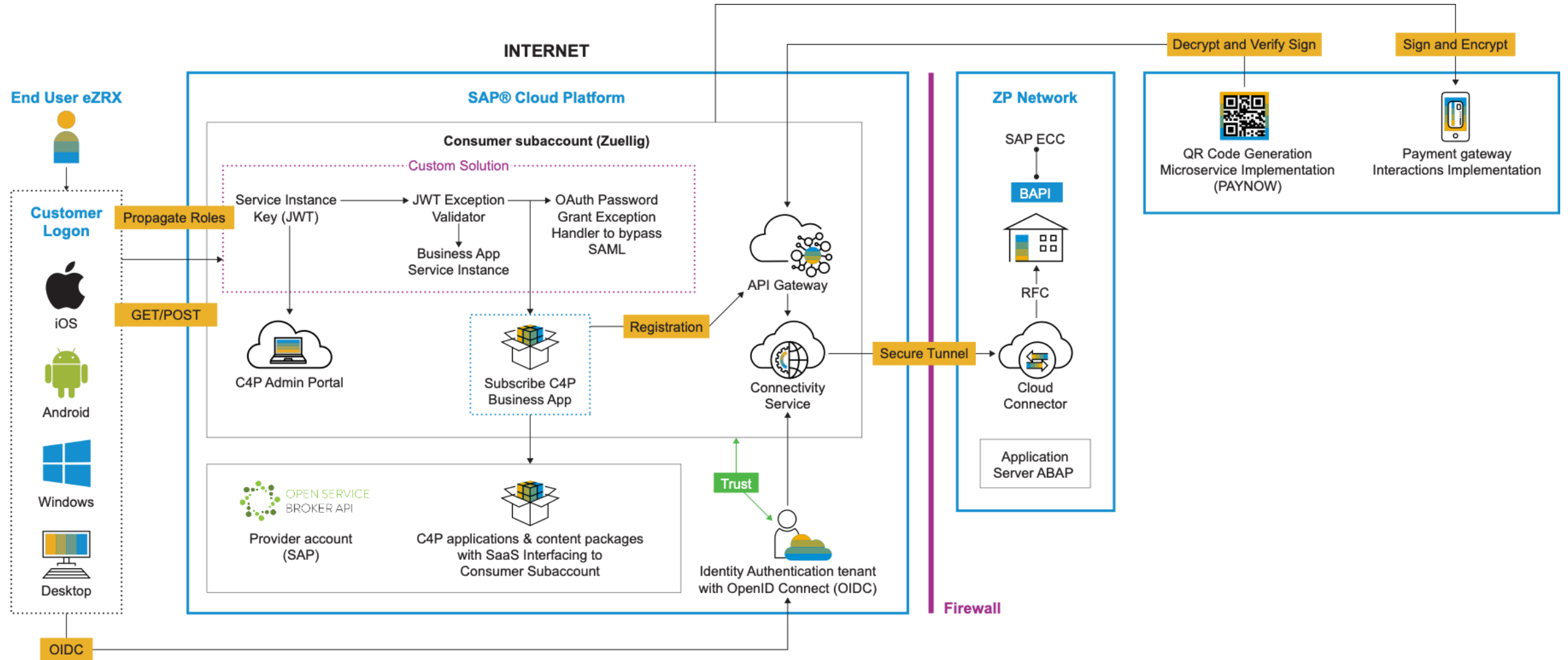
IT

1. Increased productivity
2. Enhanced customer experience

Human Empowerment

1. Systems are fully automated, with zero manual intervention
2. Efficient, faster communication and transfer of data information between Zuellig Pharma and customers

Additional Reference Material



Additional Reference Material

- Standard Solution used as a subscription in SAP Cloud Foundry EU AWS.
- Standard UI using UI5 and Fiori Launchpad
- Zuellig RIT implemented a custom business application wrapper to encapsulate the standard C4P APIs with a Oauth2 Password Grant flow to bypass saml authentication.
- The custom solution of Zuellig Pharma helped SAP to redeploy the standard APIs in a service broker ecosystem to ensure the authentication and authorization can be handled and the APIs can be consumed in any digital ecosystem for any client applications developed in any enterprise platforms.
- The SAML Authentication from UI to API flow was eventually replaced by Application-to-Application authentication and also ensure a dynamic token handling approach is followed in each business API call.
- Scalable for any SAP Standard Cloud Backend API that can use Service Broker

If you have any enquiries, please email sapbestrunawardssea@in2ideas.com

