



SAP
Innovation
Awards 2019



SAP Innovation Awards 2019 Entry Pitch Deck

Intelligent Distribution Network with **SAP® Cloud Platform**

JK Tyre & Industries Ltd.

THE BEST RUN



Intelligent* Distribution Network with SAP® Cloud Platform



JK Tyre & Industries Ltd.



“Now that our dealers and sales personnel are connected in an integrated and digitalized network, they have easy access to the real-time information they need to compete and win in the digital era.”

- Vikram Malhotra, Marketing Director, JK Tyre & Industries Ltd.

Before: Challenges and Opportunities

- No connectivity to enterprise systems for sales personnel, dealers, and distributors for such an extensive network.
- Dealer dissatisfaction and lost sales due to a significant lag in sales information
- Need for dealers to rely on the back office for transaction information such as account statements and orders
- Lack of real-time order and sales information, leading to suboptimal planning

Project:

- User-friendly and intelligent solution based on the SAP Cloud Platform Portal service and SAP Fiori launchpad for managing key front-office transactions.
- Dealer processes managed in a cloud-based portal application layer for security, resilience, and quick adoption
- Scalable, extendable platform to consume and build capabilities for dealer and field sales applications
- Real-time dealer application to accelerate digital transformation

After: Value Driven Results

- Allow distributors and dealers to perform key business transactions such as order generation, goods receipt creation, real-time stock visibility, and daily reporting
- Track the effectiveness of the sales scheme, leading to better management of funds
- Support primary sales to distributors and secondary sales to end customers on the same platform, eliminating the need for third-party billing systems
- Enhance control of intermediate pricing strategies, leading to their optimal realization
- Optimize sales and supply chain planning with complete visibility of secondary sales data



15% - 20%

Improvement in Forecast Accuracy

2- 3 Days

Reduction in Day Sale Outstanding

2% - 3%

Reduction in Finished Goods Inventory



Partner Information

Arteria Technologies Pvt Ltd.,
FinessArt: Dealer and Secondary Applications on Mobile and
Portal are implemented @ JK Tyres



It was a great honor to be associated with **JK Tyres** one of the most well-known Indian tyre brands globally and being an enabling factor in digitizing their distribution networks. While doing so we have learnt so much on how tyre industry is innovating and JK tyre being at the forefront of innovation is disrupting the industry in India by using new technologies such as SAP Cloud.

“Sriram Kanuri – Founder & CEO” - Arteria Technologies Pvt Ltd.



JK Tyre & Industries Ltd.

- New Delhi, India
www.jktyre.com

Industry

- Automotive

Products and Services

- Tyres

Employees

- 10,000

Revenue

- US\$1.2 billion

SAP® Solutions

- SAP® Cloud Platform, SAP Fiori® apps, and SAP Sales Performance Incentives application by Vistex

Business Challenge & Objectives

Whether operating city buses, commercial trucks, passenger cars, or off-road vehicles, drivers across India know they can count on JK Tyre & Industries Ltd. to meet their highest expectations where the rubber meets the road. That's because the high-performance tire manufacturer is not only customer focused, but it's customer obsessed. As a result, the company now ranks as the 22nd-largest tire manufacturer in the world, producing 32 million tires a year in 12 manufacturing plants.

JK Tyre's success rides on the strength of its over 3,500 dealers and more than 400 field sales personnel. However, nonintegrated front-office operations were causing significant information lag – not to mention dealer dissatisfaction.

To equip its distributors and sales personnel with the same agility as its high-performance Tyres, JK Tyre worked with Arteria Technologies to deploy SAP Cloud Platform. Now, real-time operational data optimizes the speed and responsiveness of the company's distribution network.

JK Tyre set out to digitalize its front-office operations. Using SAP® Cloud Platform, a comprehensive portal that provides dealers and sales personnel alike with clear, real-time transparency into operations besides helping organization to improve forecast accuracy, reduce day sale outstanding and optimize Finished Goods inventory levels



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Project / Use Case Details

Headquartered in New Delhi, India, JK Tyre & Industries Ltd. manufactures tyres, tubes and flaps and is one of the country's market leader for truck and bus radial tyres having 9 manufacturing plants in India and 3 in Mexico with a total production capacity of nearly 35 million tyres a year.

SAP enterprise software is at the core of JK Tyre's since 2006 for its entire operations at operational, tactical and analytical levels. In December 2016, JK Tyre implemented SAP HANA, SAP's in-memory database, replacing its previous Oracle database on State of art HP CS900 Superdomes. SAP HANA Cloud Platform (Now SAP Cloud Platform) journey started in 2017-18 to accelerate digital transformation across our business by enabling the organization to build the application for Distributors/Dealers in a real time environment. With strong On-Premises HANA & SAP HCP along with the productivity apps license for all Distributors/Dealers, an Enterprise Portal was created for them that makes the platform as a virtual office for them with realtime environment to our SAP database along with the provision of doing secondary sales which in turn helps organization to capture secondary sales and a direct connect with end customers. Adoption of the entire suite of SAP technologies like SAP HANA (SOH), SAP CLOUD PLATFORM, SAP VISTEX, SAP DCS provides a comprehensive and unified platform to all of our Internal and External Stakeholders.

After the adoption of SAP CLOUD PLATFORM and Online Dealer Portal built upon now our Distributors and Dealers are connected in a real time basis / online to our Core SAP Enterprise system that allows them a) Generate orders, create GR, view real time available stocks, b) Daily reporting like accounts statement, outstanding, (both via reports & FIORI Dashboards), Invoice status, order status, c) Do balance confirmations on-line d) Make online payments for outstanding invoices e) Track their scheme effectiveness & rotate their funds effectively. f) Allows secondary sales. The sales team & commercial team does not have to respond to distributor / dealer queries and are now able to focus more on supply chain efficiencies and sales.

Besides Above some of the other areas where the SAP Cloud Platform is being used is in the area of Tyre Performance data capturing both at Pre production and post production phases.



Benefits and Outcomes

Business / Social

IT

Human Empowerment



#1

- Truck and bus radial tire manufacturer in India



1st

- Company to manufacture and market radial tires in India



1st

- Indian tire company recognized as a "superbrand"



1st

- Indian company to launch an eco-friendly tire

15% - 20%

Improvement in Forecast Accuracy

2- 3 Days

Reduction in Day Sale Outstanding

2% - 3%

Reduction in Finished Goods Inventory

10% - 12%

Sales & Collection are Online using portal and payment gateway integration

25% - 30%

Improvement in Time to Market for new requirements of Sales & Distribution team

30 Days to 1 Day

Reduction in time for scheme provisioning

10 – 12 Times

Improvement in Reporting time

99.99%

Uptime using Mix of High Availability Environment and SAP HANA CCloud

15% - 20%

Improvement in Operational Efficiencies of Sales and Commercial team

5% - 10%

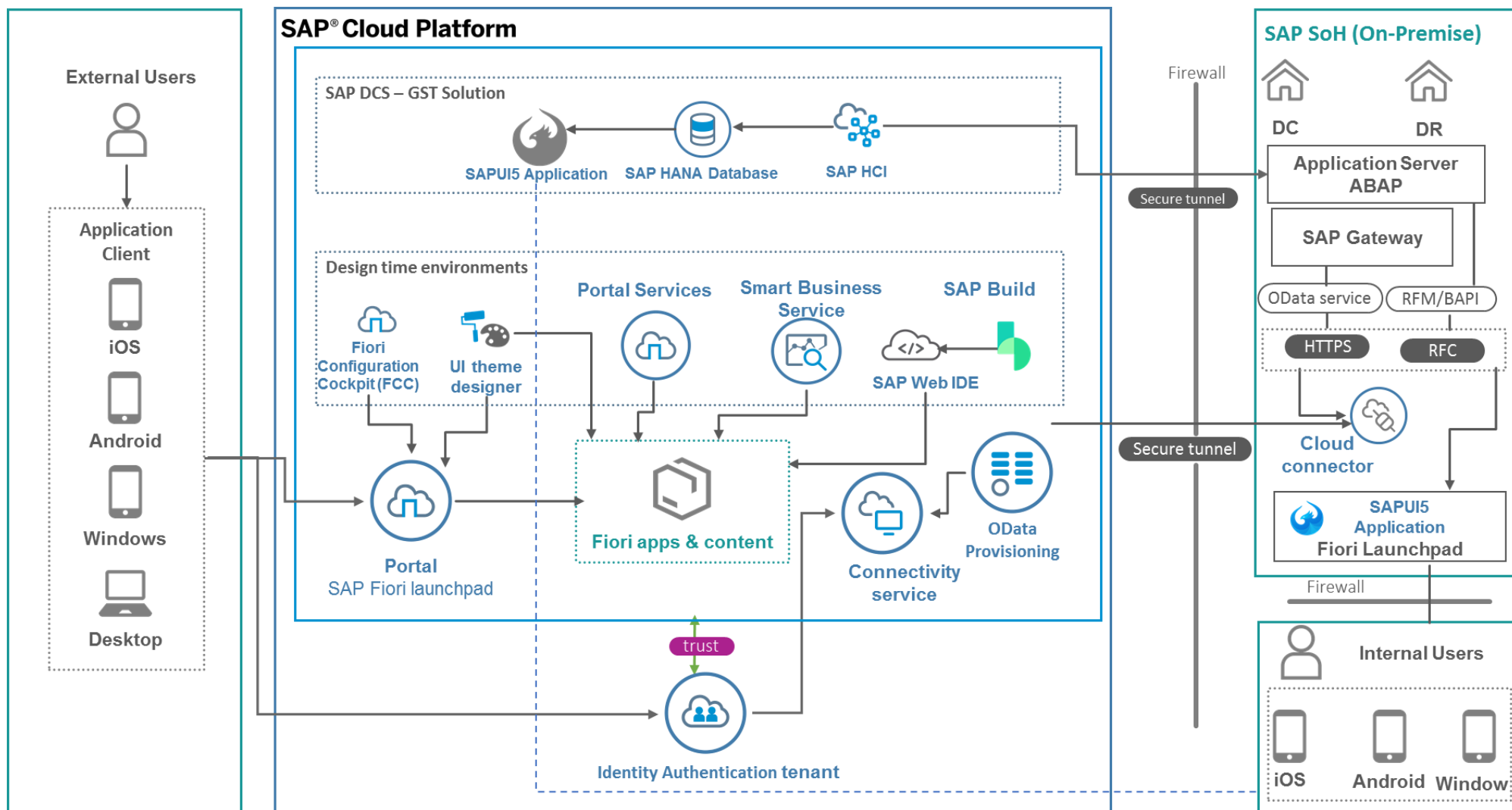
Improvement in Work life balance of Sales and Commercial team

15% - 20%

Improvement in CSAT score of distributors and dealers due to faster response and online systems



Architecture





Deployment

Date of Deployment :

01 / 04 / 2018

Number of live users:

3500

SAP Technologies Used:

SAP® Cloud Platform	-	Productive
SAP DCS		Productive
SAP Suit-on-HANA		Productive
SAP Vistex		Productive
SAP Business Object		Productive

Server Processor:

Intel Xeon on HPE CS900 Superdome

Linux Distribution:

SUSE SLE 12 SP3



Emerging Technologies and Use Cases

The following Emerging Technologies and use-cases are part of the project and describe the contribution

	Technology or Use Case	Yes/No	Contribution to Project
1.	Machine Learning / Artificial Intelligence	Planned in next release	
2.	IoT	No	
3.	3D printing	No	
4.	Blockchain	No	
5.	API Economy / Integrate the Intelligent Enterprise	YES	Native SAP API, HCI & Cloud connectors for Integrating cloud with on-premise services
6.	Cloud Native / Event Based Architectures	YES	Being used to accelerate the delivery of new business application functionality.
7.	Extending the digital core with SAP CP / ABAP in SAP CP	YES	The entire distribution network is using services as per use case submitted
8.	SAP Leonardo Application (extending SAP application, using Industry Innovation Kits or result of Design Thinking workshop)	Planned in next release	