



Focus on the customer to grow

Improve business operations and customer relations with the right enterprise software

The COVID-19 pandemic has turned our lives as consumers upside down. We can no longer go anywhere to get anything without worrying about our health and taking various safety precautions.

The long shutdowns disrupted supply chains while consumers turned to e-commerce like never before, straining not only the ability to intake the large volume of online orders, but also had a major impact to the distribution networks as well. The impact of such a major event on the ability to get product to customers has reinforced the importance of ensuring consumers can access the products they want through multiple sales channels.

The focus on being customer-centric has never been more relevant. One thing many customers had during the lockdown was plenty of time to research their upcoming purchases thoroughly; and now that businesses are starting to welcome customers to their bricks-and-mortar locations, it's only a question of what channel consumers will use to make their purchases. With more detailed product information at the fingertips of consumers and the ability to choose which channel they will use to complete purchases, customers have become more demanding. As a result, competition within the industry is at an all-time high, margins are falling due to aggressive pricing strategies, and companies want to increase efficiency so they can stay profitable—even afloat, during the COVID-19 shutdowns—while still meeting customer demands.

Innovation is critical to staying ahead of the curve, even a matter of survival for many during the pandemic, and having a clean-core (Non customized) SAP S/4 ERP system is at the heart of innovation. Having one consolidated system as your core ERP puts all an organization's data in one location and lets them build detailed customer profiles that power long-term customer relationships.

These relationships are developed through an ability to understand the right product or service mix and how their customers want to purchase these products and services, and using this knowledge to create an ultimate customer experience that builds trust and brand evangelists.

Companies that use technology to capture data at every touch point in every channel of the customer buying experience will be able to make use of artificial intelligence, data modelling, and the Internet of Things to create tailored customer experiences that also reflect the political, social, and economic environmental factors that affect customers daily.

How to maximize SAP implementation and improve return on investment

The four pillars of S/4HANA that help organizations maximize their SAP S/4HANA implementation, achieve a quick ROI, and improve their ability to meet customer demands:

- 1 Clean.** It runs with a clean core enterprise resource planning (ERP) and minimal technical debt, letting you move away from legacy systems that involve tremendous amounts of custom code.
- 2 Intelligent.** It uses its data and solutions (SAP technologies) to build intelligence and insights. These, in turn, drive new levels of automation, efficiency, service, and growth.
- 3 Inclusive.** It operates with a complete ecosystem of applications, services, and capabilities that allow it to optimize business processes, innovate readily, and pivot rapidly.
- 4 Responsive.** The solution doesn't simply react to change, it stands ready and drives quick decision making; and it's cloud-enabled so it can scale on demand.



Our implementation strategy using SAP S/4HANA is based on the idea of creating a Kinetic Enterprise™: an organization that's built evolve, adjusting to constant disruption while keeping business processes running efficiently. When companies embark on the Kinetic Enterprise™ transformation, they're agreeing to reimagine their business processes, rebuild the organizational structure to tear down barriers, and increase the level of collaboration across the organization. This enables them to maximize their SAP S/4HANA investment.

For consumer-focused organizations, it's important to have a SAP environment that's nimble and adaptable so they can keep pace with rapidly changing customer demand. The Kinetic Enterprise™ from Deloitte lets companies iterate when building solutions and adjust as markets change. Not only is it built to evolve, it also lets users achieve a quick ROI on their SAP implementation:

- **Quick time to value with implementation accelerators:** We bring pre-defined accelerators that reduce implementation timelines and increase the speed at which organizations gain an understanding of their customer data.
- **Organizational change for fast decision-making:** Using our organizational change services and our SAP specialists, we put a framework in place to reduce silos within the organization. The new SAP environment reduces the IT burden, allowing the business to make rapid decisions. S/4HANA also enables robust financial reporting and HR processes, provide a better employee experience, and use real-time data reports. This brings all parts of the organization together and leads to more effective customer decisions.
- **One view of customer data:** SAP S/4HANA's smaller overall systems footprint within the Kinetic Enterprise gives organizations one view to the customer, and with this true customer profile across all sales channels they can create a personalized experience for every customer.
- **Internal focus on process improvement:** In typical SAP S/4HANA projects, organizations can expect to increase visibility of inventories, improve supply chain efficiency, and reduce spend on projects that are not customer-focused.

All these internal improvements allow organizations to streamline capital expenses, reduce the amount of working capital consumed by inventory, and allocate spend to revenue-generating (margin-increasing) activities.

In using SAP S/4HANA and Deloitte's Kinetic Enterprise™ solutions, organizations will be well positioned to weather the current economic uncertainties. In addition to making the right decisions that take advantage of the current market opportunities, they will also be able to predict where new markets will emerge.

SAP S/4HANA business case for consumer industries

The business case for implementing SAP S/4HANA and Deloitte's Kinetic Enterprise™ within consumer-focused industries is building long-term relationships with customers and enabling organizations to take advantage of the latest technologies to improve business processes and increase margins.

SAP S/4HANA is essential because it is at the core of how companies can spearhead digital transformation: organizations need to be able to respond quickly to rising expectations from customers, employees, and third parties throughout the value chain. S/4HANA also lets companies address data growth using a simplified data architecture that also enables the use of new data-collection technologies, giving them a competitive edge within the marketplace.

External focus and customer-centric approach

With an ERP software solution such as SAP S/4HANA in place, consumer-focused organizations can build customer profiles that ensure they're communicating with their customers regularly, and focusing on providing the right products at the right time.

The economy has a major impact on consumers' discretionary spend and it is vital for consumer-focused organizations to understand this and know what will resonate with their customers in order to provide the best consumer experience. That's hard to do when a company has a great deal of customer data but still no good view of their customers or of consumers across different industries. S/4HANA is the digital core that brings all the disparate data into one location so businesses can build customer profiles and create a consumer-centric approach.

The data can be used in many ways, including identifying ways to be more fiscally responsible in managing finances for capital projects, improving the supply chain and getting the right products to the right place at the right time, having an omnichannel approach for placing customer touchpoints, even predicting where customers will spend their money in the future. Across the consumer industry, businesses want to create experiences that result in lifelong customers, and S/4HANA gives them the data they need to make the right decisions to build those experiences.

Why Deloitte and SAP

Deloitte has collaborated with SAP on hundreds of projects and has enjoyed a strong alliance with SAP since 1989. We have been a platinum member of the SAP Global Alliance since 1991 and a Global Logo Partner since 1994. We are a partner member of SAP's board of advisors, and we are a "Global Partner – Services," the leading level of partnership with SAP. We have won SAP's Award of Excellence every year since its inception.

Our S/4HANA practice, one of the first to deliver HANA solutions. We use proven industry-specific solutions and collaborate with SAP on the development of the S/4HANA solution.

We are the only systems integrator to win the SAP S/4HANA – Large Enterprise award four years in a row.

We're heavily involved with SAP's efforts regarding SAP S/4HANA before each general release, and we continually update our industry solutions with the latest S/4HANA versions. Deloitte practitioners invested thousands of hours to help test the product, building a foundation of experience and knowledge about new features. We've also developed 70 training courses that go beyond standard SAP training.

Unlike a pure technology provider, Deloitte brings high-quality consulting, risk assurance, audit, tax, and financial advisory services as well as a multi-disciplinary approach that provides a broad business perspective and sensitivity to risk. We answer our clients' needs with insights and solutions that drive value across their organizations. We execute our strategy by focusing on our clients, our people, and our approach. We deliver business results by focusing on the unique needs of our clients.

Contact:

Sean Carnrite

Director, Consulting

scarnrite@deloitte.ca

+1 416 867 8481

www.deloitte.ca