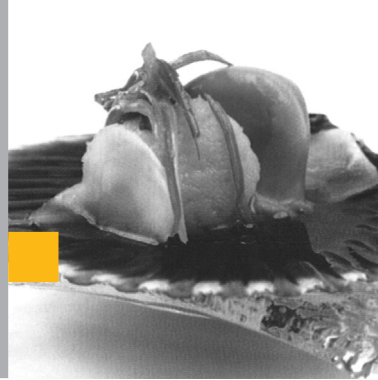


SAP Customer Success Story Consumer Products - Food and Kindred Products



“We needed a new enterprise management system and found the perfect solution to our problem in SAP® Business One. The decision to go with SAP was also made easy by HeadStart Systems, SAP’s channel partner, who understood our business needs and had in-depth knowledge of SAP Business One.”

Mrs Low Bee Hong, General Manager, Indoguna.

AT A GLANCE

Summary

Indoguna (Singapore) Pte Ltd was using two separate systems for accounting and operations management, which affected employees' productivity and prevented management from getting a good overview of its operation. The food and beverage importer decided to resolve the problems caused by the legacy system by integrating and automating all its processes on SAP® Business One

Website

www.indoguna.com

Key Challenges

- Two separate systems prevented the company from obtaining a true, unified view of the business
- Finance staff had to work long hours every month end, after the close of business, in order to finalise the month's Sales and Account Receivables figures
- Customers' orders processed under the old system relied on manual records on buying patterns, resulting in slower response to customers' orders

Project Objectives

- Integrate the disparate accounting system and operations management system on a single, integrated platform
- Automate the company's business processes via a real-time enterprise resource planning (ERP) system
- Gain insights into customers' buying patterns and profitability of each product line

Solutions and Services

- SAP Business One

Why SAP Solution

- Ability to address all of Indoguna's business needs
- Good reporting function

Implementation Highlight

- Implemented within three months

Key Benefits

- Gained a true, unified view of its entire business operation
- Increased staff's efficiency and productivity
- Savings of 3.5 hours per day by the Customer Service team to process customer orders
- Increased visibility enables inventory to be kept at an optimal level
- Improved credit management

Channel Partner

- HeadStart Systems

INDOGUNA (SINGAPORE) PTE LTD

Food and beverage importer increases customer service capability with SAP® Business One

Ask any gourmand of any cuisine and he would tell you that fresh, high quality ingredients are the basic elements of a sumptuous, flavorful dish. Top that off with a fine wine and you will have a complete meal that will satisfy even the fussiest eater.

Indoguna (Singapore) Pte Ltd is the company that is tasked with helping many of the country's top hotels and restaurants, airline caterers, and food and beverage (F&B) outlets whip up that perfect meal. This importer and distributor of fresh, chilled and frozen meats and seafood, as well as gourmet produce and wine, also supplies to major supermarket chains in Singapore.

Due to the nature of its business, Indoguna's 60 staff must have a streamlined business operation to ensure smooth and timely delivery of products to its customers. However, their efficiency was sometimes hampered by the company's legacy enterprise system made up of two separate applications – one for accounting and the other for operations management – that were not integrated with each other. This affected employees' productivity and prevented management from getting a good overview of its operation, explains Mrs Low Bee Hong, General Manager of Indoguna.

“We needed a new enterprise management system and found the perfect solution to our problem in SAP® Business One. The decision to go with SAP was also made easy by HeadStart Systems, SAP’s channel partner, who understood our business needs and had in-depth knowledge of SAP Business One,” adds Mrs Low.

Tale of two cities

Before the new SAP system was deployed, Indoguna’s finance department had to work long hours every month end, after the close of business, to finalise the Sales and Account Receivables for the month, as the data was sitting on a different system from the Accounting system.

The company tried to resolve these problems by building its own in-house enterprise resource planning (ERP) system. However, the attempt to operate on this solution failed and everything reverted to the legacy system.

In August 2005, Indoguna called in the experts and that was when HeadStart Systems was brought in to implement SAP Business One. The modules deployed include financial accounting, sales, purchasing, inventory management, banking and administration.

Migrating to SAP

After the difficult experience Indoguna had with building its in-house system, the company wanted to avoid similar mistakes. In order to ensure a successful transition, HeadStart Systems studied Indoguna’s business and process requirements before configuring SAP Business One to fit those needs.

The plan was for the sales and inventory management modules to be launched on 3 October 2005. But for that to happen, the company had to upgrade the operating system on its desktops, as well as transfer stock and customer data onto the new SAP platform. While the operating system could be ready on the commencement date, the transfer of customer and stock data could only be done after Indoguna closed its accounts at the end of September.

“This left us with only a few days to troubleshoot the SAP system. We were understandably anxious as the change to a new operating system meant that we would not be able to revert to the legacy system should anything happen,” says Mrs Low.

“But under the expert guidance of HeadStart Systems, the first phase of our SAP deployment went live without a hitch.”

The rest of the modules subsequently went live on 24 October 2005. And although the old accounting data had to be ported over to the new SAP platform in phases throughout the implementation period, Indoguna was able to access and

reconcile all its accounting figures with its old accounting system.

The perfect outcome

With most of Indoguna’s processes automated and centralized on the SAP Business One platform, the management is now able to gain a true, unified view of its entire operation. The improved work flow results in higher productivity and accuracy. With real-time information, Indoguna is not only able to provide better service to their customers but also achieve greater control.

“We are pleased that we can now obtain almost minute-by-minute sales figures, which is a feature that was lacking in our previous system,” says Mrs Low. And that’s not the only benefit. She adds that with all the departments integrated and sharing business information on a single platform with SAP Business One, the company is able to enjoy process efficiencies that were impossible to achieve previously.

For example, the company would typically process 100 to 200 invoices per day – a task that was tedious and very time consuming in the past. But with the help of SAP Business One, the company can process 50% more invoices over the same period.

Indoguna discovered that business performance and planning has improved as well. For instance, the increased visibility of its stock level now enables staff to keep track of the stock which can include as many as 6,000 inventory items at any one point in time, ensuring that there are stocks available for fast moving items. The ability to drill down on Accounts Receivable and Accounts Payable has also improved credit management.

“SAP Business One can provide us with information on customers’ buying patterns, profitability of each product line, and help us maintain a current database. With this vital information, we are confident that we will be able to formulate better sales strategies, know our customers better, and hence improve the overall performance of the company.”

Mrs Low Bee Hong, General Manager, Indoguna.

The problems it faced during accounts closing were also eliminated. With financial data centralized on one system, Indoguna is now able to monitor its business performance in real-time and take action immediately to correct problems if necessary.

What impressed the company was also SAP's reporting feature, which has enhanced its decision-making process.

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"With this vital information, we are confident that we will be able to formulate better sales strategies, know our customers better and hence improve the overall performance of the company."

HeadStart

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