

## **END-TO-END BUSINESS INTELLIGENCE IN WHOLESALE DISTRIBUTION**

### UNLOCKING THE VALUE OF INTEGRATED BUSINESS DATA

With budgets becoming tighter and executive demands becoming greater, making better business decisions across the entire enterprise is more important than ever for wholesale distributors. If you are ready to improve the effectiveness of your organization, it is time to look into the power of the SAP® BusinessObjects™ portfolio. In combination with your industry expertise, the software can make an immediate impact on your bottom line by:

- Providing executives and business managers better visibility of the organization
- Providing a better understanding of customers and the means to retain them
- Providing the organization with one version of the truth
- Helping align strategic goals with daily operations

The SAP BusinessObjects portfolio contributes to improved business decisions by helping you plan and analyze more effectively. As a result, you can react more strategically to what may be occurring in your business. The software embeds analytic tools within your business processes, displaying all relevant information in a consolidated, integrated, and actionable view. The tools provide key metrics and system-initiated alerts when performance measurements are out of line with expectations. They allow you to drill down into data for individuals and organizations. The resulting insight helps you identify the root causes of problems and prescribe appropriate solutions based on best practices. This

end-to-end business intelligence ties together loose ends from all areas of your organization.

#### **Streamlining Financial Processes and Reducing Business Risk**

CFOs and executive teams are under tremendous pressure to maximize profitability, reduce operational costs, minimize risk, and improve stakeholder confidence. To be effective, they need reliable, up-to-date financial and operational data for planning purposes as well as budgeting, forecasting, analysis, and statutory and management reporting tools. They need the ability to integrate corporate and departmental planning, intelligently model cost scenarios, and perform sensitivity analyses to determine operational budgets based on strategic plans and assumptions. Finally, they need a way to ensure a fully documented audit trail and compliance with regulatory mandates such as the Sarbanes-Oxley Act for consolidating and reporting company information, both externally and internally.

But gaining a true picture of your organization's current health – let alone future performance – can be almost impossible to achieve. Typically, critical operational and financial information is scattered across multiple applications and databases or trapped as unstructured data in employee e-mail attachments and spreadsheets. In many cases, financial data is difficult to audit or may be unreliable due to ineffective controls. Yet, only full insight into all areas of your

The tools in the SAP® BusinessObjects™ portfolio help you identify, manage, and mitigate the day-to-day business risks faced by the information workers in your company. The SAP BusinessObjects solutions provide a 360-degree view that you can deploy and scale to meet your changing business needs.



company will give you the necessary clarity to make decisions you can stand behind. This confidence can be achieved only if you have the required data at hand at the right time.

### **Predicting, Managing, and Mitigating Procurement Disruption**

Globalized supply chains have created dramatic efficiencies for many companies over the past decade. Yet the connectivity that has developed from these supply chains can spread the problems of a worldwide financial crisis to suppliers very quickly. As supply chains lengthen, determining risk exposure at any one of the links has become critical for maintaining successful business operations.

Having the tools, insight, and analytics for determining this risk exposure across your supply chain is a necessary prerequisite for successful wholesale distributors today. Any supply consistency issues may result in inventory shortage and contract violations, which can weaken customer loyalty.

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To build collaborative business models and mutually supportive vendor relationships, you require heightened visibility and transparency throughout your vendor ecosystem. Your decision makers need access to integrated, real-time data from inside and outside your enterprise – information they can use to proactively insulate your supply chain from the risks associated with supplier disruption.

Interactive dashboards provided by the SAP BusinessObjects solutions can deliver a 360-degree view of supplier and inventory risks and associated mitigation activities in role-specific formats. Because the dashboards consolidate information about suppliers, products, and customers from disparate sources into a unified view, they can help decision makers quickly identify risk exposure and mitigation possibilities. In addition, dashboards can combine internally tracked supplier performance data with externally available credit ratings and financial health indicators to provide a comprehensive view into the risk profile of any particular supplier.

### **Making Energy-Wise Decisions in Your Logistics Area**

For the first time in history, fuel costs represent a greater proportion of many wholesalers' cost structures than labor. And every sign points to even higher costs in the years ahead. To fight skyrocketing fuel costs, you need to reduce consumption, optimize operating costs, and strengthen profitability while making the best decisions for your overall business.

With the SAP BusinessObjects portfolio of solutions, your operations executives can identify upward trends, perform what-if analyses, test theories, and adopt corrective actions. Through an intuitive, interactive dashboard, the software can help them evaluate transportation and energy costs at any organizational level they choose, whether by region or distribution center. The dashboard helps them identify locations and business practices that exceed established consumption thresholds.

After the initial analysis, you can test future business scenarios – including alternate shipping routes, delivery schedules, warehousing strategies, carriers, and fuel contracts. This enables you to collaborate with the carriers, vendors, and colleagues who will be most effective in reducing consumption and overall costs for your business.

### **Using Customer Insight to Maximize Revenue and Retention**

Most businesses that rely on recurring transactions from their customer base face a daunting challenge today: how to retain those customers and maximize their revenue. For example, wholesale distributors in the residential construction segment face saturated markets in many regions, declining revenues from their key customers, and increased competition for the remaining market demand. Bids are being undercut by competitors. Companies are struggling to identify the right customers to do business with.

The key for you to maximize revenue and customer retention is to uncover hidden customer trends and insights. The tools in the SAP BusinessObjects portfolio can help you do that. Next, you must develop offers that are most attractive to each customer. In order to do this, you must gain a deeper understanding of the services used by your customers and of their profiles. The SAP software can provide relevant data to assist you. Armed with that information, you can develop the offerings that will increase your market share and profitability – despite a challenging business environment.

It is true that the products and services you offer your customers may be quickly copied by competitors. But if your business is able to develop and execute a customer-centric strategy that produces the right offers targeted to the right customers through the best channels at the most opportune time – that is something your competitors will have trouble matching.

### **Optimizing Your Workforce for Any Economy**

Human resource leaders are continually challenged to control and lower HR-related costs, quickly adapt the workforce to changing business priorities, and retain and develop the best talent – all while ensuring global compliance with a vast array of regulations. In this climate, companies need absolute clarity in their operation to be both efficient and focused on the key people and processes that differentiate them competitively. Yet, near-term objectives in this economic environment – such as es-

tablishing a leaner organization – must be balanced with longer term business requirements, for example, building a strong talent pool.

Leveraging such tools as benchmarking, standardized key performance indicators for HR, and analytical dashboards helps determine where the opportunities for improvement are within your organization. Provided by the SAP BusinessObjects solutions, these tools are designed to help you identify your weak spots and more easily set prescriptive initiatives to mitigate them.

With high-quality information readily available and the right tools in place, HR leaders can analyze the potential impact of strategies under consideration, including both the impact on the company's success and on the people the company employs. Company executives can then make fact-based decisions and limit exposure to risk by focusing their people on projects that will have the greatest positive impact on the business. When needed, these leaders can recommend additional employee support in the form of training or compensation to facilitate smoother change.

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### **Increasing Executives' Confidence During Decision Making**

Wholesale distribution executives operate in a fast-moving environment. Nothing is worse for them than to base decisions on limited information or to have to wait for the data they need. The SAP BusinessObjects portfolio can help your organization with sophisticated interactive visual representations of processes and performance as well as with what-if analysis tools. In a nutshell, SAP BusinessObjects solutions put confidence back in your decision making.

#### **Find Out More**

To learn more about how the SAP BusinessObjects portfolio can increase efficiency and insight for your wholesale distribution personnel, call your SAP representative today or visit us online at [www.sap.com/solutions/sapbusinessobjects](http://www.sap.com/solutions/sapbusinessobjects).

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## Summary

The tools in the SAP® BusinessObjects™ portfolio can increase the efficiency of the information workers in your business. They can help you identify, manage, and mitigate the day-to-day business risks your staff faces. In addition, the SAP BusinessObjects solutions provide a 360-degree view that you can deploy and scale to meet your changing business needs.

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## Business Challenges

- Access information required to make decisions
- Gain access to real-time data
- Model potential business strategies and decide on a course of action that maximizes value creation
- Gain insight into quality and reliability of critical business partners on the supplier side as well as on the customer side
- Identify, manage, and mitigate business risks

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## Key Features

- **Predictive analysis** – Receive automatic alerts about potentially at-risk key performance indicators and recommended actions, and have one-click access to explanations for variances and root causes
- **Reporting and analysis** – Gain rapid access to real-time reports and perform in-depth financial, operational, and multidimensional analysis
- **Consolidation** – Centralize all performance-related data, shave significant time off consolidation processes, and improve compliance
- **Scenario analysis** – Let business users view various scenarios and visualize the associated effects on relevant key metrics
- **Decision support** – Let your key decision makers interact with data directly and test future business strategies through role-based visualizations

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## Business Benefits

- **Improved support for decision making** through a single interactive dashboard
- **Faster risk identification and disruption mitigation** using integrated data from internal and external sources
- **Increased user productivity** with minimal training thanks to native access to familiar tools such as Microsoft Office
- **Accurate and timely answers** for faster action
- **Greater insight** into overall operating costs and trends as well as into hidden customer trends and behavior

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## For More Information

Call your SAP representative today or visit us online at [www.sap.com/solutions/sapbusinessobjects](http://www.sap.com/solutions/sapbusinessobjects).

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