

## SAP Customer Success Story Retail – Consumer Electronics; Household Appliances



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Magne Solberg, CIO, Expert Norge AS

### AT A GLANCE

#### Company

- Name: Expert Norge AS
- Location: Oslo, Norway
- Industry: Retail
- Products and services: Consumer electronics; household appliances
- Revenue: €1.6 billion
- Employees: 1,262
- Web site: [www.expert.no](http://www.expert.no)
- Implementation partner: Spring Consulting (Oslo)

#### Challenges and Opportunities

- Manage master data for high volume of rapidly changing products
- Handle increased quantity of data without additional headcount
- Support constant stream of new promotions and campaigns

#### Objective

Install solution to improve master data quality and increase process efficiency

#### SAP® Solution and Services

SAP NetWeaver® Master Data Management component

#### Implementation Highlights

- Rolled out in 6 months
- Utilized standard functionality; tailored for exceptions
- Integrated vendors with self-serve capability

#### Why SAP

- Integration with existing SAP® software
- Same look and feel
- Ease of use (users operate within single screen)
- Less risk

#### Benefits

- Payback 16 months after go-live
- Long-term savings much larger than project cost
- Ability to update products more rapidly (350 products in minutes vs. 2 to 3 days)
- No need to hire people to handle more products, campaigns
- Faster update of new articles and price changes
- Tools that allow vendors to update their own data
- One place for maintaining master data
- Better quality data
- Less errors during data input

#### Existing Environment

- SAP for Retail solution portfolio
- SAP NetWeaver platform, including the SAP NetWeaver Exchange Infrastructure, SAP NetWeaver Portal, and SAP NetWeaver Business Intelligence components

#### Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: HP
- Operating system: Microsoft Windows

## EXPERT

### Scandinavian Retailer Manages Master Data for Fast-Moving Consumer Electronics, Sees Payback in 16 Months with SAP NetWeaver® Master Data Management

The consumer-electronics business moves at warp speed, with products, features, pricing, and promotions changing daily. When you have some 35,000 SKUs in Norway, 80,000 in Sweden, and 120,000 in Denmark, you have to deal with a lot of master data and constantly update that information. That's why Expert Norge AS turned to the SAP NetWeaver® Master Data Management (SAP NetWeaver MDM) component.

“It's impossible to handle this many SKUs without an efficient solution and process,” says Magne Solberg, CIO at Expert, a consumer-electronics retailer with 1,000 stores located throughout Norway, Denmark, Sweden, and Estonia. “We wanted to improve the quality of our master data, increase the ease and efficiency of the process, and enable our vendors to update their own information. We maintain a lot of rich content – pictures and descriptive text – for use in e-commerce and printed materials. Before, we stored it in different databases – we wanted all the information in one place. We also wanted a scalable, integrated solution to help us consolidate our business strategy and centralize operations across multiple countries.”

SAP NetWeaver MDM was up to the task. A six-person team at Expert manages all the master data for the company. Users access information on an individual product or product group within a single screen; they can access information regarding product description, pricing, commissions, warranty details, five-year histories for discontinued goods, and environmental disposal

issues. The master data includes information imported directly from mass-volume vendors and from a Web site that Expert built for its smaller suppliers. The data flows through SAP NetWeaver MDM into the SAP® for Retail solution portfolio for use in print materials – brochures, in-store displays, and price tags – and posting to the e-store.

The Expert team quickly updates individual items or does mass updates across product classes. “You simply select the product or group of products,” Solberg says. “You enter the specific data element and new value or text and click enter. It’s very, very easy. I recently received an e-mail from the team lead. She said the team updated 350 products in 17 minutes. Before, it took them two to three days.”

That’s how Expert justified its investment. Says Solberg, “Our business case is driven by the fact that we do not need to hire more people. The master data management team will be able to handle an increasing number of products and campaigns while producing better quality data. We expect payback on our investment in 16 months. Long term, our savings will be a really big number compared to project cost.”

### **SAP: Leader in Master Data Management**

Expert didn’t look far before selecting the SAP NetWeaver MDM component. “We picked SAP NetWeaver MDM because of the standard interface with our existing SAP software,” Solberg says. “Also, master data management is a new market. From a risk perspective, we wanted to go with SAP on this solution.”

The retailer implemented in six months, working with partner Spring Consultants. Expert rolled out standard SAP NetWeaver MDM functionality, tailoring the software somewhat to support several unique product categories. The first implementation was in Norway; Expert will follow with the rest of the Nordic countries. Having grown through acquisition, the company will use the software to unify master data across five different enter-

prise resource planning systems, three e-business solutions, six point-of-sale (POS) solutions, four languages and currencies, and multiple distribution channels. Integration is clearly crucial.

“We use the SAP NetWeaver platform and the SAP NetWeaver Exchange Infrastructure component as our integration cornerstones,” Solberg says. “As soon as a product is approved in SAP

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NetWeaver MDM, the information is transferred to our enterprise SAP software. It also goes to the POS system in our stores. Store managers log in through role-based access in the SAP NetWeaver Enterprise Portal component, enabling them to see their store plus benchmark information from other sources. They place orders through the portal, as well as access the SAP NetWeaver Business Intelligence component, to view daily updates on sales, earnings, and inventory.”

That integration extends to Expert’s 200-plus vendors. Large-volume suppliers update their product and pricing information via electronic data interchange; smaller vendors view their product portfolios and refresh information at the self-service Web site. “This lessens our workload,” Solberg says. “It’s also more efficient for the smaller vendors. They used to call, fax, or e-mail; there was no structure to the process. Now, they just go to the Web site.”

That keeps things moving quickly, which is pretty much the mantra around Expert. “Retail is a marketing-driven business, very campaign oriented,” Solberg says. “Every single week you have new goods, new campaigns, new prices. SAP NetWeaver Master Data Management supports this with very efficient, very accurate data management.”



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