UNIMARC

SUPPORTING GROWTH AND INNOVATION WITH SAP® MAXATTENTION™

QUICK FACTS

Industry
Retail

Revenue
US$2.3 billion

Employees
22,000

Headquarters
Santiago, Chile

Web Site
www.unimarc.cl

SAP® Solutions and Services
SAP® MaxAttention™ support, SAP Enterprise Support services

Fueled by an aggressive merger and acquisition strategy, retailer Unimarc quadrupled revenues in two years and became the largest supermarket chain in Chile. To optimize its existing business software and migrate to a new enterprise-wide solution, the retailer engaged services from the SAP® Active Global Support organization. With SAP MaxAttention™ support, Unimarc unified its IT landscape and established innovative new business practices.

Key Challenges

- Establish support organization to enable aggressive business growth strategy
- Align enterprise operations and streamline business processes
- Support operational stability using existing SAP® ERP application, despite limits of legacy hardware
- Enable operations to continue uninterrupted
- Unify IT landscape

Why SAP Services Were Selected

- Holistic application lifecycle management strategy
- Leading supplier of skilled support engineers for SAP software
- CIO's previous experience with SAP MaxAttention™ support
- Proven expertise and knowledge transfer
- Unparalleled access to superior technical resources as needed

Best Practices

- Monitored business processes with the SAP Solution Manager application management solution, proactively mitigating risks
- Established Customer Center of Expertise location to bridge gap between IT and business leaders
- Created data archiving strategy to reduce database size and improve performance
- Linked directly from SAP Active Global Support organization to quality manager

Key IT Metrics

- Supported 2,900 business users in 270 stores and 3 distribution centers
- Decreased total database size by 12%
- Reduced database growth by 20% annually
- Decreased peak system dialog response time from 3.5 seconds to under 1 second on average
- Reduced sales reporting processing time from 2 seconds to 800 milliseconds
- Reduced runtime for mobile transactions

Project Highlights

- Centralized IT support organization to enhance and maintain business unit alignment
- Mitigated hardware migration risks
- Engaged SAP experts to perform volume test to help ensure timely data uploads from stores
- Improved database and data volume management
- Optimized efficiency of custom programs
- Identified opportunities to minimize customization, simplifying business processes
- Enhanced planned distribution center logistics through risk assessment

Project Benefits

- Sped up availability of sales data to stores, enhancing merchandising decisions
- Mitigated system downtime while supporting operational growth
- Reduced operational costs through enhanced process efficiencies
- Completed project on time and within budget, avoiding significant project delay costs
- Enabled continuous improvement by delivering expertise as needed
- Transferred knowledge to internal experts

UNIMARC®

"I sleep very well knowing that SAP MaxAttention is safeguarding our SAP ERP application and providing us with access to the appropriate technical resources at the right time. It's a great investment, especially during tough times."

Fernando Santos, CIO, Unimarc

www.sap.com/contactsap

Chilean grocery retailer Unimarc recognizes opportunities that are ripe for picking. Since its 2007 acquisition by the Saieh Group, the company adopted an aggressive merger and acquisition strategy, purchasing 40 local supermarket chains and achieving a 21% market share. To become the leading grocery retailer in Chile, Unimarc consolidated all its existing stores under a multiform retail holding, including its supermarket, convenience store, and wholesaler brands. However, Unimarc needed to upgrade its SAP® Business Suite software. The SAP MaxAttention™ support option and SAP Enterprise Support services not only contributed to a successful re-implementation but also are helping the company manage growth and drive innovation.

"Services from the SAP Active Global Support organization were essential to helping Unimarc maintain our old systems and create a controlled strategy for IT growth," explains Fernando Santos, CIO of Unimarc.

Basket of New Efficiencies

Based on previous experience, Santos started SAP MaxAttention not long after joining Unimarc. As the leading supplier of skilled software engineers in Chile, SAP was a logical choice to provide expertise and knowledge transfer.

During the 18-month implementation project, SAP consultants helped Unimarc successfully launch various SAP applications. The latest SAP for Retail solution portfolio and SAP NetWeaver® Process Integration technology were deployed, which included 150 interfaces to the company's software processes. The SAP NetWeaver Business Warehouse (SAP NetWeaver BW) component, SAP NetWeaver Business Warehouse Accelerator software, and SAP enterprise modeling applications by IDS Scheer were also implemented. To support the company's warehouse operations, the team deployed the warehouse management system and Internet transaction service functionality of SAP ERP. The Internet transaction service enables access to SAP applications from mobile devices used in Unimarc's three distribution centers.

As part of the SAP NetWeaver BW deployment, the team designed and developed 57 new information cubes and 40 operational data structures to support huge data upload volumes. As a result, Unimarc now uploads 5 million stock entries, 1.3 million sales transactions, and 21 million price entries per day. SAP NetWeaver BW Accelerator enables consistently fast response times, even as data volumes and users increase.

For example, sales query responses arrive in just 3 to 4 seconds. Average query response times dropped from 3.5 to 0.8 seconds. Time needed to generate sales reports fell from 2 seconds to 800 milliseconds, and mobile transaction runtime decreased from 3.5 to 1.5 seconds.

Moreover, the SAP MaxAttention team kept Unimarc's old system running – on obsolete hardware and with significant database limitations – without serious interruption while the new software was being deployed. Using an SAP data volume management service, for example, Unimarc created a new data archiving strategy that helped decrease the database size by 12% and reduce its growth by 20% annually. Business process performance optimization services and database experts also contributed to Unimarc's success.

Trusted Advisors

As the company prepared to roll out the new software, SAP Active Global Support continued providing exceptional local technical resources and service. SAP consultants performed volume testing, optimized the efficiency of custom programs, and performed a risk assessment that helped Unimarc steer clear of logistical problems in its new distribution center.

Looking forward, Unimarc plans to continue using the SAP support and services to enhance its innovative business practices, enable continuous improvement, and minimize operational costs through a holistic application lifecycle management approach. "We can count on the SAP team to provide the right experts whenever we need them," says Santos. "The value proposition is excellent."

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