The Intelligent Enterprise for the Consumer Products Industry

Delivering Superior Consumer Outcomes in Moments of Opportunity

THE BEST RUN **SAP**

An Industry Ripe for Disruption

For 50 years or more, consumer products companies have organized almost entirely around two "moments of truth" – the moment consumers buy a product in the store and the moment they use the product at home. The time when your company could grow simply by getting great products on a store's shelves at a fair price is behind us. Now the store is digital, and it's everywhere. The result is the greatest channel shift of our lifetime, a shift that is accelerated by the COVID-19 pandemic.

A focus on moments of truth presumed a linear path to purchase, with a set of defined touch points designed to influence purchases. It also favored economies of scale, creating competitive advantage and entry barriers that benefited large established brands. This is no longer the case.

We have moved from consumer products to consumer outcomes. Today, leading companies are focusing on consumers in "moments of opportunity." They must take a broader view of the consumer journey and offer personalized experiences to deliver meaningful outcomes in moments of need.

Delivering outcomes expands the nature of the consumer relationship. Consumer products companies must look beyond the products they provide and instead focus on the outcomes they can help enable for consumers – such as health, wellness, security, happiness, and more. They must work within larger ecosystems of partners and collaborators to deliver these outcomes, at a speed that helps ensure customer satisfaction and loyalty.
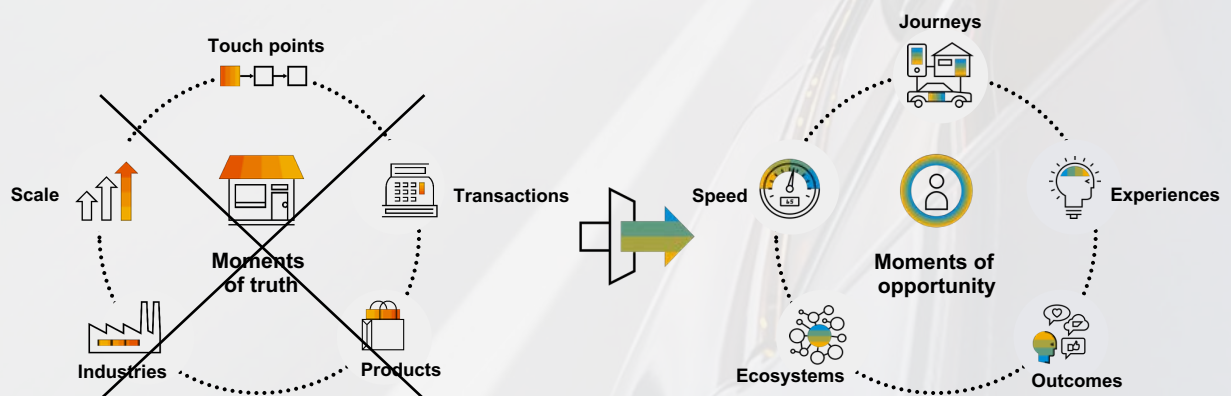
The New Rules of Engagement

Consumers expect outcomes that will make their lives easier, with experiences that are personal, relevant, and simple. In this new world, commerce is seamless, technology is invisible, and privacy, security, and trust are assumed and assured. Consumers don't want to be sold to or influenced. They want to be inspired, guided, educated, and helped. And they will reward those companies that differentiate based on personalized experiences and outcomes.
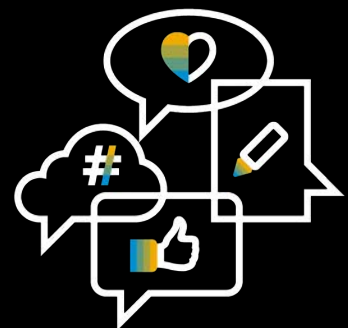
Strategies for Running Consumer Products Companies as Intelligent Enterprises

Today's consumers no longer simply want to buy products – they want to be inspired and educated by brands that share their values and deliver personalized outcomes. They want **personalization with a purpose.** To lead in this new era, consumer products companies need to embrace next-generation business processes and intelligent technologies such as artificial intelligence and machine learning. We have identified five strategic priorities that will help consumer products companies transform their business.

Creating exceptional consumer experiences: It's time for consumer products companies to move beyond a single threaded journey focused on which channel the consumer uses to buy products. Instead, companies must turn their attention to these consumers – understanding gaps in their experience, anticipating their needs, and helping them achieve their desired results.

Delivering valuable outcomes: Throughout many years of sustained growth in the consumer products industry, the prevailing model has been "one product fits all." However, as consumers gain power and the number of producers and channels proliferates, leading companies are now focusing not only on the personalized products and outcomes that consumers demand but also on delivering those goods in a way that honors consumers' sustainability, diversity, and equity goals.

Meeting shopper needs throughout the entire consumer journey: To engage people throughout the entire consumer journey, companies must look beyond just the purchase and use of products. They also must consider the content, services, and other complementary solutions or experiences they should offer as part of an ongoing dialogue with consumers.

Competing as an ecosystem: As the industry becomes more diversified, consumer products companies must deliver higher value in more differentiated ways by partnering effectively across the full ecosystem. They need to optimize and deepen the level of collaboration with existing strategic partners to pursue additional sources of value. They also must aggressively pursue new partners to further differentiate themselves and enable new levels of agility.

Accelerating operational responsiveness: Consumer expectations are higher than ever before. Shoppers want real-time service and prompt, accurate product deliveries. Companies that can operate faster and deliver outcomes quickly – and at the best cost – will be the winners in the hearts and minds of consumers.

Delivering on a Promise to Feed the Nation

In just seven days, Brakes Bros., a business-to-business food delivery service and leading food service supplier in the United Kingdom, launched a new direct-to-consumer platform, enabling them to distribute food packages to their consumers and meet their shoppers' needs.

"As the United Kingdom went into lockdown, our normal kind of business and customers just stopped. We had to think about how we could find a different route to market to bridge that gap and get produce to those who desperately needed it."

Justin Mills, Head of Digital Products, Brakes Bros.

Delivering a promise to
#feedthenation

From Best Practices
to the Vertical Edge

In a digital world, innovation is no longer just the domain of the research and development teams. Innovation must become an integral part of each department and discipline, so they all contribute to the evolution from industry best practices to next practices, right to the "vertical edge." This enables cross-functional teams to experiment with new ways to create unique value for customers, thus generating top-line, bottom-line, and green-line improvements.

	Best Practices	Next Practices	Vertical Edge
Creating exceptional consumer experiences	- Siloed, expensive innovation strategy - One-size-fits-all marketing - Limited visibility into in-store conditions, customer preferences	- Prioritized set of innovations - Plans for each innovation - Plan execution against agreed-upon business metrics	- Innovative business models - Deep consumer insight used to deliver measurable outcomes - Increasing percentage of revenue from data-intensive services
Delivering valuable outcomes	- Mass productions with the end goal of one product fits all - Slow and sequential processes for manufacturing and production	- Intelligent asset networks and smart factories - Optimized processes to focus on exceeding expectations	- Distributed, personalized manufacturing - Helping consumers achieve desired personal outcomes aligned with their aspirations
Meeting shopper needs throughout the entire consumer journey	- Selective survey execution to detect experience feedback - Segmented offers and recommendations based on current customer understanding - Siloed, static database of consumer profiles	- Demand, usage, and consumption signals, adjusting assortments and promotions in real time - Pervasive capture and inclusion of sentiment and experience data as a business metric - Unified real-time profile of consumer data and insights across silos while respecting processing purpose and privacy	- Holistic understanding of the consumer journey, segmenting consumers based on desired end state versus what they buy and continual real-time optimization with automated experience tests and learning - Enduring customer and consumer relationships - Real-time consumer experience journey orchestration to increase customer lifetime value
Competing as an ecosystem	- Largely static value chain ecosystem - Predetermined set of suppliers, manufacturers, and retailers - Linear, sequential sharing of data	- Optimized collaboration processes with existing partners - Deeper collaboration with strategic partners - Aggressive pursuit of new ecosystem partners	- Teaming with nontraditional, innovative partners - Expansion from like products to related services or outcomes - Delivery of higher value at low or no incremental cost
Accelerating operational responsiveness	- Forecast to stock - Fully digitalized processes - Real-time analytics	- Demand-driven business planning - Automated processes based on machine learning (ML), Internet of Things (IoT), and sensor-based triggers - Predictive analytics and proactive insights to action based on ML recommendations	- Dynamic distribution networks - Autonomous operational processes and decisions by robotic process automation and machine learning - Strategic decisions carried out by intelligent assistants

Reframing "Business Models"

Business model innovation will win the day in the consumer products industry. The leading consumer products companies use deep consumer insight to deliver measurable outcomes and draw an increasing percentage of revenue from data-intensive services.

Bosch – Drilling Through Legacy Processes

Robert Bosch GmbH sales and marketing transformed into a single digital team that puts the focus on the customer to hone competitive edge.

"Customer expectations make it imperative to transform the business-to-business experience from process driven to customer driven."

Sunny Mallavarapu, Project Manager for Digital Transformation, North American Group, Robert Bosch GmbH

Creating Exceptional Consumer Experiences

COMMON PRACTICE

The common consumer experience as a single, threaded journey is focused on where the consumer buys products. Common offers and messaging are targeted toward the consumer at a specific point in time:

- A siloed and heavily invested innovation strategy driving multiple short-term product launches
- A one-size-fits-all marketing strategy across all segments and consumers
- Unclear in-store conditions and consumer preferences, with distinct lines of communications with channel partners
- An e-commerce strategy that does not bring to life full growth potential

NEXT PRACTICE

The new consumer experience is focused on consumers themselves, with personalized experiences delivered in micro-moments on the journey toward helping each consumer achieve a desired outcome. This is the difference between a company making a sale or the consumer making a switch. The next practice is based on:

- Consistent master data, customer (business-to-business), and consumer (business-to-consumer) across all channels to enable a consistent and meaningful experience
- Full visibility of the entire value network, from sourcing and partner networks to in-store conditions and actual consumption
- Live access to, and use of, both structured and non-structured demand drivers to assess market dynamics in real time
- Scaled, qualitative analysis of consumer experience sentiment and feedback to deliver a unified, personalized user experience
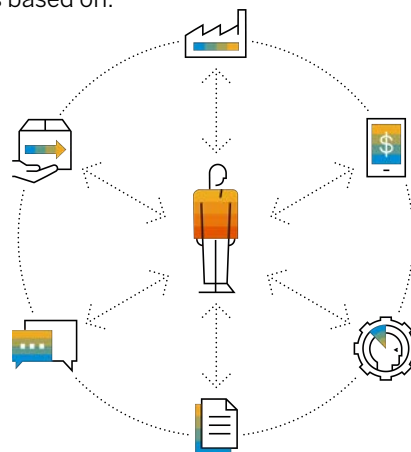
Making the Food People Want Through Greater Consumer Insight

Chobani used Experience Management (XM) solutions from SAP and Qualtrics to uncover consumer trends and bring innovative new products to the Australian market.

"The speed, breadth, and agility of the Qualtrics XM Platform helps Chobani deliver a great customer experience from start to finish."

Maria Voronina, Senior Brand Manager, Chobani

Perfectly Execute Product Delivery with XM Solutions

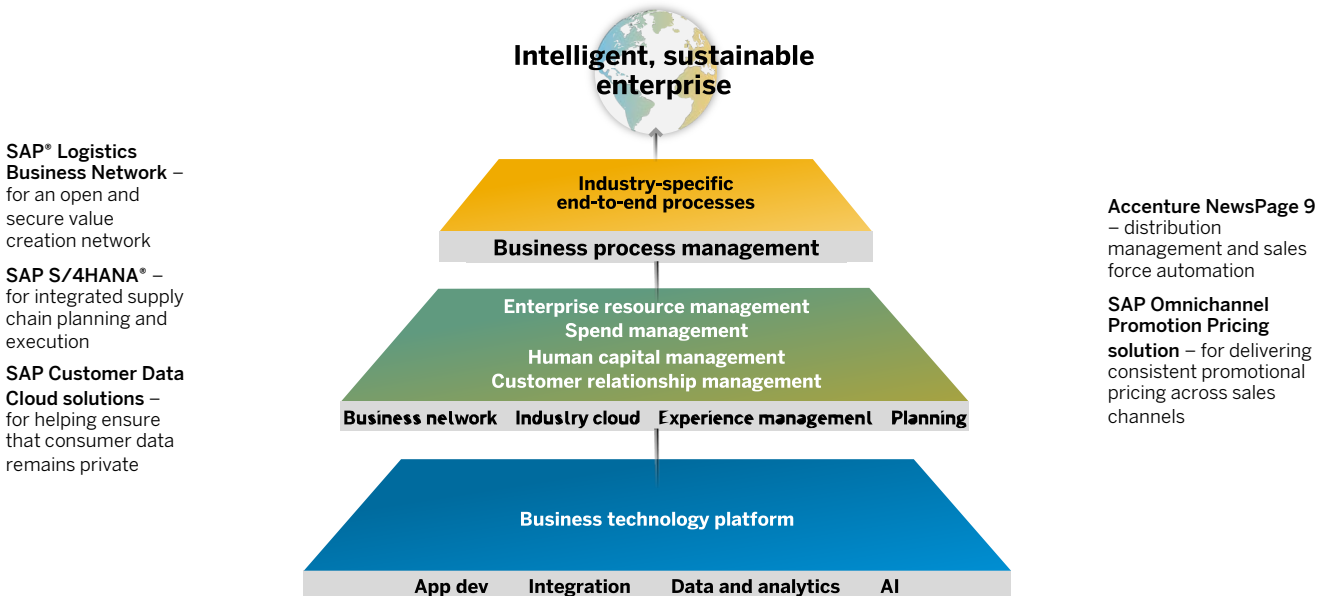# SAP® Solutions: Exceptional Consumer Experiences Throughout the Product Lifecycle

Creating exceptional consumer experiences requires new business capabilities – delivered by SAP's consumer products portfolio that supports the Intelligent Enterprise.

Product innovation
- Enable feedback-inspired innovation using insights to understand consumer expectations of product features and functionality to prioritize development
- Gather ongoing consumer feedback to understand the perception of design, features, and functions to optimize the product experience

Manufacturing
- Offer products that are configurable and tailored to individual consumers' needs and preferences
- Drive efficiency and flexibility in manufacturing to enable agile responses to new trends and changing demands

Supply chain
- Maximize distribution and availability through flexible ordering and sourcing, offering seamless sales channel experiences and preferred delivery options
- Enable consumers to find what they want, when they want it, by understanding demand and temporary demand-influencing factors

Marketing
- Create unified profiles for consumers across brands, providing increasingly targeted, personalized, and contextually relevant messaging
- Rapidly respond to opportunities and issues by monitoring brand health in real time with sales, social listening, reviews, and sentiment indicators

Sales and service
- Ensure optimized shopping experiences, relevant messaging and promotions, visibility, and shoppable merchandising, avoiding stock-outs
- Create exceptional service moments across touchpoints by enabling teams with real-time intelligence

Procurement
- Ensure product origins meet consumer expectations and brand promise – transparent, ethical, and sustainable sourcing
- Address immediate consumer needs with responsive procurement and manufacturing networks

The architecture for the Intelligent Enterprise in consumer products industry starts with SAP Business Technology Platform and business applications from SAP, including industry cloud solutions that support organizations with their industry-specific end-to-end processes.

SAP® Logistics Business Network – for an open and secure value creation network

SAP S/4HANA® – for integrated supply chain planning and execution

SAP Customer Data Cloud solutions – for helping ensure that consumer data remains private

Intelligent, sustainable enterprise

Industry-specific end-to-end processes

Business process management

Enterprise resource management
Spend management
Human capital management
Customer relationship management

Business network | Industry cloud | Experience management | Planning

Business technology platform

App dev | Integration | Data and analytics | AI

Accenture NewsPage 9 – distribution management and sales force automation

SAP Omnichannel Promotion Pricing solution – for delivering consistent promotional pricing across sales channels

Top Value Drivers*

50%
Of consumer products industry growth will occur through a direct business model

US$100 million
In trade spend savings

*Source: SAP Performance Benchmarking

Delivering Valuable Outcomes

People increasingly want to do business with consumer products companies that deliver value – not just lower prices or offer better products but also business practices that do right by individuals and families, communities, and the planet. They expect companies to manage limited resources productively, employ and safeguard responsible business practices across their value chain, and reduce their environmental footprint.

COMMON PRACTICE

Create positive economic, environmental, and social impact with a commitment to United Nations Sustainable Development Goals (SDGs).
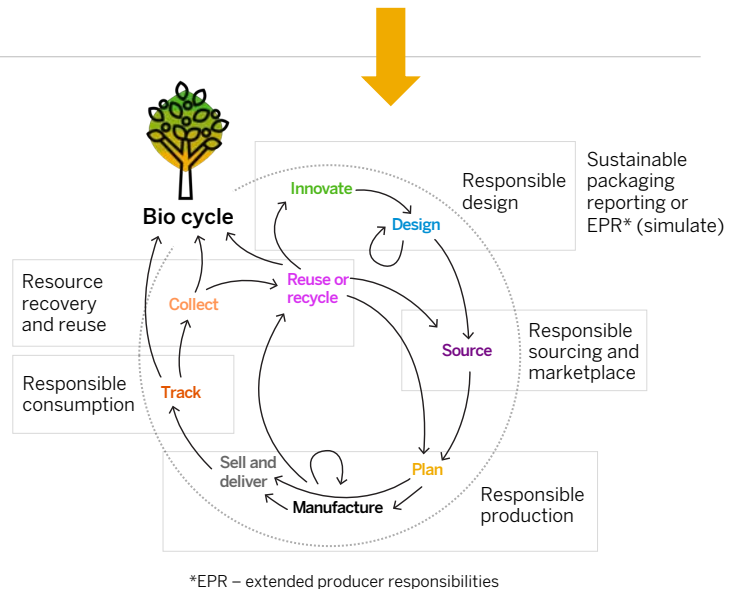
- Develop reporting mechanisms for economic, environmental, and social performance
- Improve management of limited resources
- Enhance digital skills, health, equality, and inclusiveness to improve societal impact
- Create responsible business practices across the value chain
- Reduce environmental footprint

Economic impact   Environmental impact   Social impact

Sustainability goals
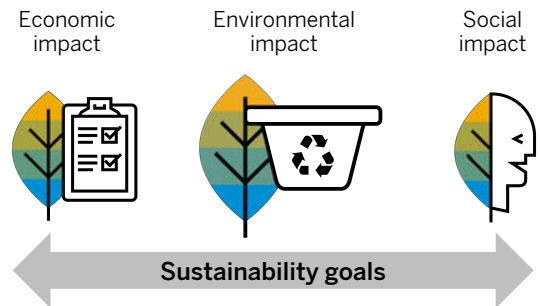
NEXT PRACTICE

Support a circular economy – in which everything has value and nothing is wasted – by designing and promoting products that last and can be reused, repaired, and remanufactured.

- Optimization of material choices in design phase by allowing a full lifecycle view into financial cost and planetary impact of design choices and evaluation of more sustainable options
- Global view of packaging material design, production, and where sold
- Enabling "elimination of waste by design"
- Transparency of materials usage and sustainability criteria by material type

Bio cycle — Innovate — Design — Responsible design — Sustainable packaging reporting or EPR* (simulate)

Resource recovery and reuse — Collect — Reuse or recycle — Source — Responsible sourcing and marketplace

Responsible consumption — Track — Plan — Responsible production

Sell and deliver — Manufacture

*EPR – extended producer responsibilities

Building Enduring Customer and Consumer Relationships

Consumer products companies should have a vision to build enduring customer and consumer relationships by delivering on a set of outcomes, often service driven, that go well beyond the traditional product focus. Drive top-line growth by developing deeper consumer insights to deliver personalized engagements, products, promotions, and pricing.

63%

Of consumer products companies say it's important to engage with consumers through a seamless, fluid channel experience, but only

16%

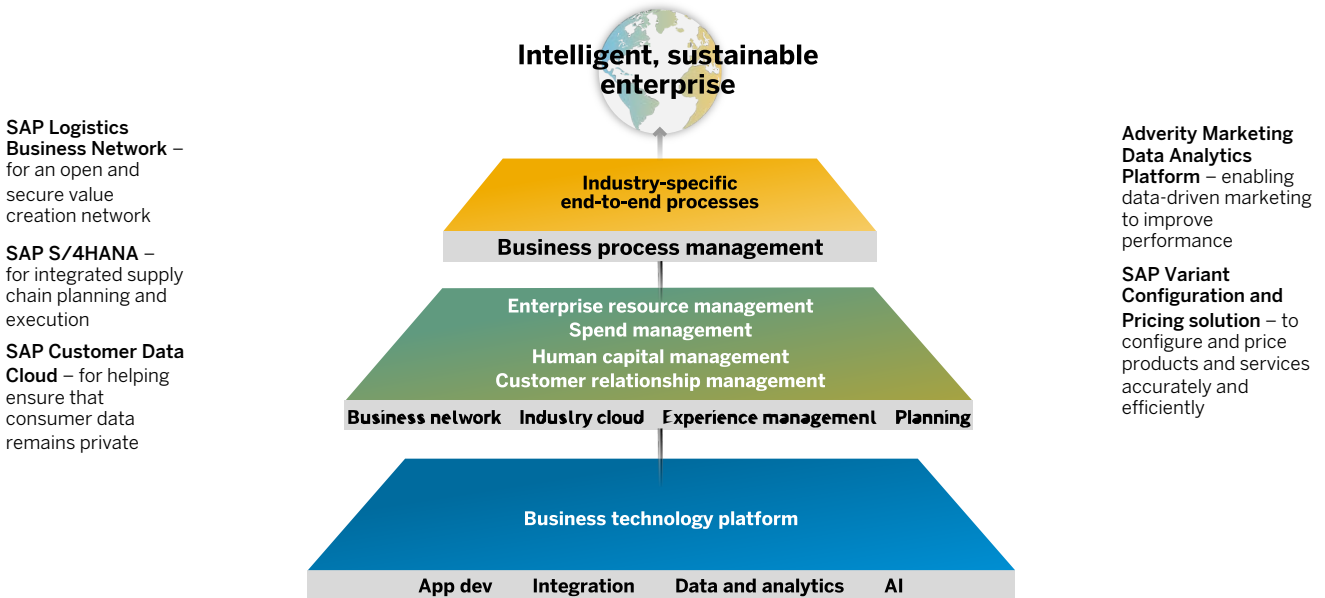are currently able to do so.*

*Source: SAP Performance Benchmarking

SAP Solutions: Valuable Outcomes Through Improved Performance

Delivering valuable outcomes requires new business capabilities – provided by SAP's consumer products portfolio that supports the Intelligent Enterprise.

Product innovation
- Expand the definition of product to include content, ongoing engagement, and "end of life," and embed them into innovation processes
- Add sensors to products that track when consumers need to replace, replenish, or repair the item

Manufacturing
- Expand manufacturing and production processes to include finished goods coupled with services-based consumer demand
- Leverage smart machines and real-time data to run autonomous, fast, and cost-efficient operations

Supply chain
- Collaborate in real time across functions and with customers, channel partners, and suppliers to orchestrate outcomes in moments of need
- Track and trace products and batches for end-to-end supply-chain transparency on topics such as carbon footprint or fair origination

Marketing
- Deliver personalized engagements, products, promotions, and pricing by developing deeper consumer insights
- Identify, capture, and enrich customer profiles across all sources in a single view to gain insights into consumers' real-time intents

Sales and service
- Align information and offers to customer business objectives and real-time needs
- Gain greater insight and analyze store performance by defining KPIs for each point of engagement

Procurement
- Evaluate supplier risk and foster ethical sourcing and secondary marketplace
- Engage suppliers digitally to proactively use and predict consumer demand and adjust production

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SAP S/4HANA – for integrated supply chain planning and execution

SAP Customer Data Cloud – for helping ensure that consumer data remains private

Adverity Marketing Data Analytics Platform – enabling data-driven marketing to improve performance

SAP Variant Configuration and Pricing solution – to configure and price products and services accurately and efficiently

Intelligent, sustainable enterprise

- Industry-specific end-to-end processes
- Business process management
- Enterprise resource management
- Spend management
- Human capital management
- Customer relationship management
- Business network Industry cloud Experience management Planning
- Business technology platform
- App dev Integration Data and analytics AI

Modernizing Business Capabilities to Achieve Sustainable Growth

Japan Tobacco International (JTI) enabled insight to action with improved profitability analysis and reporting capabilities for key market business drivers based on a profit center structure linked to organizational responsibility. From protecting human rights to helping preserve the natural resources we all depend on, understanding and overcoming sustainability challenges are central to JTI's business and critical for long-term success.

"To be fit for the future, we need capabilities that allow us to consistently deliver high-quality products and launch innovations faster."

Christophe Dume, VP Research and Development, Japan Tobacco International

Meeting Shopper Needs
Throughout the Entire Consumer Journey

To meet the needs of today's consumers, companies need to develop a holistic understanding of each customer's journey – including what customers are trying to achieve and where they are in the process. Instead of simply focusing on selling to a consumer, savvy companies work to engage consumers with personalized information and offers that can help them achieve their desired outcomes – personal, social, and environmental.

COMMON PRACTICE

Provide a superior consumer experience by offering personalization, recommendations, and a simple, engaging user experience.

- Build the entire experience around the consumer
- Use consumer insights to provide personalized offerings
- Connect the real-time supply chain for greater responsiveness
- Deploy smart retail technology to differentiate shopping experiences
- Monetize new consumer offers
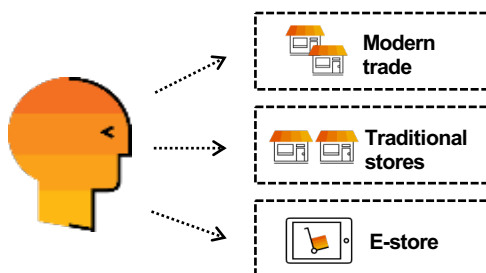
NEXT PRACTICE

Provide consumer with precisely what they need while ethically sourcing raw materials and protecting the environment.

- Intelligent technology to secure responsible sourcing of global ingredients
- Engagement of approved partners for sourcing
- Real-time analytics to predict demand
- Geospatially enabled logistics capabilities to ensure prompt, accurate product delivery
- Transparent procurement processes to support fair trade and sustainability
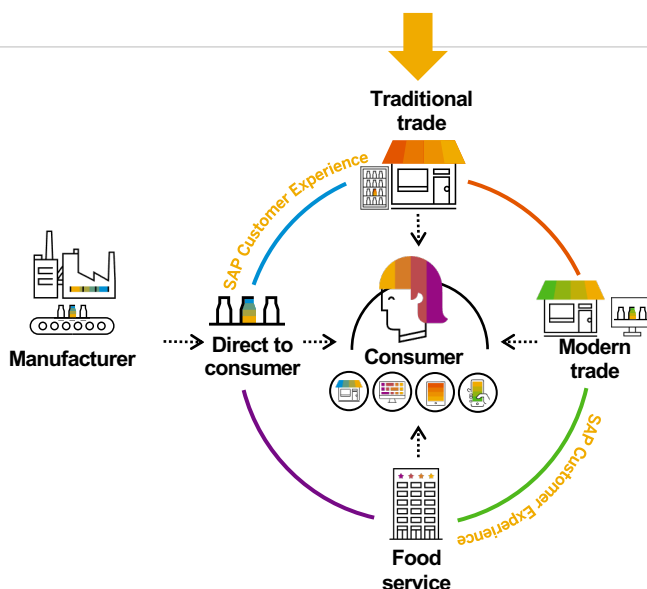
Connecting with Consumers and Leading in Sustainability

To maintain unity and visibility across its businesses, continue providing outstanding customer service, and stay committed to its social and environmental mission, Natura turned to SAP for support in its intelligent enterprise makeover.

"As Natura becomes a global beauty company, SAP is helping us become an intelligent enterprise by connecting our businesses, our customers, and our suppliers in a meaningful, socially responsible way."

João Paulo Ferreira, CEO, Natura Cosméticos S/A

Keeping Consumers and the Planet Feeling Beautiful

SAP Solutions: Supporting the Entire Consumer Journey

Supporting the entire consumer journey requires new business capabilities – provided by SAP's consumer products portfolio that supports the Intelligent Enterprise.

Product innovation
- Rapidly adapt formulation, ingredients, and raw material usage to align with increased sensitivity of consumer perceptions and trends
- Enable product circularity, repair, reuse, recycling, rental, or resale and identify more sustainable ways to package and deliver products for each route to market

Manufacturing
- Initiate end-to-end manufacturing processes to manage product complexity and react quickly on changing demands
- Deliver mass-produced, personalized products at scale and prevent stock-outs and loss of revenue and market share with deep consumer insights

Supply chain
- Enable agile, cost-effective supply network execution for seamless B2C and B2B2C order fulfillment
- Deliver perfect order experiences with speed, agility, and effectiveness by linking demand signals to better forecast inventory replenishment

Marketing
- Hyperpersonalize consumer engagement, creative content, and media in all channels (paid, owned, earned) to better optimize marketing spend
- Unify consumer insights, leveraging data from all touch points in real time to optimize consumer journeys with intelligent microsegmentation
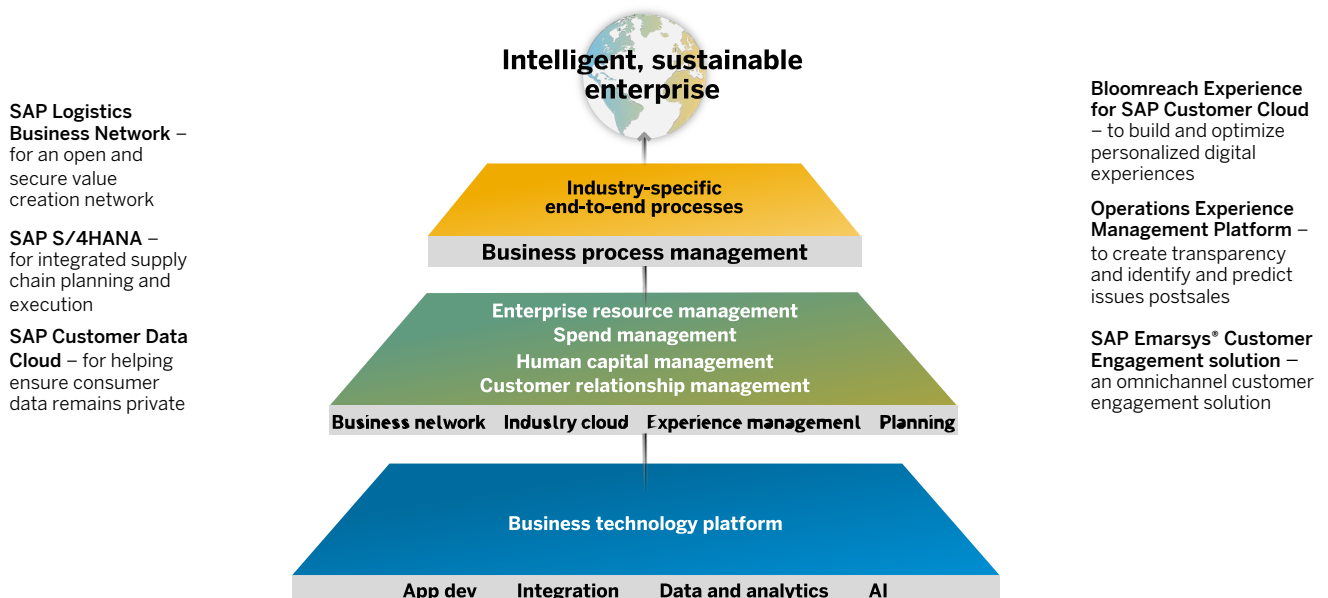
Sales and service
- Rapidly deploy headed or headless data-driven, engaging, and personalized e-commerce experiences across brands, markets, and touch points
- Extend commercial and transactional brand reach into social, video, and streaming services with the convergence of commerce and media

Procurement
- Source proprietary and third-party content to enhance the consumer experience of products and services in all channels
- Engage suppliers digitally to proactively use and predict consumer demand and adjust production

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Bloomreach Experience for SAP Customer Cloud – to build and optimize personalized digital experiences

Operations Experience Management Platform – to create transparency and identify and predict issues postsales

SAP Emarsys® Customer Engagement solution – an omnichannel customer engagement solution

Intelligent, sustainable enterprise

- Industry-specific end-to-end processes
- Business process management
- Enterprise resource management
- Spend management
- Human capital management
- Customer relationship management

Business network | Industry cloud | Experience management | Planning

- Business technology platform

App dev | Integration | Data and analytics | AI

Remaining Relevant During the Ever-Changing Pandemic

PUMA was able to quickly adjust and bring value to its fans and customers during the onset of the coronavirus pandemic by partnering with Emarsys. PUMA's loyal consumers continued to purchase athletic leisure wear from the brand, even though gyms were closed.

"I think that the changes we've had to undergo, never mind working from home, but as a business to pivot, to change the way in which we want to engage with our consumers, has just really made us be very, very quick, much more agile, I'd say, than we had been in the past."

Rick Almeida, Vice President E-Commerce, PUMA

Competing as an Ecosystem:
Engaging Consumers with Trust and Transparency

Today's consumers are increasingly demanding greater visibility and transparency into the products they consume. They also seek to engage with brands they can trust and whose values align with their own. Consumer products companies must manage complex value networks to understand and provide real-time visibility to build trust with consumers and provide vital information to improve supply chain efficiencies.
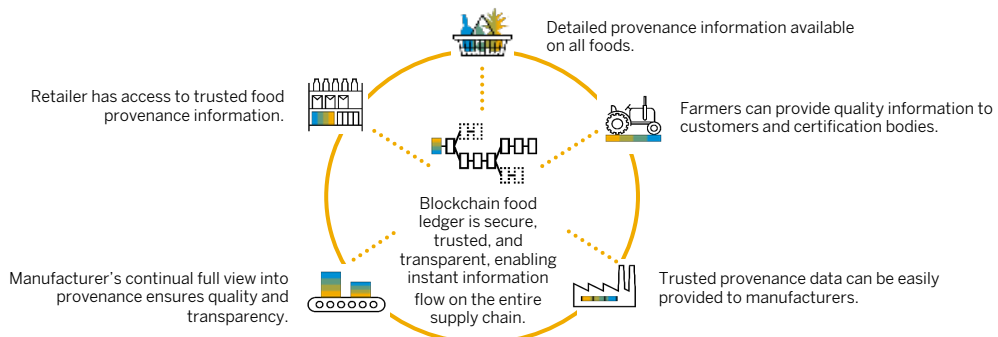
COMMON PRACTICE

Linear, sequential sharing of provenance information that could be enhanced with transparency and accountability

Upstream traceability and provenance

Farmers struggle to be certified as suppliers of quality harvest. Smallholders are paid unfairly.

Intermediaries struggle to provide provenance information.

There is no visibility into supply chain for food manufacturers to ensure quality and certifications.

Retailers are fully dependent on provenance information provided by food manufacturers.

Provenance information is available only in rare cases.

Downstream tracking and recalls

NEXT PRACTICE

Interconnectivity enabled by the IoT, resulting in real-time order adjustments and proactive maintenance

Detailed provenance information available on all foods.

Retailer has access to trusted food provenance information.

Farmers can provide quality information to customers and certification bodies.

Blockchain food ledger is secure, trusted, and transparent, enabling instant information flow on the entire supply chain.

Manufacturer's continual full view into provenance ensures quality and transparency.

Trusted provenance data can be easily provided to manufacturers.

Driving Sustainability Through Supply Chain Transparency and Efficiency

Bumble Bee Foods LLC deployed a farm-to-consumer blockchain solution from SAP to provide consumers with value-chain visibility for its premium tuna line, all the way back to the individual fisherman on the day the tuna was caught.

"Our passion for and commitment to the environment and sustainability will improve the livelihoods of these Indonesian fishermen and enhance their communities."

Tony Costa, SVP, CIO, Bumble Bee Foods LLC

SAP Solutions: Trust and Transparency from Source to Consumer

Delivering transparency and building trust with consumers requires new business capabilities – provided by SAP's consumer products portfolio that supports the Intelligent Enterprise.

Product innovation
- Map the personalized digital consumer experience to understand consumer needs and desires
- Partner with service providers to deliver comprehensive, branded experiences based on imperatives such as sustainability

Manufacturing
- Apply available capacity with co-manufacturing partners to manage demand at minimal cost and resource consumption
- Create a network of distributed manufacturing capability, including through 3D-printing capabilities

Supply chain
- Develop and manage partnerships with providers in a logistics business network to fulfill orders directly to the consumer
- Cover complex fulfillment, transportation, and storage needs through cross-company and third-party logistics networks (distributed order fulfillment)

Marketing
- Partner on opportunities for cobranding, shared experiences, and technology-enabled personalization

Sales and service
- Improve the consumer experience through value-added service delivery enhanced by partner content
- Provide consumer delivery excellence through last-mile logistics providers

Procurement
- Accelerate order fulfillment across geographies through a flexible supplier network and orchestrate service delivery from partner organizations
- Gather supplier information from hundreds of thousands of sources, and quickly analyze with in-memory technology to ensure availability

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ClearMetal and project44 solutions – for transportation tracking

SAP Rural Sourcing Management solution – for connecting farmers and partners

Scantrust platform – for secure 2D barcode identity and engagement

SAP Logistics Business Network, material traceability option – for blockchain-enabled tracking and recall management

SAP Blockchain Business Services – for enabling secure blockchain services

Partnering to Increase Speed and Transparency

SAP Rural Sourcing Management is a cloud-based solution for enhanced management of sustainability data through digitally recorded information on producers, their farms, and their communities at each level of the value chain. Field agents collect data on farmer registration, purchasing and processing of produce, and transportation records.

Accelerating Operational Responsiveness

To keep brands performing at their peak, consumer products companies need cutting-edge speed, agility, and accuracy. They must rely on real-time access to data from a variety of internal and external sources to support rapid analysis and decision-making. Only then can companies build a profitable portfolio of brands that meet customer demand and deliver exceptional customer experiences.
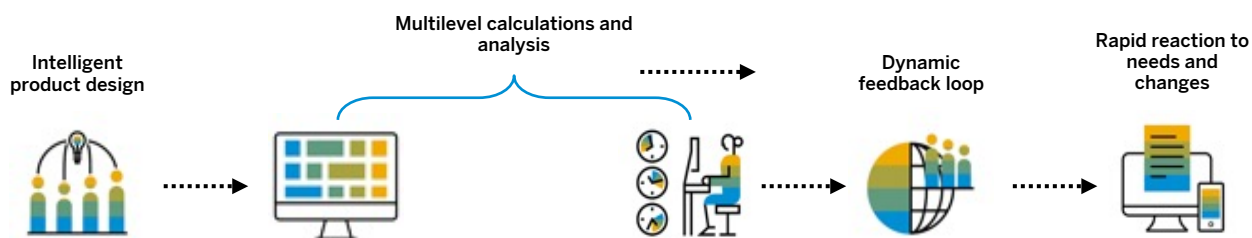
COMMON PRACTICE

A siloed and manual approach to business practices on heavily customized systems, with complex innovation processes, brand- and division-specific data information, manual reporting to analyze customer demand, and discrete organizational responses to changes

Manual product design → **Multilevel product hierarchy (semifinished goods)** → **Inefficient product analysis**

No direct analysis of impact when looking for relevant products where change is needed

Loss of efficiencies · **Incomplete results**

NEXT PRACTICE

A digitally transformed organization – agile, resilient, and delivering cutting-edge speed while driving sustainability, with an engaged and empowered workforce, a consolidated view of information across business operations, and quick analysis and insight into operational data and customer experience data

Intelligent product design → **Multilevel calculations and analysis** → **Dynamic feedback loop** → **Rapid reaction to needs and changes**

Meeting Customer Demand Quickly with Data Insights

Global candy maker Ferrara makes decisions based on up-to-the-minute views at every level of the company.

"SAP HANA and SAP Analytics solutions allow us to move quickly when it comes to analyzing information and making decisions, and that's really our biggest differentiator."

George Lesko, Vice President and CIO, Ferrara

Matt Kustes
Director, Inventory Management

SAP Solutions: Faster Responsiveness Through Data Insights

Speeding insight requires new business capabilities – delivered by SAP's consumer products portfolio that supports the Intelligent Enterprise.

Product innovation
- Enable adaptive, seamless product development and recipe formulation
- Capture real-time feedback on product concepts by evaluating the strengths and weaknesses of potential ideas

Manufacturing
- Rely on predictive asset analytics, preventive maintenance, and calibration to reduce unplanned downtime or outages
- Leverage data across the entire product and process lifecycle to reduce resource consumption and improve waste disposal management

Supply chain
- Enable better collaboration between shippers and carriers for sustainable, resource-conserving order fulfillment
- Improve speed, efficiency, and sustainability, embedding sustainability across analytical and transactional solutions

Marketing
- Improve promotion planning and execution, driving personalization across channels
- Provide clear metrics and KPIs to improve return on decisions

Sales and service
- Implement activity-visit optimization, using a sales-order-fulfillment cockpit, enabling sales monitoring and analytics and increased up-sell and cross-sell opportunities
- Use automation and machine learning to improve sales and service response times

Procurement
- Shorten lead times and reduce inventory by directly connecting suppliers and co-manufacturers
- Enable smart supply chain tracking for accurate planning, improving sourcing savings on direct spend and on-time delivery

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SAP Enterprise Product Development solution – to accelerate product development, speed time to value, and reduce costs

SAP Product Lifecycle Costing solution – to gain visibility across teams, proactively manage costs, and support new product innvoations

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Optimizing Inventory Management to Fulfill Changing Market Needs

Procter & Gamble (P&G) creates natural ingredients and ingredient systems and solutions to make food and beverage products healthier, tastier, and more colorful. P&G wanted to manage its safety stock levels more effectively and cost-efficiently to help provide an uninterrupted supply of products to consumers. The implementation of the SAP Integrated Business Planning (SAP IBP) application for inventory and SAP Services and Support offerings enabled P&G to reduce inventory costs and increase planning agility.
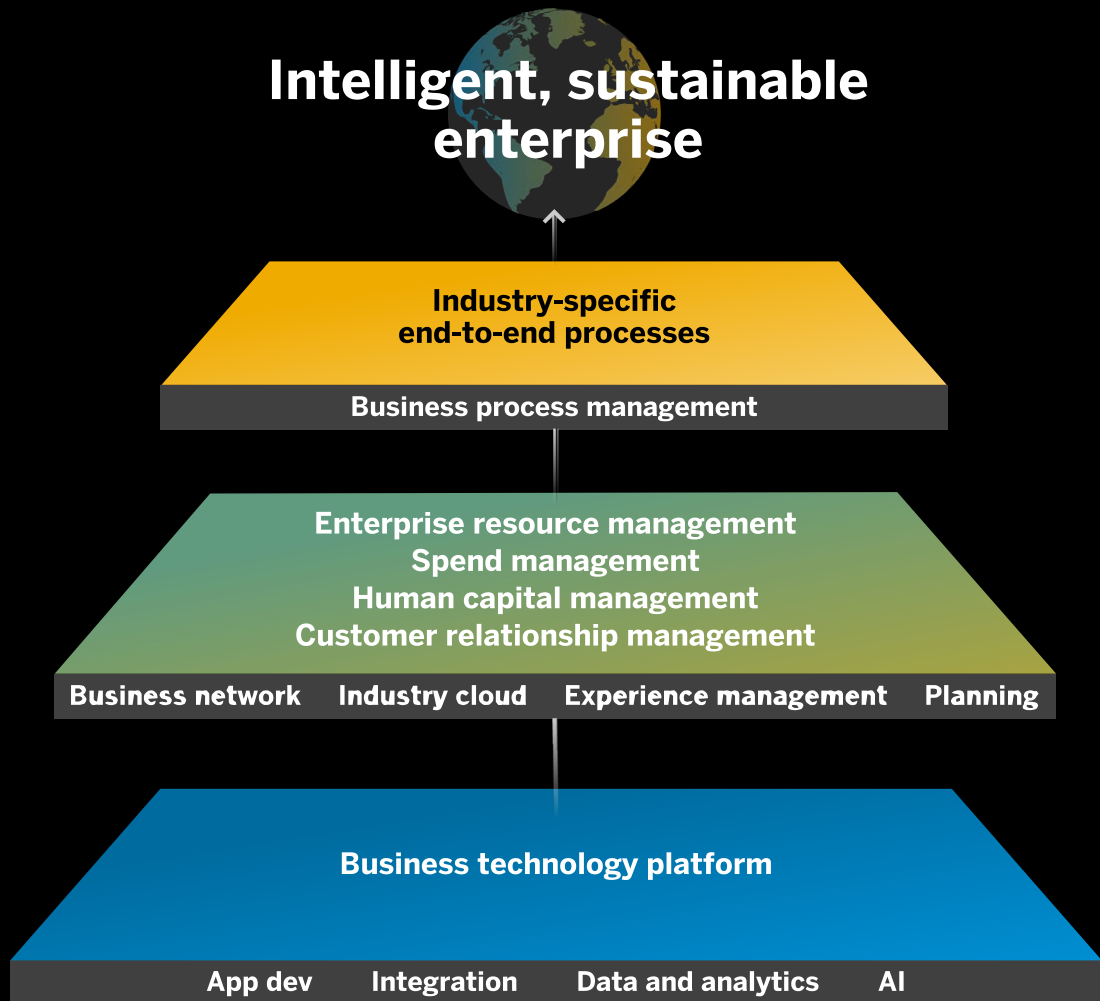
"By enabling us to algorithmically manage our safety-stock levels more effectively, SAP IBP for inventory helps us synchronize our supply network during these times of high volatility. This is essential for providing continued high quality of service to P&G's customers and consumers."

Thomas Fiedler, Senior Vice President Supply Chain Solutions, Procter & Gamble Company

SAP's Industry Cloud:
A Joint Innovation Space

We enable our customers to become intelligent, sustainable enterprises by bringing together our comprehensive portfolio of solutions and technology in service to customers' business process needs.

- It starts with our platform technology that provides the foundation of application integration, extension to a robust ecosystem of solutions, and data and AI.

- Then our industry-leading business applications work together spanning front-end and back-end systems that only SAP can provide.

- This all comes together to provide customers the end-to-end, industry-specific business processes they need to run as an intelligent, sustainable enterprise.

Intelligent, sustainable enterprise

**Industry-specific
end-to-end processes**

Business process management

Enterprise resource management
Spend management
Human capital management
Customer relationship management

| Business network | Industry cloud | Experience management | Planning |

Business technology platform

| App dev | Integration | Data and analytics | AI |

Industry Innovation Spaces

Stand-alone applications struggle to deliver relevant business value. Enterprise applications always need access to essential business domains such as products, assets, factories, cost centers, employees, and customers. SAP's industry cloud provides direct access to business domains and processes in the intelligent suite through APIs. At the same time, our business and technology services provide the tools and infrastructure to create and run innovative industry cloud solutions.

Intelligent Technology at Your Fingertips

Business innovation needs digital technologies that are ready to use to solve a business problem.

SAP's industry cloud solutions, built on SAP Business Technology Platform, provide a full set of technologies ranging from user interfaces to robotic process automation to artificial intelligence and machine learning. All can be used readily in new solutions.

Open Innovation Platform
and Ecosystem

SAP's industry cloud is the way for our partners and SAP to deliver industry cloud solutions for customers that unlock new levels of efficiency, extend end-to-end business processes at the edge, and enable innovative business models.

SAP partners find a unique environment in our industry cloud in which the data domains and business processes of the intelligent suite and our business networks are readily accessible through open APIs. This allows our partners to accelerate innovation by focusing on the differentiating business capabilities they want to build and deliver to our joint customers.

This enables a spectrum of partnership and innovation models ranging from close co-innovation over identified white spaces to completely open innovation spaces with free competition to drive customer value.

The innovation models are complemented by a set of commercialization models that are strongly correlated to the value the solutions deliver to the business of our customers.

Freedom of choice is a key value, so customers can choose any partner or hyperscaler to deploy their industry cloud solutions.

Open Ecosystems Deliver More Innovation
Open platforms, available to the wider ecosystem, have consistently delivered more innovation and choice for customers. Therefore, our industry cloud solutions can be run by the major infrastructure-as-a-service providers, giving our customers the freedom to implement their own individual platform strategy.

Expanding the Boundaries of Ecosystems

The vision for consumer products companies is to expand today's boundaries by teaming up with nontraditional, innovative ecosystem partners to deliver higher value at no or low incremental cost. Companies are looking at their ecosystem as a more dynamic set of relationships – capable of offering new types and sources of value to consumers.

Together, SAP and partner project44 are delivering the visibility and intelligence customers need to achieve their digital supply chain goals. As a result, the world's most innovative brands are empowered to deliver a better experience to their customers.
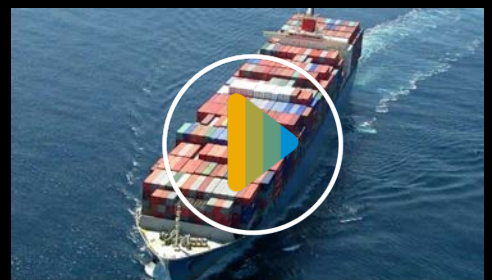
RISE with SAP: Driving Business Innovation Together

Every enterprise needs to develop new business models to avoid being disrupted, gain efficiencies to fund innovation, and transform mission-critical systems without business risk. RISE with SAP is the solution.

RISE with SAP is a comprehensive solution with:

- Cloud ERP for every business need
- Industry next practices and extensibility
- Analytics and business process intelligence
- Outcome-driven services from SAP and partners

Discover the value of RISE with SAP

Take the lead with industry innovation for top-line, bottom-line, and green-line growth

- ✓ Grow revenue by creating differentiating business models in your industry
- ✓ Increase margin with built-in industry-specific processes and best practices
- ✓ Unlock new efficiency with intelligent automation across mission-critical processes
- ✓ Manage sustainability with company-wide transparency and controls

Never stop improving with continuous insight to optimize business processes

- ✓ Prioritize optimization opportunities with instant analysis of processes, activities, and tasks
- ✓ Sharpen process performance based on actual system usage, best practices, and industry benchmarking
- ✓ Accelerate your progress with tailored insight on where to automate business processes with AI

Secure your business with a trusted partner for your needs, every step of the way

- ✓ Run your mission-critical operations at their best around the globe
- ✓ Reach the cloud without compromise with solutions for every business and every regulatory requirement
- ✓ Take charge of change using a versatile platform to speed innovation
- ✓ Own your tomorrow with a guided journey and outcome-driven practices from SAP and our partners

RISE with SAP is built to fit your needs

RISE with SAP is designed to support your business needs – for your industry, in your geography, for your regulatory requirements – with SAP responsible for the holistic service-level agreement, cloud operations, and technical support. It includes:

Cloud ERP	Business process intelligence	Business platform and analytics	Business networks	Outcome-driven services and tools
SAP S/4HANA Cloud	Business process intelligence starter pack	SAP Business Technology Platform (CPEA credits)	SAP Business Network Starter Pack	From partners

RISE with SAP is the foundation for an intelligent, sustainable enterprise in the cloud. We look forward to joining our customers on their transformation journey into the future. Find out more about [RISE with SAP](#).

SAP's Comprehensive Partner Innovation Ecosystem

SAP has been the proud solution provider for the consumer products industry for almost five decades – starting from humble beginnings and growing into a position of supporting the core business of our customers.

SAP's industry cloud opens the field for a new level of co-innovation with customers and partners, enabling next practices and new business models that help our customers capture the new opportunities of the future.

Our open partner strategy gives our customers the choice of whom they work with to design the business models of the future; whom they partner with to define and implement business processes for efficiency and growth; and whom they trust with running their infrastructure.

There are many journeys consumer products companies can take into the digital economy to become intelligent enterprises. No matter which they choose, our scalability, security, global reach, vibrant business networks, and business process knowledge across consumer products and adjacent industries are the success factors for our customers, our ecosystem, and SAP.

Our partner ecosystem includes, among others:

accenture	all for one Group	attune	Atos	beyond technologies	birlasoft	Capgemini
Celonis	CenturyLink	Cognizant	delaware	Deloitte.	DICKINSON + ASSOCIATES	Enterra SOLUTIONS
EY	FUJITSU	IBM	ICM.S	Infosys	INTURN	itelligence NTT DATA Business Solutions
keytree	MIRAKL	.msg	OpenText	pwc	QZing 奇秦	Rcom RIVERCON
RIZING	seidor	Sodales Solutions	soltius	SONATA SOFTWARE	TATA	T··Systems·
utopia Perfect Data. Perfectly Possible®	Vistex	wipro				

Engagement Model

SAP is the partner for the consumer products industry in the long run. We have established a co-innovation and collaboration model with many of our customers that is based on mutual trust and long-standing, value-based relationships.

This is the foundation to chart the journey into the new world of consumer experience and outcomes to capture the opportunities and mitigate risks in the digital economy.

Follow us

THE BEST RUN SAP