

Consumer Products Case Study

PROJECT OVERVIEW



In the mid-2010s, through a series of mergers and acquisitions, this international chocolate and confectionary conglomerate was established and expanded its portfolio of businesses to include chocolate, candy, and biscuit industries. The new conglomerate represents annual revenues of over \$5 billion and over 100 years of operations in hundreds of countries across Europe, the Middle East, Africa, Asia, and the Americas. With well over a century of combined operating years, the newly formed company maintained an entrepreneurial spirit and ought to adopt the latest capabilities for their journey to full digital transformation.

Following the consolidation into a single entity, the client was determined to shed legacy systems and move core business processes to the cloud using the SAP S/4HANA platform. In doing so, the client aimed to leverage cloud capabilities to improve technical and operational agility, enhance real-time visibility across the business, harmonize data, improve reporting, and enable future growth and innovation.

The client engaged Clarkston Consulting to collaborate with the existing implementation team for the North America pilot project. Clarkston provided services in business project management, change management, risk management, testing, user acceptance testing, cutover management, data migration, and coordination of all stages of the project from a business perspective, to ensure a successful SAP S/4HANA implementation in the areas of finance, sales, procurement, supply chain, and manufacturing.

DIGITAL TRANSFORMATION WITH SAP S/4HANA PUBLIC CLOUD

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COMPANY:

Global Snack Food Company

INDUSTRY:

Chocolate and confectionary

PRODUCTS & SERVICES:

Develops and manufactures specialty chocolates, biscuits, candies, and gum

EMPLOYEES:

More than 20,000

REVENUE:

Over \$5 Billion

PRIMARY OBJECTIVES:

- Create a single version of truth on data and business transactions
- Enable a more customer-centric organization via improved consumer experience and connection to the family of the client's brands
- Improve strategic capabilities through a platform for innovation
- Improve margins by optimizing operational and support functions,
- Refresh IT landscape to be relevant, flexible, and adaptable for a digital world
- Enhance organizational agility

ACTIONS:

- Utilized the SAP Activate methodology to enable rapid implementation and best practices in the finance, supply chain manufacturing, supply chain procurement, and sales + distribution modules of the SAP S/4HANA Public Cloud system
- Conducted training for all business areas to confirm, demonstrate, and drive consensus on the proposed solution
- Used the Agile methodology to develop and test design solutions for each business area
- Identified and managed organizational changes from having adjusted business roles and positions
- Created and distributed North American training and delivery methodology materials
- Crafted and managed a detailed cutover plan to ensure correct transition to SAP at the individual factories and administrative sites
- Prepared and executed the deployment methodology across business locations

KEY BENEFITS:

- Established the client as the first ever consumer products company to implement and operationalize the S/4HANA Public Cloud in North America
- Best practice implementation methodology allowed for rapid implementation without sacrifices to efficiency or quality
- Harmonization and detailed documentation of business processes and operations, enabling efficiency and growth
- Set the baseline for software and systems for future enhancements and development in the journey to a full, digital transformation of the business
- Leveraging SAP's new Activate methodology for S/4HANA, allowed the business to adopt best practices with minimal or no customization
- Cost savings as a result of simplification of business processes
- Reduced time to access and act on detailed analytical information from the system
- Enabled the use of more advanced material requirements planning at factory locations
- Roadmap to improve exchange of information with 3PLs and other business partners
- Enabled analytics capacity utilizing the SAP S/4HANA Fiori application
- Enhanced visibility, transparency, and value in supply chain operations
- Gave us the ability to study and try diverse routes to market product to the customer
- North American pilot project enabled both a template for global rollout but also critical capabilities for continued expansion into North America, a key target market

CLARKSTON
CONSULTING

KEY PERFORMANCE INDICATORS:



Established a real-time view into brand profit and loss



Created visibility into stock and inventory for enhanced demand planning



Developed an automatic 3-way invoice matching and reconciliation



Significantly reduced customer credits through improved management of supply chain and order-to-cash cycle



Built real-time data, reporting, and metrics to analyze top customers, distribution channels, operating volumes, and top performing sales areas



Improved data quality across the business

