

TVS



INTEGRATING INTELLIGENCE

SAP Retail Solution for a
Trading Organization -
Implementation Engagement





THE CLIENT

The client is a 40 year old trading company, which is a part of a large group in the Middle East. The client is involved in trading of automobile components, spare parts and oil rig equipment's and is rapidly expanding across the globe. The client has more than 100,000 components that are traded in their stores.



BUSINESS SITUATION

The client has seven legal entities across seven (Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Bahrain, Oman, Kuwait and Jordan) countries and trading happens from all the countries. More than 100, 000 components are traded at the counter and the major challenge was no control and visibility on the inventory, profit margins, and the age of the inventory. There is no visibility available on the fraudulent activities that are happening as well as the warranty mechanism, which is very critical.

The client needed real-time visibility on the inventory, profit margins and the warranty mechanisms and needed a way by which pilferages and fraudulent activities can be removed from the system.

Based on the initial requirement study, TVSi suggested SAP IS Retail Solution for the client.



BUSINESS NEED

IS - Retail was identified as the solution to their needs of rolling out new stores and to maintain central control over store management and performance, supported by integrated core ERP system. This is the first time that an IS Retail system is getting implemented in Saudi Arabia. The client needed a dependable partner who can help them implement this solution for them in a span of six months' time.



BUSINESS CHALLENGE

Some of the business challenges that the client had were:

- IS Retail with Standard SAP implementation project with no precedence to fall back on
 - The project has a challenging time frame of 6 months to implement an end to end implementation
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- As it is a new initiative, planning has to be precise, keeping both the existing business and future plans of the client
- Lack of insight into store profitability, inventory, age of inventory, warranty mechanisms

 SOLUTION

TVS Infotech (TVSi) was chosen as the implementation partner for the end to end implementation of SAP for Retail. TVSi was involved in proper planning of the implementation, which included their current needs, roadmap on how they can improve efficiencies in the future, and automation through usage of RFID, mobile solutions etc.



Upon understanding the business needs of the client comprehensively, TVSi consulted the client in server sizing and the type of connectivity that needs to exist between locations. Their needs included porting of the entire 40 years of data.

TVSi is implementing the entire SAP for retailing that includes the modules Finance & Controlling, Sales & Distribution, Materials Management, and HRM (payroll, time & attendance and training), billing, replenishment, and stock management. Scope also includes implementation across 32 branches including 2 warehouses located in Riyadh and Dubai.

TVSi is carrying out the implementation in an onsite offshore model, where the customization is handled offshore. TVSi is also doing an assessment of the current scenario and profitability, which would allow the client to find out the ROI of implementing SAP for Retail.

 **BENEFITS**

- Inventory visibility has improved by 40% during the 3rd month of implementation itself
- Inventory carrying cost has reduced by 2%
- Future roadmap on improving efficiencies and automating the business is already in place
- Adherence to a stiff implementation time frame of 6 months, and even before the implementation is completed, the client has already started seeing the benefits
- Visibility to profit margins, warranty mechanisms and age of inventory Improved merchandise availability based on stock movements at all the stores Improved productivity through efficient management of human resources

ABOUT TVSi

We are an Enterprise Solutions provider for core industries like Manufacturing, Automotive, Trading and Distribution.

Since our inception, we have built long-term relationships with our customers serving their IT & ERP needs. We help our customers to compete and grow by collaboratively solving their business problems through technology solutions, and partnering with them on their IT transformation journey.

We are a part of \$6 billion TVS group of companies well known for a century of Trust, Value & Service with a wide foot print in multiple domains. With the backing from such a reputed group, we are right-sized to address comprehensive IT needs and offer the advantages of nimbleness, flexibility, longevity, commitment to completion and excellent support to our business relationships.



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