# News 12/2016



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## Dear Readers,

Have you already been "Uber"-ed? If you do not know what that means, then perhaps you have been doing everything right so far. Because in the age of the digital transformation, precisely this is possible: Established companies wake up one morning and realize that newcomers from entirely outside the industry (like Uber) have suddenly taken away their whole traditional business model.

A drastic scenario of chances and risks has arisen from digitization. According to a current study by Roland Berger, Europe can achieve growth of 1.25 billion euros in its industrial gross value added by 2025 through networked, more efficient production and new business models – or suffer a fall in value added of 605 billion euros!

Things that previously went without saying have been turned upside down by digitization. In a globalized, digital and thus boundless world, transparent markets are generating new competitors and new customer requirements as regards purchasing behavior. The divide between B2B and B2C is becoming increasingly blurred. The highly informed, digitized customer from the B2C sector can now also be encountered in the B2B sector. Due to online sales, not only are stages of trading disappearing, manufacturers are even switching over to addressing their B2B customers directly.

Small-to-medium-sized companies have to adapt to this. It is necessary to examine all activities, from marketing and sales to product development, to see if they can withstand the digital transformation, and to adjust them if necessary. There is a need for change management. Those who adapt best to the new conditions will survive – Darwin's theory of evolution in pure form.

It is thus by no means obvious that customers will continue to stick around, not even for the traditionally strong German small and mid-sized sector. It is precisely digitization, however, that provides the company with instruments with which they can retain and develop their interfaces to the customer. The task is to establish a customer journey that is even better able to pick up the customer with his needs and to guide him in an individualized way to his own product.

The solutions from FIS are the right instruments for this. By interlocking our SAP optimizations, it is possible to skilfully link back office processes – e.g. for master data management – with customer-oriented themes of Customer Engagement & Commerce. This way, mid-sized businesses optimize contact with their customers and implement a digital overall strategy. So that they are not already "ubered" tomorrow!

The digital transformation is also a leading theme running through this issue of our FIS News, which I hope you enjoy reading.

Cordially yours,

*Dirk Schneider*

Dirk Schneider,
Head of Sales Business Unit Smart Products

# Fraunhofer seals of quality underline FIS expertise in warehouse management

FIS GmbH has successfully received validation for the solutions SAP EWM and SAP LES from the Fraunhofer Institute for Material Flow and Logistics (IML). For the first time, FIS was also able to receive one of the Fraunhofer validation signets for its project with the Swiss building services market leader Tobler Haustechnik AG.

Since the start of the year, FIS has been registered as an expert for the implementation of projects with SAP EWM and SAP LES on "warehouse logistics" — the leading portal for warehouse management systems (WMS) of Fraunhofer IML. With both solutions, FIS has entered into the demanding validation process there. Standing between the FIS experts for warehouse management systems (WMS)

and successful validation were a good 3,500 questions per questionnaire — one for each solution — and a two-day on-site

appointment at FIS in Grafenrheinfeld with the Fraunhofer IML. Here, all points were intensively discussed once again and insight to the systems was granted. Tobler

Haustechnik AG has run through a similar process and the project "Swisswind" of the same name has also been successfully validated. Further FIS projects to come!

FIS is thus positioning itself on "warehouse logistics" in a competitive environment at the technological and technical state of the art — without standing still: The digital transformation is not sparing warehouse logistics, the automation of warehouse management and networking of warehouse technology are proceeding apace. Together with Fraunhofer IML, FIS is pursuing these trends and the opportunities arising from them, and pushing forward the development of their solutions in the context of a Warehouse Logistics 4.0 with an intensive exchange of information.

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# HANA-based analyses at HG COMMERCIALE

HG COMMERCIALE is getting off to a flying start with SAP. In 2014, the Swiss construction materials wholesaler already introduced a new ERP landscape with *FIS*/wws, an extremely wide variety of SAP modules, SAP BW, SAP BI and SAP optimizations of FIS GmbH in all 42 branches across Switzerland. For analyses based on SAP-BW data,



Gregor Barmet,
COO of HG COMMERCIALE

HG COMMERCIALE has now also migrated its previous database to SAP HANA. Analyses on SAP HANA provide companies with an ideal basis for quicker and better decisions. The performance improvement in reporting is enormous; detailed data on suppliers and turnovers, customer information and gross margins are now available ad hoc

for the end user. Gregor Barmet, COO of HG COMMERCIALE, says: "Some end users are positively surprised that the speed of evaluations and analyses has once again been significantly improved by the new technology. This leads to substantially more effective processing in daily business."

With the introduction of SAP ERP and *FIS*/wws, SAP BW was first of all operated on a Sybase database; HGC also acquired the HANA license straight away, however, for future-proofing purposes. SAP new developments in the business-warehouse field will in future only be realized on HANA with its optimized data models. Then, at the end of 2015, the project team, consisting of HG COMMERCIALE (SAP Basis) and FIS (BW Application), received the go-ahead for the changeover to the in-memory technology for SAP BW. After various tests in a sandbox system and HANA optimizations of the data models, the business warehouse application went into HANA live operation in October this year. The switching of the two-level system landscape took less than six weeks.

With business analyses based on HANA, FIS already has experience from several successfully implemented BW-on-HANA projects. This produces their ability to react quickly and flexibly to intricacies in the project.

For example, in the demanding field of slow and non-moving merchandise, the runtime was reduced to 1-2 seconds by introducing new data models, whereas before it was 6-7 minutes due to high data volumes and complex calculations. In practice, this allows e.g. sales campaigns to be very flexibly introduced, savings to be made on warehouse costs, and much else besides.

Daniel Vogt, IT & Telecommunications Manager at HG COMMERCIALE, praised the extraordinary dedication, short reaction times and the "constructive, flexible and successful cooperation throughout the whole project." HG COMMERCIALE will therefore certainly also be tackling a changeover to Suite on HANA in co-operation with FIS GmbH; (although this has not yet been announced in concrete terms).



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# FIS combines trade and logistics at TradeWorld/LogiMAT 2017 – and goes into the cloud

TradeWorld, a competence platform for digital trading processes and their optimizing, will be taking place in combination with LogiMAT, which is regarded as the leading trade fair for intralogistics. The merging of trading and intralogistics under the umbrella of a joint fair reflects the networking and convergence of processes under the banner of the digital transformation. FIS GmbH already unites both worlds in its portfolio and will be appearing at the combined TradeWorld/LogiMAT 2017 with the whole spread of its trading and logistics-related solutions and services. This includes two fair premiers, one of which comes from the cloud.

FIS-iLog GmbH will be at Stand 6D43 in Hall 6, presenting its iRetPlat (integrated returnable system platform) to a fair audience for the first time. This is a new kind of cloud platform for the management of reusable transport packaging (RTP). The

accompanying idea of a digital logistics collaboration will celebrate its market launch with the iRetPlat in January 2017.

"The list of pioneering companies accompanying us from the start on the iRetPlat is a prestigious one. It includes producers, shipping agents and players from the for-



warding segment. More than a few of them are proud, as we are, to be pioneers of a little revolution in the field of re-usable transport packaging and its management", says Johannes Weigand, Managing Director of FIS-iLog GmbH, emphasizing how much he is looking forward to the approaching market launch. At TradeWorld/LogiMAT 2017, Johannes Weigand will be able to convince the fair's audience of the platform's (r)evolutionary potential and show it how logistics users can save 20-30% and more

from the original process costs in RTP management, with his talk "Digital logistics collaboration — a(n) (r)evolutionary cloud platform for all logistics participants". The lecture will be taking place on March 15, 2017 at 12.30 at Forum T in Hall 6.

In addition to this, FIS will not only be deploying its well-known expertise in ERP and (wholesale) trading but also its know-how in intralogistics (see report to the left) and supply-chain integration. The solutions shown combine the worlds of ERP, trade and logistics seamlessly, regarding processes and technology. With *FIS*/ewm+ they will also be celebrating the fair premiere of a package which will allow customers a quick and cost-efficient entry into warehouse management with SAP EWM (extended warehouse management), thanks to a pre-configured scope of performance and function.



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# Seeing master data in a new light



The LUCTRA® TABLE PRO table-lamp from DURABLE

DURABLE Hunke & Jochheim GmbH & Co. KG, leading manufacturer of office products in Europe, uses innovative master data work-flows with *FIS*/mpm, the solution for master data management from FIS GmbH. Since its founding in 1920, DURABLE has stood for innovative solutions, high quality and sophisticated product design. The company now sells its products in more than 80 countries. 700 people work at four production sites and eight branches and representative offices.

The range is extremely multi-faceted and reaches from small furniture to an innovative lamp system to the clip folder

DURACLIP® (which Durable invented in 1959). 2,500 new items are added to the range each year. The list of master sets in the SAP system is correspondingly long; there are 70,000 of them. Data quantities of this order of magnitude are always a hiding place for possible sources of error. The lack of intelligent IT support, e.g. for duplicate checking or determining default values, further increases the risk of inadequate master data quality. Because the throughput times for the processing of a master data set were also very high, at five days, due to manual data maintenance by many process participants, Durable decided, in mid-2015, to introduce an SAP-integrated solution for automated master data management.

Among the evaluated providers, FIS GmbH had the greatest experience to offer in the field of SAP material data maintenance. *FIS*/mpm also already covers most of the company's requirements as standard, is flexible and simple in the arrangement of its work-flows and can also

be extended to other areas (bills of materials, information sets etc.). The attractive license model did the rest to ensure that Durable chose FIS as its project partner.

The solution has now been in action since the start of 2016 and is now being independently customized by the departments Material Master, IT and Process Management at Durable. The company has already achieved its objectives: Increasing of data quality and transparency, reduction of throughput times and manual workload. For example, it now only takes one to two days for a master data set to be changed (reduction: 60%). There are clearly assigned responsibilities in the different phases of the processing work-flow, manual data transfers have been completely replaced and Durable also makes an enormous time saving in final filing. Transparency has increased: The *FIS*/mpm cockpit allows authorized employees automated monitoring and insight into the entire filing process.

# CMS improves usability of the user system with FIS

The complaint from users that a system is "hard to operate and too slow", is part of IT-workers' everyday experience. Marcus Michel, IT Manager at CMS Dienstleistungs-GmbH, found himself confronted with similar statements regarding CMS' user system on several occasions.

"I would like to know where my users' problems lie", was thus the request with which Marcus Michel turned to FIS, after the first performance measurements on the SAP system and various performance traces, such as the recording of the run-times of individual database queries, had failed to turn up anything unusual. Were the users' performance expectations too high or perhaps even their skills insufficient for them to be able to work effectively with the system? Questions which the concept of "usability" is intended to answer. It puts the focus on the user and demands, in accordance with ISO standard 9241-11, that an interactive system can be used effectively, efficiently and satisfactorily. A usa-



Marcus Michel,
IT Manager at CMS Dienstleistungs-GmbH

bility test was to show whether the CMS software met these criteria. The certified usability engineers of FIS GmbH observed seven users in a structured way for the duration of three days and found a total of 42 critical use situations (of non-compliance with ISO standard 9241-110). As well as superfluous warning and error messages, performance problems were found in half of the cases, including in the invoice processing software of an external provider. Repeated database traces and a user survey by questionnaire corroborated the results

of the observation. Marcus Michel is convinced: "Taking the user seriously always pays off. With these results we have created an objective basis for entering into constructive conversations with the provider about improvements of software usability."

Stefan Seufert, Certified Usability Engineer (Fraunhofer FIT) at FIS: "The example of CMS already shows the potential there is in the usability approach. Due to the digital transformation, digital customer interfaces are particularly gaining in importance. The usability of apps, websites, webshops and other digital touchpoints to companies essentially determines the customer's user experience with the application and at the same time the customer's customer experience with the company as a whole. Usability comes first, however. This is a field which will therefore continue to increase in importance."



# Implementing big data strategies with FIS-ASP



Bernd Bätz,
Head of Comprehensive Services at FIS-ASP

Digital technologies are leading to new business models; this is a core statement of the digital transformation. The more extensive the data base and the better its analysis options, the greater the possibilities for a company to use the available information rationally and creatively to achieve new business goals. Many customers of FIS-ASP are already operating in the big data environment, with data volumes of up to 100 terabytes. Hybrid cloud scenarios are accelerating the growth in data and social media are developing into valuable data sources. The integration of platforms such as iRetPlat, the cloud solution of FIS-iLog

for the management of re-usable transport packaging (see report on TradeWorld/LogiMAT 2017), promote distributed data storage.

With this extended data base, it is necessary to carry out research in real-time, e.g. with customer inquiries, and having business processes running performantly – both retroactively and predictively. The ability to do this is now becoming an ever increasing competitive advantage for companies. Those who still use classic rational data banks often come up against limits here, because they do not supply the necessary performance for these requirements. The separation of OLAP and OLTP (analytic and online) systems further hinders or prevents real-time analyses.

The advantages of SAP HANA in the big data environment are obvious. SAP provides an appropriate technology stack for predictive maintenance with in-memory technology, the HANA cloud platform HCP and HANA Vora (connection of the Hadoop framework with HANA, business warehouse and ERP).

FIS-ASP advises and supports its customers in the transformation of existing SAP system landscapes according to SAP HANA and thus is laying the foundation for real-time analyses and the use of large data stocks in keeping with the digital transformation. The connection of the Internet-of-Things is also achieved via the HCP. The unstructured data is filed using Hadoop and structured data can be loaded in real-time from an ERP system on HANA into the BW systems.

The list of the application examples for big data is long and FIS-ASP supports its customers with its introduction and implementation. Thanks to the provision of infrastructure services such as storage as a service, backup as a service and security services, FIS-ASP makes it possible for companies to make an intelligent start into the field of big data. As a SAP Gold Partner for development and user consulting, FIS GmbH rounds off the big data portfolio of FIS-ASP.

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