## Connection of online marketplaces
# FROM ARTICLE SELECTION TO PAYMENT AND RETURNS

**Customer**
- RE-INvent Retail GmbH
- Year of foundation: 2008
- Headquarters: Nuremberg

**Industry**
Trading company with focus on online trade, particularly consumer electronics, domestic appliances, model making, technology

**Challenge**
A central middleware for connecting numerous online marketplaces to the SAP ERP system used was to replace the in-house developments used to this day and control the sales processes. Special attention was paid to the complete SAP integration as well as the optimal automation of the entire sales process.

**Solution**
- FIS/TradeFlex

**Benefits**
As a central middleware, FIS/TradeFlex handles all sales processes automatically and fully integrated into SAP. RE-INvent Retail can now do completely without in-house developments for marketplace connection. Manual effort, error rates and costs can be reduced and the overall efficiency of the marketplace business increased significantly.

Already today, customers use online marketplaces for their product search much more often than search engines. The potential is tremendous and the increasing success confronts trading companies with the great challenge of a fast, efficient and centrally acting sales process. The pilot project on Fnac, a large marketplace in France, shows how RE-INvent's SAP system can be connected to FIS/TradeFlex via standard processes.

*„With FIS/TradeFlex, we have found a solution that was very easy to implement in our SAP environment and that supports us in purely functional terms exactly to the extent that we need to further expand and optimize our presence in marketplaces."*

**Karoline Leonhardt, Team Leader Analytics & Projects bei RE-INvent Retail GmbH**

There is no doubt that marketplaces have many advantages. Large ranges, article selection, advertising possibilities, service and shipping offers are only a few aspects that make this distribution channel interesting, both in B2C and B2B. Despite many advantages, the scope of the sales process entails some challenges that can hardly be handled with standard solutions of the SAP system.

## Experienced online merchant relies on FIS/TradeFlex

RE-INvent Retail GmbH has been operating various online shops in the fields of consumer electronics, domestic appliances, model making and technology since 2008. RE-INvent is already successfully represented on over 15 marketplaces with these online shops. So far, the marketplace

connection has been managed by means of in-house developments. On France's well-known Fnac marketplace, which has a similar mechanism as the world-famous Amazon marketplace, RE-INvent Retail lists around 45,000 offers that customers can order, pay for, return and cancel. Thanks to FIS/TradeFlex, RE-INvent Retail can now do completely without in-house developments for marketplace connection, does not have to worry about mappings and develop APIs. FIS/TradeFlex now takes care of all this.

## Seamless SAP connection - automated, scalable and without individual development effort

Central e-commerce areas can be handled well with the SAP ERP system. When it comes to trading on marketplaces, however, many aggregators reach their limits. The greatest challenge is that it is not yet possible to directly connect marketplaces via standard SAP processes. Interfaces are often designed in-house, which, of course, ties up enormous development and downstream support capacities. „The resulting problem is that once a certain number of connections are reached, the further expansion of the existing marketplace portfolio is no longer possible without further ado. As a consequence, scalability suffers," knows Karoline Leonhardt, Team Leader Analytics & Projects bei RE-INvent Retail GmbH. Without interfaces, a direct information flow cannot be guaranteed either. However, the transferred stocks area demonstrates the importance of a dynamic real-time data flow: If further orders are received when stocks are already empty, they have to be cancelled again, which results in negative ratings and causes dissatisfaction among customers.

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## FIS/TradeFlex as an optimal middleware

For RE-INvent Retail GmbH, it was clear that a digital solution would have to be found in order to be able to automatically handle sales processes for further market-

places without additional developer resources. Together with FIS Informationssysteme und Consulting GmbH, a pilot project has now been started in which RE-INvent's SAP system was connected to the Fnac marketplace via the cloud-based FIS/TradeFlex middleware.

FIS/TradeFlex acts as an interface between marketplace and SAP system and controls all sales processes. This results in a great potential for online marketplace sellers. Employees can be relieved and once again dedicate themselves to the strategic orientation of the company while the entire connection to marketplaces runs largely automatically. The Fiori Launchpad additionally ensures high user-friendliness due to a structured system interface. The pilot project for connecting Fnac only lasted about two months.

## Automation and information flow in the entire sales process

The consistent connection of marketplaces to the SAP ERP system is important for sellers. It must be possible to automate all steps in the sales process without the need for in-house development in order to cope with the large number of orders and to continue to guarantee customers short delivery times. Only with a direct flow of information and mutual communication is it possible today to meet the challenges as a seller on an online trading platform. The deep integration of the marketplaces with the SAP system ensures an end-to-end process coverage from article selection to payment and returns.

Information can directly be obtained from and made available to SAP. Mutual communication is totally automated without having to tie up development capacities. In this way, orders are picked up directly from the marketplaces, encapsulated and stored in the cloud and the complete administrative management is transferred to the SAP system. This means that the starting of jobs in the conventional SAP system is no longer required. As a result, several thousands of purchase orders can be processed reliably.

When the orders are transferred from the cloud, they are created in SAP by calling the OData services, provided the requested order quantity is confirmed. Backward communication takes place directly with the transmission of the order number to the cloud, where it is saved. The cloud solution in turn communicates with the marketplace and can retrieve the address data, which can then be led directly into the SAP system. This creates the connection of the marketplace order with the cloud and SAP, which ultimately illustrates the close interconnection.

## Smart functions for even more efficiency

A particularly smart feature is the integration of a delivery block. In the first step, an order gets this block after it has been picked up from the marketplace. Only when the address delivery comes from the marketplace into the cloud will it be removed and the process moves on to logistics.

„Worklists" enable efficient time control of the outstanding tasks of an order so that the system knows exactly which and where information still needs to be transferred.

## Real relief: automated clearing of open items

Further subsequent processes are connected, such as delivery and billing document up to the receipt of returns in SAP, which also run completely automatically due to the APIs. In addition, such an interface with deep integration into the SAP system has the advantage that all information on an item, such as invoices, is stored in the cloud. As soon as a pay-out transaction is made to the seller in the marketplace, the open items are cleared in the SAP system. Since a payment from the marketplace to the seller usually contains numerous items, sellers save manual effort in the accounting department by automatically assigning and clearing the open items. FIS/TradeFlex determines the invoice number itself and communicates it to the SAP system with the respective order number.

## Deep process integration convinced us

The first presentation of FIS/TradeFlex at RE-INvent Retail already impressed the decision-makers with its automated and deep process integration so that collaboration quickly became a done deal. „With FIS/TradeFlex, we have found a solution that was very easy to implement in our SAP environment and that supports us in purely functional terms exactly to the extent that we need to further expand and optimize our presence in marketplaces," says Karoline Leonhardt.

Initial integration challenges mainly concerned the uniform design of complete processes, at first without considering the marketplace. The following question arises: „Which processes must be mapped via the marketplace and which constellations result thereof?" It was therefore extremely important to control the parameters right from the start so that these questions would be answered automatically in future marketplaces.

## Connection of further marketplaces already decided

The Fnac marketplace is the pilot project of the collaboration between FIS/TradeFlex and RE-INvent Retail and was completed with great success and satisfaction of all parties involved. The go-live of Amazon and Otto are already planned for the near future. Further marketplaces are to follow.



Online-Shops of RE-INvent Retail GmbH

## RE-INvent Retail GmbH

RE-INvent Retail GmbH has been successfully concentrating on online trading since 2008 and distributes its extensive product range via various online shops. These include a wide range of products from the fields of consumer electronics, domestic appliances, model making and technology.

## THE FIS GROUP

FIS Informationssysteme und Consulting GmbH is an expanding, independent company and forms the umbrella of the FIS Group. Around 800 employees work within this group to make companies more modern, more economical and more competitive every day. FIS focuses on SAP projects and the development of efficient solutions that drive digitization in companies. As one of the leading SAP system houses in the D-A-CH region, FIS is the market leader in technical wholesale with its complete solution FIS/wws.

Together with its subsidiary Medienwerft, FIS covers the entire range of SAP topics for the customer experience (CX) sector. In the subsidiary FIS-ASP, more than 100 specialists operate and administer the SAP systems of customers in their own data centers in southern Germany.