

Staying Ahead

How to shape the future of high performance in consumer packaged goods with an end-to-end SAP solution-based delivery model and customized, industry-specific tools

A close-up photograph of a woman with long dark hair, wearing a light blue scarf and a white top, smiling warmly. She is looking down at a colorful, patterned object she is holding. The background is a blurred grocery store aisle with shelves of various products.

High performance. Delivered.



In today's fast changing consumer packaged goods markets, companies urgently need to realize more value from their investments in ERP-enabled operating models. A delivery system of SAP solutions that matches costs with value generated and leverages industry-specific tools tailored to individual requirements can help them achieve sustainable competitive advantage.

Accenture research consistently shows that ERP-enabled operating models, built on the latest SAP technologies, distinguish high-performance businesses right across the consumer packaged goods industry. Consider, for example, the powerful, cross-functional processes that sustain superior execution for leading companies in alcoholic beverages¹; how common platforms and standardized processes allow high performing home & personal care companies to maximize the efficiency of resource allocation²; or how globally integrated operating models facilitate speedy decision-making for top consumer health companies³.

Indeed, such efficiently integrated operating models are a critical building block of competitive advantage for any industry player—and not only in today's challenging environment where growth is stagnating in Western markets, yet surging in the emerging world.

In the volatile and hyper-competitive markets of tomorrow, mounting cost pressures, the continuing struggle to achieve balanced global growth, and rapidly rising customer expectations will place even greater demands on the operating models that companies choose to implement today. Shaping the future of high performance in consumer packaged goods—rising to such key industry challenges as engaging the digital consumer; faster, differentiated innovation; and how to attract and retain the right talent—will hinge critically on making the right choices.

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¹ Achieving high performance in alcoholic beverages, Accenture Point of View, 2011

² Achieving high performance in home & personal care, Accenture Point of View 2011

³ Achieving high performance in consumer health, Accenture Point of View 2011

Diverse requirements

End-to-end SAP solution-based delivery model

Because our clients need to realize value from their ERP investments more quickly, more efficiently and more securely than ever, Accenture recently refreshed its widely recognized¹ delivery model of SAP solutions for the consumer packaged goods industry. The new model not only covers the whole application life cycle, from plan, analyze, design to build, test and run. It also integrates all the services a client needs for successful implementation of SAP solutions—technology, industry, functions and processes—in an offshore “factory”, which is supported by a global delivery network. With our industry and technical experts in one location, we can complement on-site capabilities, encouraging collaboration and innovation and ensuring even more predictable, repeatable and reliable service. The factory layout mirrors the full life cycle of solution development and maintenance, from solution architecture through project delivery and management to functional and technical support. We can segment services to suit a wide range of specific client needs, whether basic technical skills or premium services that address complex areas of change, and everything in-between. Thanks, moreover, to our industrialized delivery model, which is built on a set of industry-specific, pre-configured and leading practice solutions, diagnostics and accelerators, we can also offer these multiple solutions at multiple price points, providing optimized estimates and tiered pricing to fit the needs of each individual client.

Accenture has worked with all manners of consumer packaged goods companies on the path to ERP-enabled high performance—and more than 30 years of experience with SAP solutions have given us a deep understanding of the diversity of ERP requirements. We know too, that those requirements change as companies grow in scale and complexity.

Some companies may be considering the benefits of an ERP rollout for the first time. Some may be seeking to grow yet find themselves saddled with fragmented operational capabilities across a multitude of legacy systems. Others, aiming to boost operational efficiencies within a specific function, may require upgraded solutions that significantly enhance supply chain visibility or customer service across key divisions. Still others, looking to enter, expand and win in rapidly emerging markets, may eventually need to increase the agility of truly global ERP-enabled operating models—single platforms that reduce the complexity and risk of worldwide operations while containing costs and boosting productivity.

All, however, will confront essentially the same challenge: How to realize more value, more quickly from their ERP investments while minimizing risk. And in rising to that challenge all will need access to continual innovation—end-to-end support that can anticipate the challenges of implementation, swiftly resolve them and ensure certainty of delivery (see End-to-end SAP solution-based delivery model sidebar).

¹ Accenture is one of the largest systems integrators supporting SAP solutions by revenue and one of the largest SAP services partners. It received a 2012 SAP Pinnacle award in the category “Customer Award: Innovative Business Leadership Award,” marking the 5th consecutive year that Accenture has received an SAP Pinnacle award. Accenture is also widely recognized in reports (by Forrester Research, Inc.: SAP Services Providers, Q2 2011; PAC and IDC, among others) as a leading provider of services in implementations of SAP solutions.





Maximum efficiencies, minimal risks

Leading companies drive value faster, maximizing efficiencies and minimizing risk, by leveraging a predictable, repeatable and reliable delivery system that is customized to suit particular needs and goals.

Diageo, for example, has implemented new ERP capabilities specifically designed to support its global vision as the world's leading premium drinks business. A single, consolidated global instance of SAP software, developed, deployed and maintained in partnership with Accenture, has harmonized the company's business model—the first truly global operating model in alcoholic beverages—while innovative risk and reward sharing mechanisms have helped reduce both back-office and application-support costs.

Unilever, similarly, has worked with Accenture to deploy a new SAP solution that sustains a standardized supply chain model for 24 European countries. The system, based on common and consistent processes, not only manages product demand and supply across Europe more securely and more cost-effectively—it also enables the company to run all its operations as a single business, thus helping generate a pan-European view of Unilever's brands.

Such transformations also rely crucially on the collaborative project management skills of the delivery teams involved—highly skilled and innovative resources that can help smooth the path to ERP-powered high performance.

AB InBev, for example, needed to consider the specific needs of five very different geographies—Belgium, Germany, Russia, the UK and the Ukraine—when the world's leading brewer worked with Accenture to deploy an SAP ERP application across those key European markets. And other clients seeking to establish common, SAP platforms have leveraged our multiple specialist skills and next-generation IT capabilities to support long-term growth.

“The deployment of a single IT platform has been critical to our success. We now have real-time transparency across the whole company. The benefits this has already brought for customer service, stocks and costs are phenomenal.”

Willem Eelman, Chief Information Officer,
Unilever

More value, more quickly

Customized, industry-specific tools

The Accenture Advanced Enterprise Suite (AAES) is a key component of our industry solutions toolbox. The solution is based on a proven approach already used by dozens of Accenture clients, worldwide. It links industry-specific best-practice processes and the industrialized processes of our innovative new delivery model to a preconfigured SAP solution to support and speed value realization while aligning with clients' unique needs. Sustained by the findings of our extensive research into what constitutes high performance in the consumer packaged goods industry and continually refreshed, this patented framework reduces total cost of ownership because it delivers a robust process model "out of the box", maximizing standardization and effectively addressing the need for back-end, process-to-process synchronization. The Accenture Advanced Enterprise Suite (AAES) enhances the potential of a company's existing ERP system, as well as sustaining the streamlined processes that deliver continuous improvement in cost and service levels. In fact, companies can choose to implement this pre-configured solution in whole or in part, depending on their particular ERP requirements. And because it is compatible with new IT capabilities such as cloud computing, advanced analytics and in-memory computing that can help drive costs still lower and lead to even better system performance, its future relevance as a value driver is assured.

All players seeking to transform performance by implementing ERP-enabled and SAP solution-supported operating models need access to robust yet flexible tools that facilitate robust yet flexible solution architectures, while driving faster value realization and reducing total cost of ownership (see Customized, industry-specific tools sidebar).

Moreover, as the industry's challenges intensify, companies also require access to emerging technologies that can drive even faster value realization—advanced analytics, new business intelligence capabilities, and cloud computing (see Emerging technologies from SAP sidebar).

Tailored solutions

Leading companies leverage solution tools that are tailored to their needs—existing or new.

One global food and snacks manufacturer, for example, has used the Accenture Advanced Enterprise Suite (AAES) to re-implement its existing capabilities, which were hampered by undocumented, cumbersome and fragmented reporting processes and systems. By standardizing, simplifying and automating the IT applications that service its corporate, manufacturing and supply chain operations, and implementing a robust data and reporting solution, the company has significantly enhanced the efficiency of a new SAP solution-based blueprint for the Americas.

One of the world's largest alcoholic beverages companies, similarly, worked with Accenture to re-activate a stalled ERP system for its North American operations in record time. The spirits company used our delivery methodology and skilled resources to provide more accurate product planning, inventory management, customer order allocation and overall visibility throughout its regional supply chain.



Why now, why Accenture

Emerging technologies from SAP

Accenture collaborates closely with SAP to leverage the value-driving potential of new and emerging technologies for our clients in three key areas:

- **Advanced analytics**—to help clients derive optimal advantage from the huge and growing amounts of information their businesses generate. Our Innovation Centers for SAP solutions provide a forum and workshop where clients can discover how the latest SAP technologies, including mobile, can enhance the predictive powers of their data.
- **Business intelligence**—to access insights from data more directly and intuitively. The SAP HANA® platform delivers data up to 100 times more quickly than standard methods, allowing the immediate access clients need to stay ahead of the competition.
- **Cloud computing**—to increase agility and reduce total cost of ownership. Accenture's private cloud for SAP solutions offers clients the opportunity to reduce both operating and capital expenses through a fixed-price solution, while at the same time upgrading the capabilities of their deployments of SAP solutions.

Consumer packaged goods markets are fast changing and more and more competitive. Companies confront increasingly demanding consumers, empowered by technology to satisfy a diversity of desires and aspirations. They also need to successfully engage with the more than one billion new consumers of the emerging world, to capture the growth that mature markets will no longer provide: All, moreover, with cost pressures intensifying in a global economy that is becoming ever more risky and uncertain.

Securing and sustaining competitive advantage in such conditions is vital. And Accenture research clearly shows that SAP solution-based, ERP-enabled operating models are a key element of success. Yet realizing value from such systems can be challenging. Companies need to convince all stakeholders of their benefits, without disrupting the responsiveness and dynamism of their existing business. They also need to ensure that the SAP solutions they choose are flexible enough to align with their specific requirements, yet robust enough to deliver and execute as expected.

Accenture's unique industry insights, proven experience in delivering services for SAP solutions efficiently and at low risk, industry-specific tools tailored to fit particular client needs, and expertise in emerging technologies offer the differentiation that leading companies seek. Our recently refreshed delivery model provides predictable, repeatable and reliable service—segmented to suit each client and priced to align with individual requirements. In combination with the agile and innovative capabilities of the Accenture Advanced Enterprise Suite (AAES) toolbox, and our advanced capabilities in emerging technologies this model ensures end-to-end support, no matter what a company's ERP requirements may be.

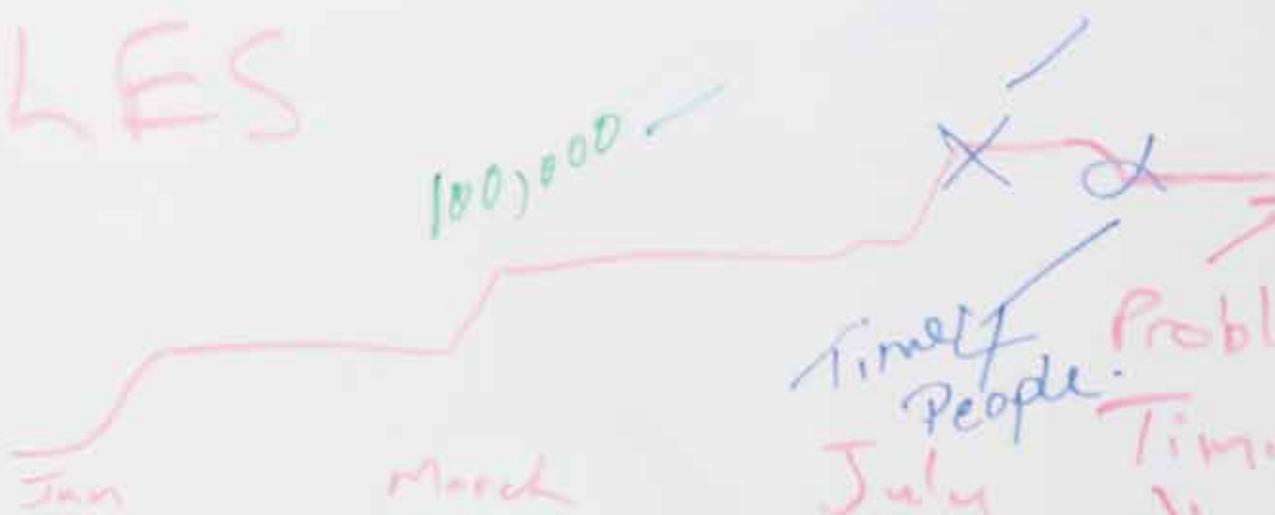
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SALES



COSTS



About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 246,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$25.5 billion for the fiscal year ended Aug. 31, 2011. Its home page is www.accenture.com.

Shaping the Future of High Performance in Consumer Goods

Our Consumer Goods & Services industry professionals around the world work with companies in the food, beverages, agribusiness, home and personal care, consumer health, fashion and luxury, and tobacco segments. With decades of experience working with the world's most successful companies, we help clients manage scale and complexity, transform global operating models to effectively serve emerging and mature markets, and drive growth through evolving market conditions. We provide end-to-end services as well as individual consulting, technology and outsourcing offerings in the areas of Commercial Services, Speed to Customer, ERP Transformation and Integrated Business Solutions. To read our proprietary industry research and insights, visit www.accenture.com/ConsumerGoods.

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