

SAP Customer Success Story

“Implementing mySAP SRM and mySAP CRM in such a tight time frame was an ambitious goal. With the help of SAP Consulting, we completed our project successfully and on schedule.”

S. R. Balasubramanian, Vice President, Information Systems, Hero Honda Motors Ltd.



AT A GLANCE

Company Name

Hero Honda Motors Ltd.
India
www.herohonda.com

Industry

Automotive
(motorcycle manufacturer)

Key Challenges

- Improve information exchange with business partners
- Enable suppliers and dealers to perform transactions online
- Reduce inventories

Implementation Partner

SAP® Consulting, part of SAP Customer Services Network

Solutions and Services

- mySAP™ Supplier Relationship Management (mySAP SRM)
- mySAP Customer Relationship Management (mySAP CRM)
- Project management, knowledge transfer, and remote consulting provided by SAP Consulting

Existing Environment

SAP® R/3® Enterprise (this functionality is now available in mySAP ERP)

Implementation Highlights

- Project completed in just three months
- One-stop delivery of software and services from SAP

Key Benefits

- More transparent relationships with suppliers and dealers
- Reduced transaction time and cost
- Less manual data entry
- Accelerated order and delivery processes

Hardware

IBM

Operating System

AIX



HERO HONDA MOTORS LTD.

mySAP™ SRM AND mySAP CRM HELP A LEADING MOTORCYCLE MAKER TO STREAMLINE ITS TRANSACTIONS WITH SUPPLIERS AND DEALERS

Founded in 1984, Hero Honda Motors Ltd. is India's largest motorcycle manufacturer, commanding a 48% share of the national market. The company serves over 10 million customers, and has a network of 350 component suppliers and over 1100 dealers, stockists, and sales and service points. With a total workforce of around 5,000, Hero Honda posted net sales in excess of 60 billion Indian rupees (approximately US\$1.3 billion) in 2003–2004.

In India's highly competitive motorcycle manufacturing sector, streamlined operations and effective business relations are essential. To improve information exchange with its many partners, Hero Honda decided to introduce leading-edge supplier and customer relationship management capabilities. “We wanted to enable our dealers and suppliers to perform online transactions,” explains S.R. Balasubramanian (Bala), vice president of information systems at Hero Honda, “and this was something that our legacy solution could not support.”

Hero Honda opted for the powerful self-service features of mySAP™ Supplier Relationship Management (mySAP SRM), plus the e-commerce capabilities of mySAP Customer Relationship Management (mySAP CRM). “We chose SAP over the competition because the software could be seamlessly integrated into our existing environment,” states Bala, “and because we saw it as a sound investment for the future.”



SAP® CONSULTING: COMMITTED TO SUCCESS

As Hero Honda was introducing the very latest mySAP SRM and mySAP CRM releases, SAP® Consulting was called in to provide consulting support. “We couldn’t have done it alone,” says Bala. “SAP’s consultants were simply the best people for the job. They not only knew the new products inside out – they were also fully committed to implementing them successfully.”

SAP Consulting is part of SAP Customer Services Network, the single point of access to comprehensive services from SAP, including consulting, education, support, custom development, and hosting.

The SAP consultants on-site in India provided expert project management services, coordinating resources and taking action to avoid delays. To ensure a rapid, low-risk implementation, SAP Consulting deployed the proven ASAP methodology. In addition, the SAP consultants delivered targeted training for Hero Honda’s implementation team, advised on best practices, and configured and tested the new system.

RECORD-BREAKING IMPLEMENTATION TIME

Hero Honda also profited from services delivered remotely by SAP consultants in Singapore and software developers in Walldorf, Germany. This international approach ensured that any issues were dealt with rapidly and effectively. “We were really impressed by the speed with which technical issues were resolved,” says Bala. “In some cases, SAP’s German developers found answers overnight.”

Thanks to close collaboration between SAP and Hero Honda, the project was completed in a record three months. “Implementing the latest mySAP SRM and mySAP CRM capabilities in such a tight time frame was an ambitious goal,” he says. “With the help of SAP Consulting, we completed our project successfully and on schedule.”

GREATER RESPONSIVENESS, FEWER ERRORS

Following go-live in June 2004, Hero Honda immediately saw marked improvements. “On-line interaction has enhanced our order execution efficiency thereby improving our responsiveness,” explains Bala. “Our old sales orders process was very time-consuming. Now dealers enter orders directly into the system. This accelerates deliveries – preventing loss of business due to delays.”

Hero Honda has also streamlined its transactions with suppliers, making for better inventory planning and reduced inventory-carrying costs. Improved information exchange guarantees that the right goods are delivered at the right time. The company has also significantly reduced error-prone, manual data entry. Suppliers now create advanced shipping notifications in the system, and when the shipment reaches Hero Honda, the company’s employees simply have to confirm receipt.

AMBITIOUS PLANS FOR THE FUTURE

Building on the success of the project, Hero Honda is now planning a range of new SAP initiatives. These include adding additional mySAP SRM and mySAP CRM functionality, implementing the SAP Strategic Enterprise Management application of mySAP ERP Financials and integrating it with SAP Business Information Warehouse (SAP BW), and rolling out SAP Enterprise Portal (SAP EP) to all users. The SAP BW component is provided in SAP Business Intelligence (SAP BI). SAP BI and SAP EP are components of the SAP NetWeaver™ platform.

“Our new SAP solutions have enhanced our competitive edge. We are confident that we’re on the right track for continued success,” concludes Bala.