Sales and Operations Planning with SAP IBP

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Session ID # ASUG83531

About the Speakers

Johnny Kubala

- Sr Mgr Ops Business Systems, YETI

- Been at YETI for 11.5 years in many different roles

- YETI's 1st official employee

Sybil Wright

- Sr Business Systems Analyst, YETI

- 3.5 at YETI

- 22 years of SAP functional and technical experience supporting MM

Chendur Anand

- Business and Integration Architecture Manager, Accenture

- With > 6 Years experience in IBP, have been part of digital transformation projects for several industry leaders

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Key Outcomes/Objectives

- Discuss why we needed an integrated solution for planning

- Show YETI's journey implementing SAP digital landscape

Agenda

- The business case for IBP
- YETI's IBP Journey
- Future considerations
- Q&A

About YETI

YETI is a rapidly growing designer, marketer, retailer, and distributor of a variety of innovative, branded, premium products to a wide-ranging customer base.

By consistently delivering high-performing products, we have built a following of engaged brand loyalists throughout the United States, Canada, Australia, and elsewhere.

Our relationship with customers continues to thrive and deepen as a result of our innovative new product introductions, expansion and enhancement of existing product families, and multifaceted branding activities.

About Intrigo
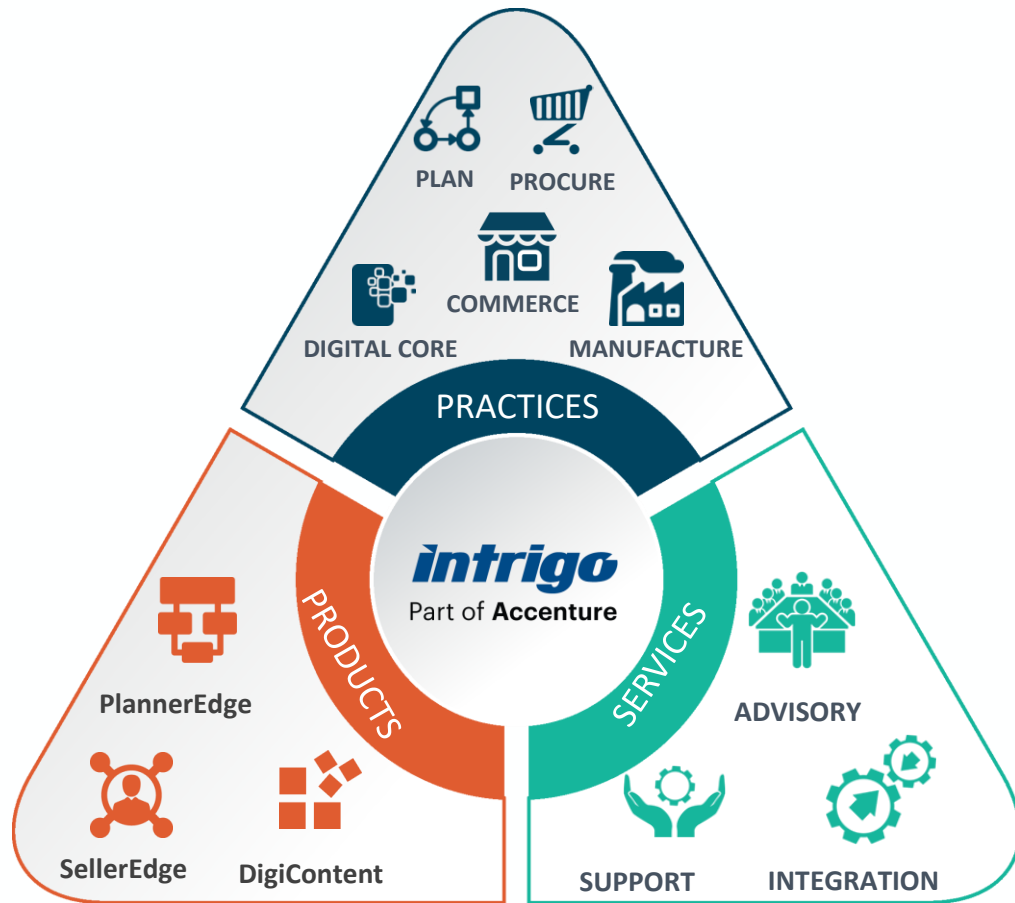
SAP Solutions

SAP IBP   SAP Ariba   SAP ME

SAP S/4 HANA   SAP Hybris   SAP MII

Clients

StanleyBlack&Decker   YETI   BLUE DIAMOND ALMONDS

hp   Levi's   Nike   Chevron   FOX

OCLARO   CORSAIR   ZS   YAZAKI

Microsoft   FOSSIL   Kimberly-Clark

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About Intrigo

The Business Case for IBP

With YETI's growth came the following challenges:

- Increasing SKU counts

- Additional warehouse locations

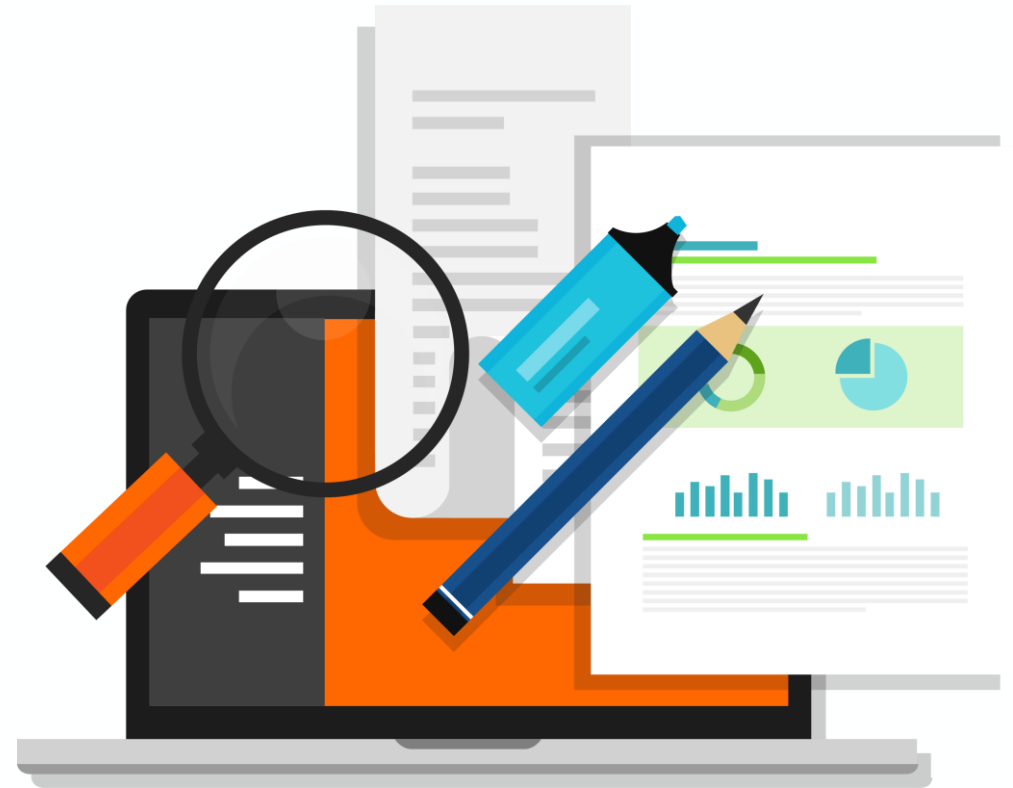- Complex sales channel allocation strategies

The Business Case for IBP

Pain Points

- Manual data extracts and manipulation causing inconsistencies in data

- Managing data across multiple spreadsheets with no single source of truth

- Lack of real time visibility

- Challenges around planning for customized products
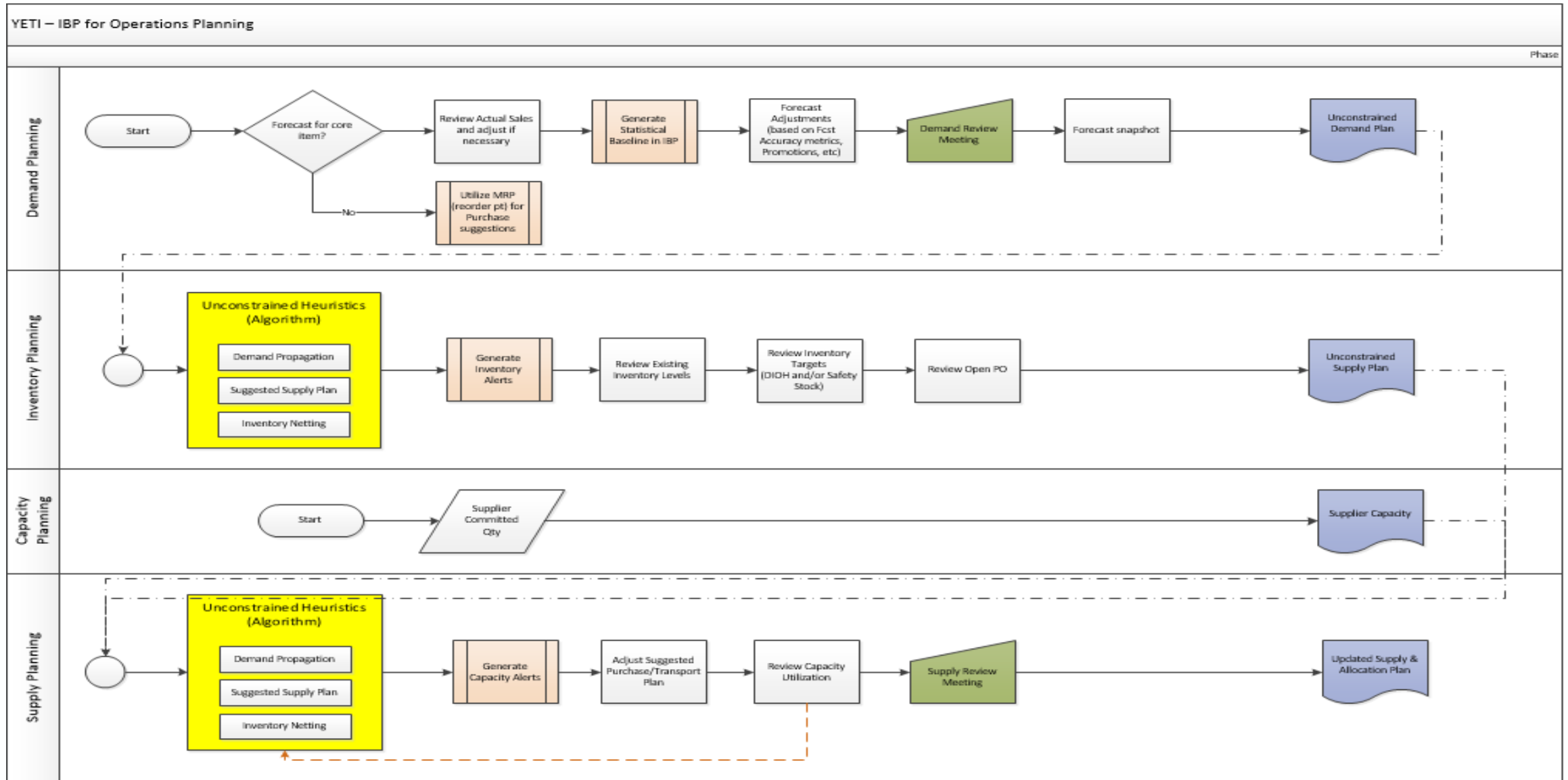
The Business Case for IBP

Business Impacts

- Difficulty balancing supply and demand
- Inability to anticipate and respond quickly to changing business conditions

A technical solution was needed to enhance visibility, integration, and collaboration across the business teams and suppliers in order to manage the supply chain planning.

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YETI's IBP Journey

- 2017 - Implemented our SAP system landscape to include S4 HANA, IBP, SNC and BPC

- 2018 – Focused efforts to relaunch IBP

- 2019
  - Pilot launched in April for 1 product category
  - Adoption across all product categories targeted for Q3

How YETI uses IBP and SNC - Process Flow

The Business Case for IBP

Demand

- Ability to slice and dice data real-time by different planning levels (by product type, by location, by week)
- Statistical forecast with inputs from key stakeholders for consensus demand planning

Supply

- What/if analysis to analyze sourcing options
- Ability to generate a suggested purchase plan which incorporates lead time
- Ability to create an allocation plan

Inventory

- Ability to review predicted inventory levels and forecasted demand versus future target DIOH by location

Reporting

- End to end visibility of the supply chain network
- Alerts for capacity and inventory levels
- A centralized repository for all relevant planning data and metrics

How YETI uses IBP and SNC – Demand Planning
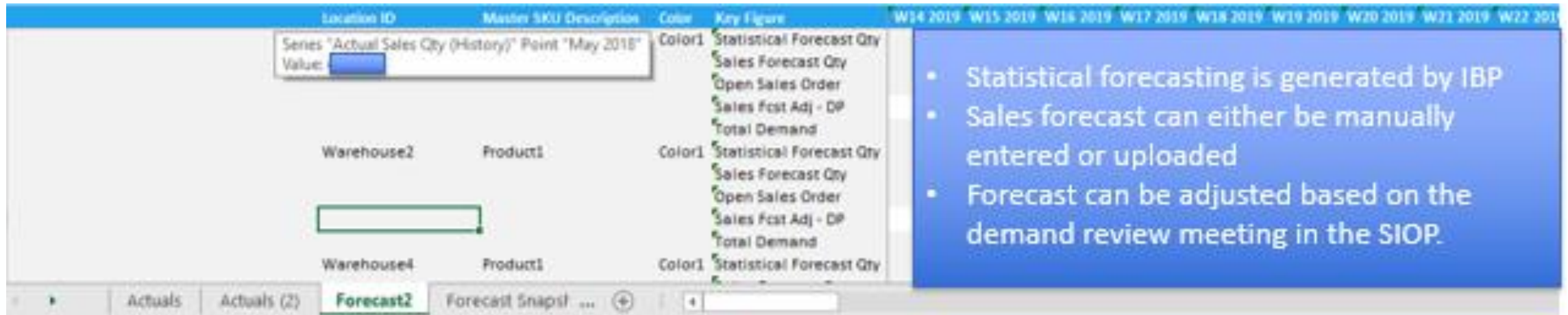
When the forecasting is complete, users can take a snapshot to see how the forecast has changed over time.

How YETI uses IBP and SNC – Supply Planning

Forecast is sent to a supply view.
- Demand propagation
- Inventory netting
- Inventory planning between locations

How YETI uses IBP and SNC – Supply Planning

			W34 2019	W35 2019	W36 2019	W37 2019	W38 2019	W39 2019	W40 2019	W41 2019	W42 2019	W43 2019	W44 2019	W45 2019	W46 2019	W47 2019
Supplier1	Product1	Net Demand				249	376	424	424	273	273	273				
		Supplier Committed Qty				200	200	200	200	200	200	200				
Supplier2	Product1	Net Demand								249	376	424	424	273	273	273
		Supplier Committed Qty								200	200	200	200	200	200	200

Supplier commit planning view
- Provides ability to see demand for multi-sourced products across different vendors
- Considers lead times and lot sizing
- Ability to export to supplier and adjust commitments
- Analyze supplier constraint to customer demand fulfilment
  - When the supplier committed quantity is less than the demand, the shortage can be planned for (perhaps start ordering sooner), or the shortage can be written back to the customers allocation (spread equally by forecast ratio, or customized to fill certain customers first).

How YETI uses IBP and SNC – Supply Planning

SNC Functionality:

- PO confirmations by vendor

- Advance shipping notices by vendor

- Delivery date changes by vendor

- Alerts

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Future Considerations

Adding additional IBP modules for Demand Planning.

- This could allow for more statistical forecasting options and demand sensing capability based on various inputs such as customer point-of-sale data

Adding additional integration with suppliers

- Supplier to have the ability to log into a portal to input their commit, which would feed directly back into IBP

Additional integration with S/4

- Adding ability to send product requirements to SAP from IBP as planned independent requirements to S/4
- Adding ability to send allocation results to SAP for in-system allocation setup

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Q&A

Questions?

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Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:
http://info.asug.com/2019-ac-slides

Q&A

For questions after this session, contact us at jkubala@yeti.com, swright@yeti.com and chendur.anand@accenture.com

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