



Business challenge

With ambitious expansion goals, the St Marche team knew that providing fresh, high-quality food depended on efficient, integrated operations. How could St Marche put its growth plan into action?

Transformation

St Marche moved to integrated SAP for Retail solutions powered by SAP HANA®, with IBM® Applications Management for SAP Solutions delivering scalability and cost-efficiency.

Business benefits:

10

legacy systems eliminated, helping to cut IT operational costs

3 days

for month-end close, down from two months

50%

boost to IT efficiency, with fewer staff assigned administration tasks

St Marche Back-office integration delivers fresher food to supermarket shelves and to happy shoppers

St Marche, founded in 2012, operates 20 supermarkets in São Paulo, Brazil, building a reputation for high-quality products and fresh foods. Each St Marche unit has an artisan bakery, a fresh-cut butcher shop, fresh fruit and vegetables, and a selection of national and imported products. St Marche employs approximately 2,300 people.

“IBM showed us how IBM Applications Management for SAP Solutions could deliver scalability without increasing our back-office costs”

Dijalma da Rocha Meireles Junior
Head of IT
St Marche

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Shelf stacking

If consumers find empty supermarket shelves, they may abandon their shopping and visit a competitor's store. With customer loyalty in the sector at an all-time low, it is crucial to offer a consistently excellent retail experience.

To ensure shelves are always fully stacked with the optimum assortment, supermarket retailer St Marche relied on manual, spreadsheet-based data interchange between sales, logistics, replenishment and related systems.

With 20 successful stores in the São Paulo region of Brazil, combined with a reputation for freshness and quality, the St Marche team identified major expansion opportunities. At the same time, it was clear that existing business management processes would not scale well; doubling the store footprint would also double the manual back-office workload.

St Marche used more than ten independent systems, which had served the company well, but without integrated data it would be hard to identify areas for improvement. For example, it was not possible to drill down through reports from operational systems to see the underlying financial data. Similarly, St Marche did not have a single view of consumer purchasing habits across all its stores, reducing the company's ability to predict sales and optimize product assortments and replenishment cycles.



Dijalma da Rocha Meireles Junior, Head of IT, remarks, "We aim always to improve the quality and mix of products for our consumers. We intend to reach 40 stores within five years, and by serving our customers well we will drive our expansion. Our existing infrastructure was a big challenge for us. If we ran the same report on different days, we saw different numbers. We wanted to improve our IT efficiency, cut costs, and enhance our data capabilities, which led us naturally to look for integrated solutions."

Product pick

The St Marche team considered industry best practices as well as reviewing potential solutions. Following due diligence and a selection process of ten months, St Marche chose SAP for Retail applications, powered by the [SAP HANA](#) database. Additionally, the company looked for advice on the best way to move to the new SAP applications, and the most cost-efficient infrastructure that could scale for future growth.

Dijalma da Rocha Meireles Junior comments, "IBM Services provided the best option in terms of their deep knowledge of SAP solutions combined with comprehensive technical capabilities. IBM offered experience of working with other retail customers in Brazil, and brought the ability to create an integrated SAP cloud solution that would be the optimal fit for St Marche."

The company's previous systems ran on in-house servers. IBM recommended moving to [IBM Applications Management for SAP Solutions](#), delivering flexibility, scalability and cost-efficiency. Using a fully managed cloud architecture, St Marche aimed to reduce system administration workload, cut operational expenses, and release data center floor space.

Similarly, by moving to [IBM Applications Management for SAP Solutions](#), St Marche could avoid the significant capital expenditure of purchasing new on-premises servers. The company buys compute capacity as a service, on a flexible basis that permits almost limitless system expansion.

Dijalma da Rocha Meireles Junior continues, "Our objective was to use our SAP applications to enable company-wide information, available consistently. Critically, we wanted the ability to grow capacity, and IBM showed us how [IBM Applications Management for SAP Solutions](#) could deliver scalability without increasing our back-office costs."

Happy customers

Over an eighteen-month period, St Marche retired ten on-premises systems, while IBM assisted with operational data transfer and configured the SAP solutions. The result is a business management solution based on integrated SAP applications, powered by the SAP HANA database and underpinned by powerful, scalable infrastructure.

IBM Applications Management for SAP Solutions brings agility to company operations, eliminating systems management workload and enabling organizations to focus more on innovation and new business opportunities. The solution offers significant operational efficiency and security benefits, with improved security and compliance reporting by workload, faster delivery of services and applications, and enhanced disaster recovery and continuity capabilities. With predictable, managed costs and resources, IBM Applications Management for SAP Solutions helps enable a company's digital transformation journey.

Dijalma da Rocha Meireles Junior continues, "As a fully managed service, the IBM Applications Management for SAP Solutions service has eliminated a significant amount of in-house systems administration workload, helping to improve IT efficiency by almost 50 percent. Previously, data was locked up on each IT asset, whereas now we can



make key data immediately available to authorized users.

"The integrated SAP applications provide consistent reporting across the organization, from store level through to consolidated management reports, in almost real time. In the past, we took more than two months to complete our month-end close, as it involved a high degree of manual reconciliation work. With SAP applications powered by SAP HANA running on IBM Applications Management for SAP Solutions, we achieve month-end closing in just three days, an improvement of some 95 percent."

By eliminating systems administration and removing the need for laborious inter-system data reconciliation, the team can now devote attention to key business issues, such as optimizing replenishment, improving efficiency and adjusting the mix of price and product.

"Our vision is to serve consumers with better product selections and even fresher food," comments Dijalma da Rocha Meireles Junior. "SAP applications and IBM Applications Management for SAP Solutions releases time for us to focus on analyzing customer buying preferences and aligning our product selections to demand with a degree of accuracy that was simply not possible before."

"Attracting new customers and nurturing their loyalty will be the driving force that helps us achieve our objective of 40 new stores within five years, and our IBM and SAP solutions will play a key role in realizing that goal."

Dijalma da Rocha Meireles Junior, Head of IT, St Marche



Dijalma da Rocha Meireles Junior concludes: “Building on the foundation of integrated data and scalable compute capacity, we are looking at applying AI and RPA techniques to deepen our understanding of customer behaviors. We can invest in these solutions and commit our people to value-added business tasks, enabling us to buy less,

waste less, and serve consumers better. Attracting new customers and nurturing their loyalty will be the driving force that helps us achieve our objective of 40 new stores within five years, and our IBM and SAP solutions will play a key role in realizing that goal.”

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Solution components

- IBM® Services (Global Technology Services)
- IBM Applications Management for SAP® Solutions
- SAP for Retail powered by SAP HANA®

Take the next step

To learn more about the IBM SAP Alliance, please contact your IBM representative or IBM Business Partner, or visit: ibm.com/sap

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