



Business challenge

To drive its transformation, Vodafone is creating a Digital Logistics Hub. In-memory analytics will play a key role in the new platform, and Vodafone aimed to move quickly from SAP ERP to SAP S/4HANA.

Transformation

Vodafone is working with IBM® Services™ (Global Business Services®) to harness IBM Rapid Move for SAP S/4HANA—dramatically accelerating its migration journey compared to traditional methods.

Business benefits:

50%
faster migration
compared to traditional
upgrade methodologies

60%
reduction in custom
SAP code, reducing
development complexity

90%
decrease in SAP data
footprint—minimizing
storage needs

Vodafone Germany Accelerating innovation with SAP S/4HANA to enable data-driven decision-making

A subsidiary of Vodafone Group plc, Vodafone GmbH provides mobile phone, DSL, LTE, cable internet, landlines, cable TV and IPTV services to more than 41 million mobile customers, and is one of the leading operators in Germany.

“We really liked the idea of an accelerated timeline, and with IBM Rapid Move for SAP S/4HANA we didn’t have to start our transformation project from scratch.”

Annette Mahler
Department Lead ERP
Vodafone GmbH

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Fast track to transformation

One of the world's leading telecoms companies, Vodafone goes to market in Germany through an extensive network of retail stores. Vodafone saw an opportunity to unlock the data buried in over 41 million customer accounts to optimize its inventory—ensuring each store is fully stocked with the region's trending items. To achieve its goals, Vodafone is using [IBM Rapid Move for SAP S/4HANA](#) to move from SAP ERP to [SAP S/4HANA](#)—accelerating the transformation by 50 percent compared to traditional methods.

Infusing real-time data into decision-making

Germany's telecoms market is highly competitive. For Vodafone, maintaining an industry-leading position in the country hinges on its ability to attract new customers while fostering the long-term loyalty of its existing subscribers.

Annette Mahler, Department Lead ERP at Vodafone GmbH, explains: “Our retail stores represent one of the most effective ways we have to engage with customers and prospects. Mobile penetration in Germany is extremely high, and consumer trends change fast.”

She continues: “To keep pace, it's crucial that we anticipate consumer demand and keep our stores stocked with the optimal assortment and quantity of key product lines.

“To realize our vision, we have embarked on a transformation project: The New Digital Logistics Hub. Powered by SAP S/4HANA, our new approach will infuse near-real time stock data into the inventory planning process, enabling us to delight customers by keeping trending items in-stock at their local stores.

“By using IBM Rapid Move for SAP S/4HANA, we are fast-tracking our journey to SAP S/4HANA. Instead of a long, complex and multi-stage migration, we are on track to complete the transformation in a single leap.”

Annette Mahler adds: “We predict that we will go live with SAP S/4HANA 50 percent faster than a traditional approach.”

Overcoming risk and complexity

Vodafone's SAP ERP system had served the company effectively for many years. Like many leading enterprises, Vodafone has customized the core of the SAP system to address specific operational requirements. And as the business became increasingly reliant on data-driven services to support day-to-day work, the company's SAP ERP environment also grew in size, swelling to more than 11 TB of data.

Converting an older version of SAP ERP to cutting-edge SAP S/4HANA presented substantial technical and operational challenges for Vodafone.

Before it could extract, transform and load business data to the target SAP platform, the company first needed to upgrade its ERP system to enable Unicode support—a significant project in itself. The SAP business systems support mission-critical processes, and Vodafone could not afford unplanned downtime. A route to SAP S/4HANA that required multiple migrations and go-lives would ratchet up the business risk, something the company was keen to avoid.

“IBM's SAP HANA Impact Assessment offering helped us understand at the very start of the project which parts of our SAP environment could be reused or removed during the process. Being equipped with this insight so early in the process helped us to shape the new solution and plan the execution very quickly.”

Annette Mahler, Department Lead ERP,
Vodafone GmbH



Annette Mahler comments: “We knew that moving to SAP S/4HANA would be a key enabler of our ability to compete and grow in the long term, but the road to the target state was fraught with risk. We wanted to find a partner that could help us achieve the move to SAP S/4HANA in a single step.”

Selecting an expert partner

Vodafone has worked with IBM for more than six years, and relies on [IBM Application Development & Management Services](#) to support its extensive SAP ERP environment. When Vodafone discovered that IBM had launched a new offering to accelerate the move from SAP ERP to SAP S/4HANA, it immediately recognized its potential to streamline and de-risk its journey to SAP S/4HANA, and engaged [IBM Services \(Global Business Services\)](#) to help it take the next steps.

“One aspect of IBM Rapid Move for SAP S/4HANA that impressed us most was how elegantly the approach combines so many different technologies and disciplines,” recalls Annette Mahler.

“IBM brings together best-practice approaches, solutions, expertise and assets, as well as cutting-edge software tools developed by transformation software company SNP Group: all structured in a clear and efficient way.”



She continues: “Crucially, IBM Rapid Move for SAP S/4HANA enables us to complete our move from an earlier and highly customized version of SAP ERP to SAP S/4HANA without the need for multiple migrations and deployments.

“As well as reducing our costs, this big-bang approach will enable us to mitigate the inherent business risks of such a far-reaching transformation initiative.”

Out with the old, in with the new

As a first step on Vodafone’s SAP S/4HANA transformation journey, IBM Services ran a [SAP HANA Impact Assessment](#). This analysis of the current SAP platform enabled the IBM team to map out the changes required to reach the target state, and build a list of requirements for the move to SAP S/4HANA.

“IBM’s SAP HANA Impact Assessment offering helped us understand at the very start of the project which parts of our SAP environment could be reused or removed during the process,” explains Annette Mahler. “Being equipped with this insight so early in the process helped us to shape the new solution and plan the execution very quickly.”

Building on this solid foundation, IBM Services deployed IBM Rapid Move for SAP S/4HANA. Using the IBM HANAtization Console, IBM was able to automate 50 percent of the code-conversion process—converting code from the SAP ERP solution to work in the new SAP S/4HANA regime.

At the same time, IBM Services identified and removed 60 percent of Vodafone’s custom code in SAP ERP, as it would no longer be needed after the move. As well as reducing the complexity of ongoing solution development, management and maintenance, this approach reduces the SAP data footprint by 90 percent, minimizing storage needs and helping to contain infrastructure costs.

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Targeting data-driven operations

By continuing its close collaboration with IBM, Vodafone is confident that The New Digital Logistics Hub will go live on time and within budget, helping the company to enhance its retail operations and offer higher-quality services to customers across the country.

“SAP S/4HANA will ultimately become the logistics system that integrates our entire retail footprint in Germany with our warehouses and distribution network,” concludes Annette Mahler. “When we go live, all 9,000 of our business users will transition to the new platform. Our SAP S/4HANA production environment is currently in the testing phase.

“In parallel, IBM Services is supporting us with change management — providing training and knowledge-transfer session to help our people hit the ground running when we are ready to make the switch to the new in-memory SAP solutions.”



Solution components

- SAP S/4HANA®
- IBM® Application Development & Management Services
- IBM Services™ (Global Business Services®)
- IBM Rapid Move for SAP S/4HANA
- SAP HANA Impact Assessment

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

To learn more about IBM Rapid Move for SAP S/4HANA, please contact your IBM representative or IBM Business Partner, or visit: ibm.com/services/sap/s4hana

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