

IBM

ElectronicPartner targets business process optimization

Consumer electronics specialist harnesses data to keep prices competitive while protecting margins

6-minute read

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Offering the best service for customer satisfaction is a key goal for ElectronicPartner Handel SE. To compete effectively on price while protecting its profit margins, the Germany-based electronics wholesaler is always looking for ways to optimize its business processes.

ElectronicPartner serves a wide range of customers across Europe. Through its B2C sales lines, EP: and MEDIMAX, the company markets consumer



products such as TVs, PCs and laptops to retail consumers. ElectronicPartner also serves the B2B space through its comTeam business division, where IT specialists develop IT and telecoms

solutions for business customers and guide them through the entire development and implementation process using industry-specific knowledge.

Operating in the wholesale electronics space has never been more challenging. In the long term, a highly competitive domestic market in Germany will continue to put significant pressure on margins. And in the short term, external factors such as the COVID-19 pandemic have sent demand for chips soaring, making it crucial for wholesalers to anticipate consumer trends and place orders well in advance.

During the pandemic period, ElectronicPartner has successfully navigated tough market conditions, and achieved revenue success in its B2C and B2B businesses. To build on this success, the company's goal is to expand its operations.

Matthias Assmann, Chief Information Officer (CIO) at ElectronicPartner, says: "For most of our customers—individuals and businesses alike—price is the deciding factor. To secure the best prices

Enables 360-degree view of customer preferences using

millions

of records in SAP S/4HANA

Accelerated key business processes by up to

2x

boosting operational efficiency

for our customers while safeguarding our margins, we must ensure that we have effective processes for supplier negotiation, supply chain planning and logistics management.”

For many years, ElectronicPartner has relied on SAP® ERP solutions to help support its operations from end to end, including the management of B2B and B2C inventory across an extensive network of warehouses throughout Europe. With the launch of the next-generation ERP [SAP S/4HANA®](#), the company saw an opportunity to further enhance the speed and efficiency of its core business processes.

“One of our goals is to optimize inventory levels and supply chain management,” explains Assmann. “By combining real-time inventory data with forecasts in SAP S/4HANA, we aim to help the business predict stockouts before they happen and ensure that in-demand products are always available in our warehouses.”

“In the future, new built-in security capabilities such as memory encryption and even higher computing performance from IBM Power10 will enable further optimizations in our data center.”

Matthias Assmann, CIO, ElectronicPartner Handel SE

Modernizing the business with SAP S/4HANA on IBM Power

As ElectronicPartner prepared to move to SAP S/4HANA, it realized that its existing IT infrastructure would need to be upgraded to support an in-memory database. To achieve its digital transformation objective, the company looked for a high-performance yet cost-efficient platform to support the transition to SAP S/4HANA. After a thorough evaluation of offerings from several leading vendors, the company selected [IBM® Power®](#) solutions.

“Our business processes are tightly integrated,” says Assmann. “In IBM Power, we found a highly reliable platform that can support our complex



logistics processes with SAP S/4HANA. The IBM Power platform also offers dynamic resource management, which means we can rapidly scale up

the performance of the solution to accommodate peak business periods when our analytics requirements are temporarily higher. We already had

many years of experience using IBM Power solutions, so we knew we could trust the reliability of the platform.”

To reduce the business risk of moving from SAP ERP to SAP S/4HANA, ElectronicPartner decided it would operate both applications in parallel while preparing for the migration. By deploying [IBM Power E980](#) servers and [IBM PowerVM®](#) virtualization together with [IBM FlashSystem® 5030](#) all-flash storage systems, ElectronicPartner was able to use a single platform for its existing SAP ERP workloads, [SAP Business Warehouse](#) and the new SAP S/4HANA applications running on [SUSE® Linux® Enterprise Server for SAP Applications](#).

“Deploying SAP S/4HANA on IBM Power with SUSE Linux Enterprise Server offers us the stability we need to support our finance, logistics, supply

chain and procurement processes,” confirms Assmann. “The ability to reassign server resources dynamically during and after the migration was also a big advantage for us. During the migration, we used Capacity on Demand to increase performance temporarily, which allowed us to complete the move to SAP S/4HANA faster and minimize the impact on the business.”

Assmann adds: “We regularly evaluate storage solutions for our data center to ensure we’re on the optimal platform. The outstanding performance and simple management of IBM FlashSystem has convinced us that we made the right choice.”

ElectronicPartner selected SUSE Linux Enterprise Server for SAP Applications as its operating system for SAP S/4HANA. “We always want to

choose the right tool for the job,” says Assmann. “SUSE Linux Enterprise Server for SAP Applications is SAP’s own operating system of choice for SAP S/4HANA, and the strong collaboration between IBM, SUSE and SAP gave us peace of mind that all the solutions would be compatible.”

Looking ahead, the company plans to apply the SUSE Linux Enterprise Live Patching feature to increase availability further while responding even faster to cyberthreats. The company is also interested in the next generation of the IBM Power platform, IBM Power10.

“In the future, new built-in security capabilities such as memory encryption and even higher computing performance from IBM Power10 will enable further optimizations in our data center,” adds Assmann.

Gaining new insights and stay ahead of consumer trends

Since moving to SAP S/4HANA running on IBM Power servers with IBM FlashSystem storage, ElectronicPartner is beginning to unlock new insights that will help it run its B2C and B2B businesses more effectively.

“We have accelerated some key businesses processes by a factor of two, which is contributing to improved operational efficiency,” remarks Assmann. “We can now use SAP Customer Activity Repository to analyze millions of customer and supplier records instantly, which will help us to gain deeper insight into customer preferences, anticipate



future trends, and optimize our planning process accordingly.”

ElectronicPartner sees that the performance, scalability and reliability

of its on-premises environment rivals the largest public cloud providers.

“These days, public cloud and hybrid cloud solutions are always an option,” emphasizes Assmann. “We evaluated

our utilization and realized quickly that with a continuously high load, cloud solutions would cost more and give us less control over our data. That's why hosting SAP S/4HANA on IBM Power is the most economic choice for us."

In addition, IBM Power offers better scalability than other platforms. "Our SAP HANA database is expanding rapidly," adds Assmann. "With IBM Power, we can scale-up almost

without limits, giving us room to grow and consolidate without adding administration overheads."

Based on its work with IBM, SAP and SUSE, ElectronicPartner is ready for the next phase of its business transformation. Assmann confirms: "Our next step will be to reinvent our processes, add new features and take full advantage of the latest SAP solutions—including intuitive SAP Fiori mobile apps."

Assmann concludes: "Although our journey with SAP S/4HANA on IBM Power is just beginning, we are confident that the solution will help us to optimize our supply chains, better manage our partner relationships, and streamline our logistics processes. Ultimately, faster access to business data will equip us to make faster, better-informed purchasing decisions—helping us to offer in-demand products to our customers at the best price."

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ElectronicPartner

About ElectronicPartner Handel SE

[ElectronicPartner](#) (external link) is a leading wholesaler of consumer electronics in Germany, the Netherlands, Austria and Switzerland, with annual revenues of EUR 1.5 billion. The company works with a network of independent partners with approximately 5,000 retail locations, including more than 300 EP; and more than 80 MEDIMAX stores, and owns and operates comTeam, a division that serves the system integration market.

Solution components

- IBM FlashSystem® 5030
- IBM® Power® E980
- IBM PowerVM®
- SAP® Business Warehouse
- SAP Customer Activity Repository
- SAP Fiori®
- SAP for Retail
- SAP S/4HANA®
- SUSE® Linux® Enterprise Server for SAP Applications

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