

IBM



Leading Egypt into a new era of mobility

MOTORS

Abou Ghaly Motors fast-tracks its digital transformation with SAP on IBM Cloud

By Karen Boush

6-minute read

Today's vehicles are connected, electric, shared and autonomous, sparking a mobility revolution. Consumers are shifting their focus away from car purchases and ownership toward transportation experiences and services.

Abou Ghaly Motors (AGM) is leading the change in Egypt with integrated mobility solutions for individuals and corporations. The company represents many of the world's most iconic automotive brands, including Mercedes-Benz, Chrysler, Alfa Romeo and Jeep; operates limousine services, car rentals and a lubricants business; and develops and sells technology solutions through Magints, a standalone business.



AGM supports car manufacturers with a “triple S” business model, providing sales, after-sales services and spare parts through showrooms, service centers and stores across Egypt. Just as important is AGM’s digital presence, which helps ensure customers receive

personalized, convenient experiences, anytime, anywhere.

For instance, visitors to AGM’s website can enter a sophisticated showroom that lets them read in-depth information, immerse themselves in

360-degree experiences of car models and make comparisons. They can also request a test drive, and a salesperson will personally contact them to make the arrangements. Car owners can also go online to schedule repair services or get a professional, AI-enhanced assessment of their car value. These services help give AGM a stronger competitive advantage in a crowded marketplace.

“A consumer can find any number of automotive dealers or providers selling the same cars in Egypt. So the edge is not about the type of products that AGM delivers or how fancy our showrooms are, but the type of experience that we offer to consumers. So what makes AGM stand out and be the trendsetter? It’s our digital services, which require a solid, state-of-the-art technological backbone,” explains Khaled Maddah, Innovation and Technology Director at AGM and Managing Director at Magints.

Executes
corporate
financial
reports up to

99%

faster

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customer
satisfaction
with

24x7

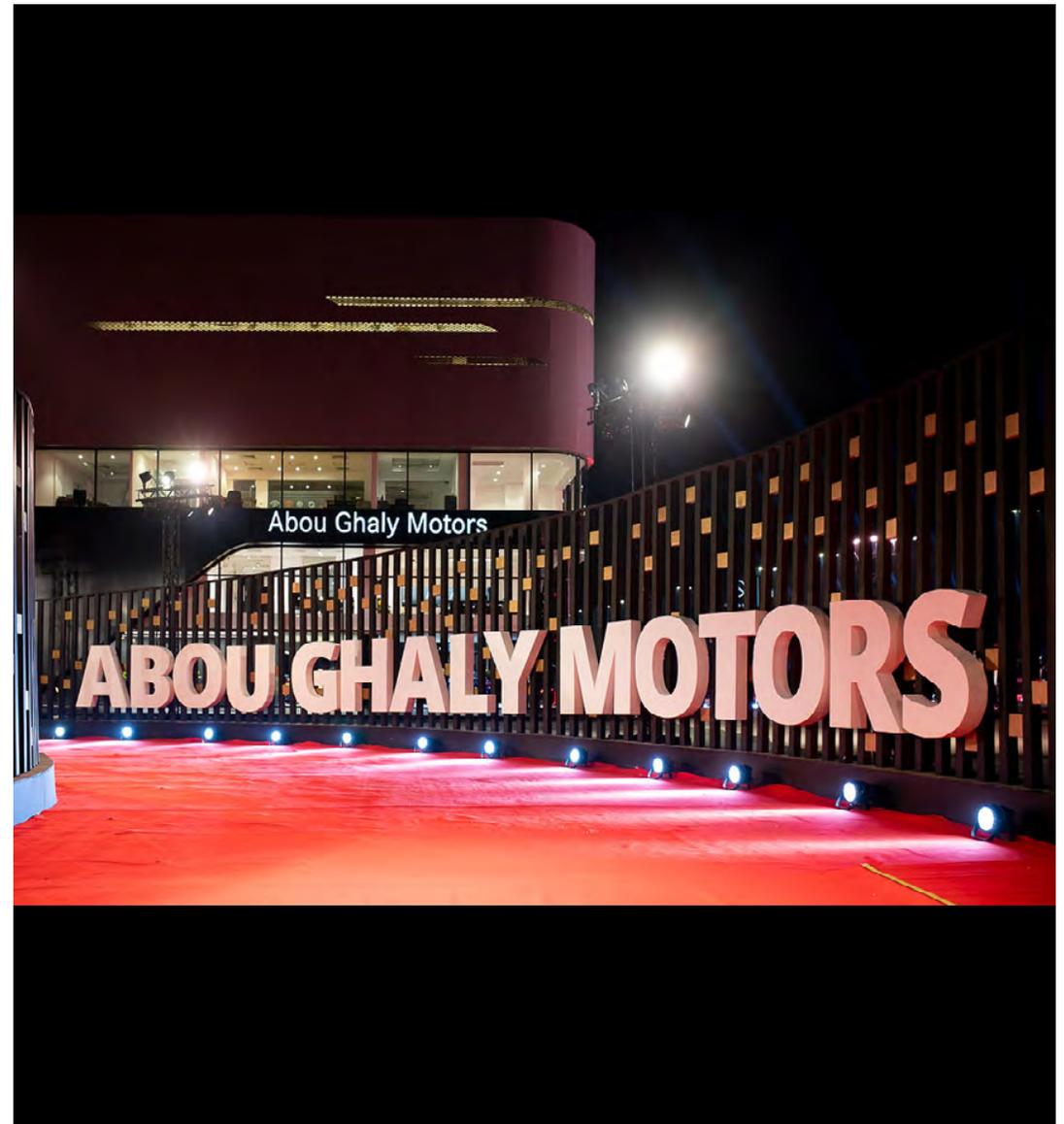
online services that respond in seconds

[Learn more about SAP on IBM Cloud.](#)

Several years ago AGM deployed SAP® ERP Central Component (ECC) software for critical business functions and an SAP Cloud for Customer solution to manage CRM-based sales, service and marketing practices. The SAP solutions ran on a dedicated IBM infrastructure in a data center at the company's Cairo headquarters.

“The decision to adopt SAP software and commit to a long journey was a critical one, but we took the challenge and achieved success,” says Maddah. “Our SAP solutions had to have strong support from a hardware perspective, and that’s why IBM was our choice back then. It gave us an edge, and it supported us for a long time.”

However, a few years ago the company embarked on a digital transformation, and infrastructure connectivity and scalability couldn't keep pace with integration of new capabilities.



Maintaining system performance was a challenge, and users felt the impact.

Internally, the corporate financial department couldn't rapidly run complex reports, and service centers couldn't instantly retrieve customers' vehicle information when they arrived. Integrating added services for the sales teams was also difficult, including functions to promptly notify them of customer requests generated online, such as for quotations and test drives.

Leaders across AGM agreed that the company needed to move its SAP solutions to a cloud platform. "Moving to the cloud is now inevitable. It's a must, not just to speed up business opportunities and processes with a reliable, efficient platform, but to empower future plans," says Maddah.

“Moving to IBM Cloud has helped AGM fast-track our digital transformation. This migration was an important milestone in our journey that, with the support of IBM and SAP, has been met.”

Khaled Maddah, Innovation and Technology Director, Abou Ghaly Motors; Managing Director, Magints

Bare metal infrastructure as a service

In searching for a cloud solution, AGM considered IBM and two other major cloud providers. IBM earned the highest technical assessment score. Inherent to its design, [IBM Cloud®](#) provided the efficiency, scalability and security-rich features to support AGM's enterprise-scale SAP workloads.

In addition, IBM was the only provider that could provide SAP certified, dedicated bare metal infrastructure over the cloud, including the option to use an infrastructure-as-a-service (IaaS) delivery model that provides on-demand compute, network and storage resources. With an IaaS model, the



company has the flexibility to expand IT resources in line with services.

Furthermore, AGM wanted to continue its digital transformation journey with IBM, which it considers a trusted advisor. Maddah notes that the IBM sales and technical team demonstrated their ongoing commitment to the company throughout the sales process, which included multiple rounds of discussions with SAP implementation specialists.

After selecting IBM, AGM leaders planned a two-phase project. In the first phase, AGM would migrate its on-premises SAP ECC solution to IBM Cloud and deploy the SAP HANA® in-memory database to further enhance SAP performance and data-analytics capabilities. The second phase would entail moving all SAP ECC instances to the [SAP S/4HANA®](#) suite on IBM Cloud.

For this first phase, the AGM IT team worked closely with [IBM® Global Technology Services®– Technology Support Services](#) experts and the SAP specialists to migrate the SAP systems to [IBM Cloud Bare Metal Servers](#), a component of the [IBM Cloud for SAP certified infrastructure](#). This entailed moving several SAP ECC modules—including the Finance, Controlling, Customer Service, Human Capital Management, Materials Management, Plant Maintenance, and Sales and Distribution modules—and the SAP Cloud for Customer solution.

With a security-rich, high-performance IBM Cloud foundation, the company can also now more easily integrate new digital features and services, including SAP Cloud for Customer software-as-a-service (SaaS) offerings, with its SAP systems.

The teams had three months to complete the entire migration to IBM

Cloud, from kickoff to preparation to going live. AGM’s core business operations rely on the SAP systems running around the clock, so the final migration stage and testing had to occur over a single weekend. In just a few days, they had to switch off the on-premises production system, export the data and upload it to IBM Cloud, and perform several other checks and testing activities, including setting up reporting functions.

Shehab Ahmed, Enterprise Solutions Manager at Magints, oversees AGM’s ERP systems. “It was challenging, because we needed to achieve a successful implementation on time,” he says. “We did it, and I want to thank the IBM Egypt team for their support. It was a pleasure to work with them.”

Maddah echoes this sentiment. “AGM, IBM and SAP were all one team, pushing toward the same goal. We

could not miss our due date for any reason, yet many of the preparations required cycles of back-and-forth communications, stretching our capabilities,” he says. “The IBM Egypt team sped up processes that normally would take days or weeks, and in the final migration stage they often worked late into the night with our teams. They exhibited exceptional understanding and patience on this journey, which we appreciate so much. I have to keep thanking them.”

The company is now developing the roadmap for the next migration phase to SAP S/4HANA on IBM Cloud. SAP S/4HANA technologies feature built-in intelligent technologies designed to help enterprises like AGM embrace digitization, while IBM Cloud can provide a flexible, security-rich and high-performance platform, backed by world-class services, to support the SAP S/4HANA suite.

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Shehab Ahmed, Enterprise Solutions Manager, Magints

Dramatically improved user experiences

With its SAP ECC workloads running on IBM Cloud and supported by the SAP HANA database, AGM is positioned to provide optimal experiences to employees and customers alike. Corporate accountants, for example, can execute complex financial reports up to 99% faster. Branch and service center employees can access customer data in seconds. And the IT team can focus on strategic initiatives rather than managing and maintaining an on-premises infrastructure.

The company can also better meet consumers' expectations for reliable,

seamless online services. "Using our mobile app while resting on the couch late at night, they can find detailed product information and perform other tasks that save them valuable time," says Maddah. These IBM Cloud-enabled differentiators are critical to helping AGM grow faster and maintain customer satisfaction not just in Egypt but also across the Middle East region.

With the SAP migration to IBM Cloud completed, the company is freed to pursue the next steps in its transformation. In addition to moving to a SAP S/4HANA solution, the

AGM roadmap includes potentially launching a customer-facing virtual assistant and an analytics-driven executive dashboard. To support these and other innovative projects, the company can access [IBM Watson®](#) services over IBM Cloud.

"Moving to IBM Cloud has helped AGM fast-track our digital transformation," comments Maddah. "This migration was an important milestone in our journey that, with the support of IBM and SAP, has been met. Now, we can focus on bigger objectives and bigger targets."



About Abou Ghaly Motors (AGM)

Based in Cairo, Egypt, [AGM](#) (external link) provides integrated mobility solutions to meet customers' evolving needs while ensuring optimum quality and safety services. It is the official distributor of Mercedes-Benz, Chrysler, Jeep, Dodge, Ram Trucks, Alfa Romeo and Subaru in Egypt. Founded in 1980, AGM has approximately 1,000 employees who serve more than 250,000 customers.

Solution components

- IBM Cloud®
- IBM Cloud Bare Metal Servers
- IBM Services®
- IBM Watson®
- SAP Cloud for Customer
- SAP ERP Central Component (ECC) on HANA
- SAP on IBM Cloud
- SAP S/4HANA

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