

Chapter 8

Supporting the Sales Process with SAP

Who has worked in B2B sales?

Do any of the issues at Chuck's Bikes before the implementation of SAP resonate with you?

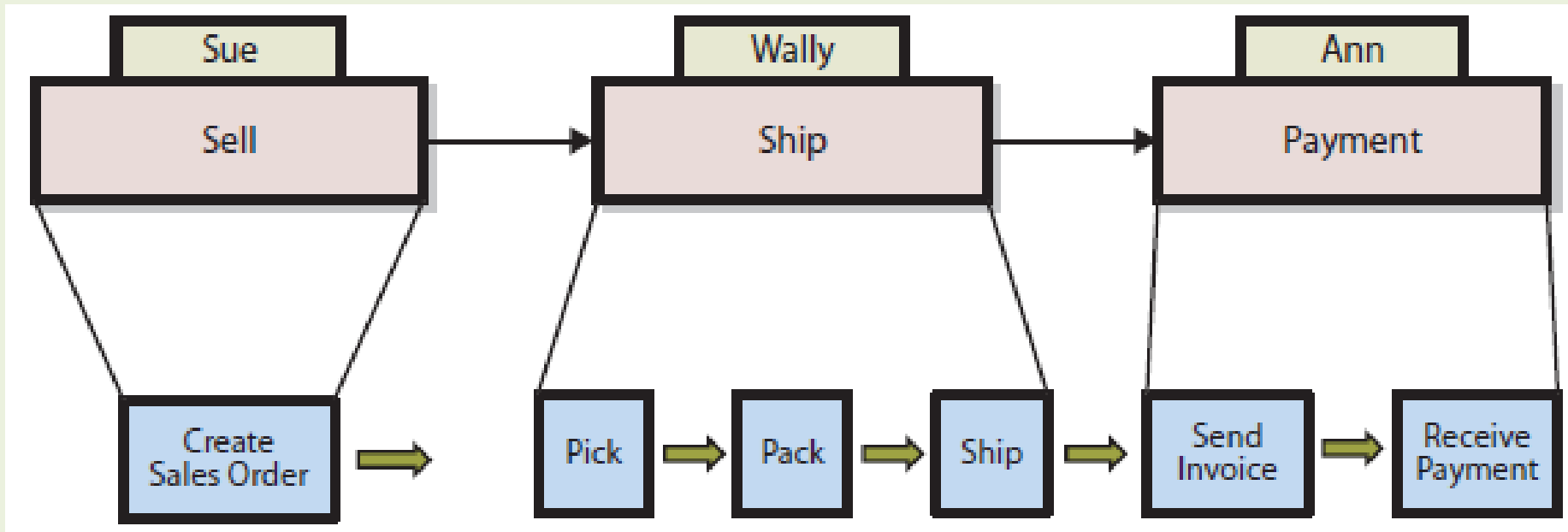
What Are the Fundamentals of a Sales Process?

Primary Activity	Description	Process & Chapter
Inbound logistics	Receiving, storing, and disseminating inputs to the product	Procurement, Chapter 7
Operations	Transforming inputs into the final product	
Outbound logistics	Collecting, storing, and physically distributing the product to buyers	
Sales and marketing	Inducing buyers to purchase the product and providing the means for them to do so	Sales, Chapter 8
Customer service	Assisting customers use of the product and thus maintaining and enhancing the product's value	

Figure 8-2
Sales Process
Within the Value
Chain of CBI

What Are the Fundamentals of a Sales Process?

“For a business, sales is the most important process. Without sales, no one gets paid and buildings go dark”



Pre-Sales

- Sue and other sales reps
 - Contact customers
 - Give price quotes
 - Verify product availability
 - Check special terms
 - Confirm deliver options
 - Pray
- If the customer decides to buy...

Sales Order

03/21/2012

With a sales order in hand, is it time for Sue to head to Maxi's and buy a round of drinks or could it be a little too soon for that?

TO

**Heartland
Bike**

SHIP
TO

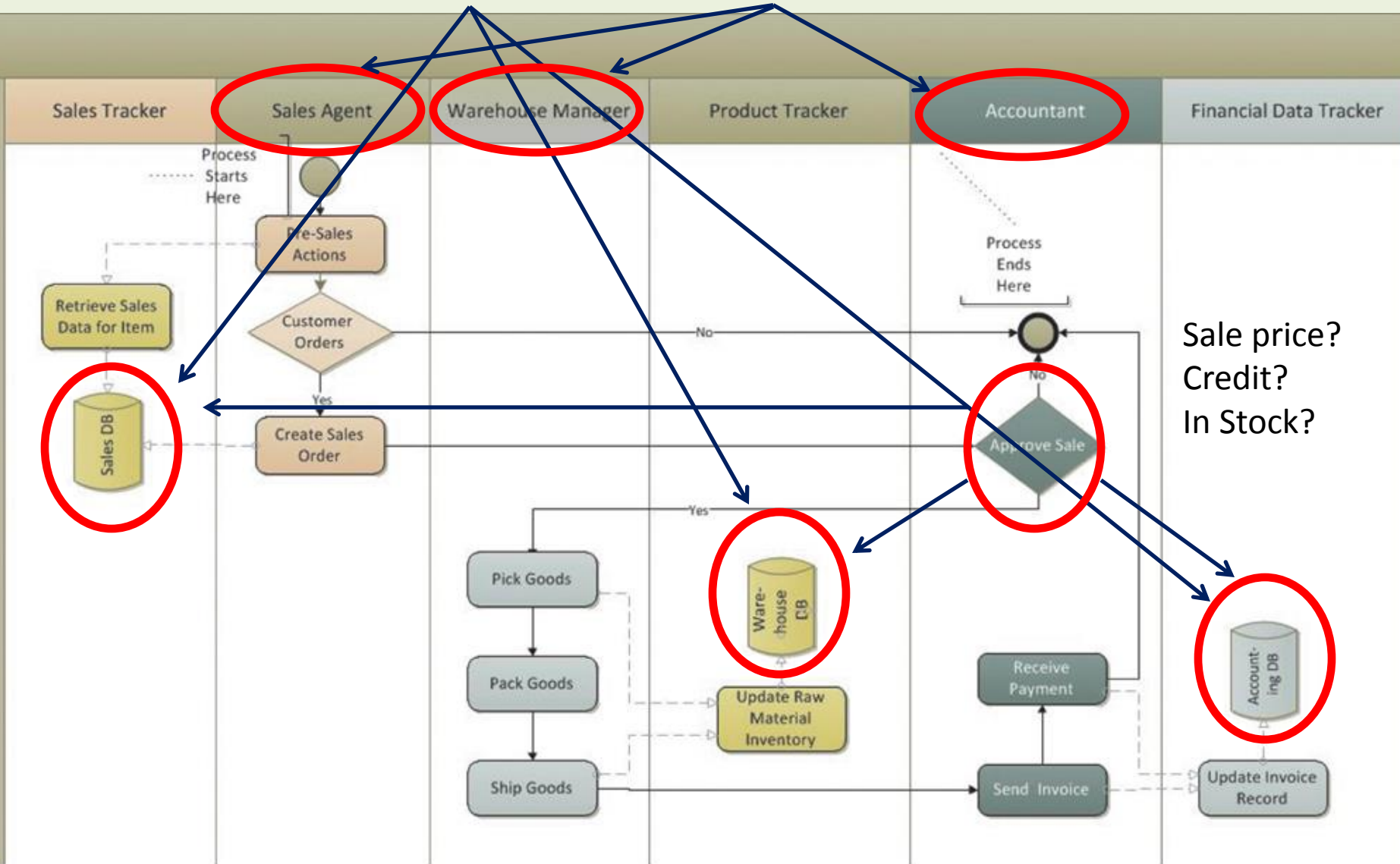
**Heartland
Bike**

Salesperson	Job	Shipping Method	Shipping Terms	Delivery Date	Payment Terms	Due Date
Sue					Due on receipt	

Qty	Item #	Description	Unit Price	Discount	Line Total
50	TXTR1001	Stream N3 28	\$300		\$15,000

3 Information Silos

3 People

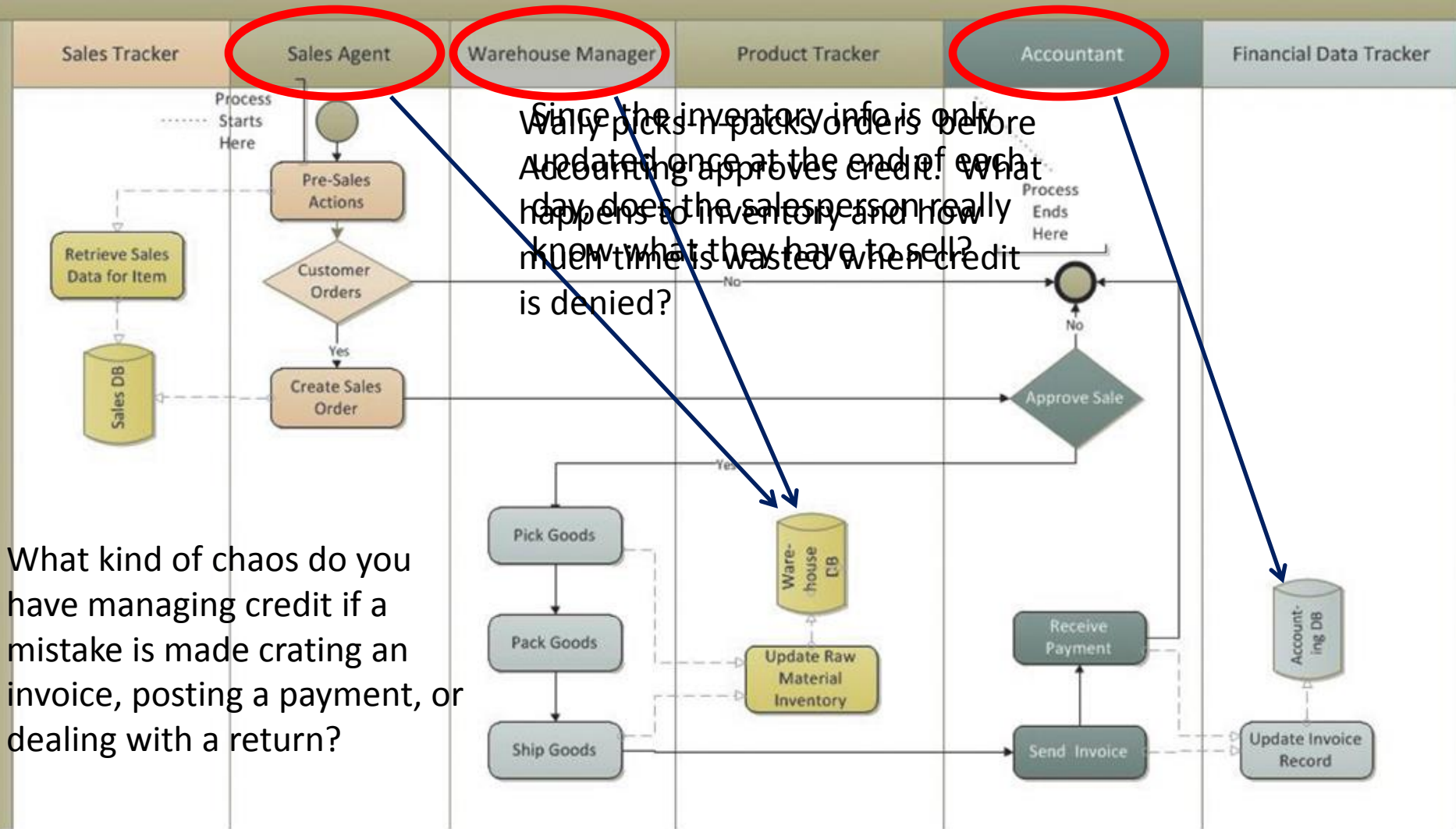


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Scenario

- Inventory only updated once at the end of each day
- When Sue sold 50 bikes, inventory showed 55 available but 10 bikes sold earlier in the day to a small company
- Accounting knew about the earlier sale and had to cancel the order for their biggest customer because they only had 45 bikes
- Big customer didn't need bikes for a few weeks but frames discontinued and nobody told sales to stop selling these bikes.

Is this the "well oiled machine"?



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What Were the Problems with the Sales Process Before SAP?

Role	Problems
Sales	No current inventory data Input errors
Warehouse	Pick and pack for new customers is inefficient if sale is cancelled No way to share production or supply issues and delays
Accounting	Time spent on invoice and other errors New customer delays

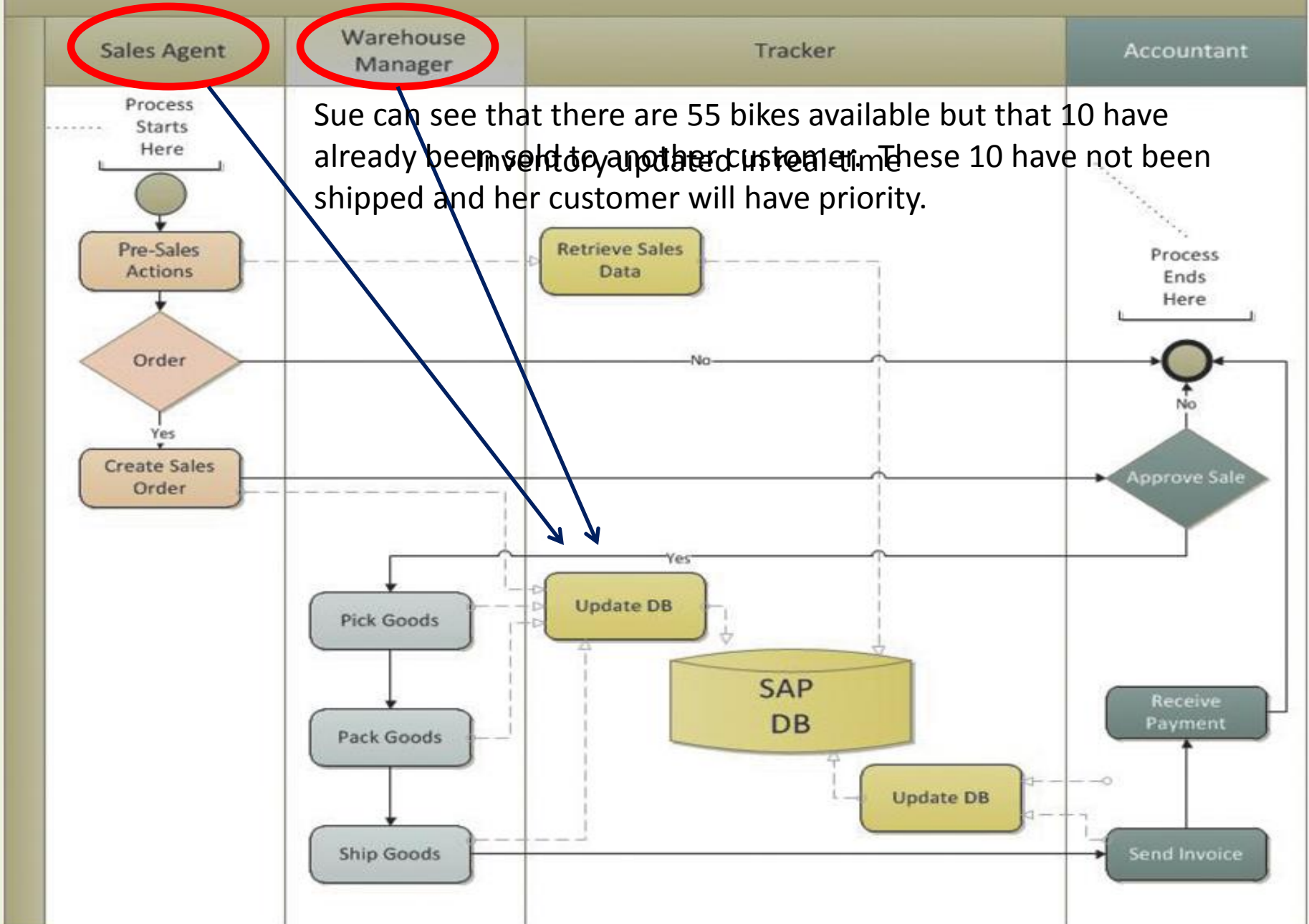
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How Does CBI Implement SAP?

Objective	Measure
Efficiency	
Fewer cancelled sales	Percentage of cancelled sales
Effectiveness	
Faster customer response	Elapsed time for order to arrival Percentage of sales of first-year products
Reduce cancelled sales to top customers	Cancelled sales to top 20 retailers

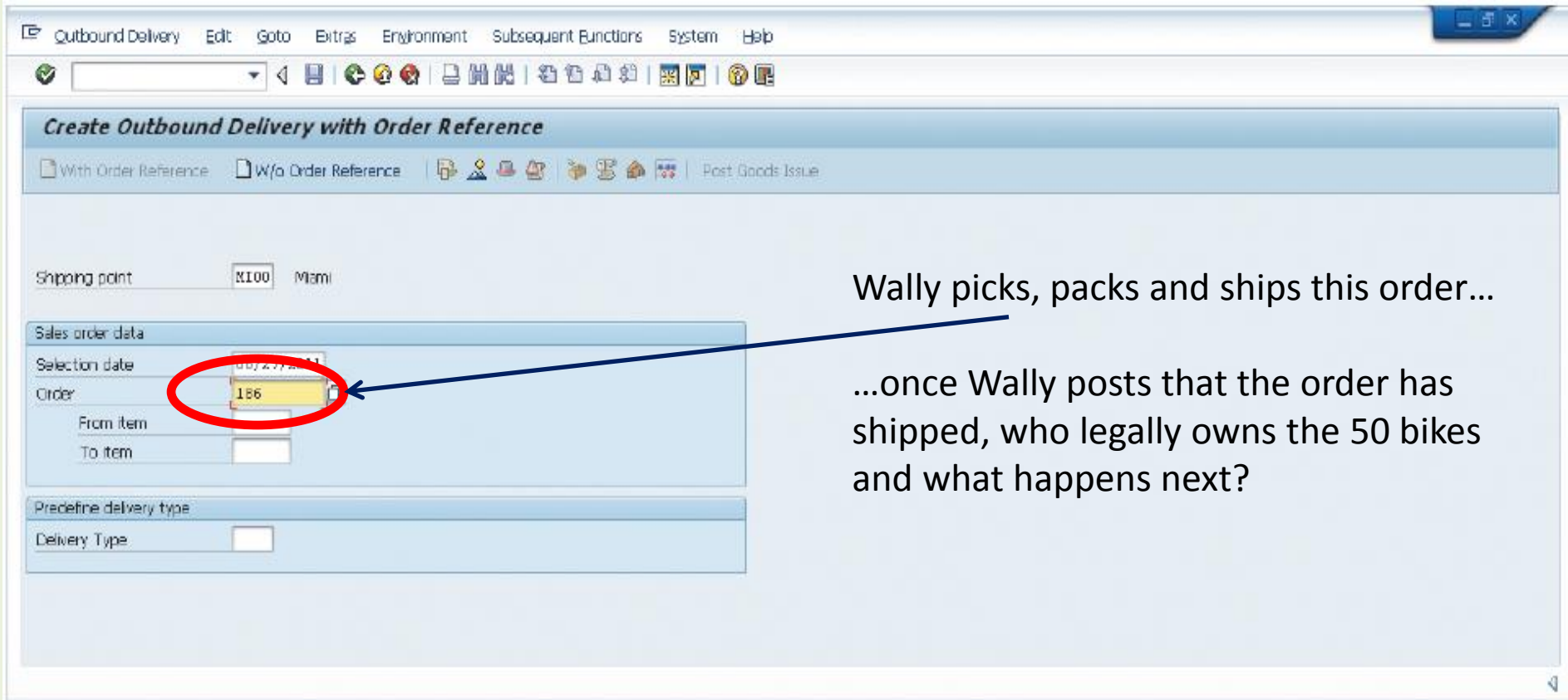
Figure 8-7

Objectives and **Measures** for the New Sales Process



Sue can see that there are 55 bikes available but that 10 have already been sold to another customer. These 10 have not been shipped and her customer will have priority.

How Does the Sales Process Work at CBI After SAP?



The screenshot shows the SAP 'Create Outbound Delivery with Order Reference' interface. The 'Shipping point' is set to 'MI00 Miami'. Under 'Sales order data', the 'Order' field is highlighted with a red circle and contains the value '156'. A blue arrow points from the text 'Wally picks, packs and ships this order...' to the '156' in the 'Order' field. Another blue arrow points from the text '...once Wally posts that the order has shipped, who legally owns the 50 bikes and what happens next?' to the same '156'.

Outbound Delivery Edit Goto Extras Environment Subsequent Functions System Help

Create Outbound Delivery with Order Reference

With Order Reference W/o Order Reference Post Goods Issue

Shipping point MI00 Miami

Sales order data

Selection date 07/27/2013

Order 156

From item

To item

Predefine delivery type

Delivery Type

Wally picks, packs and ships this order...

...once Wally posts that the order has shipped, who legally owns the 50 bikes and what happens next?



Maintain Billing Due List

DisplayBillList DisplayVariants

Billing Data

Billing Date from	<input type="text"/>	to	<input type="text" value="06/20/2011"/>	
Billing Type	<input type="text"/>	to	<input type="text"/>	
SD Document	<input type="text"/>	to	<input type="text"/>	

Selection Default Data Batch and Update

Organizat. Data

Sales Organization	<input type="text" value="UE00"/>			
Distribution channel	<input type="text"/>	to	<input type="text"/>	
Division	<input type="text"/>	to	<input type="text"/>	
Shipping point	<input type="text"/>	to	<input type="text"/>	

Customer Data

Sold-To Party	<input type="text" value="25056"/>	to	<input type="text"/>	
Destination country	<input type="text"/>	to	<input type="text"/>	
Sort Criterion	<input type="text"/>	to	<input type="text"/>	

Documents to be selected

<input type="checkbox"/> Order-related	<input checked="" type="checkbox"/> Delivery-related	<input type="checkbox"/> Rebate-related
<input type="checkbox"/> Intercompany Billing	<input type="checkbox"/> No docs with billing block	<input type="checkbox"/> Docs with SES Status

The text says that accounting receives a message and generates an invoice but seriously, do I really need anyone to do this if everything I need to generate the invoice is in SAP?

Do I print out and invoice and mail it ? Could I have shipped it with the order? Can I send it to them electronically and get my cash sooner?

How Does the Sales Process Work at CBI After SAP?

Post Incoming Payments: Header Data

Process open items

Document Date	06/20/2011	Type	DZ	Company Code	<input checked="" type="checkbox"/>
Posting Date	06/20/2011	Period		Currency/Rate	<input checked="" type="checkbox"/>
Document Number				Transltn Date	
Reference				Cross-CC no.	
Doc. Header Text				Trading Part. BA	
Clearing text					

Bank data

Account	100000	Business Area	
Amount	15000	Amount in LC	
Bank charges		LC bank charges	
Value Date		Profit Center	
Text		Assignment	

Open item selection

Account	25056
Account Type	D <input type="checkbox"/> Other accounts
Special G/L ind	<input type="checkbox"/> <input checked="" type="checkbox"/> Standard OIs
Print advice no.	
<input type="checkbox"/> Distribute by age	
<input type="checkbox"/> Automatic search	
<input type="checkbox"/> Invoice Summary	

Additional selections

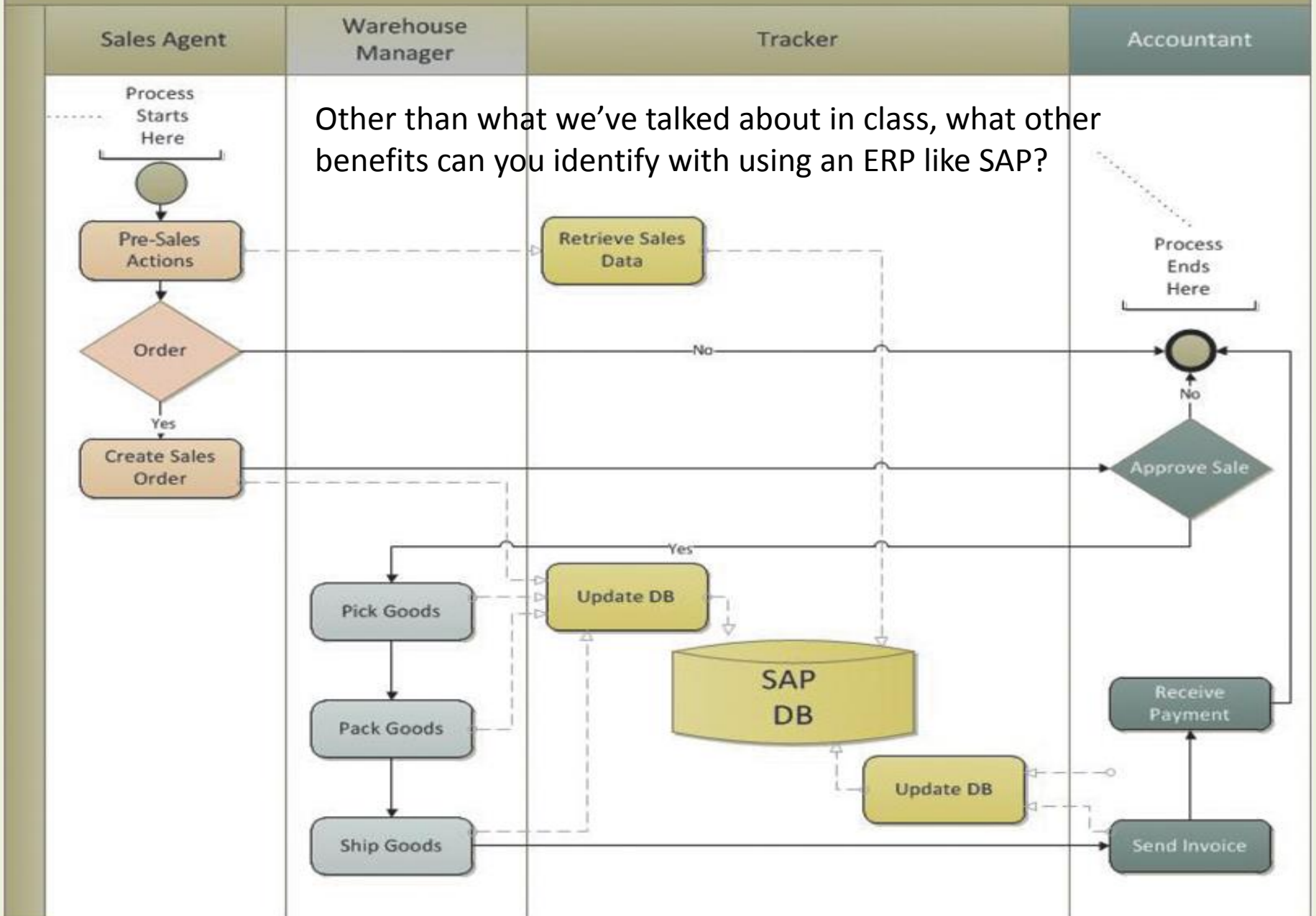
- None
- Amount
- Document Number
- Posting Date
- Dunning Area
- Others

If the customer sends me a check then I do need a clerk to post it.

If the customer sends me an electronic payment, how many people do I need to post the payment?

How Can SAP Improve the Integration of Customer-Facing Processes at CBI?

- Integration of Customer-Facing Processes
- Improving Customer-Facing Process Integration by Sharing Data
- Improving Customer-Facing Process Increasing Process Synergy
- SAP Integration Problems with Emerging Technologies
- Integration Challenges and Lessons



How Can SAP Improve the Integration of Customer-Facing Processes at CBI?

- Integration of Customer-Facing Processes
 - Customer Relationship Management (CRM)

Process Scope	Customer-Facing Processes
Operational	Promotion Sales Service
Managerial	Promotional Discounting Service Trends
Strategic	New Product Launch Promotion Evaluation

Figure 8-15 Sample of Customer-Facing Processes