



Bridge the gap

Connecting front and back office
functions with SAP C/4HANA



In partnership with:



Bridge the gap for a seamless customer experience

Everyone wants to give – and receive – a great customer experience (CX). It's the *raison d'être* of so much of today's exciting CX tech innovation. It's also the result of many of those same innovations, giving consumers more choice than ever of where and when to buy products and services. Now a new CX era is underway for organizations with an investment in SAP and a determination to meet insatiable consumer demands for speed, relevance and personalization.

Giving customers what they want

Customers expect to be engaged knowledgeably and efficiently at every single touchpoint with your organization. This knowledge is important because it provides the right context and background, as well as a reason for your customers to trust you. Simple generic interaction is not going to thrill today's consumers. They expect and demand more personal products and services. They need to be amazed by the deep knowledge you have about them and their unique needs and expectations. They want you to be their personal shopper. At the same time, they should be able to trust you with their personal data and daily activities and believe in your expertise to use that information carefully to serve them better.

Meeting these new customer expectations demands a clear picture of the customer journey. Where are they in their life cycle with your organization? In addition to traditional face-to-face engagements, this requires side-by-side engagement as you 'walk with them' across several channels and touchpoints on their journey with you.

To achieve this, you need data and insights beyond simply sales and service information. You need a broader perspective encompassing everything that has an impact on the customer journey. A seamless flow of data and information from the online search and marketing advertisements, to initial customer order, through stock availability and on to delivery and after-sales services should all be part of one integrated customer journey.

Only then will it be truly possible to understand and be a partner to your customer. If you understand and can predict the customer journey, you know where they're going next – what are their future challenges and opportunities, what are they likely to buy, and how can you collaborate and co-create products and services for their future needs?

This is a new era in customer engagement. SAP has responded by pushing forward with a transformation of its SAP CX product portfolio. This is being implemented via the SAP C/4HANA offering – five distinct cloud-based solutions (Marketing, Sales, Commerce, Services and Customer Data). It reflects SAP's strategy to move clients from traditional on-premises architecture to the 'digital core' with its S/4HANA platform.

This CX focus on cloud shouldn't come as a surprise. After all, cloud is a crucial enabler of an increasingly personalized customer experience in our new, digitally connected world. In this context, SAP's decision has big ramifications for users of its SAP CX product portfolio.

In this Point of View, we will be discussing:

- What these ramifications are and why the time to move to the cloud for a better customer experience is now.
- How the SAP CX portfolio – extending from first customer contact, through purchase of products and services, to post-purchase processes – bridges the gap between front- and back-office functions.
- The different starting points for organizations seeking to improve their control and usage of customer data in the SAP landscape with C/4HANA.
- Best practices for making the move to the SAP C/4HANA clouds – either as standalone solutions or integrated into a cohesive landscape.

Turning data into customer knowledge

How do you build an end-to-end picture of your customers? In terms of buying patterns and brand loyalty, we are starting to see companies using artificial intelligence (AI) to build customer understanding and even predict next steps before the customer is aware of this need. A recent Capgemini report into the [impact of AI on customer experience](#) cites 'customer understanding' as one of the key domains in which to apply AI for CX. It states that AI can be used to



continuously enrich and provide a holistic view of the customer with additional actionable insights (social personality traits, tone and sentiment towards the brand, behavior patterns, propensity to purchase / lifetime value) for increased individual and proactive engagement”.

This level of knowledge is superb for building customer intimacy. Yet there is a challenge that must be addressed first. Without the seamless flow of data from the front office to the back office enabling that data to be turned into insights and knowledge, the relationship can fail. This has given rise to a pressing need to revisit how data flows efficiently between the front office and back office applications in the SAP landscape (whether on-premises or in the cloud). Moving to SAP C/4HANA can bridge this gap as more and more organizations embrace the SAP S/4HANA as their preferred platform.

That's because C/4HANA is built on the premise that the end-to-end processes forming the complete customer journey don't solely run in the front end. Neither are they purely backend processes. Rather, process steps overlap as data is (or should be) shared between front- and back-offices. For example, a customer-facing front office employee might need to know a customer's

credit history before pushing the button on a sale. The sales order creation process is thus dependent on a credit-check process. Or delivery to a customer could be dependent on a process between the warehouse and logistics function that manages and communicates on stock availability. At the same time, just a simple order entry is unlikely to provide the 'thrill' a customer is expecting. Bespoke configuration might need to be part of the touchpoint, the so called CPQ (Configure, Price, Quote).

There may be competing KPIs for front- and back-office employees. Sales teams may demand as much stock as possible of different product variants to instantaneously fulfil a customer order. Warehouse and instore teams may want to cut down on the inventory to keep it as low as is feasibly possible. Such scenarios further underline the importance of enabling seamless data standards and processes between an organization's front- and back-office operations.

The problem with this is that while the theory of an integrated data flow can't be faulted, in practice it's not so easy to achieve. Traditional lines of business (LOBs) continue to operate in silos. The backend and front-end typically utilize different data models, processes and governance mechanisms. In many cases different functions are using different vendor data products and systems, each with their own format and language. It's a bit like trying to have a conversation in a foreign language that you don't speak. Without an interpreter, conversation isn't possible.

The above scenarios are familiar to organizations worldwide. Customer dissatisfaction and churn are direct outcomes of this. Employee frustration is another. People just want to get the job done but are being hampered by disconnected data flows. The key is to turn disconnected data streams into a single connected customer journey on which all parties speak the same language and use the same data structure and processes. Step forward SAP C/4HANA.

Customer Platform Framework

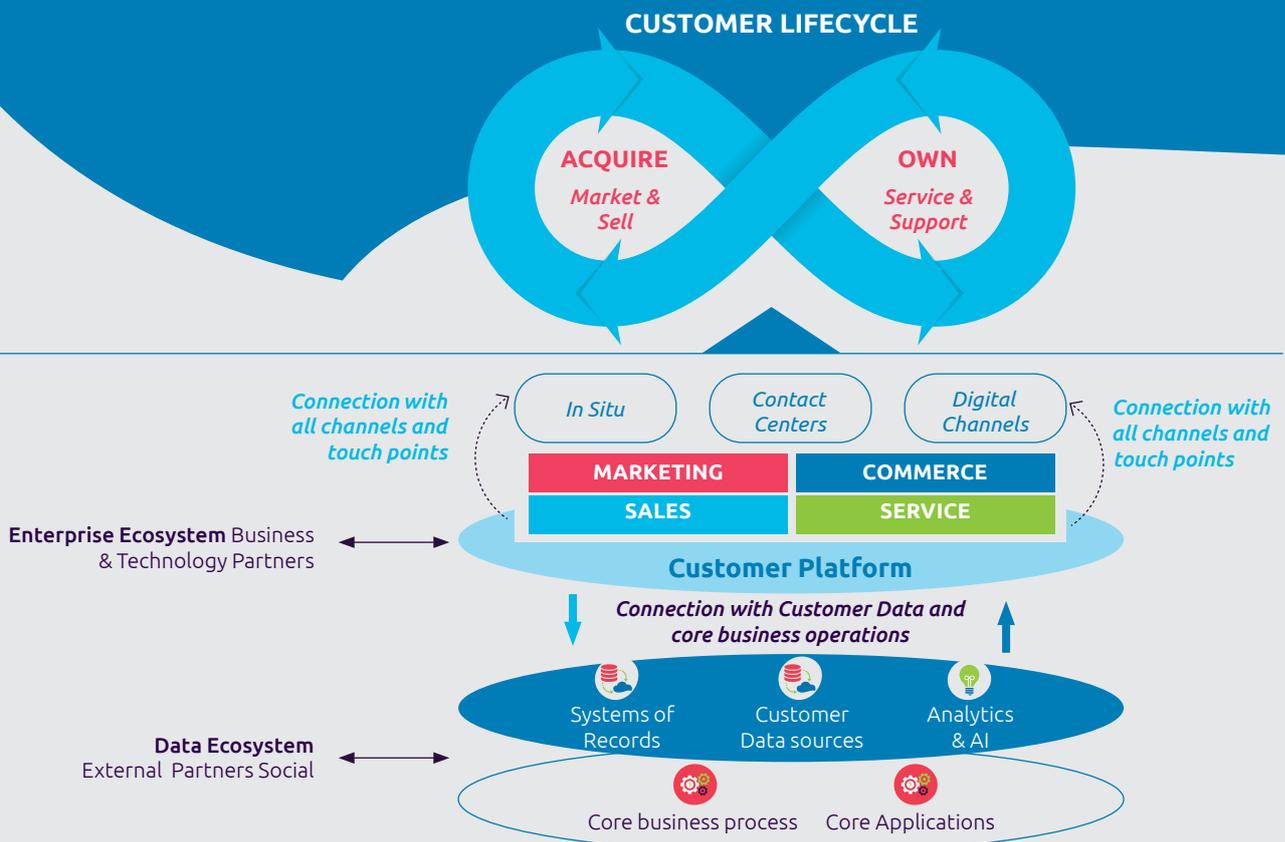
Capgemini's Customer Platform Framework is the key to delivering a personal and engaging experience to each customer.

The Customer Platform Framework seamlessly connects Marketing, Sales, Service and Commerce solutions with touch-points, data and processes, for delivering engaging and personal experiences to each customer. It helps organizations provide compelling customer journeys across channels and touch-points while enabling augmented employees, leading to customer loyalty, increased sales and efficiency.

Intrinsically, the Customer Data Hub becomes the new way to connect the Customer Platform with customer data. It is a key lever to ensuring businesses' agility, efficiency and collaboration with external partners. The hub delivers on key metrics such as personal and

contextualized experience, unified and actionable customer view, closed-loop CX measurement, collaboration with partner platforms, and flexibility to add or modify applications that support new or emerging customer journeys.

The Experience Engine powers the Customer Platform by combining user interfaces, customer data and insights with business operations to deliver a differentiating CX. Finally, the Integration layer connects the Customer Platform with the whole Enterprise ecosystem. It connects customer journeys and processes with core enterprise systems while supporting features such as API management, orchestration middleware, security, and managed services to enable quick "plug and play" of solutions and business services.



Starting the C/4HANA journey

SAP C/4HANA is the cloud-based product portfolio within SAP's Customer Experience (CX) front-end suite.

We recognize that there are several different starting points for organizations seeking to improve the control and usage of customer data in the SAP landscape. Some will be using on-prem SAP solutions for Marketing, Sales, Commerce and Services and have yet to align this functionality with the current SAP strategy. Others will have made a heavy investment in SAP and perhaps are starting to move towards SAP S/4HANA. In both cases, a 'next step' to ensure a seamless customer experience with digital/cloud is to move to SAP C/4HANA.

Either way, at Capgemini, we believe making the move shouldn't be a big deal. Rather, it should be a natural progression – an evolution of your cloud journey with SAP. Importantly, the time to make this move is now, not when existing on-prem solutions become obsolete. The maturity of today's cloud offerings makes this a sound business move. Why? Because enterprise applications in the cloud, including those for CX, now have all the features that were previously only available on premise.

Crucially, while it is a cloud offering, SAP C/4HANA speaks the same SAP language as other SAP solutions, whether on-premises or in the cloud. This makes the process of data integration between front- and back-office easier to bring about. [The SAP Cloud Platform Integration \(CPI\)](#) product helps to integrate processes and data between cloud apps, third party applications and on-premises solutions. This open, flexible, on-demand integration system runs as a core service on the SAP Cloud Platform. The CPI layer offers middleware/ preconfigured packages, with standard interfaces through which the SAP CX solutions can be connected to the back-office ERP, financial, logistics and warehouse solutions.

In essence, this CPI layer bridges the gap between the C/4HANA (front end solutions) and S/4HANA (backend solutions). What's more, because both are SAP, it becomes quicker and easier to respond to new market drivers/ business demands, etc. Each interface provides a rich set of data fields for specific and to-be-applied business scenarios, providing an ability to tailor them as you need.

What if you don't have an SAP CX front end, but are using S/4HANA for your back office? Or vice versa, what if you want to start your migration to cloud with C/4HANA, but don't want to go wholly over to S/4HANA? There are understandably architecture challenges with these scenarios, and it becomes a more complex and costly integration. Nonetheless, it is possible to build integrated data flows in this landscape.

The CPI layer provides well-orchestrated tools to cope with these challenges. One of the main requirements is to align the specific data models that each side has. This begs the question of whether you need to upgrade the backend before you can start with C/4HANA. The answer is no. You might need to install service packs and notes, but upgrade is not mandatory. This gives you a quick start with the C/4HANA suite. You might not be able to utilize all the possibilities, but all the main integrations are available.



Taking the next step towards bridging the data gap

The previous pages might suggest that integrating processes and data on the customer journey is a fairly simple matter within the context of SAP. However, any integration is complex, whether in a wholly SAP or a hybrid SAP/other landscape.

One of the first challenges to address is around speed. Different departments in the business will have different priorities. For example, Sales and Marketing in the front office inevitably want to target customers as quickly as possible. They want an agile approach to rolling out new products and services and related customer campaigns. That's why they need solutions, such as C/4HANA – and they want it now, not tomorrow. IT, on the other hand, leans towards stability and slower, or even less, change. They are more concerned about defining a closely-knit phased integration approach rather than going big bang.

This idea of front- and back-office functions running at their own pace is what your organization needs to address. A dynamic front end combined with stable backend processes allow you to continuously innovate and differentiate your products and services.

How you address these differences is part of the wider transformation story. Capgemini takes on board the different IT and business priorities from the outset. However, we also believe this must be business-driven first. Implementing an SAP CX solution and integrating it with S/4HANA or other ERP system is first and foremost about improving the customer experience – a business priority.

That's why we typically begin by measuring the maturity of an organization's customer experience (CX) landscape. Our pre-built Engagement Index Framework helps us to identify the changes needed to transform a client's CX initiatives and improve the overall CX. What data issues do we need to fix? What specific customer journeys and touchpoints do we need to build into the integrated data flows – from front- to back-office? What processes do we need to enhance or even replace to ensure seamless end-to-end customer journeys?



Managing customizations

While we advise our clients to adopt the full C/4HANA suite when they make the move, we're also aware that many organizations have made investments in other front-office solutions for Marketing, Sales, Commerce and Services that they want to retain. This can be for several reasons, not least the level of customization they might have made on their front-end platforms over the years. What's interesting here is that many of the reasons for past customizations are now incorporated as features in SAP C/4HANA, so it's worth investigating these before making any decision.

Nonetheless, there's an understandable fear that the customizations people have become used to might be lost with a switch from an incumbent tech provider to SAP technology. That fear is surmountable with the right processes for moving wholly to C/4HANA. Also, the beauty of the C/4HANA portfolio is that it will integrate with different technologies. So, for example, if you want to implement the SAP C/4HANA Customer Data Cloud to turn anonymous visitors into loyal customers, while retaining your current on-prem marketing platform, you can.

This applies to any of the five C/4HANA clouds. For example, you may have made the decision that now's the time to modernize your eCommerce activities. You can adopt the C/4HANA Commerce Cloud while retaining other on-premises solutions for the time being. This 'time being' is worth re-iterating because, in the end, we believe that if you've invested in SAP as your core digital platform, it ultimately makes sense to move all your front-office solutions across to the

cloud. For starters, you'll benefit from the intuitive user interface that's a feature of C/4HANA, as well as speed of deployment in the cloud.

That's not all. The *raison d'être* of C/4HANA – that of delivering a great customer experience – is a foregone conclusion because implementing the full C/4HANA suite supports a seamless customer journey. As well as automating sales, it's an opportunity to build a 360-degree view of each customer, at every touchpoint.



Delivering the right customer outcomes with SAP and Capgemini

At Capgemini we're aware that being a great retailer, financial services provider, or manufacturer of market-leading products (both consumer and industrial goods) requires you to put your customers at the heart of your operations. You need to create connected experiences that transform the customer journey. Understanding how to efficiently integrate the processes in both the front- and back-office functions of your organization demands a holistic perspective, as well as IT departments with architects and designers who understand the end-to-end business processes.

The business is in the driving seat supported by IT. Processes will be changed. To get the organization on the same track and speed, change management is of the essence. After all, it doesn't make sense to have a new state of the art solution that your employees don't know how to maximize.

That's what Capgemini brings to the table. As a global SAP implementation partner, we work with our clients to help them manage the change and make the right connections across their entire enterprise. With these connections between both back- and front-offices, they can create experiences that deliver rapid and sustainable value for their customers and businesses.

Ultimately, what's important is that by bridging the gap between the front- and back-end, our clients rapidly derive the benefits promised by SAP C/4HANA. These include building better relationships with customers by improving the control of data and its usage and using AI to point out promising opportunities. Other outcomes include automating sales, reducing TCO, and building a seamless customer journey from first point of contact, through purchase, to delivery and aftercare.

The huge value of getting data and process integration right on this customer journey is clear. Quite simply, a better customer experience is good for business. [In our own research](#), we found a direct correlation between companies' customer engagement orientation and their financial performance, with the highest customer engagement capability outperforming the lowest in valuation growth. We also found that better CX results in a higher stock market valuation.



Best practices for the successful adoption of C/4HANA

Our change management expertise enables clients to quickly get into shape with their C/4HANA implementations. For example, our three-step process - Engage, Enhance and Expand - has been designed to move organizations currently using on-premises SAP Commerce solution reliably and sustainably to C/4HANA. With this we Enable the move to the

C/4HANA cloud solution, then we Enhance the applications that have moved across to ensure they can leverage new cloud features, after which we Expand the application portfolio with new C/4HANA features. You can find out more about this [three-step process here](#).

A continuously collaborative way of working is in our DNA - we co-construct C/4HANA cloud solutions to ensure upfront alignment with your cloud strategy:

PLAN and DESIGN

- Understand, analyze and prioritize your CX requirements in Marketing, Sales, Commerce and Services functions
- Create a change advisory board (including both S/4HANA and C/4HANA experts) to ensure you stay close to the SAP best practices
- Embrace C/4HANA updates with SAP standard releases

DELIVER and ENABLE

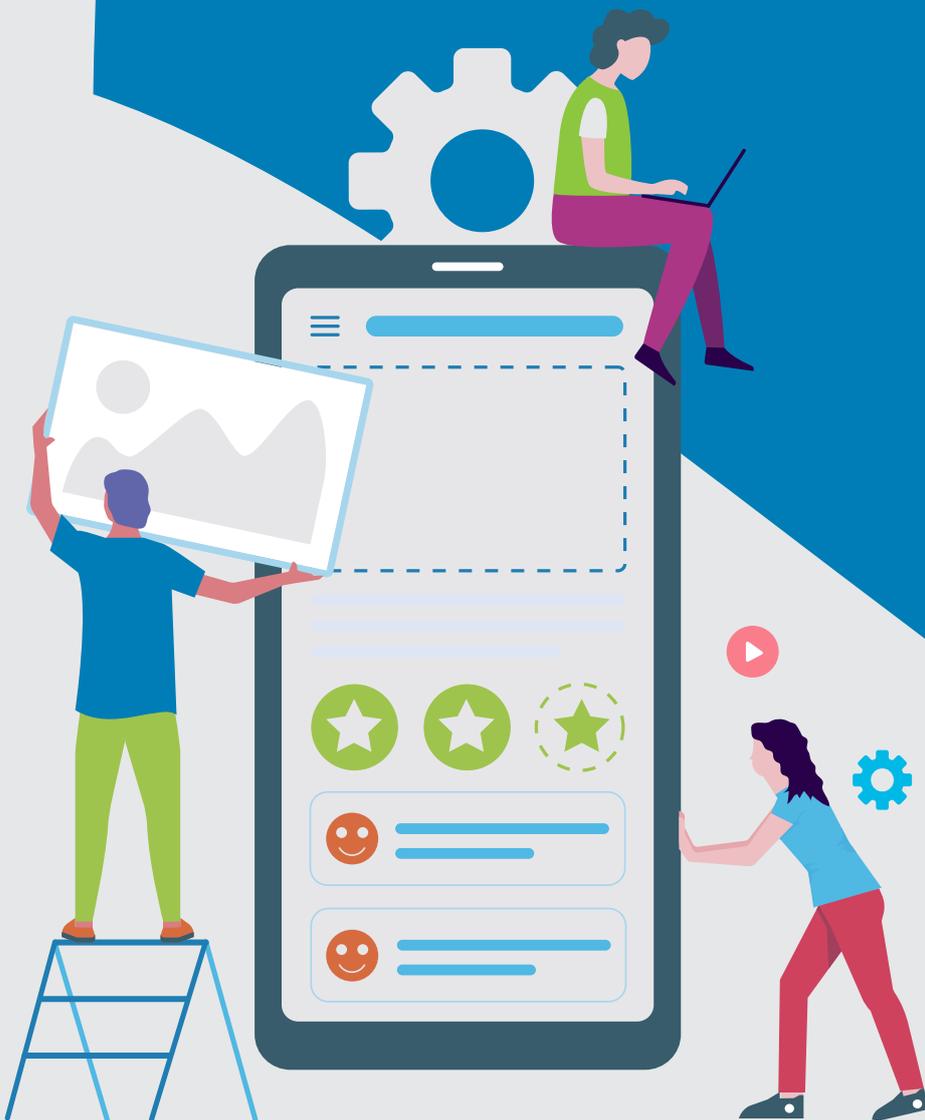
- Move your existing on-prem (CRM, eCommerce) applications 'as-is' with all functionalities to the cloud
- Adapt the solution features to align with specific customer expectations
- Challenge current processes with a focus on change management as an enabler of the transformation

OPERATE and OPTIMIZE

- Maintain a focus on quality and effectiveness to maximize business impact
- Enable your migrated applications to leverage new and enhanced features of C/4HANA cloud solutions
- Continually evolve to optimize and extend the solution for a differentiated CX

Finally, getting your processes running in C/4HANA is just the start. It's no longer a journey, it's a lifestyle. You need to adjust and change as the market changes to ensure your SAP CX solution continues to support you in delivering an extraordinary customer experience.

Get in touch to find out how Capgemini can help you build a seamless customer journey leveraging SAP C/4HANA to deliver a unified customer experience.





About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of over 200,000 team members in more than 40 countries. The Group reported 2018 global revenues of EUR 13.2 billion.

Visit us at

www.capgemini.com

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People matter, results count.

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