



## Insider Profile

# American Snack Company Saves Millions by Improving SAP TM User Experience

*Cloud-based user experience management software from Knoa helps logistics and warehousing better leverage SAP Transportation Management*

by Pierce Owen, VP of Research and Publishing, SAPinsider | February 2020

Approximately 23% of SAP customers currently use SAP Transportation Management (SAP TM) according to SAPinsider's "[Transforming the Intelligent Supply Chain](#)" research. This makes it the second most popular SAP supply chain product after SAP Advanced Planning and Optimization (SAP APO). SAP customers that use SAP TM are 83% more likely to focus on digital transformation of the supply chain than those who do not use SAP TM.

Some businesses, however, do not at first see the results they expect when using tools like SAP TM — for instance, one American multinational snack company used SAP TM as part of a digital transformation, but did not realize the expected business value. Why is this? To answer this question, and address the root cause, the company turned to [Knoa Software](#).

SAPinsider recently interviewed Adrienne Racanelli, Account Executive at Knoa about the case of this snack company. This research brief shares the story of how the snack company was able to improve the user experience, and better leverage SAP TM for

supply chain visibility, transparency, and collaboration with its suppliers and customers to better plan truck loads and deliveries.

## Consistent Delays in Deliveries Weaken the Customer Experience

With aims to manage its supply chain at a world-class level with few to no delays, the snack company underwent a digital transformation. One of the goals of this transformation was to achieve a supply chain led by the needs of its customers, and to accomplish this, the company implemented SAP TM, which helps organizations plan truck loads and routes, consolidate orders, and improve real-time visibility into all transportation and shipping.

Unfortunately, even after implementing SAP TM, this snack company still experienced almost constant delays in deliveries. Its failures to deliver and fulfill orders accurately came with monetary penalties and weakened the customer experience.

In addition to other delays in deliveries, the snack company also consistently experienced delays in loading the trucks. This had a knock-on effect on shipping schedules, delivery times, and plans for future deliveries.

These delays contributed to long delivery cycles and lead times and prevented the company from consolidating orders, leading to more drivers and trucks on the road at any given time and, in turn, high transportation costs to the tune of hundreds of thousands of dollars of unbudgeted expenses.

## **Identifying Business Process Improvement Opportunities**

To help combat these delays, the snack company implemented the SAP User Experience Management (SAP UEM) application by Knoa. SAP UEM effectively monitors if, how, and how much employees use SAP applications to provide insights into application usage and to measure the impact on operations. The snack company hoped to use SAP UEM to figure out where its employees needed retraining and education on how to use SAP TM to more efficiently run logistics operations. It needed to identify specific areas for improvement to then take corrective action.

First, it used SAP UEM to measure the adoption and usage of SAP TM throughout the organization. Then, it dove deeper into the user experience (UX) from the end-user perspective to identify training and process improvement opportunities. The snack company needed to make its logistics activities a data-driven

experience, responsive to real-time changes in orders, productions, and scheduled deliveries.

SAP UEM helped the snack company tie most of the delays in deliveries to a single type of conveyor belt report with multiple common errors. The report indicated the time and goods required to load a truck, pulling data from SAP Integrated Business Process applications.

It found that many logistics and warehouse managers either could not or would not access this report, which they were supposed to use to know which products from the conveyor belt to load on trucks at what time.

In response, the snack company started holding all appropriate people accountable for accessing the report, finding errors in the report, and updating the report. It also implemented a new training program and continued to evaluate how managers interact with this report and the rest of SAP TM. In addition, as part of the evaluation, the company came up with more best practices and updates for the training materials.

The snack company calculated that it now saves more than \$30,000 per truck per year compared to previous operations. Multiply this by the many hundreds of trucks that it runs each day, and it has saved millions of dollars.

## **What Does This Mean for SAPinsiders?**

Based on our research and the interview with Adrienne Racanelli, the following considerations can help SAP customers

improve the user experience with transportation management:

- **If the organization has unexplained pain points or unrealized value from technology, evaluate the workflows from end-to-end.** The snack company in this case implemented SAP TM but did not realize the expected value immediately. It knew it had delays but could not figure out why. In cases such as these, with long and complicated workflows, UX monitoring and management tools such as SAP UEM can help find the root cause of the problem.
- **Educate all end users on how and why the organization uses technology the way it does.** Oftentimes, organizations can trace and fix inefficiencies and process problems by simply using existing tools more effectively. Employees use tools most effectively when they understand why they work the way they do.
- **Never stop trying to improve.** The snack company continued evaluating how managers interact with SAP TM after it identified the conveyor belt problem. If current operations work well, look for ways to accelerate them.
- **Do not stop with logistics.** The same lessons from this snack company's logistics can extend and apply to other parts of the supply chain, to financial operations, and even to human capital management. Monitor if, how, and how much SAP users from all over the company access and leverage the organization's SAP products and identify business process improvement opportunities.

Following this strategic guidance should help SAP customers better leverage SAP products in a way that saves time and money across operations.

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