CONSOLIDATION, TRANSFORMATION AND ACQUISITION: THE THREE BIG CHALLENGES OF CPG

The world's largest CPG companies know the potential of digital transformation, but they also have a challenge on their hands consolidating global operations and dealing with mergers and acquisitions. In the case of one client, Infosys dealt successfully with all three.

Infosys®
Navigate your next

A WORLD OF FRAGMENTATION

As a giant in the CPG industry, our client has operations spread across the world. Over time, the client had created a highly fragmented mass of IT assets, including many inherited legacy systems that were overdue for replacement. Over 500 applications, supported by over 100 suppliers, were in use – all delivered in different service styles, from a variety of data centers. Our client needed to consolidate the application landscape in order to improve efficiency. Part of this transformation involved moving to SAP and thus rationalizing the landscape.

In addition, they wanted a single point of accountability for user support – a single expert supplier with the experience and know-how to support the entire IT function – from end users to applications and Infrastructure. They wanted to transform the way support was delivered and we were delighted to take up the challenge.

Infosys®

SERVICE, TRANSFORMED

When we began working, our client used 17 different data centers and 41 service desks, delivering different levels of support to various user groups across the enterprise. We could replace them with just four data centers and four multi-lingual service desks (offering support in 18 different languages) supporting 30,000+ users on 3 different channels (ServiceNow based self-help portal, Live agent chat and telephone) across 60+ countries around the world.

We set up a command center-led ITIL operating model, bringing over 500 applications and an infrastructure landscape of 3000+ servers into a unified operating model. The new support center used techniques such as self-help, chatbots, AI and automation to reduce costs and improve the experience to all users.

The use of AI and automation in IT service operations resulted in 33% of tickets being automated, 24% of tickets solved using self-help, and 10% of tickets being eliminated altogether using analytics-driven problem management. In addition, 50% of all chats are now via chatbot.

We knew users would resist the transition to digital ways of working, because of the wide-ranging changes we planned to implement. To prevent this, we travelled to each region, organizing 'town hall' meetings, and communicating through emails, posters and banners in order to encourage acceptance and change behaviors.

Infosys®

MIXING OIL WITH WATER

One key characteristic of the CPG industry is that mergers and acquisitions constantly change the landscape. Each acquisition also inevitably brings together two different ways of working that have to be smoothed into one before any benefit of the union can be realized.

When our client completed a major acquisition of another CPG company, the problems of fragmentation therefore returned and we had to quickly and flawlessly integrate one very different set of IT operations into another. We onboarded a wide range of applications and an infrastructure landscape consisting of hundreds of different servers into a unified operating model.

We also needed to migrate a complex wall-to-wall SAP Suite on Hana to a single data centre – a project that had to be completed within five months. True to our promise, we modernized and secured the newly acquired company's infrastructure on schedule in what was described by our client as "perhaps the smoothest SAP overseas migration of all time."

Infosys®

TOWARDS THE LIVE ENTERPRISE

As well as consolidating operations and handling the integration of the acquired company's systems, Infosys has also been instrumental in helping our client to innovate.

Our vision for our client is to make them a "Live Enterprise" where the whole business is context-aware – gathering data in real-time to power intelligent automated processes and optimize decision-making and productivity in every corner of the business.

The four principles of the Live Enterprise are as follows:

Sense: we monitor all applications, collecting and storing data.

Analyse: the data is analysed, enabling us to see correlations and get advance warning of any problems or opportunities

Act: cognitive actions are taken by robots to fix problems or deliver advantages where possible

Engage: users are informed and supported via automated channels, eg chatbots.

We have made use of our Living Labs concept to bring in digital and data technologies (including AI/ML) to improve operational efficiency and deliver a zero-human-touch experience to the users. Project by project, we are transforming the company's efficiency and ability to serve staff, partners and customers at speed to drive early value realization.
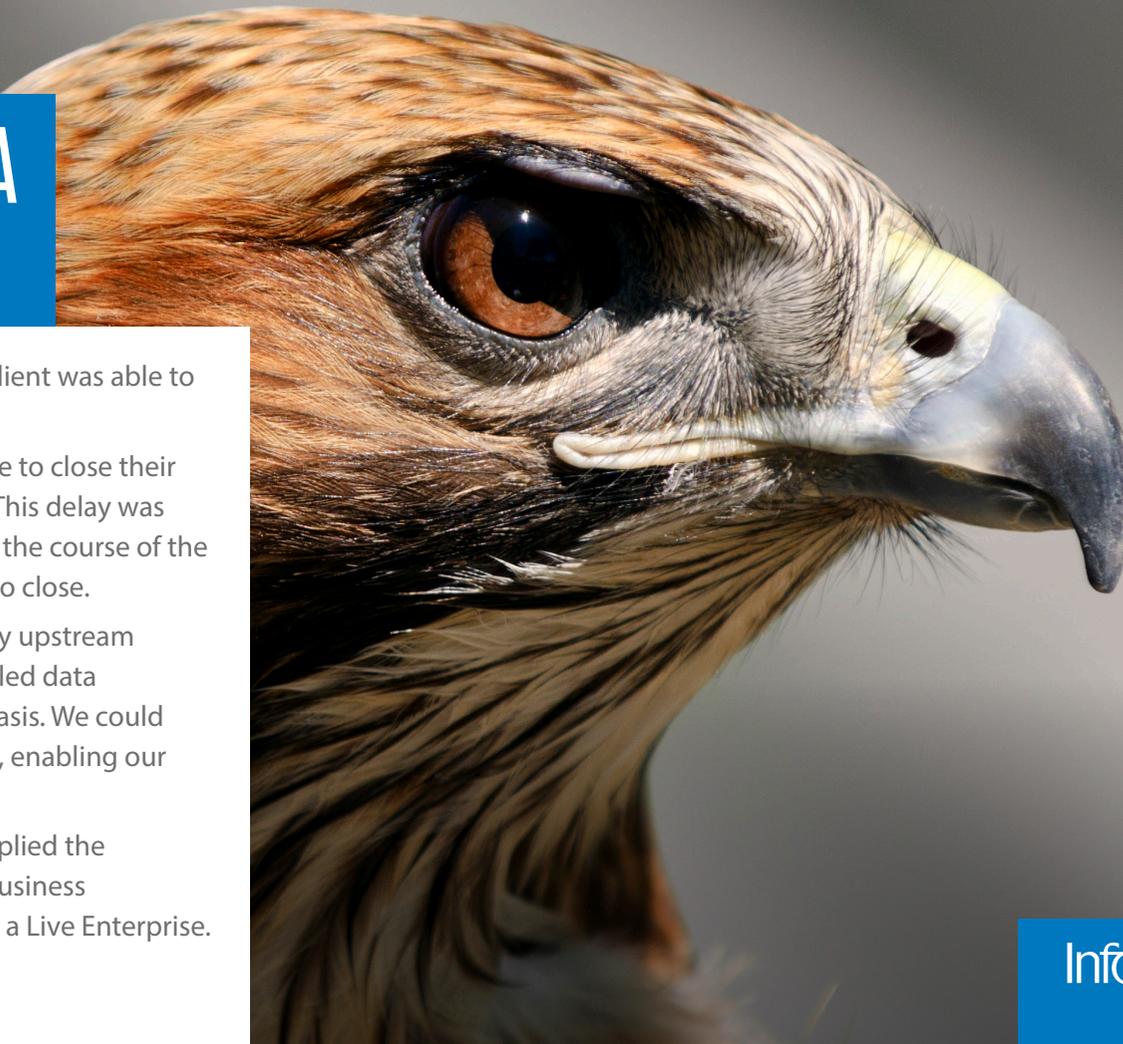
Infosys®

HAWKEYE: SPOTTING DATA PROBLEMS FROM AFAR

A powerful example of the improvements that our client was able to make was a project known internally as Hawkeye.

For nearly 18 months in a row, our client was not able to close their books within the first 7 working days of the month. This delay was caused by data integrity problems that crept in over the course of the month – but only became obvious when they tried to close.

Hawkeye was an AI-based solution that probed every upstream business application and other data sources and pulled data discrepancies into a repository on a near real-time basis. We could then clean the data proactively rather at month-end, enabling our client to close their books accurately and quickly.

Just one more way in which we have successfully applied the principles of AI and data analytics to bring a direct business advantage – and to realize the benefits of becoming a Live Enterprise.

Infosys®

MEASURING PROGRESS

Consolidating operations has helped our client to save 35% in costs over three years and IT run spend has been reduced to 0.4-0.5% of net revenue. The average outage time has been reduced by 83%. Even the carbon footprint has been reduced by 300% through data centre consolidation.

We have also measured success by a Net Promoter Score provided by those who use it. Before the new command centre, our client had an NPS of 53: it is now an industry-leading 70. This has been achieved through consolidation and the implementation of the latest AI and predictive analytics. In fact, AI even enables us to predict the satisfaction levels of users when they contact us, thus enabling us to deal with their enquiries more appropriately – and raise NPS scores still higher.

WE DID THIS FOR THEM. WE CAN DO IT FOR YOU.

Find out more about how Infosys can help CPG companies like yours to increase productivity and efficiency.

Reach out to us at askus@infosys.com

Infosys®