

Medical and pharmaceutical provider steps away from a traditional, complex BI approach in SAP

“ All divisions have improved their profitability thanks to the intuitive reporting and analysis capabilities QlikView offers. ”

Dirk Notaert, Business Intelligence Manager, B. Braun België

The B. Braun Group develops, distributes and sells high-end medical and pharmaceutical products and services for hospitals, nursing homes, pharmacies and home care organisations. The company is headquartered in the heart of Germany and has 39,500 employees worldwide. With annual revenue of almost 4 billion euro, B. Braun is one of the leading healthcare suppliers. The Belgian subsidiary in Diegem is responsible for the distribution within Belgium, delivering directly to hospitals, wholesale pharmaceutical suppliers and specialized medical suppliers.



The B. Braun Group works with SAP modules worldwide including Materials Management (MM), Sales and Distribution (SD), Financial Accounting (FI) and Controlling (CO). With the constant growth of the B. Braun Group in Belgium, in terms of active customers, active items and orders, the amount of data collected within the SAP modules began to affect the reporting and analysing capabilities. Managers were losing grip on their data, which affected

swift decision making capabilities based upon a 'single point of truth'. This was affecting the competitive position of B. Braun in the Belgian market, since managers were not able to get immediate insight into their customers' sales figures, the results of the different product ranges and the net profit margins.

Reporting and analysis issues affecting decision making

The issues with reporting and analysing were mainly due to the fact that the data source, the SAP warehouse, was slow. In addition, not every team member had access to the SAP warehouse. This resulted in a loss of time for managers who were busy putting together reports in Excel, instead of actually spending time analysing the data. In addition to this, the building of reports in order to analyze a combination of both internal and external figures, such as combinations of the number of beds per hospitals combined with turnover in these hospitals, was a problem, resulting in incomplete reports that could not be analyzed properly. All in all, reporting took too much time from the both the business managers and the IT department. In addition, the reports were slow to get access to and not in all cases complete as the capabilities to combine external data were missing. Whilst the issues with reporting and analysis did not immediately impact timely deliveries to hospitals or nursing homes, the negative impact this had on margins and sales results was serious enough to start considering a Business Intelligence (BI) solution.

Solution Overview

B. Braun

The B. Braun Group develops, distributes and sells high-end medical and pharmaceutical products and services for hospitals, nursing homes, pharmacies and home care organisations.

Sector

Life Sciences

Industry

Medical Devices

Sub industry

Instruments

Function

Sales, Marketing

Geography

Belgium

Challenges

Making business intelligence available in a visual manner, bringing together sales data, pricing information and external market data.

Solution

Using QlikView, managers at B. Braun Belgium report on and analyse sales forecasts, profitability at both the product and customer level and sales margins, with the objective to manage the Belgian operation efficiently and profitably. In addition, the marketing process in Belgium is optimised and margin and sales result discrepancies are quickly noticed and acted upon.

Benefits

Managers spend time analysing reports and data instead of composing reports, which used to take much more time.

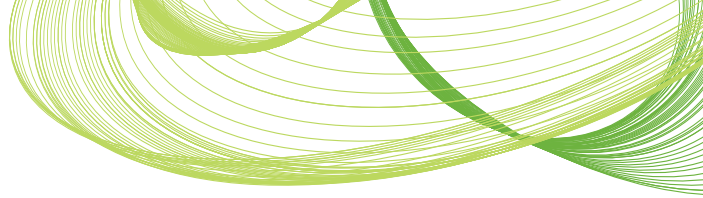
Margin discrepancies caused by price setting errors and loss of sales are noticed much earlier.

Data Source Systems

Applications: SAP modules MM, SD, FI and CO, Lotus Notes, SQL Server

QlikTech Partner:

CREDON
Achieve more



Traditional BI solutions

After realizing that reporting and analyzing formed a bottleneck within the Belgian organisation, the local team started considering a Business Intelligence solution. As a first step the team tried to implement the SAP solutions for Business Intelligence in order to make the available information accessible. Dirk Notaert, responsible for Business Intelligence in the Belgian B. Braun subsidiary says about this effort: "SAP uses a traditional BI approach and, this was forcing us to work in a complex environment. The SAP data warehouse centralizes all available data from the different data sources. On top of this, cube data queries are written with predefined questions. It therefore takes a considerable time, at high cost to develop a basic set of reports. The inflexibility of the system and the costs associated with developing new reporting cubes eventually led people to put together the reports and analyses in Excel, resulting in inconsistent and incomplete reports. In the end, we took a step back and started to think about a solution for this. When we took this step back, we came to the crucial conclusion that, when taking into account that every set of questions and answers lead to new questions, with traditional BI solutions we would never be able to offer our managers the reporting capabilities required, no matter how high the investment in terms of money and man-hours."

Unprecedented decision-making capabilities with QlikView

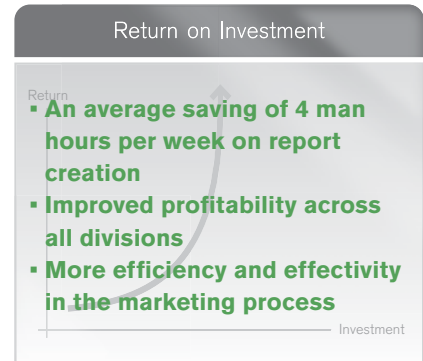
After a QlikView demonstration by Credon, a supplier of products and services that simplify and increase efficiency in the way that businesses gather, manage, distribute and communicate information, B. Braun discovered the QlikView advantages. B. Braun was especially impressed with the way people without any IT knowledge can perform detailed data analyses independently and in an intuitive manner

using drill downs. "When I saw the way QlikView works, I could immediately map QlikView to the needs in our organisation. The in-memory associative technology would allow any user with unprecedented decision-making agility beyond a set of predefined questions. QlikView was exactly what B. Braun needed. When we found out afterwards that the required budget to start with the solution was surprisingly low, the decision to start working with QlikView was an easy one."

For the initial implementation B. Braun trained a team of 5 people. The training took place in May 2009 and after a couple of weeks the first application for sales analysis went live. B. Braun chose to centralize all data, both from SAP, the quotation application and external data sources, on a SQL server. Subsequently, QlikView was connected to the data in this SQL server. Dirk Notaert explains: "In the end only one person worked on the scripts, part time even. He was assisted by the sales assistants who provided him with the input for the required reports."

The sales application enables managers to report and analyse sales forecasts and to report and analyse profitability on different levels, such as product and customer level as well as sales forecasts. Highly fluctuating variable costs can be analysed and reduced quickly and customers can be targeted more effectively through the alignment of the right products and services. All in all this allows the managers at B. Braun in Belgium to run their subsidiary more efficiently and profitably than before QlikView. The entire picture can be reviewed at a glance, allowing the management to plan and adapt faster and better than before.

The investment in QlikView has paid for itself five times over already. Managers of all divisions save an average of four hours



per week on creating reports alone. Aside to this the marketing process has become more efficient and effective since the company has more insight into its customers' needs and wishes. Dirk Notaert: "All divisions that work with QlikView have improved their profitability because of the intuitive reporting and analysis capabilities. Using QlikView, we are able to offer hospitals the best possible price, allowing us to immediately implement any costs changes if they occur, allowing hospitals to be as efficient as possible in their purchasing."

Currently, managers in the Diegem subsidiary use QlikView on a daily basis. Dirk Notaert: "Everybody is very enthusiastic. QlikView allows them to create data graphs that are relevant to them without the support from the IT-department. Deviations are easy to explore further through intuitive drill downs and slicing and dicing. Because of the ease of use and the flexibility QlikView offers, analysing and reporting has become fun. This has positively influenced the results of all departments involved and has helped us to serve our medical clients more efficiently."

“ With QlikView, everyone within the company can independently “play around” with the data to create graphs on screen that are relevant to them. Subsequently, they can investigate possible deviations using intuitive drill downs. Because of the ease of use of the software and the flexibility QlikView offers, analyzing and reporting has become fun. ”

Dirk Notaert, Business Intelligence Manager, B. Braun