Human Centered Approach to Innovation

Innovating Industry

Tobias Gollwitzer & Anthony Ryan & Roland Martin, SAP SE

SAP

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Your Speakers today

Tobias Gollwitzer

Program Manager Project Lead
Design Thinking Coach
Business Development Manager

Anthony Ryan

Knowledge
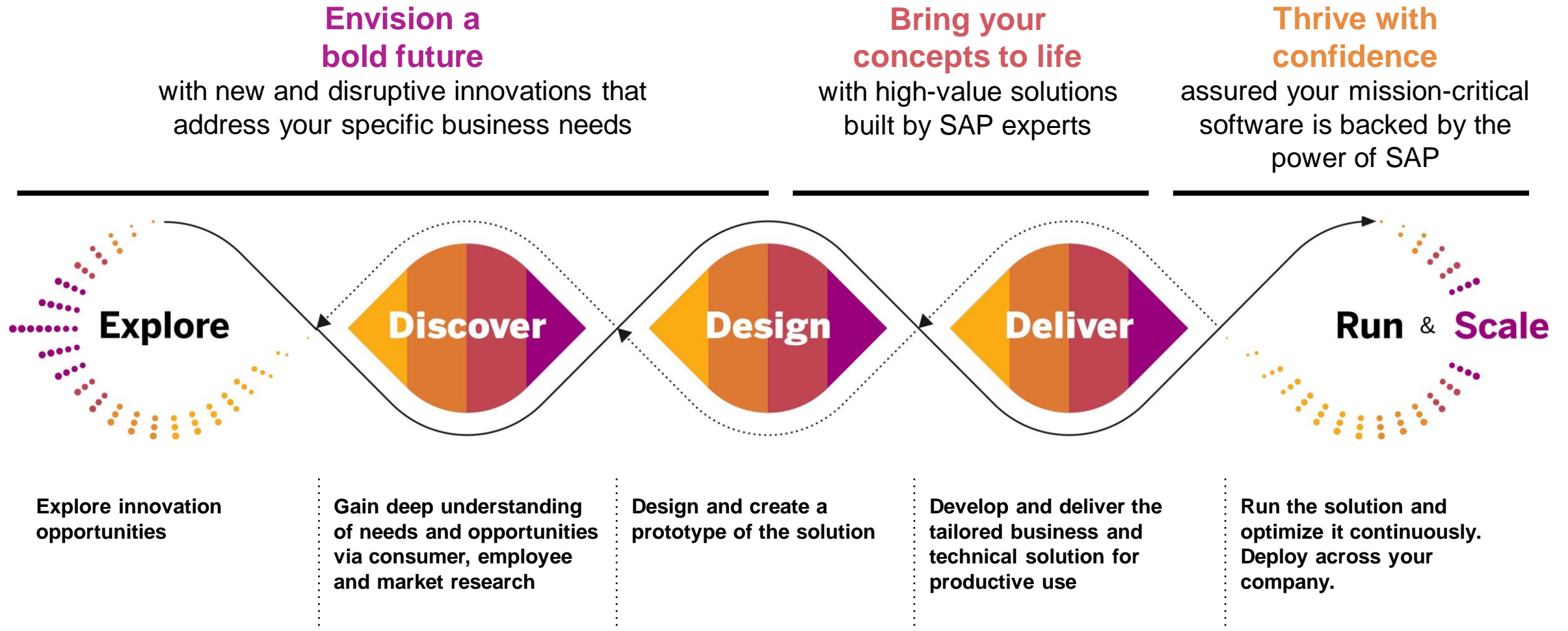**Management**
Specialist &
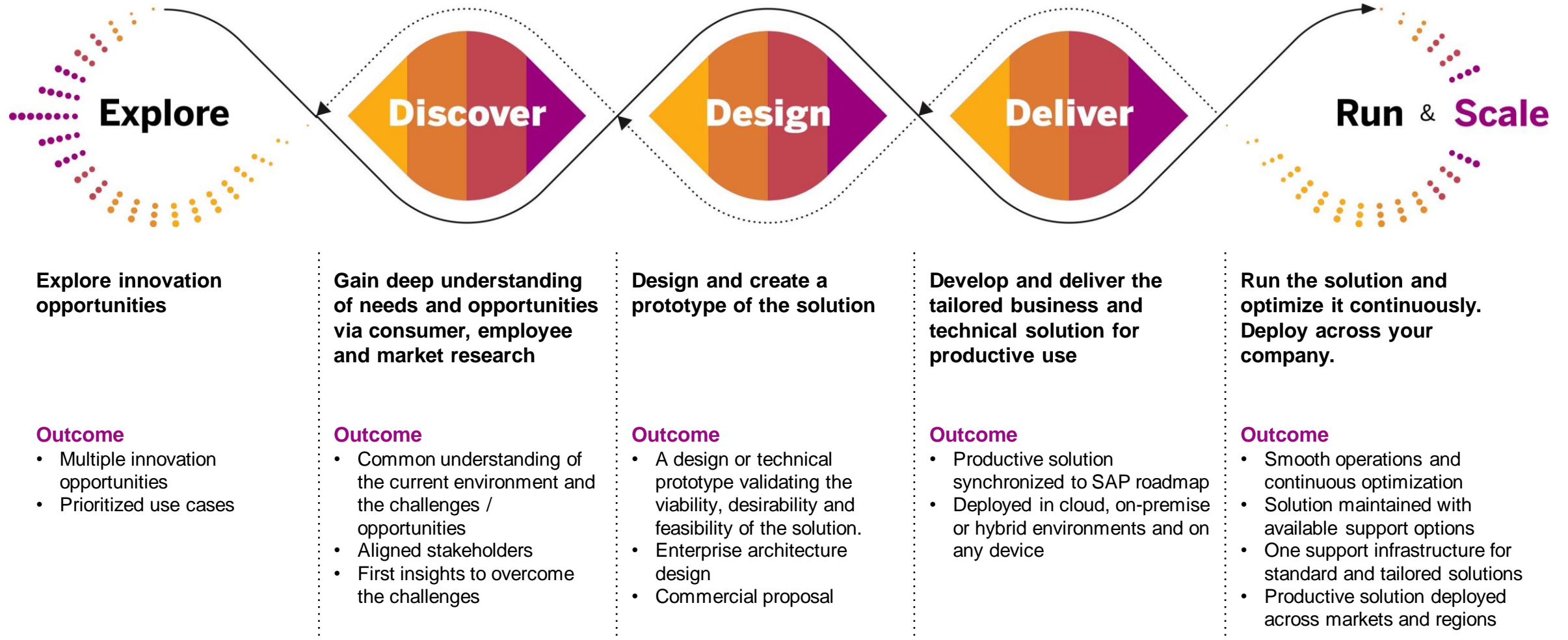**DT Coach**

Roland Martin

Data Scientist &
DT Coach

Innovation to the power of iteration

Ensuring clear business value at every stage

**Envision a
bold future**
with new and disruptive innovations that
address your specific business needs

**Bring your
concepts to life**
with high-value solutions
built by SAP experts

**Thrive with
confidence**
assured your mission-critical
software is backed by the
power of SAP

Explore   **Discover**   **Design**   **Deliver**   **Run** & **Scale**

**Explore innovation
opportunities**

**Gain deep understanding
of needs and opportunities
via consumer, employee
and market research**

**Design and create a
prototype of the solution**

**Develop and deliver the
tailored business and
technical solution for
productive use**

**Run the solution and
optimize it continuously.
Deploy across your
company.**

Innovation to the power of iteration

Delivering clear outcomes in every phase

Explore innovation opportunities

Gain deep understanding of needs and opportunities via consumer, employee and market research

Design and create a prototype of the solution

Develop and deliver the tailored business and technical solution for productive use

Run the solution and optimize it continuously. Deploy across your company.

Outcome
- Multiple innovation opportunities
- Prioritized use cases

Outcome
- Common understanding of the current environment and the challenges / opportunities
- Aligned stakeholders
- First insights to overcome the challenges

Outcome
- A design or technical prototype validating the viability, desirability and feasibility of the solution.
- Enterprise architecture design
- Commercial proposal

Outcome
- Productive solution synchronized to SAP roadmap
- Deployed in cloud, on-premise or hybrid environments and on any device

Outcome
- Smooth operations and continuous optimization
- Solution maintained with available support options
- One support infrastructure for standard and tailored solutions
- Productive solution deployed across markets and regions

Run & Scale

Run

- Deploying of the solution productively ...
- ... for a smaller "test-set"
  (only one site, one category, etc)
- Continuous improvement feedback loop
- ... and continuously optimize

Scale

- Role out across the whole company
- Open the availability to the market
- ... and continuously optimize

Real Life Example - Industry Solution

CTSM

Clinical Trial Supply Management

THE BEST RUN SAP   tenthpin

Goal

Set an Industry Standard

Determine best practices and avoid costly one-offs

Enabling the Network

Increased collaboration between all CTSM stakeholders

End-to-End Visibility

Transparency and insights into the clinical supplies process from source to site/patient

Flexibility

Higher flexibility in the business process to fulfil future clinical supplies business needs

Simplify the Road to S/4HANA

Out of the box integration combined with innovative ways of software design and delivery

The goal of the CTSM Consortium is to define Clinical Supplies Operations best practices, provide input to the future standard solution, learn from and co-innovate with other Life Sciences companies to increase agility of trial setup while improving efficiency and outcome of studies.

Members

23 companies onboarded

136 participants from different members

Company profiles:
- ❑ Pharma & Biotech
- ❑ Large & small
- ❑ Service providers, contractors & industry
- ❑ SAP & non-SAP users
- ❑ Legacy CTSM users & other system users

- Clinical Trial Manager
- Main Persona: Planning

Tina Trial

Hi, I am Tina Trial. If I don´t manage the trial efficiently, the patients have no treatment and our product will be late to the market.
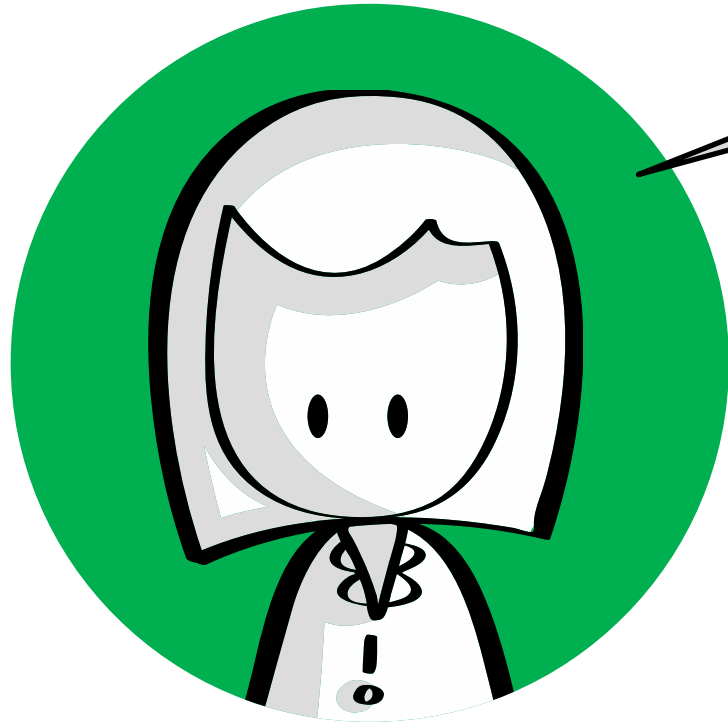
- **My tasks …**
  - Organization and translation of study design
  - Preparation of trials
  - Main contact person for study
  - Support of forecast and management of drug supply

- **What I like …**
  - See patients being supported with drugs
  - Working in small groups (team work)

- **My goals**
  - Make trials successful according to timelines, budget + operational procedures
  - Manage CFG (clinical finished goods)
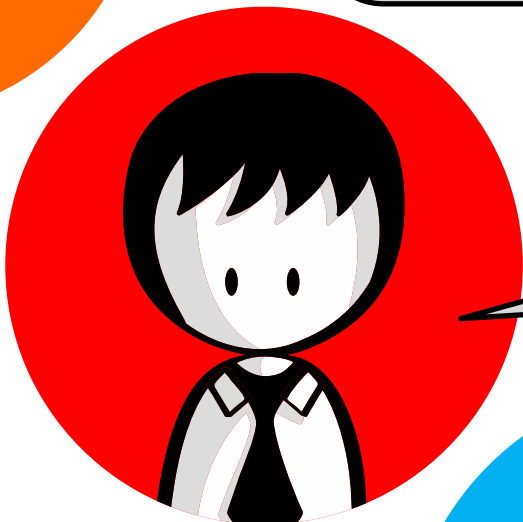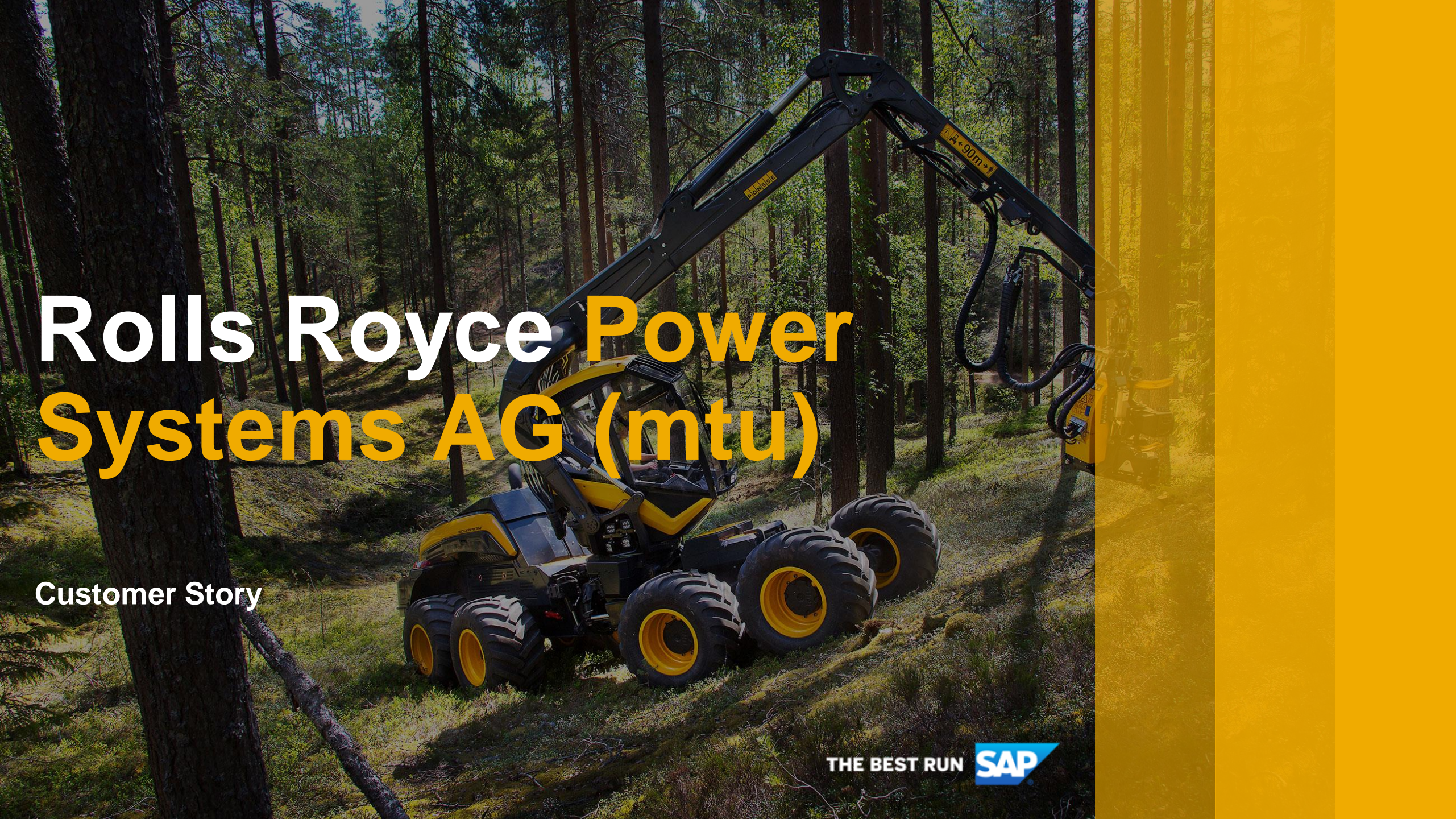
Rolls Royce Power Systems AG (mtu)

Customer Story

Customer Situation

Scoping Workshop

Synthesis

Design Thinking Workshop with Business & IT
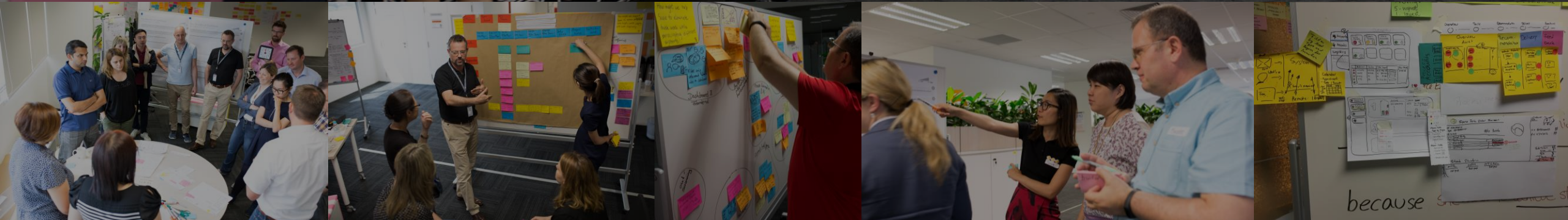
Design Phase
Vision Prototype

This will lead to a page which would contain – User profile page, Order History, Quotes, Saved Carts, Approvals, Notifications, Favorites, Return History and Downloadable Parts catalogue.

Upload -
Upload excel to order
Copy Paste from other sources

Favorites -
Collection of all the favorited items

Contacts -
Important customer relevant Telephone No., Email ID and Chat integration (WeChat, WhatsApp)

Language selection

Most frequently used categories

mtu

Engine S/N , Part Number, keywords

EN ▾

Category | Category | Category | Category | Category

Category | Category | Category | Category

Category | Category | Category | Category
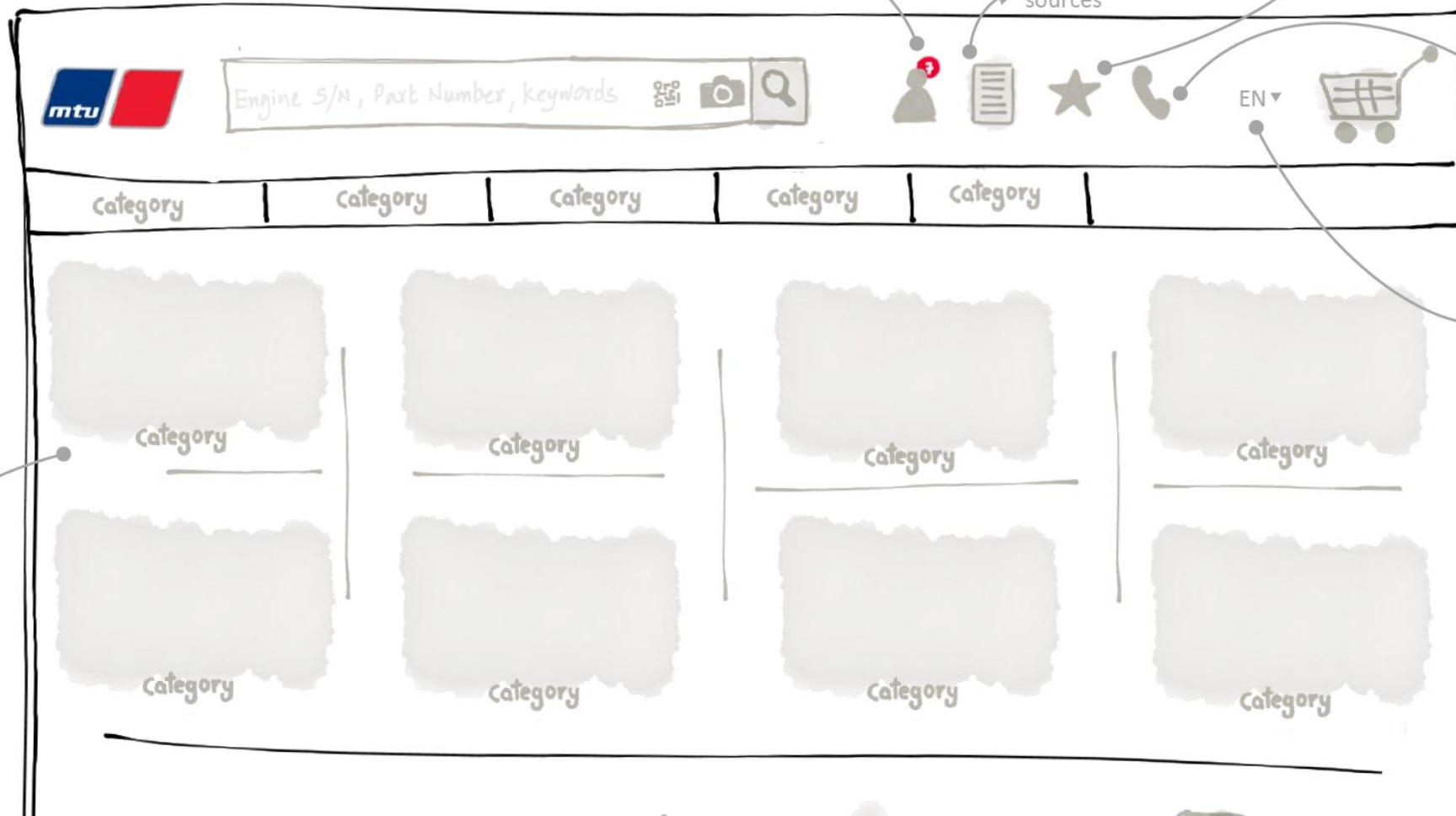
Design **Phase**
Low Fidelity Interaction Design
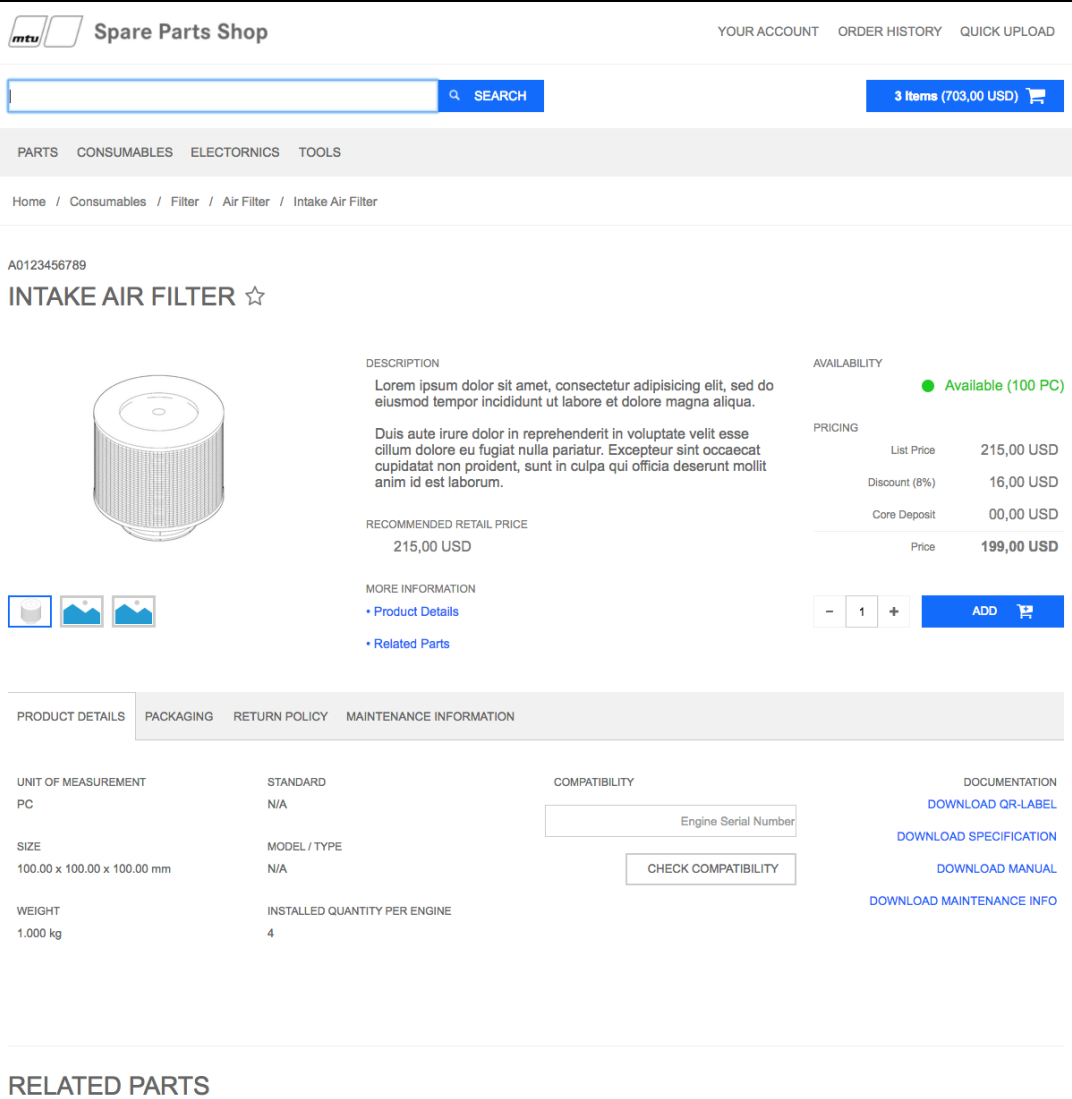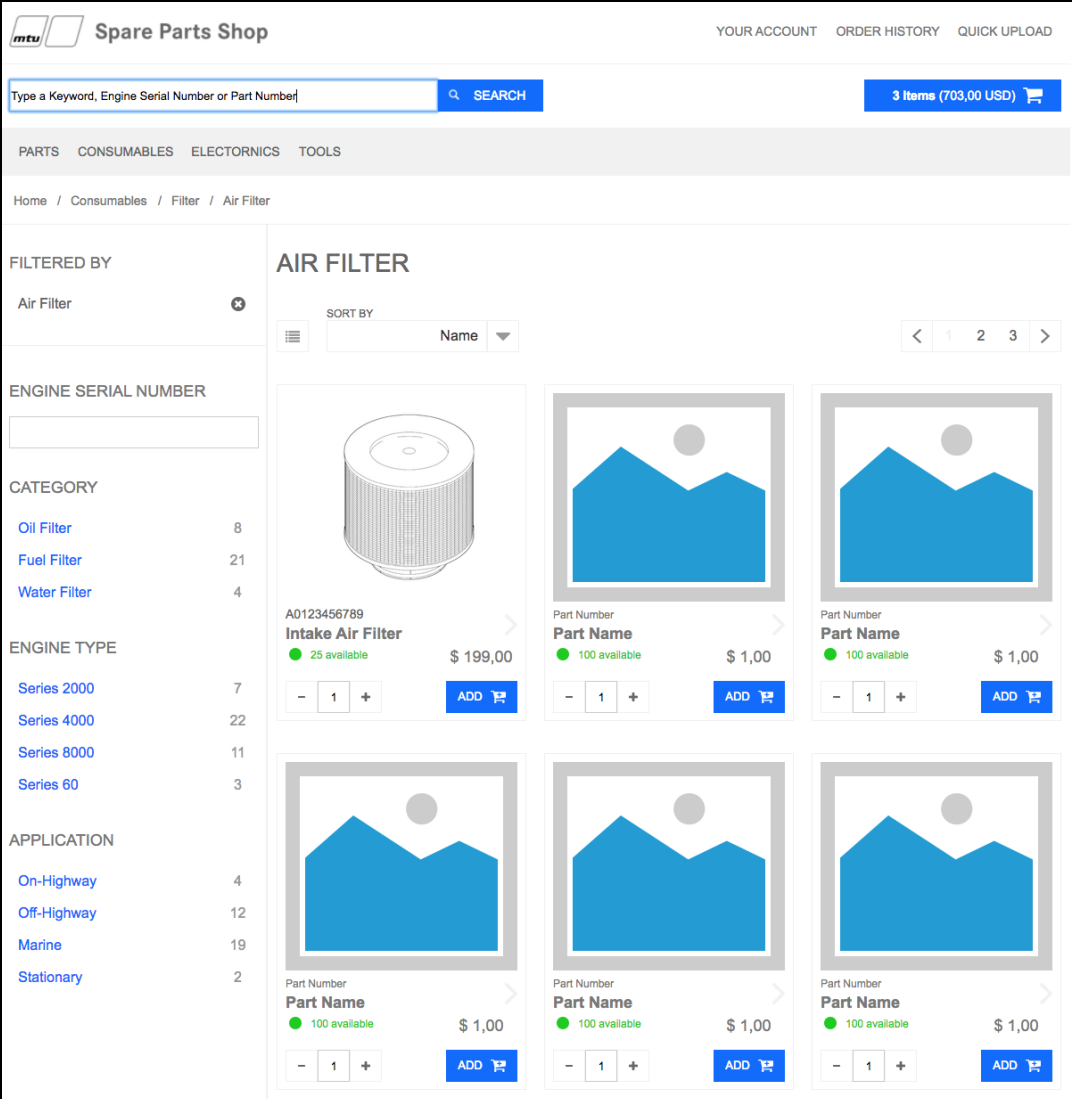
Design **Phase**
Visual Design
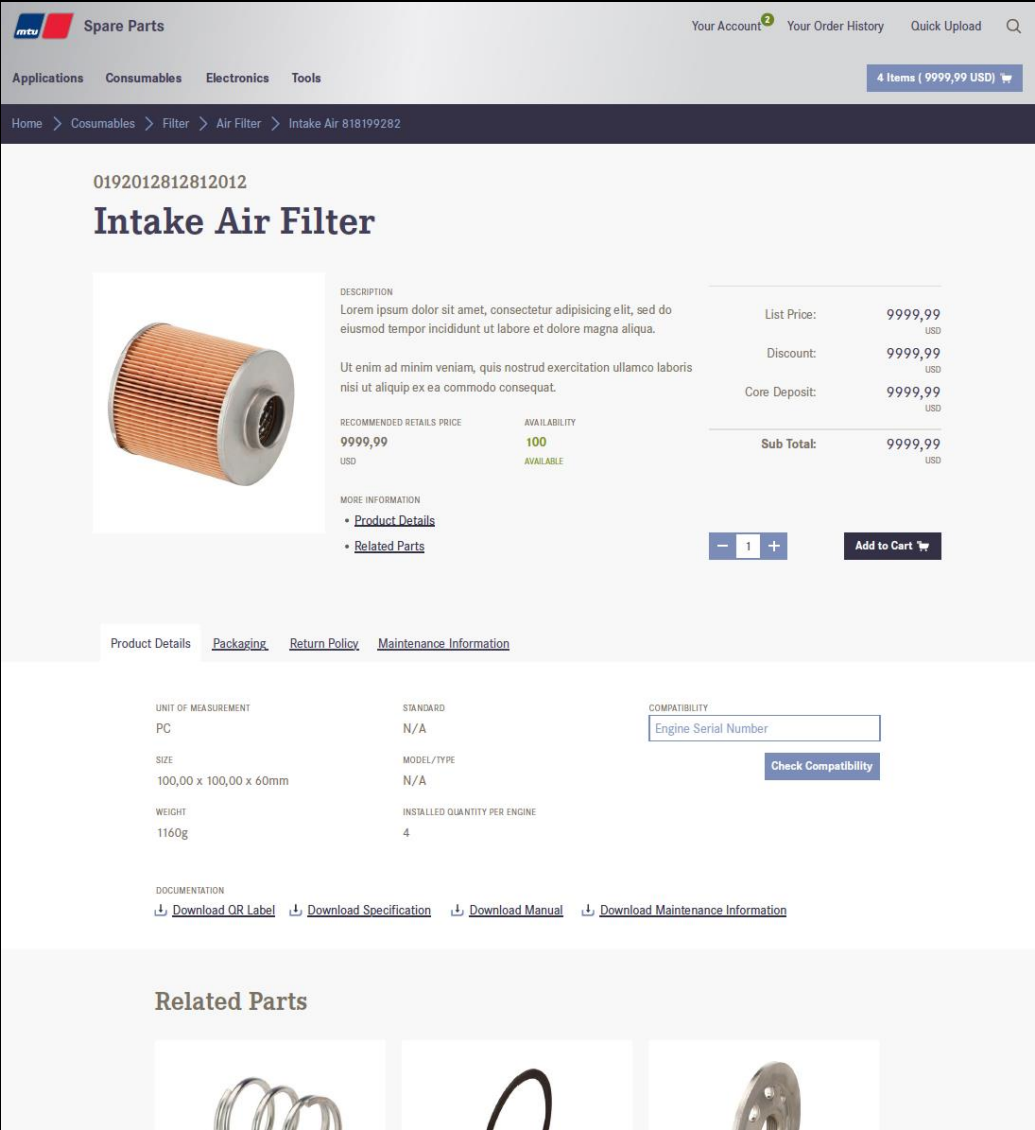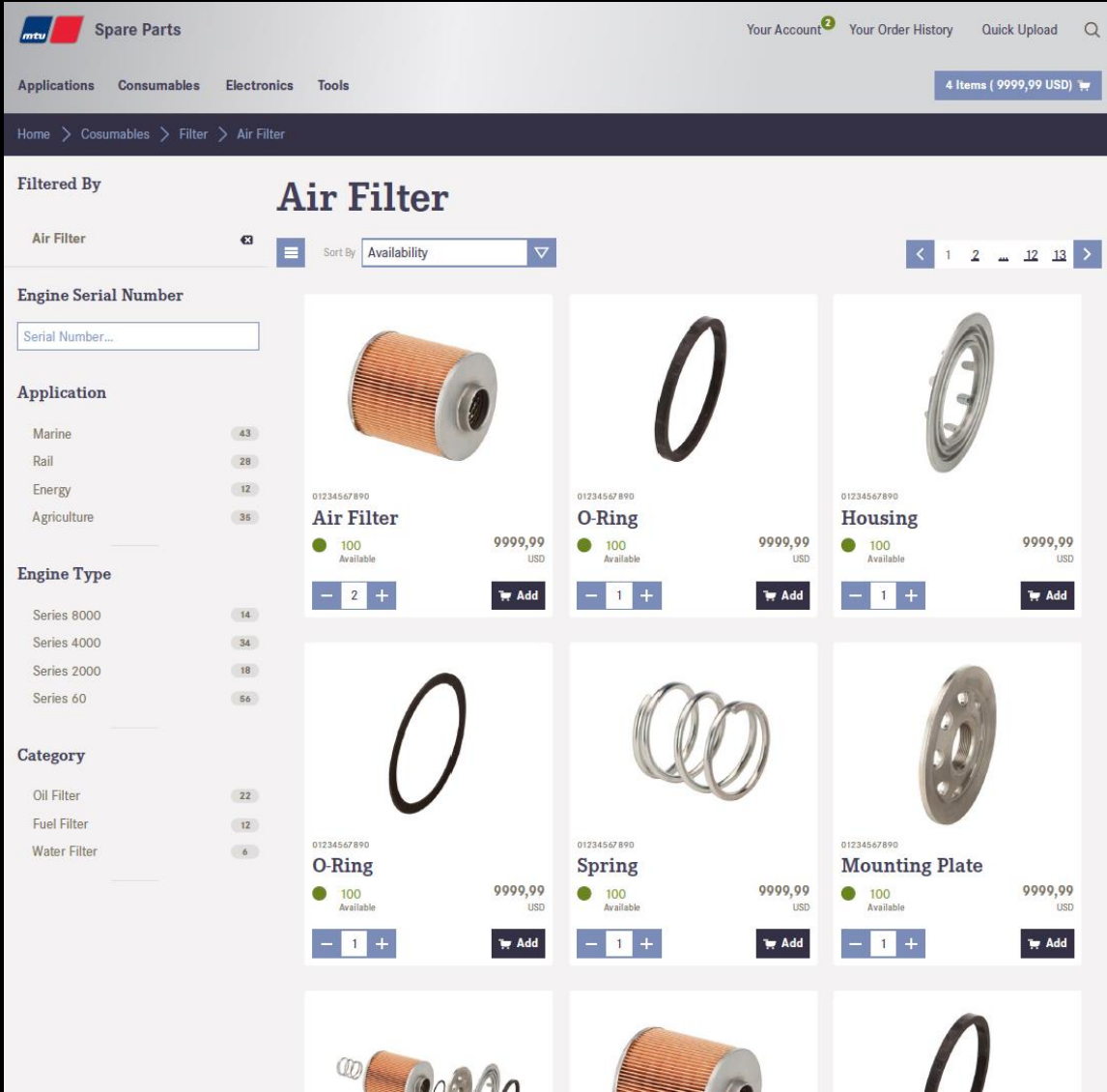
December 2016
Design Thinking Enablement Phase 1 Scoping Workshop in Singapore

August 2017
Joining the Digital Team

April 2018
Design Thinking Enablement Phase 2 Scoping and Planning Workshop

1

D-Camp

Visualization Training

Setup DT Space

Webshop Project

Space Workshop

2

Technology Platform Project

SiliconValley Innovation Tour

DT Coach Camp

DT Roles definition

DT Awareness Sessions

D-Camp Co-Coaching

Customer Project "Rail"

3

Projects Pipeline

DT Team Vision Mission

Design Center of Competence

Mosaic Workshop

Integrated Design Vision

Design Governance

Design System

4

Interested

Invested

Engaged

Scaled

Key takeaway

From UX to strategy

SAP seen as innovation partner

Customer for life
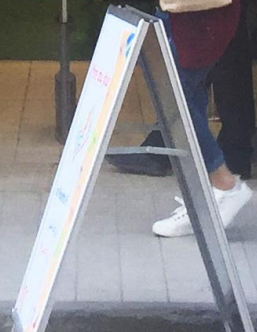
About Magasin General

- **Tunisias biggest retailer**

- **Former state owned very traditional company which is meanwhile perceived as old fashioned**

- **Customer has no proper CRM system in place**

- **Customer is a net new SAP customer with a big need in digitalization, transformation and modernisation**

- **As there are the same number of Facebook users than inhabitants FB is the prefered channel to their customers**

Status Quo Customer Experience Journey (Research Result)

Mood Levels
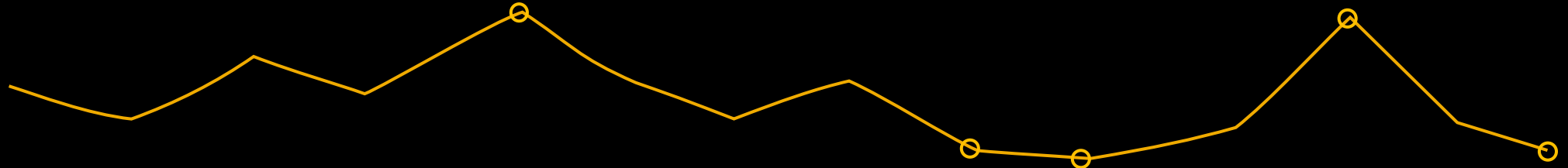
Mindset / Feelings

I don't get my MG Catalogue!

Why promo chicken costlier than competitor?

Why less promotion than competitors?

I cannot find any information about promoted products!

I hope all the products are available

MG near to my Home / Workplace

Can I park my car there?

Where can I get a cart?

Where are the promoted products?

Why is the promoted product not available?

How can I contact MG for the complaints?

What the hell can I do with my points?

A long line again?

Customer Actions

Buying Intend | Collect Information | Prepare shopping list | Drive to store | Enter store | Find products | Collect products | Pay at the cashier | Check loyalty points | Drive home | Use the products | Raise product complaints | Return product to the store

MG Customer Touch Points

Paper Catalogue
Online Catalogue
Online Ad Banners
Facebook Page
Newspaper
Radio
Television

Billboards
Parking Area Media
Carts

Store Experience
Store Employees

Shelves

Cart

Store Cashier

Store Cashier
Purchase Receipt

Parking Area Media
Carts
Billboards

Hotline
Facebook
Physical Store

Relevant Points for Minimal Viable Product

Pain Points

Data of detailed customer buying behavior not available

We don't offer a lot of customer services

Customers don't understand the benefit of the Loyalty cards

We have to much "generic cards"

Customers don't know how to convert points into money

We don't have personalized offers

We want to increase the number of customers contacting us via Facebook

Customer want to check their point level online

Insights

We have around 320K customer which we cant approach with campaigns

Most of the customer complaints relate to MG Club

Customers perceive us too much in the comfort zone

We should transform the perception to young and innovative image

Frequency of catalogue lower than competition

Customer love the service of the hotline

Today we cant complain product and customer data for campaigns

Customer Needs

Customers want us more modern and lighter

Customers need to understand the benefits of the MG Club program

We need to increase the quality of our campaigns to members

Customers expect personalized offerings if

Customers expect the Facebook page to open a website for more information

Customers need to know the conversion rates from points to Dinar

We should decrease the number of "Generic Cards to increase the number of approachable customers

Ideas

Personalized offers for customers which give them the feeling its what they need

We need to better understand our customers in order to satisfy them

A bot in Facebook would be the best social media channel in Tunisia

A Virtual Loyalty card

A chat bot in Facebook messenger

Customers should receive real promotions not only point via campaigns

Take the data from Facebook and the bot to increase our customer records

Where we are
Leonardo open Innovation jointly with a big C/4 Marketing Opportunity

1

2 Design Advisory

D-Gate 1

3

D-Gate 2

Explore

Discover

Design & Prototype

Deliver

Oct. 5th 2018

Dec. 3rd-5th 2018

Dec. 6th 2018

Jan. 10th 2019

End Q1 2019

Explore Workshop in AppHaus Heidelberg October 2018

Onsite User Research in Tunis December 2018

Synthesis worksop

POC based on Design Workshop Results

Develop a MVP

Dec. 17th-18th 2018

Design Workshop
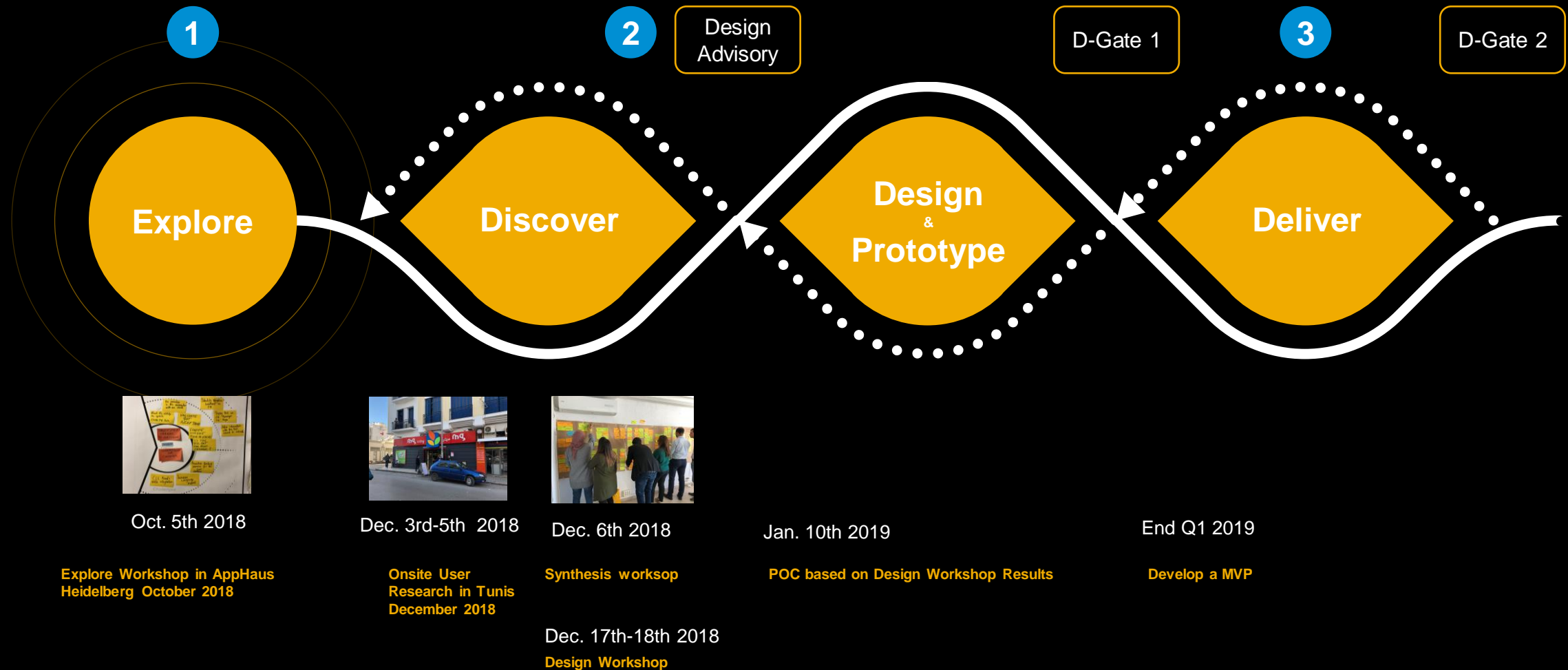
Improved customer experience for Magasin Général

Story 1: Using Chatbot

Samy, 36

MG Marketing manager

Fatma, 54

MG's loyal customer

Fatma, 52 years
house wife

"I need the best grocery products for the best available price for my family"

Background and Education:
- Married, 2 kids
- Master degree in finance
- Very loyal, longtime customer

What motivates her:
- Fresh products in great quality
- Friendly staff and good customer service
- Saving money by looking for the best discount
- Maxi stores as she can buy all needed products in one store

Goals and Tasks
- Taking care of my family, financially and emotionally
- Grocery shopping, cooking and house work

What frustrates her:
- Unattractive loyalty programs
- Not knowing my loyalty point level and it's value
- Not receiving printed catalogue

Samy, 35 years
Marketing-Campaign Manager

Background and Education:

- Married, 2 kids
- Master degree in finance
- 10 years' experience in MG Sales

What motivates him:

- Successful campaigns
- Tools helping him to automate tasks
- Promotion, Recognition and Rewards

Goals and Tasks

- Increase sales and brand perception
- Defining relevant customer segments, executing and analyzing campaigns

What frustrates him:

- Generic customers
- Lack of marketing tools
- Time consuming campaign performance reporting
- Missing or wrong customer information

"I want to focus on new customer segments instead of creating manual campaigns all day long"

Scene 1 – Frustration on both sides

MG´s current situation is challenging because customers and employee's wish the company would transform to the next level. Customers don't feel recognized and honored by their marketing. MG offers only an old-fashioned loyalty Program (MG Club). Marketing doesn't have the ability to approach customers with tailored content due to a missing state-of-the-art CRM solution.
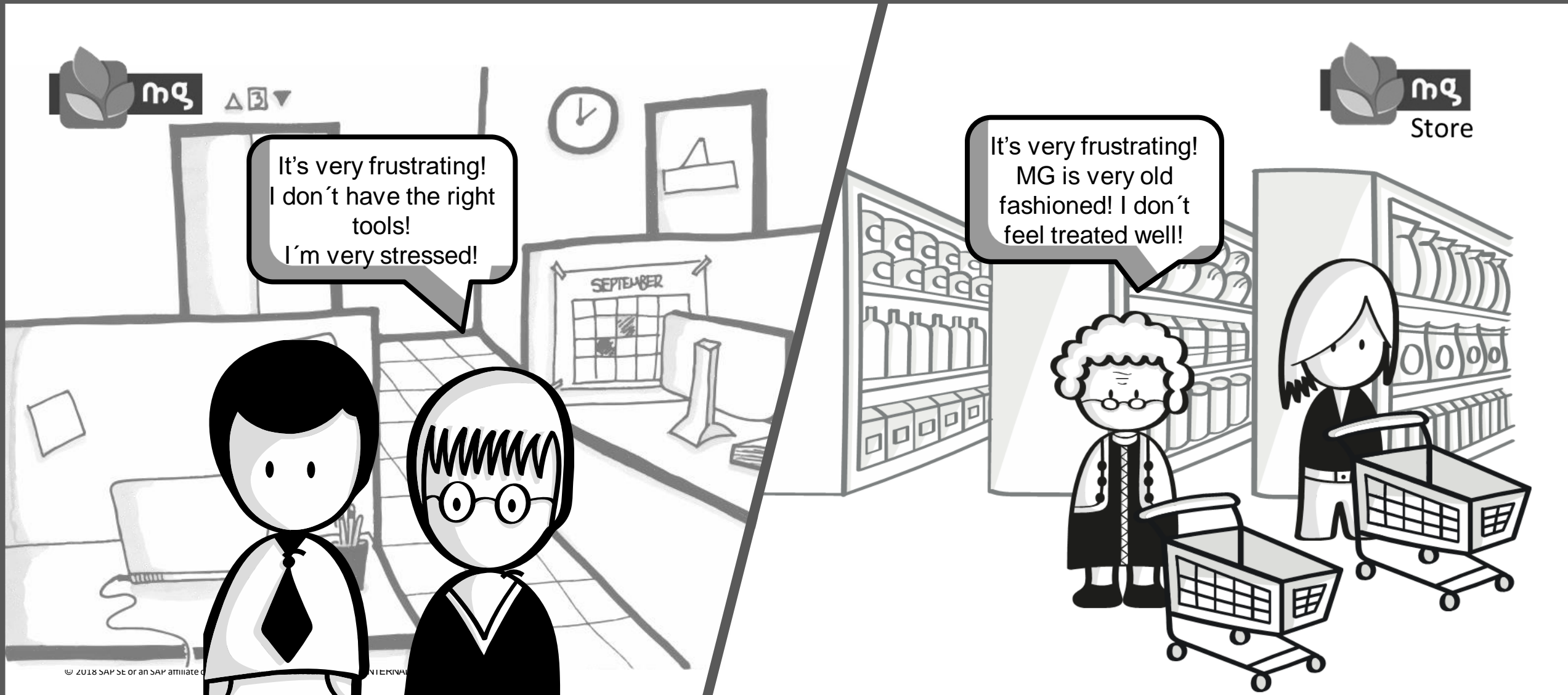
Scene 2 – MG Design Thinking Workshop

MG invited SAP to conduct an innovation workshop where experts from different departments, customers and a part of the MG management investigated current challenges and ideas to overcome those challenges. One of the most promising ideas was a chatbot as a new direct channel to our customers, helping MG to reduce the number of generic MG Club accounts.
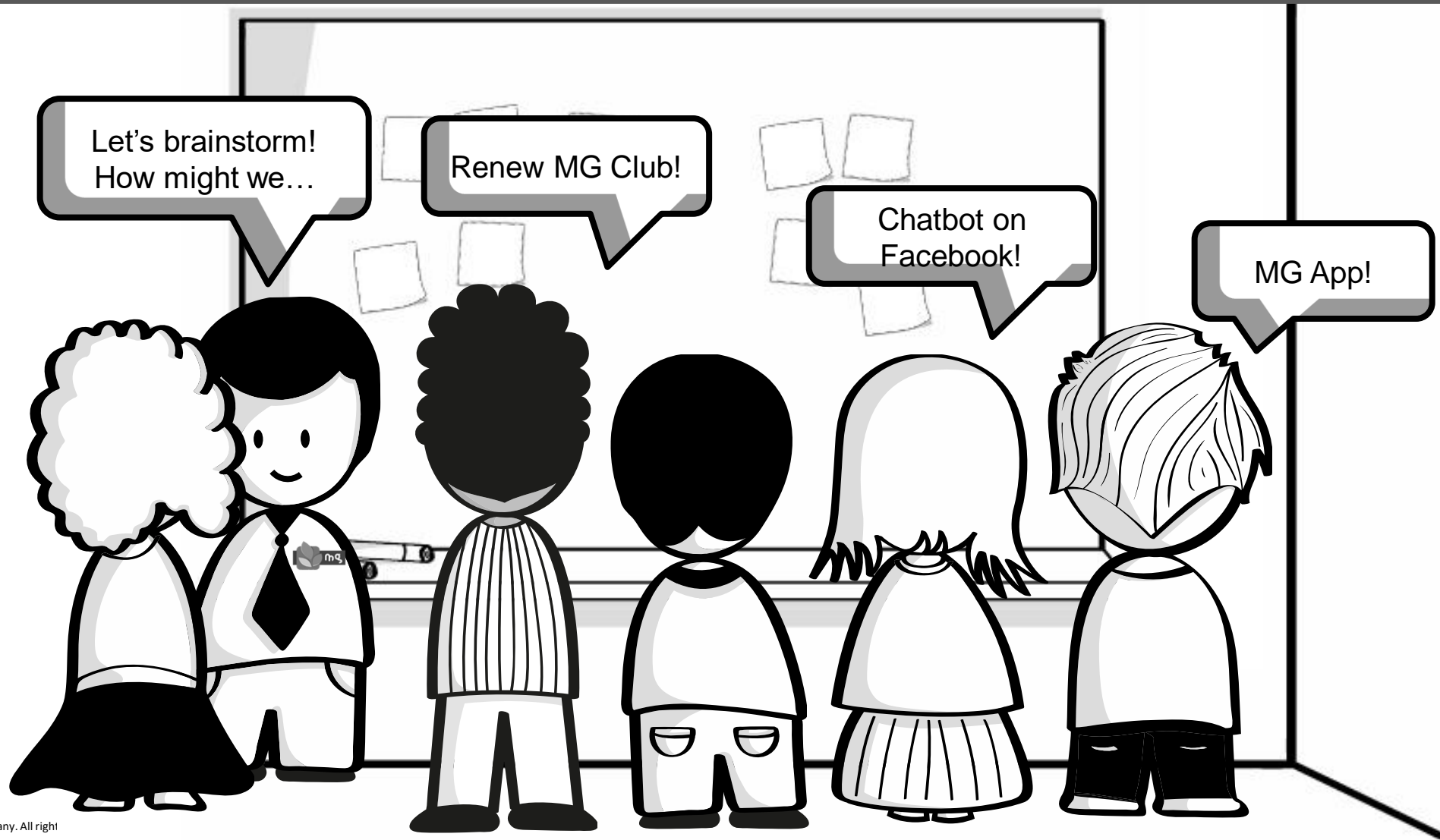
One day, while Fatma is in her kitchen she listens to a MG commercial introducing the new channel to MG for the customers.
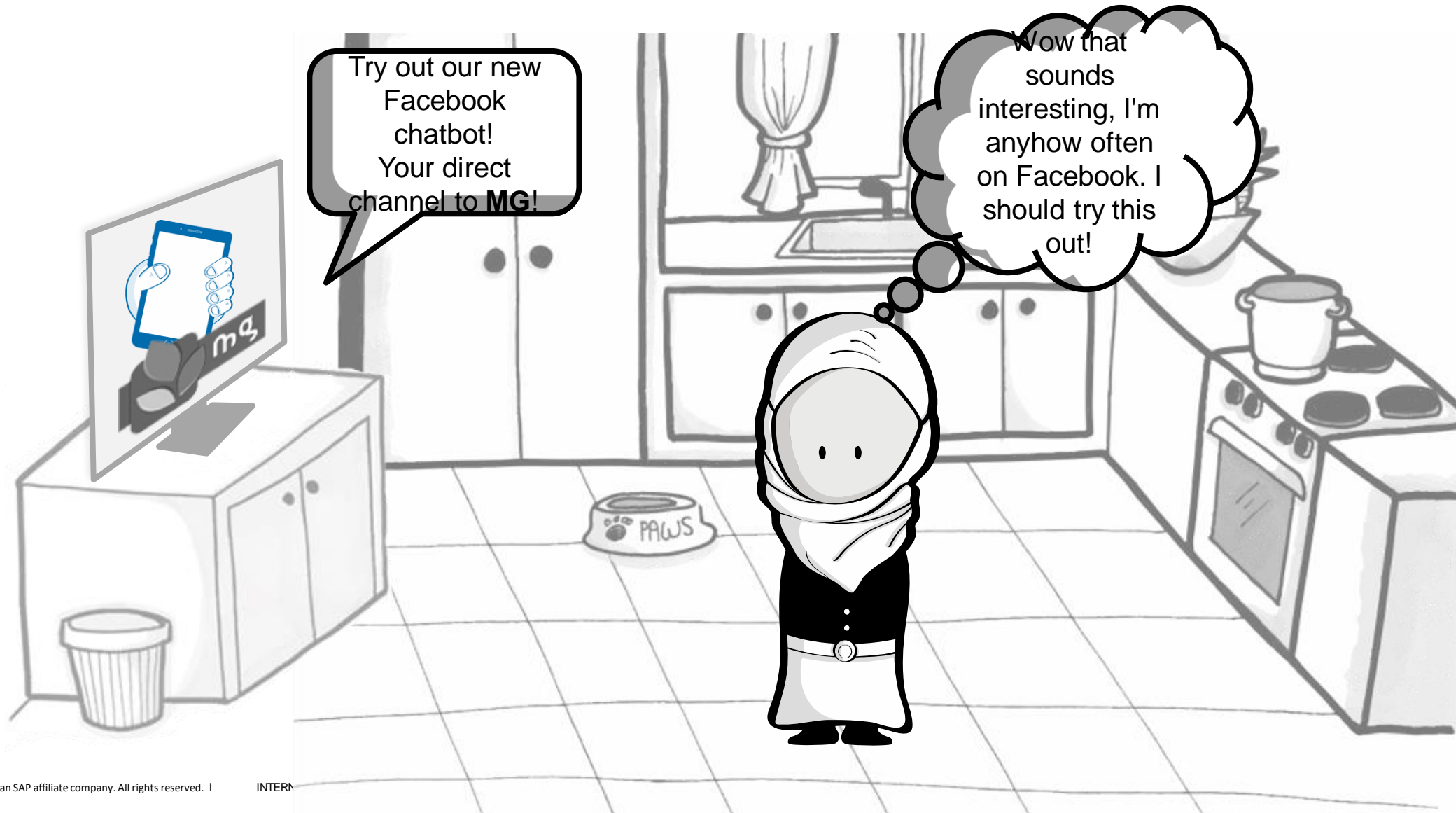
Scene 4 – Fatma trying out MG's Bot at home

Later Fatma checks MG´s new chatbot on her smartphone, after a friendly warm welcome the bot askes her if she has a MG Club card and if she would provide her number.
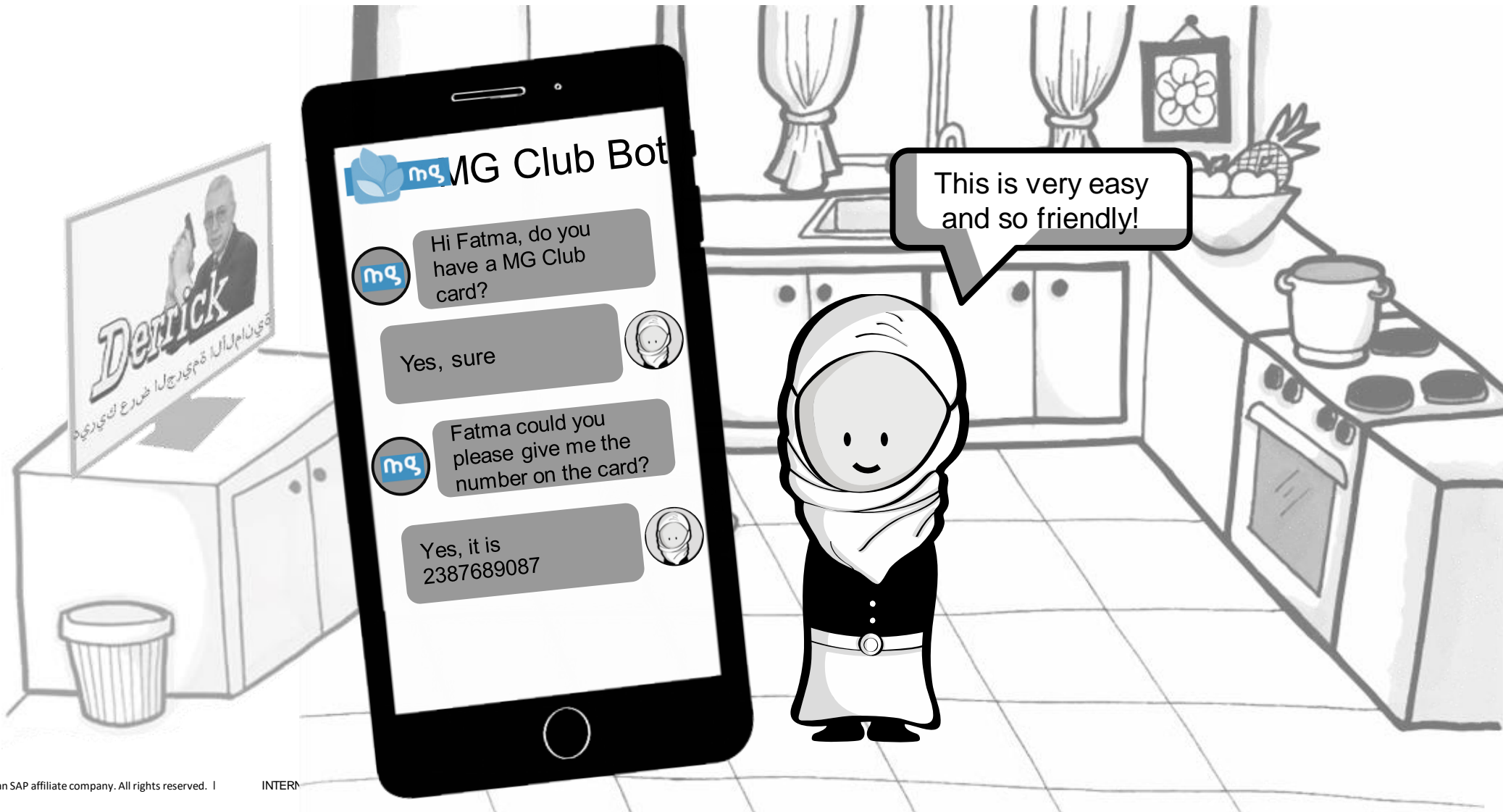
Scene 5 – Setting up customer segments and campaigns

Meanwhile Samy defines a new campaign. This time with a condition that each customer who mentions his shopping interests to the bot, will get a dedicated campaign with a discount.
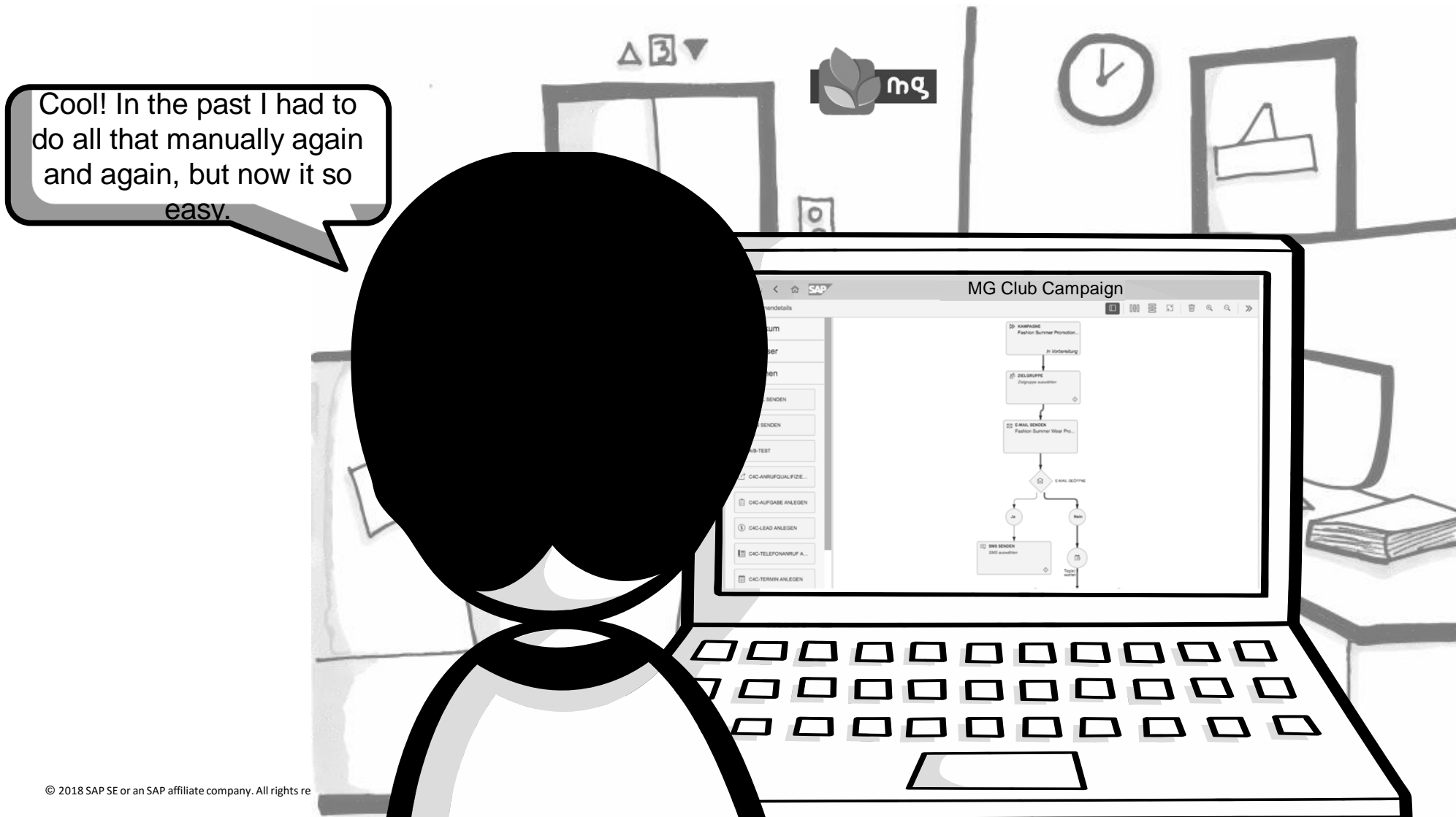
Scene 5 – Fatma updates her MG Club profile

Now the bot knows Fatma and recognizes that her phone number on the record was not correct. Over the cause of the conversation the bot completed all the missing dates in her profile which is MG´s fundament for future marketing campaigns.
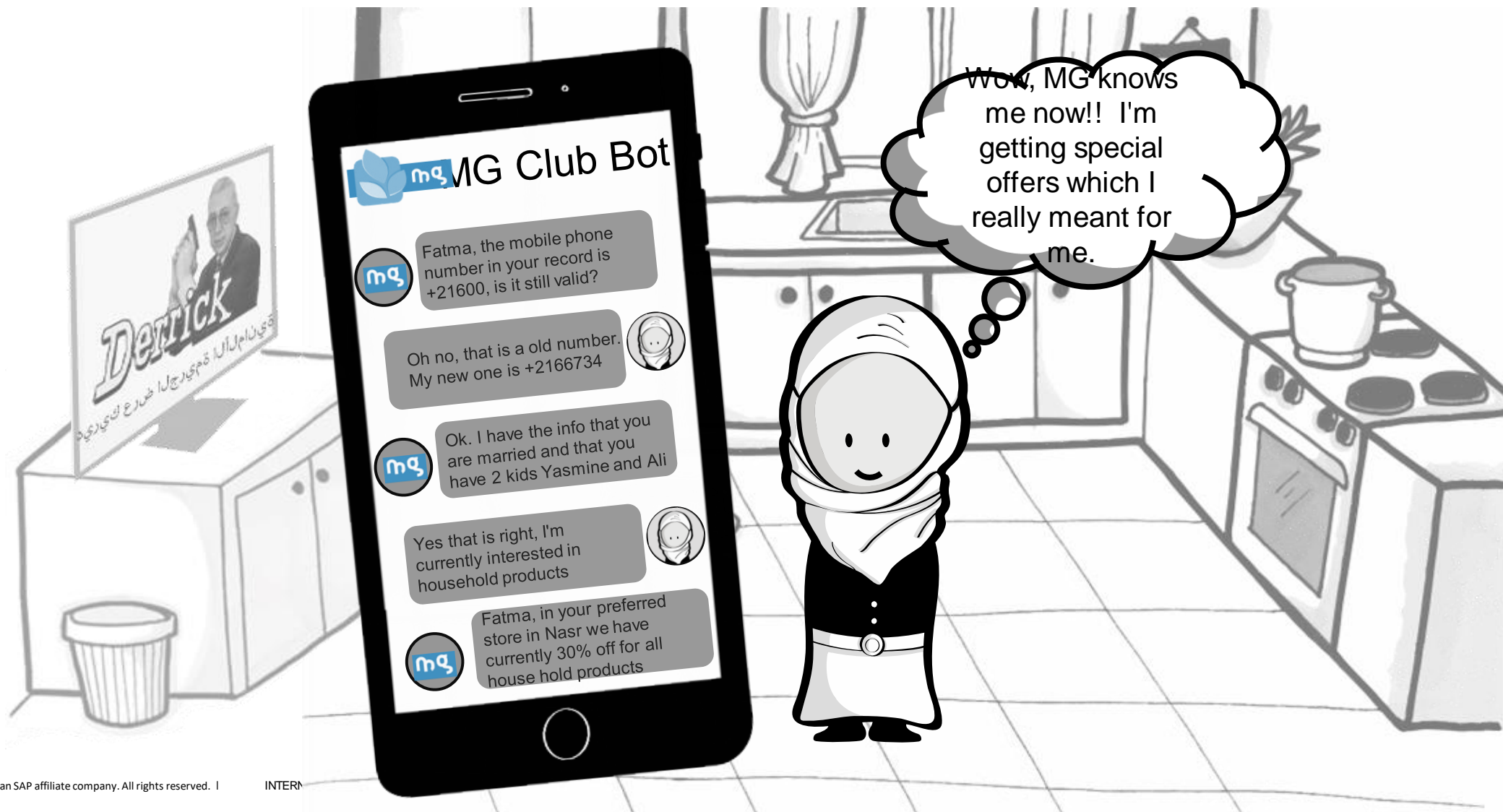
Some days later while Fatma is in her preferred store she thinks about paying with her loyalty points. Therefore she first needs to know her point level and the equal amount in Dinar to get a voucher that she could trade in at the cashier.

A great value for MG is that the bot could catch sentiments from the customers this could be positive feedback to a store or purchase but also a great chance to catch needs and desires of the customers.
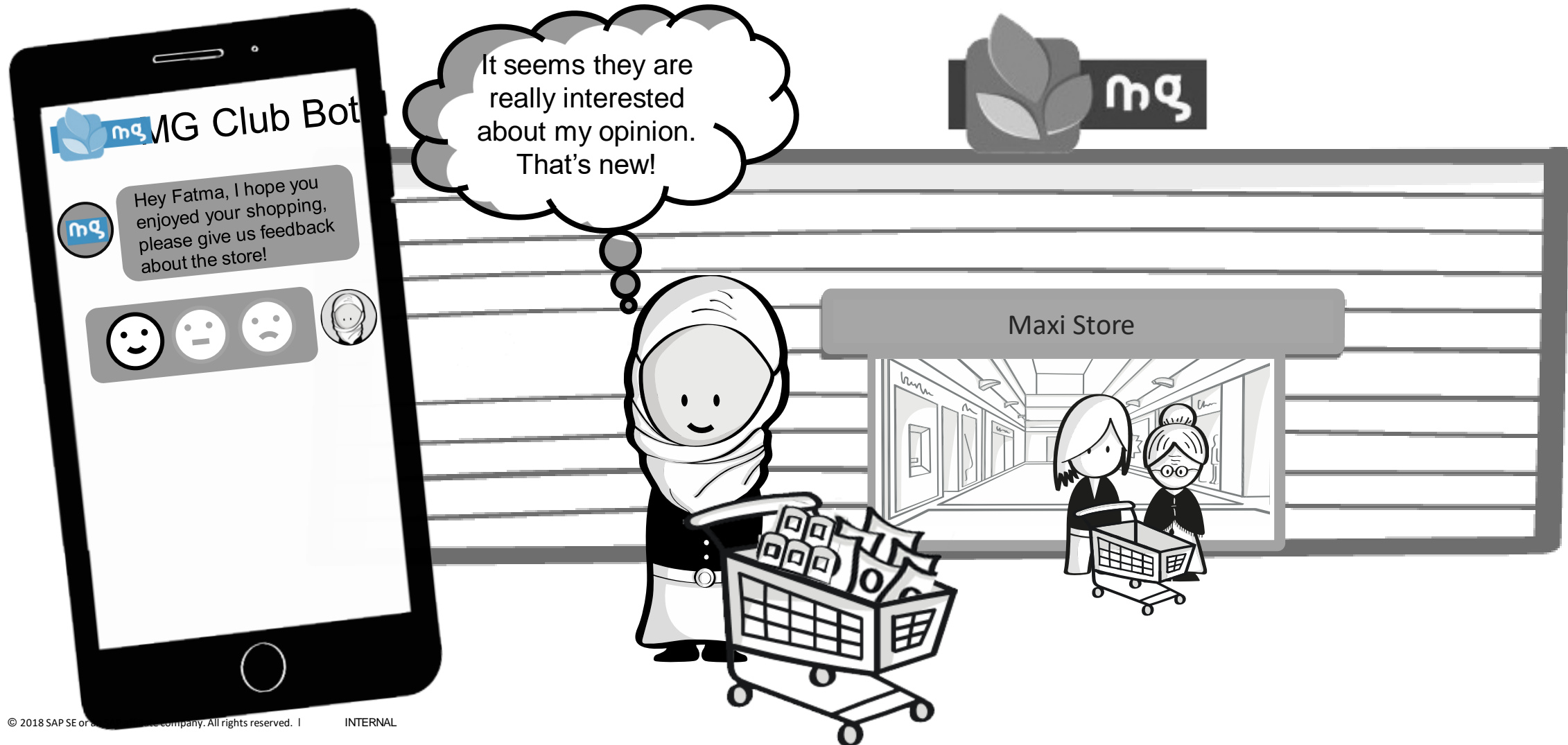
While she unpacks her purchased goods, she recognized that a glass of Harissa is broken.
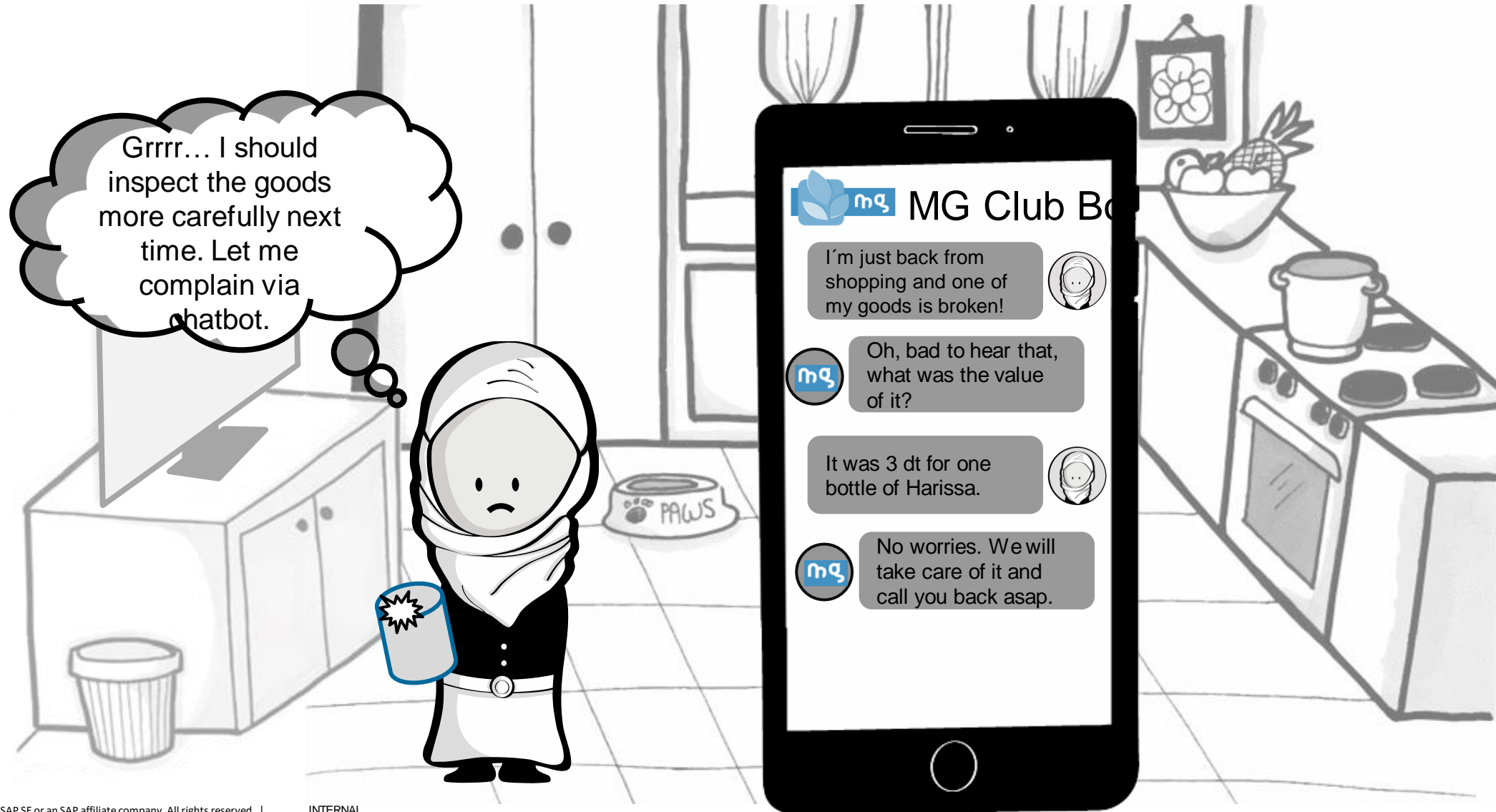
In the MG hotline an agent receives a ticket automatically created from the chatbot to resolve Fatma's problem.

Scene 10 – MG's situation changed for good
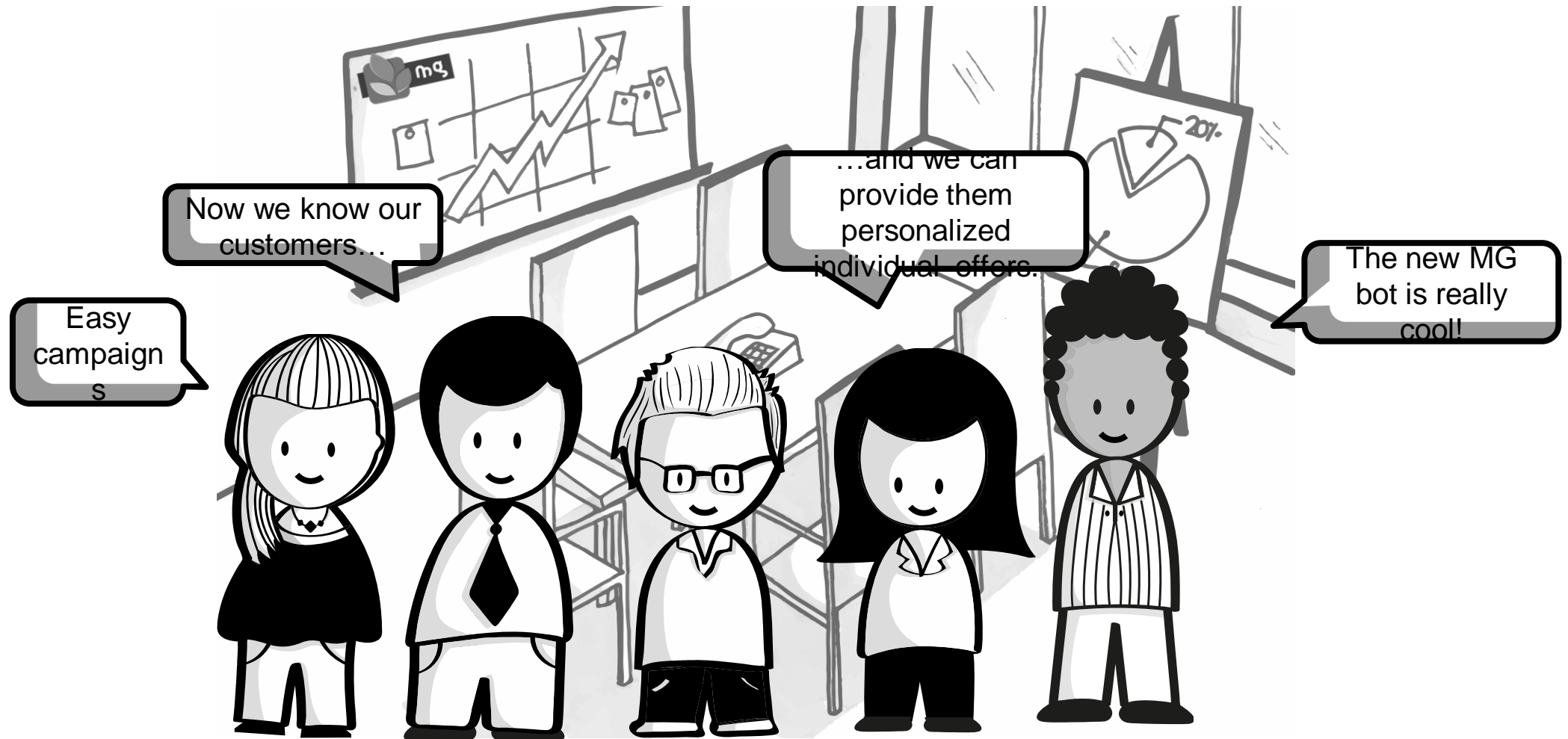
Scene 11 – Satisfied customers and MG employees

The solution of a chatbot combined with a state of the art CRM system is the ideal base for MG´s digital transformation. Together with the further plans such as e-commerce or a mobile app MG will strengthen their market position and open new customer segments. Customers can be approached based on their buying behavior, campaigns can be sent based on conditions, dissatisfaction can be recognized and

Customer Benefits

- Transparent MG Club Program

- Low barrier direct channel to MG

- MG perceived more modern

- Easy MG Club point conversion

- New way to leave complaints
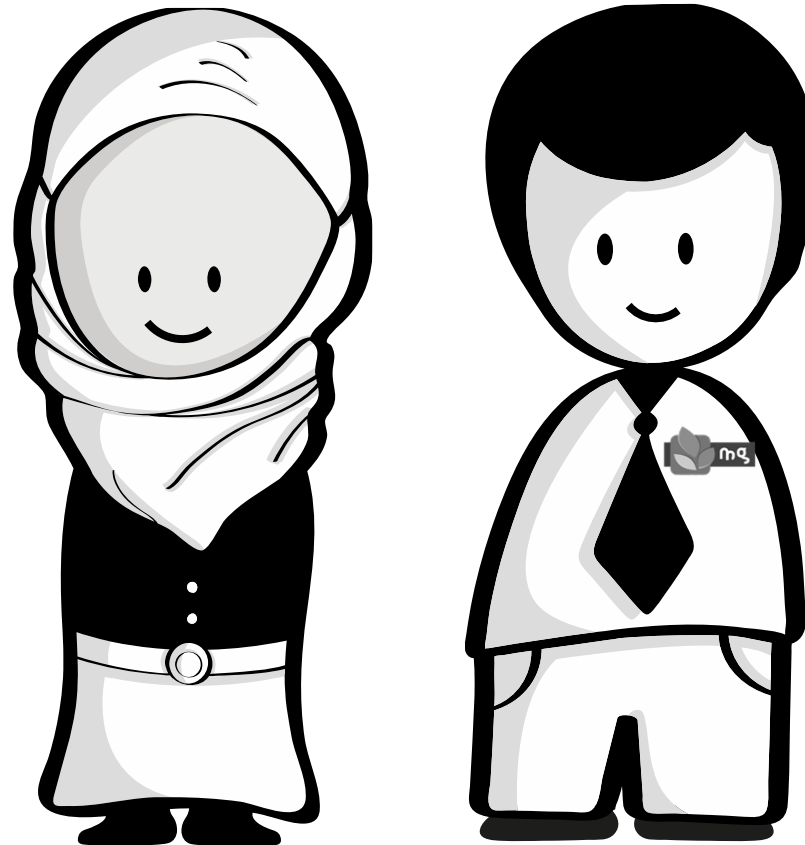
MG Benefits

- Less generic MG Club accounts

- Easy segment creation and campaign execution

- Segments of 1 customer possible

- Customers can be approached based on their buying behavior

- Reduced load on M3AK

- Easy way to detect and react

Solution Proposal

- **A chat bot build with SAP Conversational.AI integrated in Facebook messenger and connected to SAP C/4 Marketing**

- **Customer wants to validate SCP as their transformation plattform**

- **Customer is currently setting up a transfomation team for what he needs support to implement Design Thinking and Agile Development skills**

- **1.1 Mio € Licence oportunity**
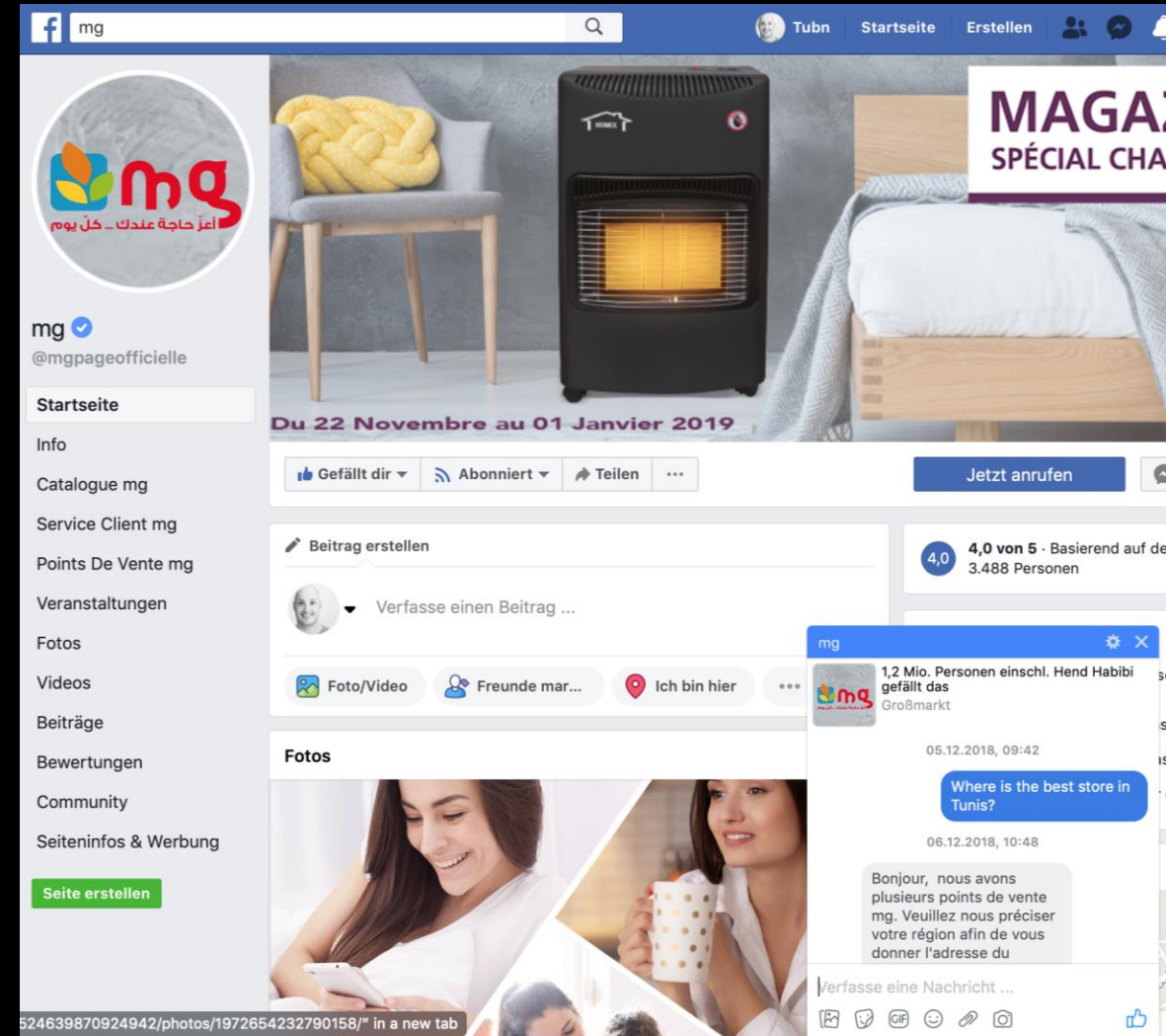
Spectrum
Workshop

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Day 1

AppHaus

AppHaus
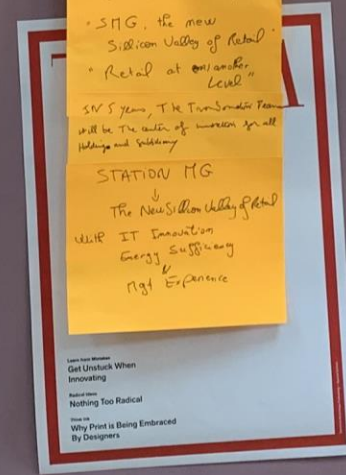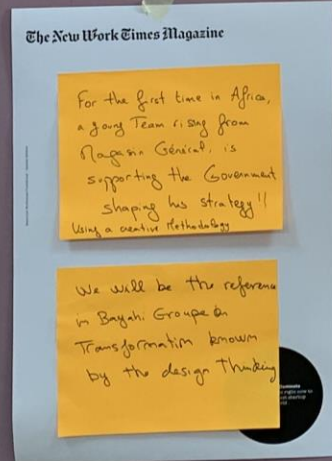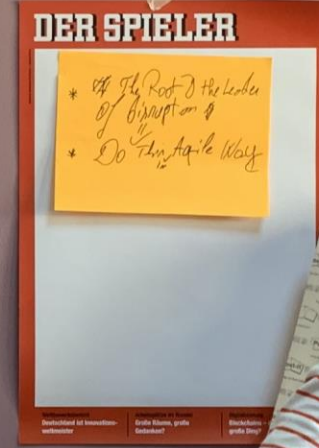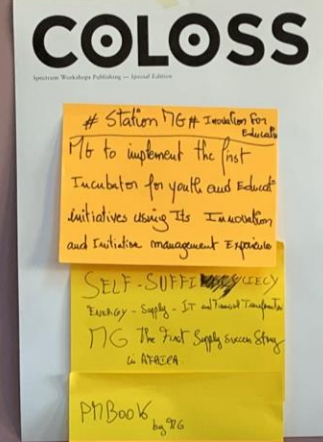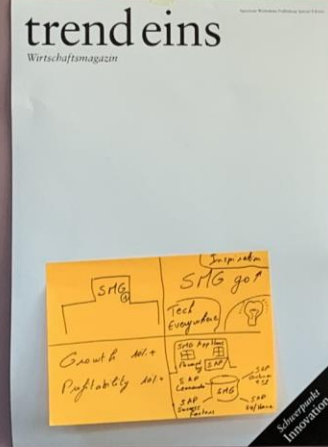
Spectrum 1/3

Spectrum workshop worked as an ice-breaker and helped the team identify: specific vision and mission, shared values and the prioritization of their innovative business – with a strong focus on the human aspects of desirability, medium on the technology side and a rather smaller interest on the business side.

Our Vision: "Be the ambassador of change and innovation in a traditional company to transform it into the retailer of the future"

Our Mission: "Drive change and innovation within SMG by bringing together collaborative people and proven tools and methodologies in an agile environment to help provide a better customer experience and journey"
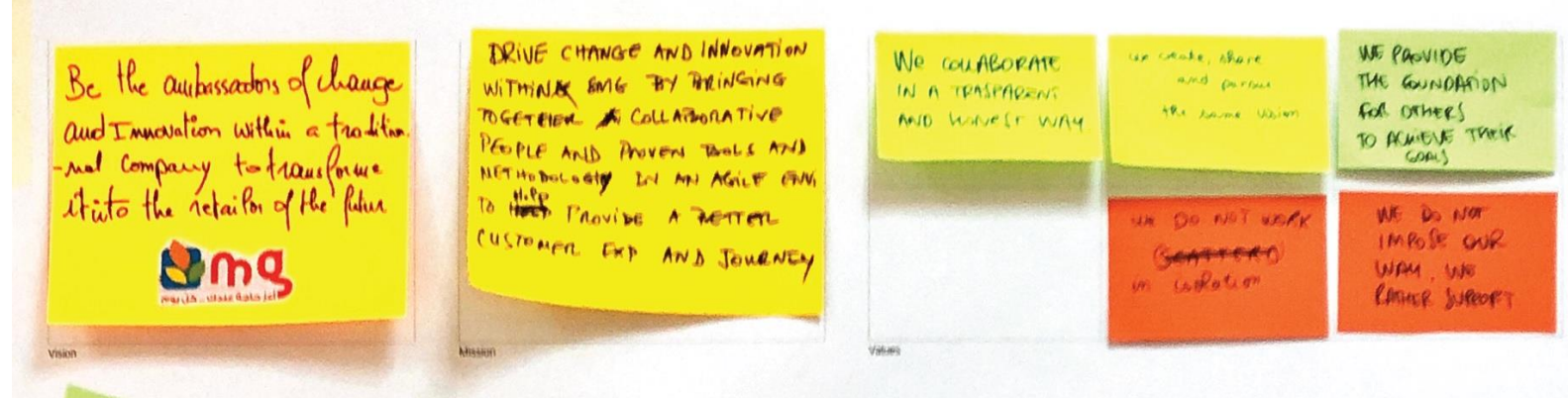
DT
Enablement
Scoping
–
Day 2

AppHaus

Roland Martin & Anthony Ryan
Design Thinking Coaches

Anthony.Ryan@sap.com
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Roland.Martin@sap.com

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