

M-Industry: Modernizing Procurement to Bring Innovative Products to Customers

To live a better life every day, people need high-quality, holistic products that are healthy, sustainable, and safe. M-Industry, a group of 23 Swiss companies that create products for the market-leading Migros retail brand, meets this goal by developing innovative food, beverage, personal care, and home care offerings that customers can enjoy with a clear conscience.

Managing the procurement of so many distinct business organizations is complex. By modernizing its procurement processes and technology infrastructure, M-Industry saw an opportunity to stay ahead of retail trends and flexibly meet consumers' changing needs. With **harmonized processes and digital procurement**, the company could enhance its customer focus and support its own strategic growth and profitability.



Increasing Sourcing Transparency with SAP® Solutions



Before: Challenges and Opportunities

- Help M-Industry's 23 discrete companies become fit for the future by digitalizing procurement
- Consolidate 12 ERP and non-ERP systems into a single instance of SAP S/4HANA®
- Streamline procurement by centralizing, standardizing, and optimizing source-to-contract and procure-to-pay processes
- Increase spend transparency and reduce maverick buying

Why SAP

- Powerful integration between SAP S/4HANA and SAP® Ariba® solutions
- Cloud-based supplier collaboration capabilities of SAP Ariba solutions
- Comprehensive procurement features available in the portfolio of SAP Ariba solutions
- Professional support for planning, implementation, and ongoing operations with SAP Ariba services

After: Value-Driven Results

- Increased transparency across direct and indirect spend, enabling data-driven insight and action
- Improved supplier collaboration through data and business process integration
- Enhanced process knowledge and best practices, thanks to the expertise provided by SAP
- Reduced costs and increased compliance by reining in maverick spend
- Moved IT procurement infrastructure to the cloud with deep integration into SAP S/4HANA to create a procurement platform for the future, with lower maintenance, upgrade, and support costs

“With the implementation of SAP S/4HANA and the SAP Ariba solutions, we have succeeded in **creating the basis** for digitalization.”

Marco Illgen, Product Owner Procurement, M-Industry, part of the Federation of Migros Cooperatives

Improved **20%**

Supply chain transparency, which enhanced contract management and supplier management

E-Auction savings on packaging materials during a three-month proof-of-concept exercise



M-Industry
Zurich, Switzerland
www.mindustry.com

Industry
Consumer products

Products and Services
Food, personal care products, and cleaning agents

Employees
10,000

Revenue
US\$6.5 billion

Featured Solutions and Services
SAP Ariba solutions and SAP Ariba services



Taking Procurement to the Next Level with Automated Processes

With so many companies procuring indirect and direct goods, M-Industry needed to gain control over its procurement activities. The company's legacy systems were unable to provide insight into either source-to-contract or procure-to-pay (P2P) processes.

Using SAP Ariba Spend Analysis, M-Industry gained transparency into its source-to-contract activities, helping it increase related spend compliance for items such as supplier rebate agreements. Harmonized master data – about everything from commodity groups to business partners – helped the company better understand procurement trends and patterns. This insight allowed M-Industry to develop valuable KPIs that are helping the procurement team reduce spending and increase savings.

The guided buying capability for the SAP Ariba Buying solution helped the company accelerate its P2P processes. By requiring buyers to use the tool, M-Industry simplified procurement activities and improved compliance with corporate spending guidelines. The intuitive solution made training employees fast and simple.

“Upgrading our procurement operations isn't an IT project; it's a business transformation project. SAP Ariba solutions made our transformation challenge easier.”

Marco Illgen, Product Owner Procurement, M-Industry, part of the Federation of Migros Cooperatives

Greater

Transparency into source-to-contract processes

Faster

P2P processes through process automation

Featured Solutions and Services

To support the digitalization of its procurement processes, M-Industry chose **SAP Ariba solutions and services**, including:

- SAP Ariba Spend Analysis
- SAP Ariba Supplier Lifecycle and Performance
- SAP Ariba Contracts
- SAP Ariba Sourcing
- SAP Ariba Supply Chain Collaboration for Buyers
- SAP Ariba Buying, including the guided buying capability
- SAP Ariba Commerce Automation
- SAP Ariba Best Practices Center
- Supplier enablement service



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