

Case Study:  
CONSUMER & INDUSTRIAL MARKETS

---

## SHARPENING CUSTOMER FOCUS THROUGH E-COMMERCE

---

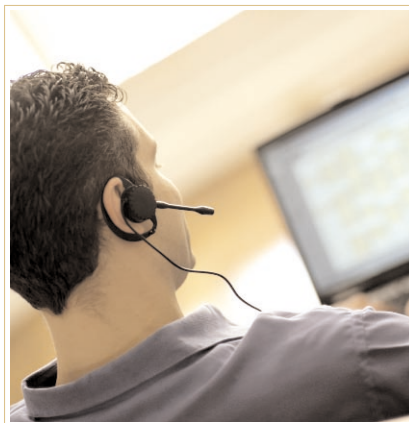
### DEGUSSA AG

As one of the largest specialty chemical companies in the world, Degussa AG is committed to exceeding customer expectations by providing high-quality products, exceptional service, and innovative solutions.

To assist the organization in meeting these objectives, BearingPoint was asked to help develop a strategy to optimize the demand chain for Degussa AG's business unit. By rapidly deploying our Supply Chain Management solutions to create a new electronic commerce channel that integrates suppliers and customers, we assisted the organization in increasing revenues, reducing costs, improving customer retention, and enhancing its competitive advantage.

#### INTEGRATING SUPPLIERS AND CUSTOMERS VIA THE INTERNET

As a whole, the chemical industry is leveraging Internet-based technologies



to improve business performance in both specialty and commodity sectors. Traditionally, the construction chemicals market has focused on creating a Web-based environment for project bidding, procurement, and project management. In keeping with its goal of being at the forefront of market and technical leadership in developing, manufacturing, and delivering high-

quality products, systems, and services, Degussa AG wanted to further extend its Web-based initiatives.

The organization envisioned a new channel that would seamlessly integrate its suppliers and customers throughout the demand chain. By using Internet-based technology to optimize its demand chain strategy, the organization expected to maintain and hone its leadership position in the marketplace, continue its acute focus on the most profitable market niches, and improve competitiveness.

As one of the largest specialty chemical companies in the world, Degussa AG is committed to exceeding customer expectations by providing high-quality products, exceptional service, and innovative solutions.



“We approached this project with an objective of leveraging our investment in SAP to generate new revenue, improve customer service, and alleviate sales administration via the Internet. The solution delivered by [BearingPoint] provided seamless integration into our SAP system and a terrific new channel for our customers. Best of all, we expect to see a rapid return on our investment.”

—LARRY KARBOWIAK  
Vice President of Information  
Technology, Degussa AG

The organization’s specific objectives were to:

- Increase revenues by improving customer and channel management, increasing potential selling time, optimizing cross-channel selling opportunities, and accelerating time-to-market
- Reduce costs by improving productivity through business process reengineering and reducing business process cycle times
- Increase customer retention by making it easier for customers to do business through 24/7 access to unique services and by offering personalized, customer-specific experiences

The organization selected BearingPoint to evaluate, recommend, and deploy a demand chain management solution that would leverage its SAP R/3 investment, bind its customers and suppliers more closely to the organization, and make online transactions easy, quick, inexpensive, and pleasant for its customers.

## MOVING QUICKLY FROM STRATEGY TO IMPLEMENTATION

To deliver our Supply Chain Management solutions, BearingPoint’s first step was to conduct a preliminary strategy requirements assessment and vendor selection process. Within just six weeks, our team of experienced professionals had reviewed the organization’s business processes for order management and fulfillment, existing technology infrastructure, and overall business initiatives. In addition to formulating a pilot strategy, our team provided a long-term strategic plan that encompassed Degussa AG’s identified electronic commerce goals in the context of its overall objectives for optimizing demand chain management.

In keeping with its goal of being at the forefront of market and technical leadership, Degussa AG envisioned a new online channel that would seamlessly integrate its suppliers and customers throughout the demand chain.

Based on this review, BearingPoint recommended a solution developed by HAHT Commerce. HAHT’s track record of delivering demand chain

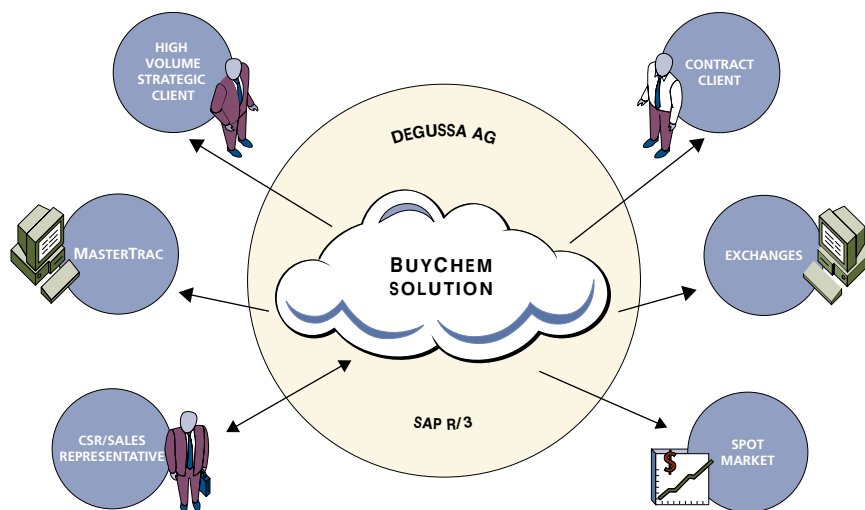
management solutions on time and on budget and its tight integration with SAP R/3 were key reasons for this selection. Both factors would be critical in meeting the organization’s aggressive deployment schedule and business objectives.

## TWO-PHASE DEPLOYMENT

Following the strategy design and blueprint, BearingPoint led a two-phase deployment.

Phase one, conducted in a 10-week time frame, delivered an order management application for Degussa AG and its pilot end-customers. The HAHT application suite integrated into the organization’s SAP R/3 back-end system to deliver on the key customer requirement of viewing and processing real-time data directly from SAP.

During phase two, which was completed in 20 weeks, BearingPoint delivered the added benefits of online product catalogs, marketing applications for Web-based campaigns and promotions, and business intelligence reporting tools to monitor customer buying trends. All of these applications could be integrated with the organization’s workflow-driven content management system.



## ACCELERATING THE BENEFITS OF ELECTRONIC COMMERCE

Dubbed BuyChem™, Degussa AG's new online channel offers the organization an innovative twist on traditional customer service. The channel provides customers with wider and deeper real-time product pricing and availability of information, 24/7 order entry and tracking, and just-in-time deliveries. The organization can now develop multilevel relationships with its customers through the BuyChem components.

These include:

- **MasterTrac®:** Remote customer monitoring and automatic ordering system using automatic order points, optimized delivery schedule, and satellite communications
- **eSales:** Customer order entry, order tracking, and account status via an Internet-based application linked to SAP
- **eMarketing:** Internet-based marketing campaigns, enhanced catalog selling capabilities, and marketing analytics

In addition, eMarketplace, which is currently in planning, will provide selective integration with industry online marketplaces and procurement portals.

Through the deployment of BuyChem, Degussa AG anticipates lower distribution costs, improved delivery response times, increased sales, greater customer personalization, lower transactional costs, and improved customer service.

## BEARINGPOINT'S CHEMICAL INDUSTRY PRACTICE

Today's chemical companies face tough business challenges—from optimizing the supply value chain to integrating multiple disparate business systems in order to create a more efficient enterprise. Applying smart growth strategies while trying to drive down supply chain costs, increase efficiency, and attain measurable return on investments is essential because the high cost of energy forces chemical companies like Degussa AG to streamline, consolidate, and maximize their profitability.

BearingPoint can help your organization focus on aggressive business consolidation, improve supply chain visibility, collaborate effectively with

sales and operations, and integrate online customers (marketplace) and back-end systems (distributors/manufacturers). Our industry-experienced teams use our tailored solutions and leverage relationships with leading technology providers to help you meet your goals.

## DELIVERING RESULTS THROUGH INDUSTRY-FOCUSED SOLUTIONS

Our teams can enable you to harness the power of the Internet to move goods, information, and money with optimal speed and security, improving efficiency and responsiveness, cutting costs, and helping enhance shareholder value.

We can help you maximize your current technology investments and extend your applications to include supply chain and customer relationship management. We can also help your organization streamline operational efficiency quickly by automating business processes and integrating your business systems to increase productivity and improve your bottom line. Our approach focuses on delivering results quickly with a rapid, iterative, and incremental framework that measures

results every 90 days and provides you with a phase-by-phase return-on-investment scorecard.

With our Supply Chain Management solutions, we can help you successfully integrate vendors, customers, channel partners, and operations, jump-starting supply chain performance within and beyond the boundaries of your organization. Having achieved total supply chain visibility, you can deliver the right product, to the right location, at the right time in the most profitable manner possible.

In addition, by deploying our Procurement solution, we can offer you fully automated, Internet-based, self-service applications to streamline transactions between buyers and suppliers and generate information essential to strategic analysis. Using this solution, our teams can help you deliver indirect purchase products at the lowest cost; streamline the requisition-to-pay process; identify new suppliers, products, and services; and manage supplier relationships more successfully.

With our Configure To Fit® solutions, we provide you with end-to-end integration of business processes, workflow, and data across disparate systems, increasing your organization's ability to respond and adapt to change. This

“As we have worked with Degussa’s businesses for about five years, we were able to develop a project approach that was aggressive, yet realistic. Our understanding of Degussa’s technology, business culture, and challenges enabled us to create measurable milestones, which were key to achieving Degussa AG’s’ objectives.”

— JERRY KNOL  
*Managing Director, BearingPoint*

convergence may encompass business-critical functions such as supply chain management and customer relationship management.

BearingPoint’s industry-experienced professionals serve 5 of the top 15 global chemical companies.

With our Workforce solution, we can help you implement a self-service Web-based platform that can provide a centralized portal for all internal communications and transactions, such as payroll, benefits, and learning. With an emphasis on profitability and operational efficiency, our Workforce

solution can help your organization optimize employee productivity, streamline operations, and reduce costs.

## **BUSINESS AND SYSTEMS ALIGNED. BUSINESS EMPOWERED.**

BearingPoint provides business consulting and systems integration to Global 2000 and government organizations. Our approximately 16,000 professionals in 39 countries leverage extensive industry and technology domain experience and flexible tools and methodologies to successfully deliver on time and on budget. We get the job done for our clients because we do whatever it takes to deliver on our promises with speed and purpose.

As our name implies, at BearingPoint we help our clients set the direction to reach their goals. As business systems integrators, we align our clients’ business processes and information systems to enable them to access the right information at the right time, empowering them to achieve their desired business results and create enterprise value. To learn more about BearingPoint, please contact us at 1-866-BRNGPNT (1-703-747-6748 from outside the U.S. and Canada) or visit our Web site at [www.bearingpoint.com](http://www.bearingpoint.com).



Business and Systems Aligned. Business Empowered.™

BearingPoint | 1676 International Drive | McLean, VA 22102 | 1.866.BRNGPNT | [www.bearingpoint.com](http://www.bearingpoint.com)

©2002 BearingPoint, Inc. All rights reserved. Printed in the U.S. BearingPoint, Inc. was formerly known as KPMG Consulting, Inc. The local KPMG Consulting affiliate in each country is undergoing a name change and will continue doing business under its current name until its name change has been completed and confirmed. Configure To Fit is a registered trademark of BearingPoint, Inc. All other trademarks are the property of their respective owners. C2375-CIM-0902-02-MSRD144