The ability to quickly and accurately determine profitability costs, down to the VIN level, was critical for this global automotive OEM to remain competitive across the industry. SAP S/4HANA made that possible.

**THE ISSUE**
A global automotive OEM grappling with disparate information across multiple aging ERP and mainframe systems; no common information across vehicle models; calculations and reporting required labor-intensive or manual efforts. Product level profitability analysis had a six-month lag time, directly impacting the ability to quickly adapt to market demands.

**THE SOLUTION**
Supply chain, manufacturing and sales processes from various operational systems were replicated in SAP S/4HANA, to generate financial data at a detailed level. By defining common information and product costing models, and standardizing allocation procedures that use this detailed data, the company now has insight into vehicle-level costs, allowing insightful, accurate reporting in real-time, and at any level of the organization.

**THE IMPACT**
- Single source of truth as baseline for future, longer-term vehicle portfolio decision making
- Operating profit reporting increased from semi-annual to monthly
- Latency of cost/unit data reduced substantially
- Advanced analytics deliver daily product-level income statements to determine direct costs
- Increased data granularity with drill-through capabilities for variance analysis
- Streamlined and standardized allocation categories, drivers, and methodology enable cross-location benchmarking, which motivates operations to analyze and improve profitability
- Decreased manual reconciliation hours due to minimal discrepancies in operational versus financial reporting

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**QUICK STATS**
- Large automotive OEM
- Business transformation program
- Greenfield S/4 implementation across multiple manufacturing and administrative locations

**KINETIC ENTERPRISE PILLARS**
- Intelligent
- Clean
- Inclusive
- Responsive

**KINETIC ENTERPRISE DRIVERS**
- Vehicle Profitability

**RISE WITH SAP**
- Business Process Intelligence
- SAP Business Network
- SAP Business Technology Platform
- Tools and Services
- SAP S/4HANA Cloud
- Cloud infrastructure by choice

**SAP TECHNOLOGIES LEVERAGED**
- SAP S/4HANA
- SAP Ariba
- BPC 11.1 on BW/4HANA
- SAP Fiori
- SAP Analysis for Office
- Non-SAP Reporting Tools (Power BI)