German sports car manufacturer increases flexibility and agility with state-of-the-art business analytics supported by the Customer First approach

Porsche AG is a German automotive manufacturer delivering luxury, high-performance sports cars to its global customer base. Innovation and tradition, design, functionality, performance, usability, exclusiveness, and social acceptance are core tenets of the Porsche brand and have driven its success. The Porsche principle calls for intelligent performance: “always get the most out of everything.” As a partner of SAP since 2007, Porsche has been driving a transformation to a data-driven enterprise, maximizing the value of its data to improve performance and efficiency. Using the SAP Analytics Cloud solution, Porsche wanted to enable top management and dealers worldwide with real-time insights built on a central data governance model, starting with customer relations. With the help of Customer First, Porsche has experienced lower costs, improved decision-making, flexibility and agility in its business intelligence, increased efficiency, and standardization of data management.
Customer
Porsche is a sports car manufacturer based in Stuttgart, Germany, with more than 35,000 employees and is a subsidiary of Volkswagen Group. The company specializes in luxury sports cars and offers a wide range of customization options, accessories, and intelligent features such as Porsche Connect, a digital copilot. Porsche also provides related financial services, including leasing and protection plans, and vehicle services and maintenance. Sustainability is a key element of Porsche’s strategy, with its efforts to include green energy in production facilities and deliver hybrid and, since September 2019, also fully electric vehicles.

Objectives
With its enterprise-wide data analytics project, Porsche aimed to:
▪ Generate insights with a single source of truth and state-of-the-art analytics system
▪ Empower the workforce with role-based access to data and insights at a granular level at its fingertips
▪ Centralize its data management and enable efficient reporting across the company with real-time insights that drive fast, informed decision-making

“In 2016 we said we need something that is state of the art and gives us the opportunity to visualize data, be flexible, offer dashboards instead of just raw data, and deliver insights.”
Markus Hartmann, Project Manager for Customer Relations, Porsche AG at TechEd Barcelona 2019

Challenges
Before starting the project in 2016, Porsche experienced:
▪ Lack of an analytics strategy, analytics tool set, and central data-governance model including standardized KPI definitions
▪ A disparate IT landscape for analytics and different information sources resulting in data inconsistencies
▪ Use of two different, disconnected reporting systems, one for top management and regional reporting and one for Porsche dealers worldwide
▪ Time-consuming, resource-intensive manual extracting, cleansing, aggregation, and visualization of data using spreadsheets (several hours to run reports, sometimes overnight)
▪ Incurring costs for a third-party agency that prepared reports
▪ Decision-making based on “gut” feelings, not insights
▪ Lack of agility in reporting (“Monthly reports mean we are already 30 days too late,” says Markus Hartmann, a project manager at Porsche)
▪ An inflexible analytics system that requires developers and takes days to make updates
“We now have a partnership with SAP, talking together every week or every two weeks. We are talking about new features, new requirements we have, and how we can get there. . . . We are working in an agile manner with SAP, and I would even say our SAP colleagues and us from the Porsche side, we are one team. When we need development help or it is getting complicated, our customer engagement executive from SAP is there to support us.”
Partnering with SAP Using a Customer First Approach Across Porsche’s Journey to a Data-Driven Enterprise

The customer engagement executive (CEE) from SAP supported Porsche along the way and was orchestrating high-priority issues and feature requests and organizing calls with product development or support when needed. The team had quarterly meetings with all individuals involved from Porsche and SAP to come together to discuss major issues and work together to resolve them.

“If a problem occurs, our CEE is a good channel to talk with about the issues, and she contacts the SAP people internally. That speeds up the whole process of supporting our SAC project,” says Hakan Keles in IT platform and data management at Porsche. “When we had issues, we had a good contact within SAP that we could talk with immediately about anything that went wrong and find a solution together,” adds Markus Hartmann, project manager for customer relations.

Porsche also appreciated that the CEE was able to provide access to product management and experts within SAP and the opportunity to influence the product road map. “We have a regular call with our CEE, and together we maintain a list of features and improvements we would like to see. She provides the contact person within SAP for each request, and then we have workshops to specify feature requests or go deeper into the planning of it. It is great to have deep insights into product management and development, to work with them on the specific features Porsche needs,” says Keles.

With its integrated system for reporting and analytics, Porsche experiences:

▪ Central data governance with increased performance and scalability
▪ Real-time creation of management and sales reporting (from 3 days to 20 seconds)
▪ Reduction in total cost of ownership (compared to the "on premise" world)
▪ Huge time savings from real-time access into dashboards with role-based insights and visualization
▪ Agility and flexibility in the business, with the use of new data models built on the BW/4HANA® solution on SAP HANA® Enterprise Cloud that allow fast responses to business questions and the ability to make adjustments in KPIs and data sets quickly and without the need for change requests and development support

“I spoke with a managing director in Madrid. When he has a meeting with his boss, he had to prepare for three days in advance to download all the data, aggregate it, and visualize it. Now, he has all the information he needs in real time in a dashboard. We have moved from just delivering raw data to delivering insights, which means a lot of time savings for us.”

Markus Hartmann, Project Manager for Customer Relations, Porsche AG
Role of Change Management in Porsche's Transformation

Porsche took a bottoms-up approach to introducing SAP Analytics Cloud to the organization, starting with customer relations and focusing on demonstrating the value of the new technology and approach. In partnership with SAP, the project team met with user experience (UX) designers in Madrid to host around 20 sessions with sales advisors and managers to monitor how they were using the software and help them learn the best way to leverage it.

Porsche used a traditional “train the trainer” concept to enable its employees. The project team trained the regional managers, and they are responsible for training the leaders in their market. The company also established an analytics community to discuss issues, share best practices, and collaborate.

While regional teams within Porsche used different approaches to calculate KPIs in the past, they now have standardized and documented KPIs. During the rollout of its first dashboard, Porsche created a central KPI dictionary with technical and business logic behind each entry to ensure KPIs are well understood and have the same meaning across the organization. “In the end, it’s all about trusted data. When you have a PowerPoint deck or PDF in front of you, you never know where the data is coming from. When you have a standardized dashboard or digital boardroom where you just enter the link and open it, and the board members look at it, you know that the base for the data is trusted,” says Keles.
Lessons Learned on Porsche’s Journey to a Data-Driven Enterprise

Showcasing SAP Analytics Cloud and associated processes helped build understanding of the new technology across the organization and created awareness of the business outcomes that resulted. Following this project, Porsche established a dedicated reporting product to ensure data quality and reporting governance during Porsche’s transformation to an intelligent enterprise.

Other lessons learned include the following:
- Senior leadership support accelerates the process of change, and they should be part of the journey early on in a transformation project
- Starting with a pilot allows for gathering a lot of learning and setting up the framework around security, data protection, and corporate risk, which helps streamline the rollout across the organization

What’s Next?

Building on the success of the analytics transformation within customer relations, Porsche is beginning to change the approach across the company, including within procurement, finance, controlling, and HR. “The situation in 2017 was in those areas where we didn’t have an analytics strategy or analytics tool set. What we did then was analyze the market and the benchmarks, set up a consolidated database with all the governed data, and set SAP Analytics Cloud on top of that for reporting purposes,” says Keles.

Currently, Porsche often uses Microsoft PowerPoint decks and Adobe PDFs for its corporate reporting to top management. Together with SAP, it has planned a strategic partnership to build a digital boardroom for top management. The goal is to digitalize the entire reporting process with trusted, real-time data.