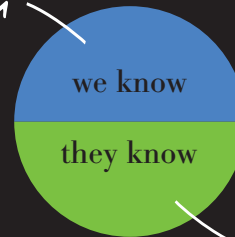




TOP TO BOTTOM



END TO END

Ogilvy & Mather: a great advertisement for IBM and SAP

A member of the WPP Group plc, Ogilvy & Mather is one of the most famous advertising agencies in the world. With offices in every major market serving international brands, and a creative reputation second to none, its business is going from strength to strength. Ogilvy has grown rapidly both organically and through the acquisition of smaller agencies. This has given the company excellent knowledge of local markets, but has made it difficult for Ogilvy to integrate and control its activities at the highest level. With clients increasingly demanding enterprise performance information and consolidated account management, Ogilvy needed to gain overall control without losing local flexibility.

Atefeh (Atti) Riazi, Ogilvy's Chief Information Officer, comments: "To make strategic decisions for ourselves and for our customers, we needed a real-time enterprise view of activity. Our rapid growth had left us with multiple systems and data structures; we wanted to bring these together in an integrated system for all our financial and business processes." In a ground-breaking move for the media industry, Ogilvy chose SAP as its technology infrastructure for the future. IBM Business Consulting Services (BCS) handled every stage

of the implementation, and IBM now manages Ogilvy's systems in an environment on IBM @server pSeries. Says Atti Riazi, "The combination of IBM and SAP was perfect. The solution was completed in just six months, and IBM is now providing professional and responsive support. Our SAP solution is generating cost savings, delivering data across disparate systems for better decisions, improved financial control and faster reaction to business change."

IBM: the no-risk solution

The media industry is awash with tales of failed ERP implementation, where budget and timescales ballooned or where the final production system did not meet business requirements. Ogilvy's decision to switch to SAP therefore attracted a great deal of attention. Says Atti Riazi, "We needed to manage both the costs and the risks associated with such a massive project. IBM totally committed to delivering the results we wanted, and the outcome was incredible: in my opinion, a turn-key, shared-risk solution with IBM and SAP is the right choice for any CIO." IBM's knowledge of the advertising industry meant accelerated timescales, and its SAP expertise speaks for itself: within six months, Ogilvy was live and generating

Overview

■ The Challenge

To migrate to a fully-hosted SAP solution, replacing legacy systems in order to automate workflow, improve business intelligence and enable faster response to business change.

■ The Solution

A turn-key SAP solution scoped, designed, implemented and managed by BCS in just 6 months

Application: mySAP.com

Software: AIX®,

Microsoft® Windows®

Hardware: IBM @server® pSeries™,

IBM @server xSeries™

■ The Benefits

Fast, smooth migration; low-risk implementation; more detailed, more flexible reporting, faster; real-time queries for accelerated strategic insight; improved analysis of profitability. The solution is already delivering cost savings, and will enable Ogilvy to automate workflow, improve business intelligence and react faster to business change.



cost savings. "Our SAP solution manages human resources, production, financials, purchasing, materials management and executive reporting via the SAP Business Information Warehouse (SAP BW), giving us for the first time a seamless and integrated playing field," says Gary Lee, Ogilvy's Chief Operating Officer.

"With IBM, we proved that a turn-key, outsourced SAP implementation works," says Atti Riazi. "We proved that you do not need hundreds of consultants over several years to build a solution. IBM promised that the system would work as advertised, and made sure that it did. "No other company will share the risk with a CIO like that; IBM ensured no scope creep and delivered all the functionality on schedule and within budget. That's no small achievement and absolutely critical in an industry that has cost pressure like mine! Another critical success element was our dedicated internal project team and the bond between IBM and Ogilvy team members."

An infrastructure for changing times

Changing client expectations and increased pressure to demonstrate value had made it necessary for Ogilvy to improve the speed and quality of reporting on financials, resource utilization and campaign performance. However, legacy systems and the lack of integration between systems made reporting labor-intensive and time-consuming. Says Atti Riazi, "We had changed our business model and needed to move to an integrated business information solution that supported the new model." With SAP, Ogilvy can give its clients exactly what they need: fast, detailed reporting on expenditure and campaign performance. The improved level of service offered by Ogilvy is a major qualitative differentiator in a highly competitive market. Says Atti Riazi,

"Our SAP solution helps us to build stronger bonds with global clients, by enabling us to offer detailed, flexible and rapid reporting. To do our job well, we need to be able to tell our clients what and where they are spending and what effect that is having; SAP gives us the power to do just that."

SAP BW: Intelligence and flexibility

The replaced legacy system was an industry-standard media solution, offering strength in specialist media buying, but very little flexibility or business intelligence. Ogilvy wanted flexibility and options now and into the future in analyzing profitability, whether by account or region, but the limitations of the legacy system made it impossible to do so at any speed. Says Atti Riazi, "A thirst for information drove our decision to move onto SAP. We wanted to know whether we were making money from our fee-based services, and the old system was geared up to the commission-based model, so it could not provide the answer. With the SAP BW, we can query and cross-reference information in real time, which will allow us to make better strategic decisions."

"We selected SAP because it is a mature solution with a universal footprint, and because SAP's approach to the advertising business showed a real understanding of our needs. We wanted a solution that would give enterprise views of data and incorporate local particularities, variations in currency, tax regulations and reporting standards; SAP was clearly the best choice."

Ogilvy: leading the way

IBM provided an end-to-end SAP solution, from scoping, through implementation and migration, to hosting and management. This reduced risk for Ogilvy and cut out the cost of developing in-house SAP skills. "We were delighted and almost

shocked by the level of professionalism and expertise demonstrated by the IBM team," says Atti Riazi. "This was one of the best implementations I have ever worked on. At Ogilvy & Mather, we believe our SAP implementation is an industry first. There's a feeling in the industry that if you move off the accepted platform, away from 'the way things have always been done', the challenges of change are too daunting. Well, we've met those challenges: with SAP and IBM we have migrated our mindset as well as our IT, and we're in a long-term partnership for success," says Gary Lee.

Further Information

To learn more about how the IBM and SAP alliance can help your business, please visit: **ibm-sap.com**



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