

DRIVING BUSINESS VALUE THROUGH PERFORMANCE MANAGEMENT

Solutions for a Consumer-Centric World



**ATOS ORIGIN'S PERFORMANCE
MANAGEMENT SOLUTIONS
ENABLE COMPANIES TO
GATHER, ANALYZE AND SHARE
DATA IN WAYS THAT WILL
ENHANCE THEIR COMPETITIVE
POSITIONS.**

As a leading global business consulting and IT services provider, Atos Origin is ideally placed to help the CPG and Retail industry deal with the business and IT-related challenges of today. Our unique "design, build, operate" approach enables us to increase the value of an extended enterprise through the creative use and ongoing management of IT across the complete value chain, from producers of raw materials and packaging to logistics providers and retailers.

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Performance Management Solutions

Within the CPG and Retail markets unpredictable customer demands and economic uncertainty are challenging enterprises to detect trends sooner and respond faster. Businesses today need to be able to abstract, analyze and visualize data from all levels of their extended enterprise in order to respond more accurately and quickly to market demands both locally and globally and to drive their business performance.

Key to meeting the unprecedented competitive challenges of today's CPG and Retail markets is real-time access to quantitative and qualitative information, both internal and external. However, using this information intelligently for sound decision-making is difficult. Here Performance Management

can provide the fast and accurate answer to these challenges.

Performance Management requires a focus and agreement on those activities that will drive an enterprises' performance to meet stakeholder requirements, achieve alignment of



Maximizing supply chain effectiveness for **Kraft Foods International**

Kraft Foods International is part of Kraft Foods, the largest branded food and beverage company in North America and the second largest worldwide, based on 2002 revenue. As part of its ongoing supply chain strategy, Kraft Foods International (KFI) wanted to enhance its existing solution with a flexible, intranet based, supply chain performance monitoring and reporting tool.

Implemented by Atos Origin, this would be a natural evolution of the planning solution, based on the Manugistics package. The analysis and reporting functions comprise a set of parameter-driven, pre-defined reports, and a set of interactive reports which facilitate user-defined data selections and filters (for example, by Plant, product group, time period).

The tool covers two years of history and one year of future planning information, and the information can be viewed in different ways based on organizational structure and product hierarchy. The various levels of aggregation and consolidation also allow for 'role based' reporting. For example, product managers can analyze their products, while a logistics manager can compare production compliance both within a Plant over time, and between Plants.

"Through this tool, Kraft Foods has gained visibility on key improvement areas, facilitated the internal target setting process and obtained comparability across its different internal supply chains in order to drive best practice rollout and maximize customer service levels."

Philippe Lambotte, Supply Chain Director, Kraft Foods International

management information, processes and people to execute the strategy, and the sensible application of technology to enable the efficient and effective management of business performance. To deliver on this companies are looking for a reliable and experienced partner who can help them:

- > Ensure a common understanding of what has to be done to drive business performance
- > Bring clarity to what value enhancing activities to invest in
- > Develop a planning process that balances the need for assurance and financial control with the objective of preparing management to execute the strategy
- > Choose and implement the right methods and systems, according to the business objectives and the company's structure and legacy systems



L'Oréal - Making information work through analytics

"Thanks to this project, we have been able to fulfill our business requirements for enterprise visibility and can also use this as a platform that will support and enhance our future business strategy."

Mr Abder Dellys, IT Manager, L'Oréal Germany (Division Produits Grands Publics and Division Coiffure)

L'Oréal is the world's number one cosmetics company. Their four biggest European companies commissioned Atos Origin to conduct a strategic study to identify their Business Intelligence and Data Warehouse requirements. They wanted a common model and platform that would allow several levels of reporting and analysis at both international and local levels. L'Oréal Germany was one of the participating firms and one of the first to implement the chosen solution.

Following the original study, L'Oréal and Atos Origin went further in defining a standard data warehousing and reporting platform that we have now implemented in several countries. Part of our recommendation was to implement SAP BW, a natural choice for L'Oréal Germany as it is scalable and allows the integration of data from different business processes and sources.

We designed a sophisticated data model that allowed both reporting at a corporate level as well as in detail, such as individual invoices. This allowed people to see, not only the status of their business, but also to analyze the operational causes of those results. L'Oréal Germany is now able to report effectively across all their sales and marketing related data from one single platform, making the vital connection between operational and management information.

This project has established a firm base of sales and marketing data and provides a reliable platform from which the system can easily be expanded in scope. By integrating more logistic and financial data in the system, the data warehouse will become increasingly valuable for the enterprise as a whole, offering the opportunity to provide support for strategic decision making.

And to further help unlock the information, data warehousing solutions consolidate data and provide a unified, consistent view of operations. These solutions greatly enhance a company's ability to respond to today's competitive pressure and help them to run their business better and more effectively.

Driving business performance to deliver value

Through its consulting arm, Atos KPMG Consulting, Atos Origin has developed a Performance Management framework, specifically tailored for the CPG and Retail Industries. This brings about the required alignment of an organization, its day-to-day management focus and its strategy. When looking into how an organization manages its performance, many businesses often find that there are a number of elements that are not

working to best effect. The great thing about a framework such as this is that it provides a roadmap of activities. Businesses often know they have a number of issues and the framework enables them to start at a point which they believe the organization can best tackle first and will use the enhancements and benefits gained here to act as a catalyst to improve other areas in the future.

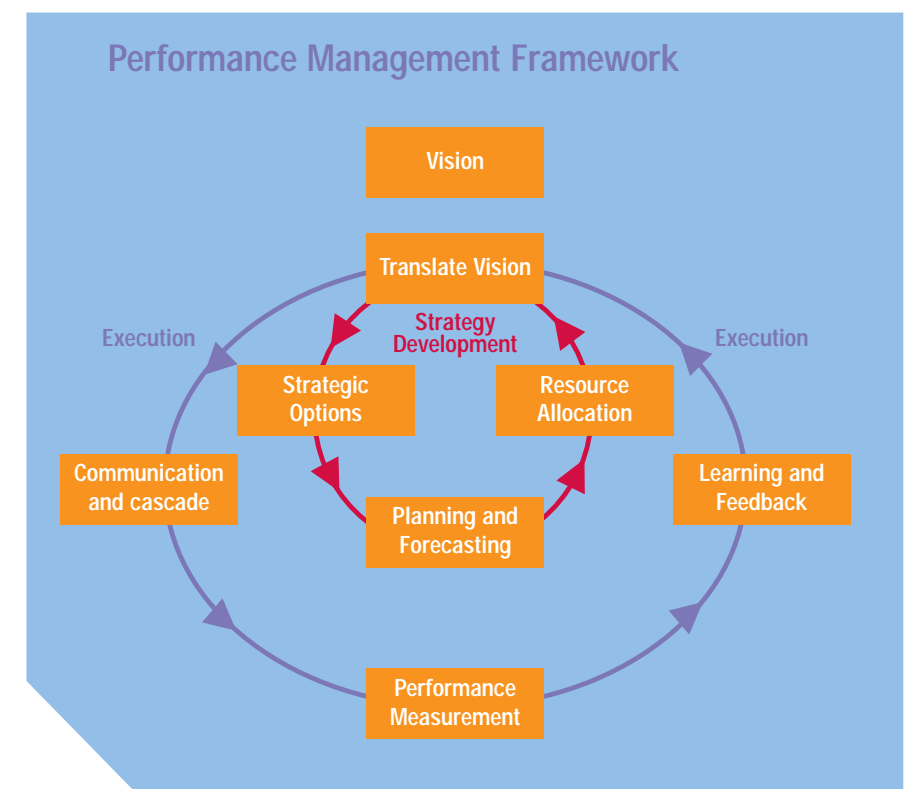
Ensuring a fast and accurate response to market demands

Atos Origin's Performance Management solutions enable companies to gather, analyze and share data in ways that will enhance their competitive positions. We combine proven and in-depth knowledge of CPG and Retail markets with a tailored portfolio of Performance Management Solutions. Our unique "design, build, operate" approach enables us to handle every step of the Performance Management process from the beginning to the end.

This enables enterprises to increase efficiency, save costs, and focus on delivering their strategy by achieving:

- > **Clarity** – on what drives value in the business
- > **Agility** – enabling proactivity and the management of risks and opportunities
- > **Consistency** – doing the right things - day in, day out
- > **Efficiency** – doing everything with the least effort and lowest real costs

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A clear vision that is widely understood across the business can help create a high performance culture.

Effective Performance Management begins with a clear understanding of what returns are expected. A clear vision that is widely understood across the business can help create a high performance culture and sets clarity around what the organization needs to do to deliver these expectations. These expectations can then be translated into internal operational targets and the various options that are open to the organization to deliver these targets are then identified and explored in detail. Resources can be identified and allocated to deliver against the options, or developed to overcome any capacity constraints that the business may face.

Here technology can support the efficient management of performance.

Portals allow a myriad of data sources to be accessed and yet present all of the Key Performance Indicators (KPIs) needed to manage the business on one screen and on the desktop of every manager. Such "Performance Dashboards" have a number of powerful features enabling decision-makers to be both effective and more efficient in the management of performance:

- > External search & report capabilities
- > Alerts to movements outside defined boundaries
- > Drill-down capability for detailed information
- > Tracking & document management
- > Visualization of information
- > Customizable to the needs of individual users
- > Web-enabled

Performance Management Dashboard



Bringing Ferrero SpA closer to their customers

Ferrero distributes and sells 24 confectionery brands in over 30 countries. One of Ferrero's critical success factors has always been the direct control of the point of sale, be it traditional channels such as bars and small shops, special channels such as vending machines, stations/airports, etc, or through large distribution networks.

Marketing and product management has greatly increased the importance of distribution and this growth is expected to continue. Ferrero has always paid close attention to its products, but also understands that building long-term customer loyalty is critical to continued success. To realize such new concepts requires strong support from a central IT system - and the heart of any such system is the effective collection, analysis and distribution of data.

For this reason Ferrero SpA has chosen Atos Origin to implement an Enterprise Datawarehouse platform that collects and analyzes data in order to support effective decision making. And by selecting a unified Internet-based Enterprise DataWarehouse approach, it allows users to find the answers they need to their sales and marketing questions at the level they need.

The platform tracks the complete sales process, from the salesman to the delivery of the goods. Based on this and pricing policies careful sales planning can be made and orders and historical data linked to create production planning. This optimizes the logistic chain and leads to more efficient distribution planning.

Services and solutions that are key to understanding the consumer

Atos Origin's services and solutions make use of tools that go beyond simple data aggregation and standard and analytical reporting. Sophisticated market analysis and advanced analytical methods are required to respond to market demands and to anticipate new market conditions. These methods include data mining, modeling techniques and questionnaire and Survey tools, as well as analytics such as Customer Lifetime Value Analysis, Satisfaction and Loyalty Analysis and Retention and Churn Analysis. Here we team up with the leading providers of software for decision support, analytics, reporting and data warehousing.



Boosting consumer loyalty for Système U supermarkets

It's increasingly difficult to create competitive advantage in today's highly competitive food retailing market. That's why Système U, France's fifth-largest grocery store chain, wanted a loyalty program that enhanced its understanding of consumer needs, with the goal of improving retention and increasing sales. Since meeting that objective required the involvement of front-line employees, the chain was looking for management tools that would give stores access to key indicators.

To support program implementation, Système U chose Atos Origin, which developed a solution to acquire and process POS data and to report important information back to the stores. Our team introduced a geomarketing system for processing POS loyalty data, updating map analyses, and displays maps on the client's intranet. We also host the solution.

To manage the network, we designed, built and now run a marketing datamart. We also defined 150 indicators for users and created 50 scorecards.

Système U operates over 800 stores and with more than three million loyalty cardholders, the Système U loyalty program is one of the most efficient in the French food retailing industry and has made a significant contribution to increasing the chain's domestic market share.

Within the CPG and Retail industries our solutions cover three key areas, finance, sales and the supply chain:

> Finance

In today's highly volatile business environment, the demands placed on financial managers are much higher than before. If financial results deviate even slightly from expectations, markets will react immediately. Traditional budgeting techniques fall short in supporting the CFO in this area and are becoming a true barrier to change. Atos Origin can assist with planning systems that deliver regular, reliable planning information and that help enterprises to respond quickly to competitive threats and opportunities. They help reconcile top-down target setting with bottom-up data collection and blend in critical systems such as ERP, CRM and SCM. In addition, in order to allow business users to evaluate different scenarios, simulation capabilities, which are becoming an indispensable part of a modern business planning system, can be devised.

Atos Origin can design and implement systems that deliver regular, reliable planning information and that help enterprises to respond quickly to competitive threats and opportunities.

> Sales

Sales and Marketing professionals are now able to use data warehousing and Business Intelligence (BI) tools and techniques to support "gut feelings" with accurate data-based decisions. For example, EPOS data can be linked to demographic information and analytics to determine which products are typically purchased by which type of consumers. Bundles of products or offers can then be put together in a customized way that meets the needs of the different consumer segments.

Many leading companies are now investing in the next generation BI tools. These enable Sales and Marketing people to make better decisions by focusing on the areas that are going well and the issues that require attention. This is important due to the large quantity of data available through EPOS, RFID, loyalty cards and demographics.

To meet the changing needs of the business and the constant evolution of the market, Atos Origin has announced the formation of Atos Worldline, a leader in many European markets. Atos Worldline offers services and solutions dedicated to the electronic payment and multimedia sectors, and is a strong European player with offerings covering the whole value chain. Its expertise covers:

- > Payment and Card Processing services
- > Customer Relationship Management services
- > Multi Channel Contact, including Internet and Voice services

Atos Worldline manages the complete spectrum of 'Build and Run' and 'Build to Run' activities to provide its clients with appropriate, comprehensive and efficient European-wide services and solutions, enabling them to significantly reduce and rationalize their investment costs.

> Supply Chain

The need for the supply chain to be able to respond to an ever-more complex and challenging environment requires new ways of measuring the strategic and operational requirements. Furthermore, Data Warehousing and decision support tools are required to provide visibility, accuracy and reliability, while providing a platform to further develop collaboration and communication.

But managing the entire supply chain is only possible when the appropriate people, processes and KPIs are in place. Most Supply Chain solutions nowadays include an analytical dimension, in the form of KPIs, Service Level Agreements, Benchmarking etc. A key objective of such solutions is the creation of a balanced KPI structure, based on integrated costs and customer service indicators, which enables the monitoring of the relationship, the fulfillment of contractual obligations and the evaluation of the ROI.

We also have partnerships and alliances with many of the leading vendors at both a local and global level such as Business Objects, Kalido, Oracle, SAP, SAS and Siebel. Here we work with them to implement the most appropriate solution to meet a client's specific business issue. We also work with our partners to develop new ideas. For example, when SAP announced its "New Dimension" initiative, including the development of "Business Information Warehouse", Atos Origin was their first partner to work on specific features and implementations. Since then, we have continued to focus on SAP's Business Intelligence Offerings, from the Management Cockpit to Strategic Enterprise Management.

About Atos Origin

Atos Origin is an international information technology services provider. Its business is turning client vision into results through the application of consulting, systems integration and managed operations, including outsourcing and on-line services.

We are one of the few companies able to provide all the "design, build, and operate" elements of an outsourcing solution, and with a proven track record of successfully implementing them on a global and enterprise wide basis. Over 50% of our revenues are recurring, i.e. deriving from multi-year contracts.

The company's annual revenues are more than EUR 5 billion and it employs 47,000 people in 50 countries. Atos Origin is the Worldwide Information Technology Partner for the Olympic Games and its CPG and Retail clients include BAT, Boots, BP, Brakes, Campari, Carrefour, Casino, Club Advantages, Coca-Cola, CSM Bakeries, Douglas, Eldorado, ESB, Esso, Ferrero, Fona, Hasbro, Heineken, Interbrew, Intermarché, Kraft Foods, L'Oréal, Marks and Spencer, Maxxium, Metro, MFI, Nestlé, Pinault Printemps Redoute, Procter & Gamble, Raiffeisen and WLZ, Sainsbury, Shell, Tesco, Unilever, United Biscuits and Yoplait.

Delivering value to a Global **FMCG** company through coordinated Enterprise Planning

The challenge for this top FTSE company was to drive TSR growth rates comparable to their FTSE and sector peers. They also wanted to maximize the value generated from cross-market "Enterprise-wide" strategic initiatives and ensure that the initiatives were consistent with their corporate vision and strategy. This would also provide management with a basis for strategic resource allocation and improve the execution of initiatives and the delivery of benefits.

Our consulting arm, Atos KPMG Consulting, was selected and began a review and clarification of the corporate objectives. This led to the identification and agreement of corporate "value drivers" followed by the development of a value driver model, highlighting Levers, Capabilities and Initiatives.

We then implemented an organization-wide rollout of a strategy governance and administration process (Enterprise Plan) as well as developing performance management principles and processes for monitoring and managing the execution and impact of initiatives.

The result has been robust processes for the formulation, approval and monitoring of their enterprise initiatives. The company has achieved greater cross-functional and cross-market alignment with initiatives and an improved focus on its corporate objectives – growth, productivity and responsibility.

Effective Performance Management enables enterprises to increase efficiency, save costs, and focus on delivering their strategy.

For more information, email more-info@atosorigin.com or visit the company's web site at <http://www.atosorigin.com>, or contact:

VP Global CPG and Retail Industries
Renaud Wilmet
Atos Origin
Corporate Village
Da Vincilaan 5
B-1930 Zaventem
Belgium
+32 (0)2 712 3514

Director Retail
Gary Dunn
Atos Origin
Corporate Village
Da Vincilaan 5
B-1930 Zaventem
Belgium
+32 (0)2 712 3777

ASEAN
Adnan Amjan
8 Temasek Boulevard
07-01 Suntec Tower 3
Singapore 038988
+65 6831 5570

Belgium
Ronny De Goedt
Minervastraat 7
1930 Zaventem
Belgium
+32 (0) 2 712 2800

Central Europe
Volker E Krause
Friesenstrasse 13
D-20097 Hamburg
Germany
+49 (0)711 7377 258

France
Nicolas Stiegler
5,6 place de l'Iris
Paris La Defense
France
+33 1 49 00 98 63

Iberia
Alfredo Moliner
Albarracin, 25
28037 Madrid
Spain
+34 (0)93 444 5204

Italy
Giorgio Re
Piazza IV Novembre 3
20124 Milano
Italy
+39 02 6672 2876

The Netherlands
Ton van den Berg
Groenewoudseweg 1
5621 BA Eindhoven
The Netherlands
+31 (0)40 2786105

Nordic
Mikael Sundving
Box 34 101
Primusgatan 20
SE-100 26 Sweden
+46 8 5170 50 00

North America
Ryan Schebler
8230 Montgomery Road
Suite 100
Cincinnati OH 45236-2200
United States
+513-985-1411

United Kingdom
Tim Manasseh
1 Canada Square
London E14 5AG
England
+44 (0) 207 694 8547

