



## ANHEUSER-BUSCH INBEV

### BREWING A REWARDING CUSTOMER REBATE PROGRAM

#### QUICK FACTS

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Nicole Van Baelen, Commercial Lead of Global ERP for Western Europe, Anheuser-Busch InBev NV

#### Company

- Name: Anheuser-Busch InBev NV
- Headquarters: Leuven, Belgium
- Industry: Consumer products
- Products and services: Beer and soft drinks
- Revenue: €29 billion (US\$36.8 billion)
- Employees: 116,000
- Web site: [www.ab-inbev.com](http://www.ab-inbev.com)
- Implementation partner: SAP® Consulting, Vistex Inc., Accenture

#### Challenges and Opportunities

- Enhance customer relationships by optimizing the execution of an existing rebate program
- Improve the efficiency, visibility, and financial accuracy of global commercial agreements
- Increase agility to respond to changing market needs

#### Objectives

- Automate rebate processes
- Integrate rebate processes with existing SAP ERP application and field sales management tool
- Improve accuracy and tracking of rebate program payments
- Increase sales by effectively rewarding customer loyalty

#### SAP Solutions and Services

- SAP Incentive Administration application by Vistex
- SAP Consulting services

#### Implementation Highlights

- Deployed by highly knowledgeable SAP and Vistex consultants and Accenture team
- Trained 10 back-end users and 100 front-end users

#### Why SAP

- Flexible, intuitive software supporting country-specific agreement details
- Faster and less costly to implement than custom-developed software
- Streamlined integration of software into IT landscape

#### Benefits

- Increase maintenance efficiency
- Enhance visibility, financial accuracy, and traceability of customer agreements
- Increase compliance accuracy
- Improve integration of receivables and payables data
- Enable incorporation of data attributes for non-sales-related performance into contracts

#### Existing Environment

- SAP ERP
- SAP Customer Relationship Management application
- SAP NetWeaver® Business Warehouse component
- SAP Supplier Relationship Management application
- SAP E-Commerce application



Anheuser-Busch InBev NV (AB InBev), one of the world's top five consumer products companies, manages a portfolio of over 200 beer brands. To enhance its relationships with distributors and high-volume buyers, the firm optimized the execution of its customer rebate program by deploying the SAP® Incentive Administration application by Vistex. Sales managers can now manage and control rebates from the company's field sales management application, enabling them to spot opportunities to strengthen customer relationships and drive new efficiencies.

"Using the SAP software to manage rebates in a fast, efficient, and accurate way enables us to improve the visibility and traceability of customer agreements," says Nicole Van Baelen, commercial lead of global ERP for western Europe at AB InBev.

### Fermenting Change

Headquartered in Leuven, Belgium, AB InBev is an international brewer with four of the ten most popular beers in the world. Its flagship products include Budweiser, Stella Artois, Leffe, and Beck's. Selling lagers, premium beers, and specialty brews as well as nonalcoholic and noncarbonated beverages, the company operates manufacturing and distribution facilities in 23 countries. Through acquisition and organic growth (most notably the 2009 acquisition of Anheuser-Busch by InBev), AB InBev has become an industry leader with more than 116,000 employees.

As a consumer-centric, sales-driven organization, the company actively pursues its mission to "create enduring bonds

with consumers through brands and experiences that bring people together." To reward customer loyalty and enhance sales, AB InBev offers volume-based rebates for purchased products and incentives for using branded service equipment, such as glasses and taps marked with the company's logos.

To formalize the rebate plans with customers, AB InBev created global commercial agreements. As the popularity of the rebate plans grew, so did the number and complexity of the agreements. "The more rebate plans we deployed, the more obvious it became that we needed to standardize our commercial agreements," explains Van Baelen.

Tracking these incentives and monitoring promotions were difficult using AB InBev's spreadsheet-based system. Data from the spreadsheets was difficult to summarize and share, and it provided little cross-enterprise visibility. Customer rebate calculations were handled at the local level, compromising control, consistency, and auditability. Gaining insight that could help sales managers make next-best offers

to customers or shape corporate rebate and incentive policy was almost impossible. Without a single application to manage customer agreements, AB InBev was unable to take advantage of opportunities to create multidriver incentive agreements.

### Thirsting for Enhanced Visibility and Control

AB InBev needed a solution that could automate and simplify the entire customer rebate and incentive management process. Software that could provide visibility into the customer rebate program would allow the company to react with improved agility to changing market needs. To build customer loyalty, the brewer sought software that could improve both the tracking and financial accuracy of payments and incentives. The company also wanted a rebate and incentive management solution that could be integrated with its existing field sales management tool.

The AB InBev team considered custom-developing a rebate and incentive management solution within its SAP Customer Relationship Management application.



“Our users were astonished to find out how easy it is to track customer performance with this software.”

Pieter Bruyland, Global ERP Program Director, Anheuser-Busch InBev NV

That option was dismissed when the team saw a demo of the SAP Incentive Administration application. The solution offers rich functionality that lets users efficiently administer incentives as well as rebates based on sales performance, purchasing volume, and spending growth.

With assistance from the SAP Consulting organization, Vistex Inc., and integration partner Accenture, the solution was deployed just five months later at offices in the Netherlands, meeting AB InBev's

also access incentive documents, such as plans, order bookings, and invoices. “Our users were astonished to find out how easy it is to track customer performance with this software,” says Pieter Bruyland, global ERP program director.

The accrual and settlement process integrates with the sales and distribution functionality of the company's SAP ERP application, streamlining the reconciliation of incentive and rebate payments. What's more, customers can access a Web portal

managers unprecedented visibility into customer incentives from the field sales management system that they already know. This visibility is enabling smarter decision making, which will help the company to build better relationships with its best customers.

“The incentive administration software from SAP enables AB InBev to model, administer, report, and analyze complex rebates and incentive plans,” says Van Baelen. “If we can spend less time and money on creating and managing commercial agreements for our customers, we can keep our costs down.”

“The SAP Incentive Administration application provided us with new opportunities to create innovative customer rebate programs.”

Nicole Van Baelen, Commercial Lead of Global ERP for Western Europe, Anheuser-Busch InBev NV

original deadline. The deployment team also developed interfaces to the company's SAP ERP application to streamline information exchange and rebate data processing.

### Tasting New Efficiencies

SAP Incentive Administration is providing AB InBev with full lifecycle support for its rebate and incentive management programs. This support includes information about plans, participation, quotas, actual data, tracking, accruals, and settlements.

Using a pricing engine and a formula builder for the calculation of incentive amounts, the software helps company sales managers accurately track customer rebates and incentives. These users can

to view their performance and calculate rebate information without help from AB InBev's IT support. “The user interface for the Web portal makes the graphics more visible and increases users' understanding of the figures,” says Bruyland.

### Raising a Glass to Success

The SAP software is already delivering tangible benefits to AB InBev. By automating rebate and incentive management processes, the application is helping the company improve settlement execution, increase plan management efficiency, and reduce erroneous payouts. With enhanced plan effectiveness, the company expects to reduce its total incentive plan expenditures, boosting profitability. Best of all, the new solution is giving sales

With these successes, AB InBev is considering rolling out the solution to additional locations, including facilities in Belgium, Germany, Canada, and Brazil. The company is also investigating additional SAP software solutions to help address data maintenance issues.

“The SAP software helped us gain increased flexibility and back-office efficiency, integrate receivables and payables, and easily extend data attributes for non-sales-related performance,” says Van Baelen. “In doing so, the SAP Incentive Administration application provided us with new opportunities to create innovative customer rebate programs.”



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