PGC DIGITAL

Hisense

ENHANCING E-COMMERCE EFFICIENCY WITH A ROBUST MIDDLE OFFICE

SAP Commerce Cloud

SAP

Company Information

Company Name : Hisense Group Co., Ltd
Headquarters : Shandong, China
Industry : Consumer Products
Web site : https://www.hisense.com
No of Employees : 90,000

Founded in 1969, **Hisense Group** is a leading Chinese home appliance manufacturer with a diverse product range, including **multimedia**, **home appliances, IT systems, and modern services.** Committed to integrating cutting-edge technology into its offerings, Hisense aims to be a **trusted global brand.** The company operates **29 industrial parks and 20 R&D centres worldwide,** with an extensive international presence. Hisense products are available in **over 160 countries and regions**, solidifying its position as a key player in the global market.

Developing a Scalable Middle Office for Global E-Commerce Growth

Challenges 🚧	Solutions 💡	Outcomes ✅
Fragmented Global E-Commerce 🌍 – Managing multiple regional platforms was complex and inefficient.	Unified Digital Platform 🔗 – Implemented SAP Commerce Cloud for a centralized, scalable e-commerce ecosystem.	Seamless Global Operations 🌎 – Standardized platform streamlined processes across 160+ countries.
Limited Personalization 🎯 – Inconsistent customer experiences across markets.	AI-Powered Personalization 🤖 – Enhanced recommendations and dynamic content delivery.	Improved Customer Engagement 💬 – Higher satisfaction and conversion rates.
Complex Order & Inventory Management 📦 – Disconnected systems led to inefficiencies.	Integrated Supply Chain & ERP 🔄 – Synchronized real-time inventory and order tracking.	Faster Fulfillment & Efficiency 🚀 – Reduced delays and optimized logistics.
Scalability Issues 📈 – Expanding into new markets was slow and costly.	Cloud-Based Infrastructure ☁️ – Enabled flexibility and quick market expansion.	Future-Ready & Scalable 🔥 – Rapid global rollouts with minimal disruptions.
Siloed Data & Insights 📊 – Lack of centralized analytics for decision-making.	Advanced Analytics & AI 📉 – Data-driven insights for demand forecasting and trend analysis.	Smarter Business Decisions 🤝 – Optimized sales strategies and operational efficiency.

"With SAP Commerce Cloud at its core, our business middle office seamlessly automates and unifies operations, providing greater control over global e-commerce. This foundation is pivotal in driving our targeted 25% revenue growth in international markets over the next five years."

4m ¥ **Direct increase in profit due to process optimization**

99% **Inventory accuracy 99% increased to 99% from 95%**

100% **Timely settlement of transactions**

Challenges and Objectives 1 of 2

What are the global challenges and business challenges of **Hisense** of using SAP Commerce Cloud in tabular format

Global Challenges 🌍	Business Challenges 📊
Expanding Across Diverse Markets 🌎 – Managing multiple regions with varying regulations and consumer behaviours.	Fragmented E-Commerce Systems 🔗 – Disconnected platforms led to inefficiencies and inconsistent customer experiences.
Localization & Compliance 📜 – Adapting to different tax policies, payment methods, and language requirements.	Complex Order & Inventory Management 📦 – Lack of real-time tracking caused delays and inefficiencies.
Scalability & Performance 🚀 – Ensuring seamless digital growth without compromising speed or stability.	Limited Customer Insights 🔍 – Disjointed data made it difficult to personalize and optimize marketing efforts.
Cross-Border Logistics & Supply Chain 🚢 – Managing global shipping, warehousing, and fulfilment efficiently.	Slow Market Expansion ⏳ – High operational costs and rigid IT infrastructure slowed international growth.
Competitive E-Commerce Landscape ⚔️ – Staying ahead of fast-moving industry trends and consumer expectations.	Siloed Business Operations 🏢 – Lack of integration between sales, marketing, and service teams hindered efficiency.

Challenges and Objectives 2 of 2

What are the global challenges and business challenges of **Hisense** of using SAP Commerce Cloud in tabular format

Project Objectives

Develop a centralized overseas e-commerce middle office that seamlessly connects e-commerce platforms, logistics partners, inventory systems, and the SAP ERP.

Streamline and automate global e-commerce operations for improved efficiency and scalability.

Eliminate digital roadblocks to ensure seamless data flow and enhanced business agility.

Why SAP

Hisense has relied on SAP as a trusted partner for many years, benefiting from:

- The adaptability and scalability of SAP Commerce Cloud.
- The deep expertise and product knowledge of SAP Services and Support.

Project or Use Case Details

Due to the inefficiencies and errors associated with manual handling, Hisense sought to establish a middle office for e-commerce that seamlessly integrates all systems.
After a 15-month collaboration between SAP Services and Support and Hisense's IT team, the project successfully went live across four countries, serving both B2B and B2C operations.
By leveraging SAP Commerce Cloud as the core of its middle office, Hisense has automated operations, enabling review extraction, keyword matching on e-commerce platforms, full inventory visibility, and seamless EDI integration.
A key highlight of the project is the innovative "within-app SaaS" architecture. This is built on:

- **Label-Based Access Control (LBAC)** for role-based authorization
- **Data Access Governance (DAG)** for controlled data access based on user groups
- **SAP Commerce's restriction data query** for secure data isolation

This architecture ensures data separation across six business dimensions and allows administrators to assign precise role-based access in each country. As a result, Hisense achieves seamless business, function, and data isolation within a single cloud environment, creating a scalable foundation for future growth.

Project or Use Case Details

Business or Social Benefits:

- **Optimized Operational Costs** through enhanced visibility and efficiency.
- **Minimized Infrastructure Needs** with reduced hardware dependency.
- **Streamlined Global Management** for better oversight of international e-commerce.
- **Seamless Digital Integration** by eliminating technological barriers.
- **Data-Driven Insights** to support smarter business decisions.
- **Comprehensive Customer Journey Tracking** for deeper engagement.
- **Enhanced User Experience** leading to higher customer satisfaction.

IT Benefits:

- **Leverages SAP Integration Extensions** for seamless system connectivity.
- **Unified Data Management** across products, orders, finances, inventory, and more.
- **Flexible Third-Party Integration** with marketplaces like Lazada, Shopee, and Tokopedia.
- **Enhanced Transaction Processing** through streamlined checkout and payment systems.

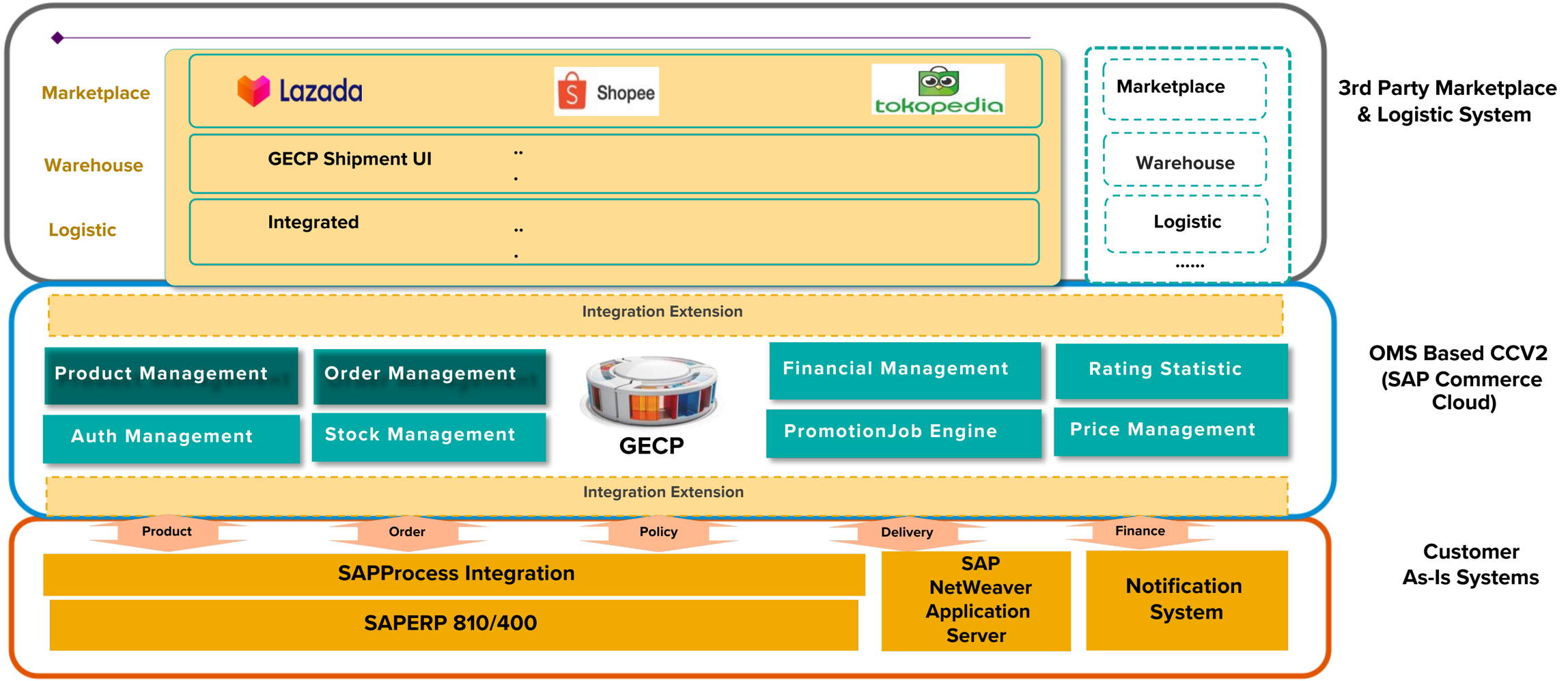
Benefits and Outcomes 2 of 2

People Related – Personal Perspective

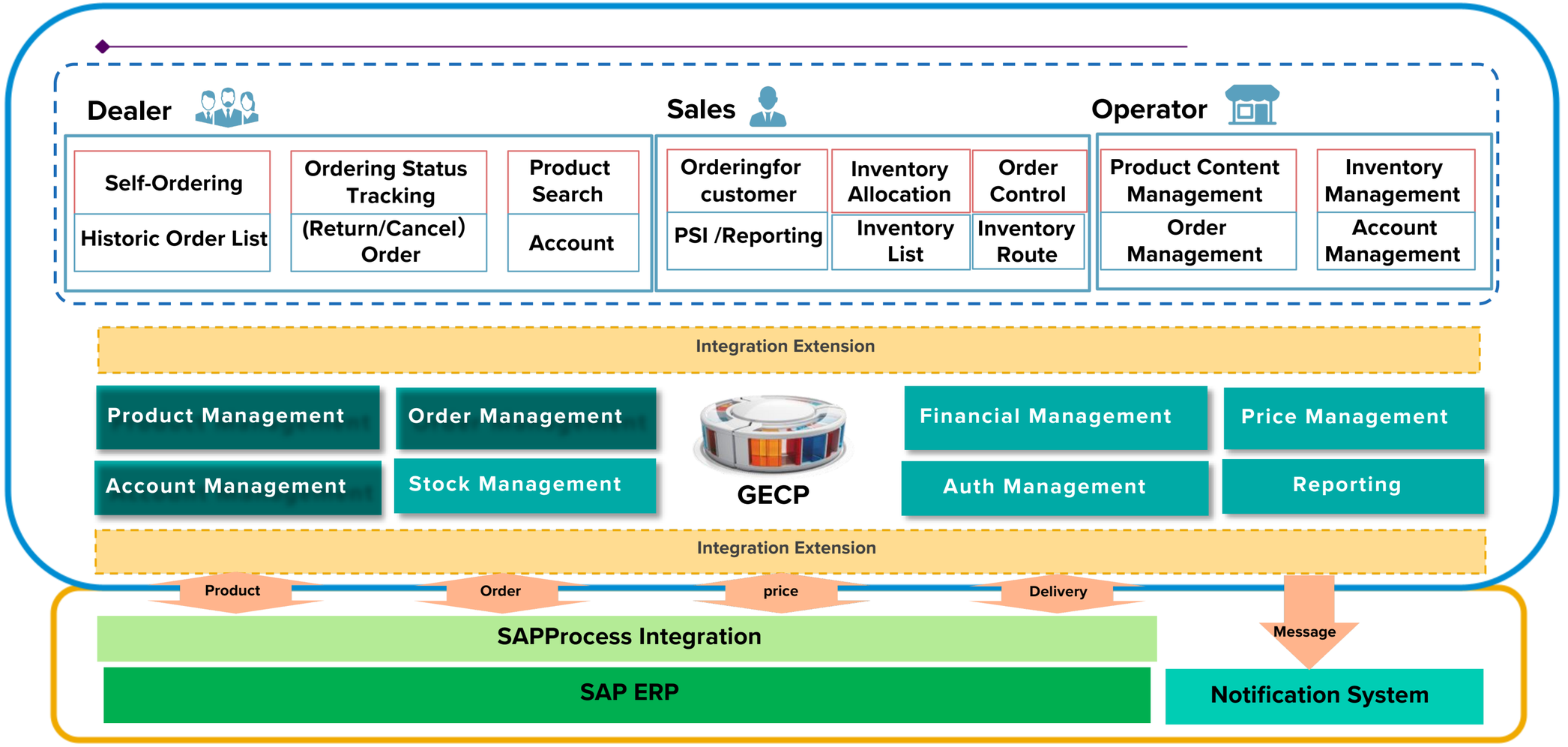
Improved collaboration between teams, as digital barriers are removed among departments ▪ Enabled sales departments to always be up-to-date on what customer mostly need, improving working experience and customer satisfaction

“We desired to meet the ever-changing customer demands. Thanks to review extraction and keyword match brought by SAP Commerce Cloud, our dreams came true. Judging from reviews, ratings and keywords, we are allowed to interpret what products are in the urgent need of customers, therefore improving customer satisfaction.”

Architecture （Malaysia & IndonesiaB2C）



Architecture （Malaysia & JapanB2B）



Storefront & OMS Based CCV2 (SAP Commerce Cloud)

Customer As-Is Systems

Deployment Details 1 of 3

Deployment status Live

Date Nov. 2022

Number of end users 200

Transaction Volume 20,000

SAP®technologies used:

	SAP product	Deployment status LIVE/ POC	Contribution to project
1	SAP Commerce Cloud	Live	An overseas e-commerce middle office that integrates e-commerce platforms, logistics companies, warehousing, and SAP-ERP, enabling core business automation
2	SAP Process Integration	Live	Customer As-Is system
3	SAP ERP	Live	Customer As-Is system
4			
5			

Deployment Details 2 of 3

Solution/App details developed on SAP BTP The following **SAP Business Technology (BTP) Solutions** are part of the project:

	Technology	SAP BTP Solution (list Cloud Products only)	Contribution to project
1	Application Development and Automation		
2	Extended Planning and Analysis		
3	Data and Analytics		
4	Integration		
5	Artificial Intelligence		

Listed on SAP Store Monetized

(sold to your customers)

Co-innovation with SAP

Number of customers using the solution/app

Deployment Details 3 of 3

The following offerings from SAP Services and Support and other packages were utilized during the implementation or deployment phase:

- ○ SAP MaxAttention™ SAP
- ○ ActiveAttention™
- ○ SAP Business Journeys
- ○ Embedded Launch Activities
- ○ Learning Success
- ⊗ Other: Professional Services
- ○ SAP Preferred Success SAP
- ○ Preferred Care, on-premise
- ○ SAP Enterprise Support
- ○ Project Success
- ○ RISE with SAP
- ○ Managed Business Services Cloud
- ○ Application Services
- ○ Activation and Optimization Services
- ○ Partner Success

Contribution to the project

SAP Service and Support's expertise and in-depth understanding of SAP product, not only designed processes targeted for Hisense's business , but conducted knowledge transfer for its IT team, offering professional guidance, and safeguarding the project from delivery, go-live, to operation and maintenance