

TEWAY: Integrating Business and Finance in the Cloud to Bring Beloved Flavors to Customers

Sichuan TEWAY Food Group (TEWAY) manufactures seasoning and condiments including chili sauces and soup bases for hot pot, a traditional technique of preparing soup-like dishes with East Asian ingredients. TEWAY is a member of the China Condiment Industrial Association, and its products are enjoyed at homes and in restaurants around the world. Thanks to years of R&D, TEWAY led the draft of China's "National Standards for Hot Pot Condiments," solidifying the company's status as **a leader in condiments**.

TEWAY enjoyed even faster growth after its IPO in 2019, and it reformulated its five-year strategic plan. However, the company's original IT system couldn't meet explosive development at scale. It urgently needed to integrate business and finance. TEWAY also sought to standardize data processes throughout the enterprise to create a foundation for intelligent operations across multiple brands with a group-focused business strategy.

THE BEST RUN



Building a Closed-Loop Digital Management Platform with SAP® S/4HANA Cloud



Before: Challenges and Opportunities

- Isolated data due to overlapping and redundant systems, and inefficient and manual HR processes
- Insufficient IT infrastructure due to explosive data volume and growing business complexity

Why SAP

- Best practices and underlying management methodologies
- Flexibility and functionality of SAP S/4HANA® Cloud that could meet time-sensitive plans and lay the foundation for future growth and integrate with solutions such as SAP® Analytics Cloud
- In-depth analytics capabilities of the SAP Analytics Cloud solution to support better decision-making
- SAP SuccessFactors® solutions to enhance HR capabilities and improve the employee experience
- Responsiveness and guidance provided by the SAP Preferred Success plan during development on technical and business-related issues, as well as a targeted project manager to coordinate delivery

After: Value-Driven Results

- Built a business-finance integration solution that oversees the supply chain, manufacturing, sales, and finance, integrating with eight separate applications including marketing and HR
- Developed an HR middle-platform to maintain master data and enable efficiency
- Enabled greater efficiency with the SAP SuccessFactors Employee Central solution, which serves as a central repository for employee data
- Enabled in-depth cost accounting analysis with the order management system, which automatically traces costs and expenses to each batch
- Transformed the management team's methodology from postevent review to real-time management
- Reduced DevOps complexity and IT infrastructure expenditures with cloud-based services

“SAP S/4HANA Cloud helped TEWAY accelerate deployment and implement key business strategies. Now, more than **80% of our applications are in the cloud**. Cloud solutions from SAP are in line with our needs for security, utilization rate, and resilience, which simplified operations and helped us avoid lump sum investments.”

Fu Xiaolan, CIO, Sichuan TEWAY Food Group

82.5%

Less time to complete the marketing expense settlement cycle (from 40 days to just 7)

50%

Increase in maximum employee productivity

Sichuan TEWAY Food Group
Chengdu, China
www.teway.cn

Industry
Consumer products

Products and Services
Condiments and soup bases for hot pot and other Chinese cuisine

Employees
2,740

Revenue
¥2.365 billion (US\$37 million)

Featured Solutions and Services
SAP S/4HANA Cloud, SAP SuccessFactors solutions, SAP Analytics Cloud, and SAP Preferred Success

THE BEST RUN





Bringing Traditional Chinese Flavors into the Modern Era

Food is an important part of Chinese life and overall well-being. During the pandemic, many people across China began enjoying meals at home more often. So, Sichuan TEWAY Food Group knew it needed to change how it fulfills its mission of connecting people with the flavors they love.

Changes in channels, shifting customer demands, increasing sales volumes, and pressures on the supply chain called for digitalization at TEWAY. The company struggled with systems disconnected from the overall needs of the business, including those in R&D, purchasing, and logistics. So, it turned to SAP S/4HANA® Cloud to gain control over aspects of the supply chain that were previously outside of the company's control.

Now, TEWAY enjoys standardized master data and data processes. Business flows are uniform. Selecting SAP® solutions for its digital transformation also helped the company establish a new and effective mindset for digital data governance. It used the industry experience of SAP to build a digital business analytics system for consumer foods. TEWAY successfully integrated multiple systems, including legacy and third-party systems, to get a single source of data for integrated business operations.

“Our motto is ‘traditional taste,’ but we didn’t want traditional production patterns, because it is difficult to ensure quality and food safety that way. Digital transformation gave us **control over processes** so we could produce more stable products. SAP solutions help us get the taste of China to the rest of the world.”

Fu Xiaolan, CIO, Sichuan TEWAY Food Group

80%

Of applications now run in the cloud

5 days

To complete quarterly financial report drafting