

CLOUD JOURNEY BUSINESS REPLY AND ORACLE TO ACCOMPANY YOU IN YOUR DIGITAL TRANSFORMATION

Today, companies of any size and operating in any sector are faced with a strategic IT choice that will probably determine their future success or failure.

Old, on-premise ERP systems can be considered obsolete: they do not allow companies to take advantage of modern technologies to support business processes; they are often highly personalised and maintenance costs increase year after year due to continuous upgrades.

ERP Cloud technology, on the other hand, can effectively support the corporate business model, enabling organisations that pursue continuous change to take advantage of flexible and scalable processes and have real time data at their disposal to maximise results.

TOP FIVE REASONS FOR MOVING ERP TO THE CLOUD

Want to avoid infrastructure investment	45%
Lower total cost of ownership	38%
Want to avoid on-premises upgrades	33%
Rapid access to new ERP products	33%
Want one source of data and a global view	24%

Source: Oracle, https://go.oracle.com/LP=68599

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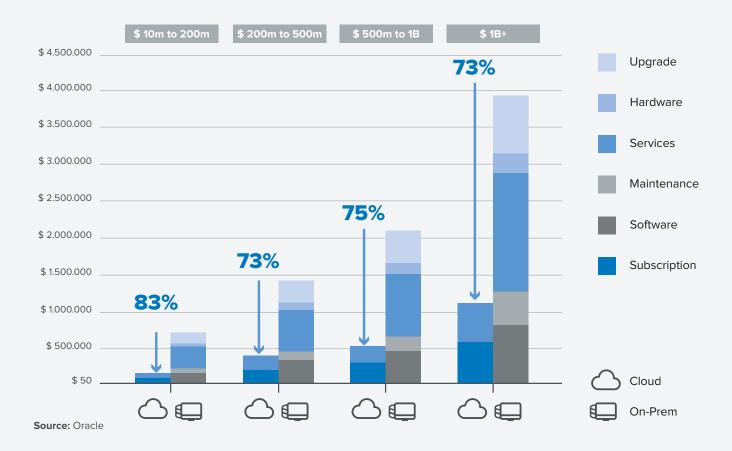
WHY ERP CLOUD?

COMPARING FINANCIAL MODELS AND COSTS OF OWNERSHIP	TRADITIONAL ERP	CLOUD ERP
Business Financial Model. Capital expenses for on-premises systems divert funds from important business growth needs and often incur taxes.	Up-front Purchase	Monthly Subscription
Software. On-premises software requires up-front purchase and taxes; Cloud leverages operational expenses month to month.	€	All INCLUDED
Software Maintenance. On-premises requires annual maintenance fees to be current with security fixes, critical patches, and updates.	€	
Hardware for Software. On-premises ERP requires additional capital expenses; hardware typically needs physical uplift every 3 to 5 years.	€	
Hardware Maintenance. On-premise hardware often requires annual maintenance fees or contracts, high-cost space, utilities, and staff. Database for Software. On-premises systems need an on-premises.	€	
Database for Software. On-premises systems need an on-premises database which often requires staff and contractors for deployment.	€	
Database Maintenance. On-premises requires annual maintenance fees and staff to keep the database secure, current, and optimized.	€	
System Upgrades. On-premises system upgrade is single hi-effort projects every 3 to 5 years for software and hardware.	€	
System Security. All on-premises systems have additional costs for security software and monitoring with staff to monitor and maintain.	€	
System Disaster and Recovery. All on-premises systems have large costs for disaster and recovery plans, infrastructure, services, staff, and redundancy.	€	

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CLEAR CASE FOR MOVING TO THE CLOUD

ERP cloud costs less regardless of company size



One of the main drivers that determine such a choice is, above all, the economic benefit. It is therefore important to emphasise just how the adoption of an ERP Cloud solution facilitates a strong reduction of the **Total Cost of Ownership (TCO) and a continuous increase in the Return on Investments (ROI**). The adoption of the Cloud system is also able to offer:

- a **simple and modern user experience**, which promotes end-user productivity. People can access real-time information and perform in-depth data analysis on any piece of system data;
- fast time-to-value, leading to shorter go-live timeframes;
- **automatic and continuous updates**, which make it possible to integrate the latest features and technologies, such as machine learning algorithms that enable an effective support of user operations.

WHY ORACLE ERP CLOUD?

First and foremost, as also confirmed by Gartner's studies, **Oracle ERP Cloud** is the only solution which can be considered a **Leader** in the Magic Quadrant, both in terms of *Ability to Execute* as well as *Completeness of Vision*.

Indeed, the ability to manage the entire technology stack, from hardware to applications, using proprietary products, allows Oracle to have full control of the offer, which in turn translates into service and performance levels that are not achievable by other vendors.

MAGIC QUADRANT FOR CLOUD ERP

for Product-Centric Midsize Enterprises

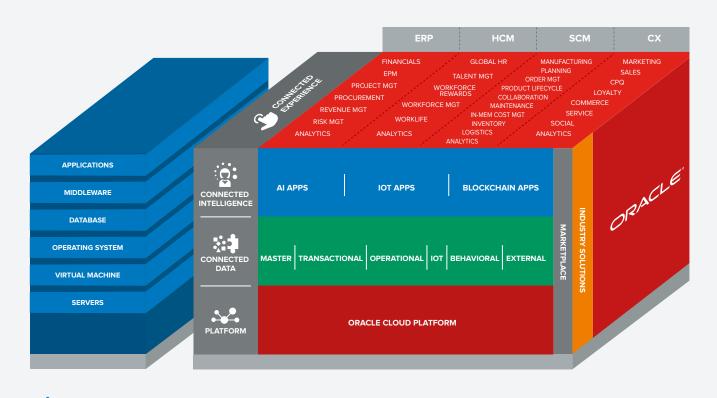


Source: Gartner (October 2018)

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The Oracle ERP Cloud technology stands apart from others available on the market, as it is able to offer a *true SaaS* solution with a wide range of application, and facilitates the creation of a *unified platform* and a *unified user experience*.



The advantages resulting from the architectural and application-related reengineering selected by Oracle are substantial and can be divided into 5 macro-categories:

SOLUTION DESIGN

- The solution is suitable for companies of any size and can be scaled appropriately, depending on the specific needs of the business, without any additional investments
- Each module can be implemented separately (it is no longer necessary for ERP to be implemented first, as was the case for the old, on-premise solutions)
- Structured and unstructured data (images, PDFs, etc.) can be combined and used directly within the specific applications
- The system is updated on an ongoing basis, without any additional project costs and impacts on the service
- A single Data Model is used, designed to support business processes that guarantee data consistency

UNIFIED USER EXPERIENCE

- Intuitive interface that requires a low level of training
- The ability to use the applications on mobile devices
- The ability to use predictive features that support users in their operations
- The ability to define different roles to associate specific functionality to each user
- The ability to use social media communication tools integrated at application level
- Integration with the full Microsoft
 Office package

REAL TIME ANALYTICS

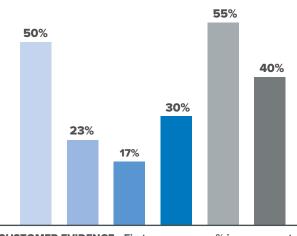
- Data analysis directly within the application, taking advantage of various technologies, including Big Data logic
- No need for data warehousing and support of real time analysis
- In-memory analytics at the application level



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PRODUCTIVITY AND SUPPORT FOR BUSINESS PROCESSES

- Artificial Intelligence (AI) and Machine Learning (ML) are directly available within the solution
- Chatbots to facilitate interaction with the application
- Use of Robot Process Automation (RPA) for the automation of end-to-end accounting processes
- Blockchain and IoT are directly integrated into the solution
- The processes designed as part of the solution are based on best practices associated with the latest business requirements
- Integrated Master Data Management tools designed to support the management of product, customer and supplier data



OPERATIONAL EXCELLENCE RELATED BENEFITS

CUSTOMER EVIDENCE · First-year average % improvement

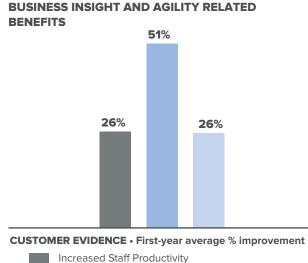
- Improved Closing Process
- Reduced Financial Decision Support Cost
- Reduced Planning & Performance Management Cost
- Reduced Account Receivables Cycle Time
- Reduced Outstanding Payables

Reduced Maintenance Cost of Legacy ERP Systems

Figure 1 depicts % improvements in Operational Excellence achieved over the first 12 months Source: Oracle

ARCHITECTURAL PLATFORM BENEFITS

- Automatic redundant backups in multiple data centres
- Connection with third-party applications available within the platform
- The ability to extend the application through the use of PaaS (Platform as a Service) tools that do not in any way compromise the product standards
- Management of access security and data encryption



FINANCE MODERNIZATION, INTEGRATED

- Improved Reporting Productivity
 - Enabled Scale

 Figure 2
 depicts % improvements in Finance Modernization, Integrated Business

 Insight and Agility achieved over the first 12 months
 Source: Oracle



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WHY BUSINESS REPLY?

This evolution is not just a simple upgrade. Whether the company chooses to rely on vendor software or evaluates other alternatives, it is always going to be a **new project**. This project must be implemented with the support of competent partners capable of making the transition easier and maximising the adoption of best practices relating to the new application.

For companies that are considering the adoption of an ERP Cloud, the key questions to ask are:

- Does it make sense to continue with the current vendor software or is this the right time to evaluate the best solutions offered by the market today?
- Does my system integration partner have the necessary experience in the latest technological paradigms and implementation best practices to partner and support me in this journey?

Business Reply is the Reply Group company that specialises in the creation of integrated systems based on Oracle application solutions. **An Oracle Platinum Cloud Select Partner** with more than 20 years of experience, Business Reply is the reference point for ERP and Corporate Governance services.

With a strong focus on the Digital Transformation realm, **Business Reply was the first Italian Oracle partner to implement projects on the Oracle ERP Cloud**.

Business Reply is therefore able to guarantee an extensive knowledge and understanding of business processes, together with strong technical proficiency across all enterprise Oracle application solutions (ERP, CX, Transportation and Supply Chain, PLM, HCM, Business Intelligence), gained through extensive experience in a wide range of industrial settings.

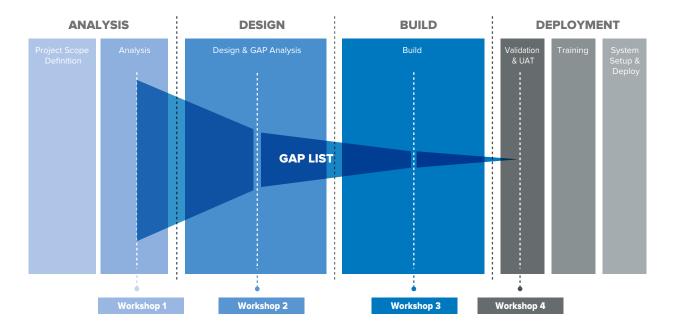


Finally, Business Reply has been recognised by Oracle as the 2018 "Oracle EMEA Specialised partner for ERPM", which certifies the quality of its services

and leadership skills in the Oracle ERP Cloud realm not only in Italy, but also in Europe.

Business Reply offers a **Product-Driven** design approach, making it possible, through **interactive workshops**, to acquire comprehensive knowledge of the system and to enable a progressive refinement of the product configuration, based on specific functional and processes-related requirements.

This implementation strategy allows enterprises to **identify as well as to effectively and permanently manage and close all gaps** identified as part of the project.



The adopted strategy allows to considerably increase the confidence towards the adoption of the standard solution and to make the implementation faste. Furthermore, thanks to the remarkable capacity of the functions and to the high degree of configurability of the product, the solution allows to adjust the system without having to make consistent customizations.

The approach used by Business Reply, combined with the implementation experience gained on the projects carried out, makes it possible to extend ERP without customizations, but through the design and implementation of additional functionalities based on PaaS technology (Platform as a service) which not modify the application but integrate with it.

The same methodology is also used for the implementation of integrations with thirdparty applications using the most modern middleware technologies. This ensures that the quarterly updates released by Oracle evolve by introducing new features and exploiting new technologies, without the need for further project activities.

THE RESULTS OF THIS APPROACH ARE:

FOR THE CUSTOMER PROCESS

- Identify key aspects of the process
- Identify areas for improvement/modification of the process
- Alignment based on the *best practices* offered by the product
- Identification of process-related changes to take advantage of the best practices offered by the product

FOR THE NEW SYSTEM PROJECT

- Design of the operational process
- Configuration of the solution
- Mapping beneficial to the data migration
- Mapping preparation of reports and interfaces

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