

Bluefield approach

Netto parent company modernizes extensive ERP system

The Salling Group has upgraded its ERP system spanning multiple sales divisions to SAP S/4HANA. Project Manager Mikael Thystrup gives insights into the go-live.

Danish grocery market leader Salling Group completed its transition to SAP S/4HANA a few weeks ago. The project involved a 1:1 conversion from the old ECC system, without additional functions. Yet it was still an enormous task for Mikael Thystrup, Project Manager for SAP Infrastructure. "It was a challenging migration because our ERP system is very extensive," explains the Salling Group manager to Lebensmittel Zeitung. "We opted for a centralized system: a master data set that serves as a single source of truth for our entire company."

When the group, which includes the retail chain Netto (Nord) operating in Germany, switched from the old IBM system to SAP in 2008, it had already set the course in that direction. Even before the introduction of S/4, Salling was managing IT from a central position.

The group's SAP S/4HANA system contains 32 TB of data

For the migration, the retailer opted for the Bluefield approach. "We had a high data volume," says Thystrup. "At times, it was too complex to process all the larger tables in the old system." When deciding on a migration strategy, Salling worked with German SAP implementation partner SNP. The ECC system contained 60 TB of compressed data. The new HANA database, which has been expanded with additional resources, is now just 32 TB in size. The retailer generated 33 billion financial documents in S/4HANA.

In-house solution enhances SAP Forecasting and Replenishment

Salling employs 300 IT staff at its headquarters and a further 60 at its

shared service center in Poland. In addition, the company has around 200 external staff. Alongside SNP, Salling also works with IBM and Kyndryl. The company is extremely SAP-centric.

The group's IT landscape doesn't contain many in-house developments. However, they are currently rebuilding their e-commerce platforms for food and non-food products by themselves. The aim is to complete this task by Q1 2027.

Salling are making changes in other areas too: "We have expanded SAP's forecasting and replenishment solution with additional functions, tailoring it to better meet our requirements."

The tool also helped with the migration, explains Thystrup: "Our operations were interrupted for 51 hours, and we ordered a lot of goods in advance to ensure that we could provide the necessary services." The go-live went very smoothly. After the system went live, the retailer just had to perform some table partitioning, then everything was set.

Next on Salling's agenda is a RISE with SAP implementation, which involves moving to Microsoft's Azure cloud. The first systems have already been migrated.

Recently, Salling has been actively acquiring new assets, including 33 Coop stores and the discounter chain Rimi. The retailer implemented the new IT systems within just three to four months of acquiring them. To achieve this, they used a standardized rollout template.



Photographer: Salling Group