

Case Study



Now it all adds up for GE Aerospace

GE Aerospace lands 360-degree visibility into profitability with SAP margin optimization solutions by Vistex



Highlights

 **Reduced** published price schedules from 68 to 23

 **Decreased** number of price delivery systems from 24 to 3



“We can now execute our complex contracts more effectively with SAP margin optimization solutions by Vistex, eliminating the need for multiple systems and manual processes. This, in turn, helped our organization to optimize productivity and provide an enhanced user experience for our customers and partners.”

Vamsi Reddy Konduru

Sr Director, Technical Product Management, GE Aerospace

Overview

The Commercial Engines and Services line of business represents about 70% of **GE Aerospace's** revenue. It includes a Maintenance, Repair and Overhaul (MRO) division that processes more than \$1 billion worth of complex discounts and royalties in its repair and spares catalog. These were manually processed using homegrown legacy applications and Excel. It included more than 16 different discounts offered at different transactional points. GE Aerospace sought to standardize these and bring them all into one system, streamline the

cumbersome pricing and discount management process to enable 360-degree visibility of profitability and enhance the customer experience with claims processing. Because the company began expanding its SAP portfolio across the MRO network, they were looking for a solution that would seamlessly integrate with SAP.



Solution

GE Aerospace selected SAP margin optimization solutions by Vistex to gain comprehensive insights into its contracts and to streamline the division's highly complex business processes. With an ultimate goal of one global, enterprise software platform, using one global process across their repair and spares network, they hoped to significantly reduce multiple data sources to address the repair and spares catalog pricing and rebates, warranties,

outbound royalties and finance forecast modeling tools in SAP.

The company would leverage data from SAP margin optimization solutions by Vistex as the single source of truth due to its ability to ingest transactional data from non-SAP systems, which would enable full automation of pricing determinations and invoicing for enhanced operational efficiency and productivity across all programs.



Results

Since SAP margin optimization solutions by Vistex could streamline the processing of all complex outputs, GE Aerospace was able to eliminate the global need for multiple systems, harmonizing them into one ERP system. By decreasing the number of price delivery systems from 24 to 3, the Commercial Engines and Services division gained unprecedented 360-degree visibility into its profitability, with an ability to run analytics that will help drive a data-driven pricing strategy and improve the bottom line.

Now, they can easily align requirements with partners to determine GE costs and

customer quotes and calculate revenue amounts. Automation has increased data accuracy and ensured timely payments of invoices and catalog accuracy by reducing incorrect and missing prices and subsequent manual corrections. By eliminating manual invoicing and pricing updates and avoiding unnecessary deep discounts, they reduced the published price schedules from 68 to 23. In addition, the ability to accurately calculate and process claims faster and resolve disputes more effectively resulted in an enhanced experience for customers and partners.



Headquarters: Evendale, Ohio

Industry: Manufacturing

Products: Jet and marine engines,
aviation systems

Revenue: \$68 billion in 2023

Locations: Global

Employees: 125,000

Solutions implemented:

SAP margin optimization solutions by Vistex

- *SAP Data Maintenance by Vistex, pricing option*
- *SAP Incentive Administration by Vistex*
- *SAP Paybacks & Chargebacks by Vistex*

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About GE Aerospace

GE Aerospace is a world-leading provider of jet and turboprop engines, as well as integrated systems for commercial, military, business and general aviation aircraft.