|  |  |
| --- | --- |
|  | Business Area Materials Services |
|  |  |
|  | April 18, 2018  Page 1/3 |

thyssenkrupp Materials Services is now “omnifit” – digital transformation of the materials business moves to the next level

* World’s biggest virtual warehouse: Virtual presentation of more than 150,000 products and services providing fully digital access to 3.5 million m² of storage space at 271 international operating sites
* Omnichannel in practice: Cross-channel access to wide spectrum of materials and services for 250,000 customers worldwide

thyssenkrupp Materials Services is making rapid advances with its digital transformation: The thyssenkrupp Group’s materials experts are digitizing their entire range and consolidating it in the world’s biggest virtual warehouse. With more than 3.5 million square meters of storage space at 271 operating sites around the world, Materials Services is now closer than ever to its customers and offers round-the-clock access to more than 150,000 products and services through its new omnichannel structure, enabled by a powerful, self-developed AI (Artificial Intelligence) solution.

“Due to our holistic approach in the digital transformation of our business model, we have consistently and comprehensively created the important prerequisites over the last few years to enable the launch of innovative solutions. By digitally connecting our global inventories of roughly 150,000 products we can offer our customers the widest possible selection of our various materials and services and optimum availability 24/7,” says Hans-Josef Hoss from the Board of thyssenkrupp Materials Services. From plastics, steel products and nonferrous metals to diverse materials and supply chain management services – nowadays customers of thyssenkrupp Materials Services want customized access to the entire range. Hans-Josef Hoss: “In surveys and personal discussions we listened closely to what our customers want, and for more and more of them the ability to order our products and services however and above all whenever they need them is of key importance. Our omnichannel solution guarantees direct access to us and our products – anytime and anywhere.”

Tailored channels

Providing all required channels is key to the success of an omnichannel approach. At thyssenkrupp Materials Services customers can place orders via individual customer portals, EDI interfaces, online shops and in the future also via external platforms. “We digitize all our items and offer information in real time. Whether it’s just-in-time or just-in-sequence, customers will be able to order in line with their needs using the channel that’s most convenient to them. The focus is 100% on our customers and their requirements. That’s the basis for increasingly smart interaction in the future,” says Axel Berger, Head of Digital Transformation at thyssenkrupp Materials Services.

Positive experience with first customers has already been gathered during a practical trial. A new B2B portal as part of the omnichannel approach is already in use. It will go live in summer 2018. “After the official launch we will of course continue to make further optimizations and integrate customer feedback. Work on our highly complex omnichannel structure is an ongoing process as the digital transformation of thyssenkrupp Materials Services also is,” says Berger, who despite this also stresses the central role of personal contacts: “Alongside the new digital channels, the human factor – personal customer support by our experienced sales staff – will always be a key success factor for our business.”

Holistic approach

By starting to connect all its machinery last year with toii, thyssenkrupp Materials Services reached a key milestone in its digital transformation along the entire value chain. “To profit sustainably from the advantages of digitalization, it’s important to take a holistic approach. In addition to new, smart solutions in procurement – such as our new cloud-based purchasing platform – and sales, which are now served via our omnichannel strategy and the virtual warehouse, the intelligent digitalization of operating processes is also of key importance. Our IoT (Internet of Things) platform toii is an in-house development that allows machines of different types and ages to communicate with each other on a worldwide basis. In combination with our omnichannel approach this is leading to significantly faster and simpler coordination and planning processes. This is an effect which is substantially enhancing the efficiency of all players in the supply chain and a goal we will continue to work on in the future with the aid of new digital technologies,” says Hoss.

The video of thyssenkrupp Materials Services’ digital transformation is available here: <https://youtu.be/3AI9Sdpbm3I>

**About thyssenkrupp Materials Services:**

With around 480 locations in over 40 countries, the Materials Services business area specializes in materials distribution, logistics and services, the provision of technical services as well as services for industrial plants and steel mills. In addition to rolled steel, stainless steel, tubes and pipes, nonferrous metals, specialty materials and plastics, Materials Services also offers services from processing and logistics to warehouse and inventory management through to supply chain and project management.

**Contact:**

Michael Ridder

thyssenkrupp Materials Services GmbH

Head of External & Internal Communications

Materials Services business area

[www.thyssenkrupp-materials-services.com](http://www.thyssenkrupp-materials-services.com)

Email: [michael.ridder@thyssenkrupp.com](mailto:michael.ridder@thyssenkrupp.com)

Telephone: +49 (201) 844- 534416

Twitter: [@Michael23Ridder](https://twitter.com/Michael23Ridder)

Company blog: [www.engineered-thyssenkrupp.com](http://www.engineered-thyssenkrupp.com)