

# LGMG: Reshaping global e-commerce operations with cloud ERP

Established in 2012, Lingong Heavy Machinery Co. Ltd. (LGMG) specializes in aerial work platforms and mining equipment. A recipient of awards such as “Top 50 Global Construction Machinery Manufacturers” and “Top 10 Chinese Construction Machinery Manufacturers,” the company achieved a significant milestone in 2022. That year, both industrial output and operating revenue surpassed ¥10 billion (US\$1.4 billion) for the first time. In anticipation of continued growth, LGMG aims to reach ¥30 billion in industrial output by 2025, with 50% of revenue coming from exports.

After establishing subsidiaries in Europe, North America, and Japan, LGMG experienced remarkable growth. This, however, also led to differing standards and inconsistent management of branches across countries. As the next step in its global expansion, LGMG wanted to “**go digital**” to enable lean management at the group level.



Picture credit: Lingong Heavy Machinery Co. Ltd., Shandong, China. Used with permission.

# Modernizing operational management with SAP Commerce Cloud and RISE with SAP S/4HANA Cloud Private Edition

## Before: Challenges and opportunities

- Outdated global e-commerce system with cumbersome reporting and approval processes
- Lack of support for multilingual and multicurrency operations
- Ineffective material master data management, along with redundancy, lack of data sharing, and need for unified group control in overseas operations

## Why SAP

- Tight integration between SAP Commerce Cloud and SAP S/4HANA Cloud Private Edition solutions, enabling faster order processing
- RISE with SAP S/4HANA Cloud Private Edition, promoting best practices in industrial manufacturing
- Potential for high customization and configurability, complementing LGMG's rapid growth
- SAP Services and Support, fostering unified business processes, standardized data, and a professional technical team at LGMG

## After: Value-driven results

- Streamlined order management and risk control, integrated information, and harmonized processes
- Digitalized service management, enabling intelligent documentation, automated work orders, and online settlements, significantly improving aftersales service
- Established a master data hierarchy and unified accounting categories, models, and rules

“LGMG aims to be an international industry leader with a focus on efficiency, technology, and service. Following our 2025 strategic plan and ‘1288 blueprint,’ the next three years will emphasize overseas market growth using SAP’s industry-leading practices to **accelerate globalization.**”

Tong Wei, IT Director, Lingong Heavy Machinery Co. Ltd.

25%

Faster order processing

20%

Faster shipment approval cycle

30%

Faster creditor rights management

One

Control platform across business and finance for greater efficiency