

Tobacco Major Hits Testing Turf to Improve Time to Market

British American Tobacco achieved 30% reduction in QA and Testing cost via an industrialized delivery model

Client Background

British American Tobacco (BAT), headquartered in London, sells its brands in more than 200 markets. The company, which makes cigarettes and cigarillos, operates in the Americas, Asia-Pacific, the Middle East and several other geographies. With over 250 brands in their portfolio, BAT has over 40 manufacturing facilities where it rolls out next-generation nicotine and tobacco products.

Industry Landscape

The tobacco industry continues to be a substantial contributor to the economies of many countries across the globe. The resilience of the industry is underlined by the continued year-on-year net revenue growth at constant rates of exchange. However, factors such as regional regulatory pressures, frequent entry of new players and growing alternatives to combustible products are constantly keeping organizations in this space on their toes. To keep the competitive edge, companies are looking to increasingly invest in technology and bring in enterprise-wide IT resilience.

Opportunity

In the face of growing regulatory pressures and volatile market conditions, BAT wanted to enhance their Testing and Quality Assurance (QA) landscape by infusing greater agility and responsiveness. They were looking to increase market share and build a better brand image.

The company wanted to weed out enterprise-wide technology glitches via large scale ERP implementations, thereby giving shape to their plans to expand into Continental Europe and several other markets. The need of the hour was a centralized QA and Testing function having metrics-driven standardized Testing processes and methodologies, and specialized Testing service competencies. BAT was looking to move away from a time and material pricing model to a catalogue-based industrialized model, which would reduce cost of delivery.

Solution

Being a global player with experience in large scale QA transformations, Wipro was BAT's partner of choice. Wipro spearheaded the setup of an independent Testing function which operated in a factory model.

Here is what we rolled out:

- **End-to-end QA and Testing ownership of SAP as well as non-SAP application portfolios:** Services included key Testing tracks such as regression, automation, performance, etc.
- **"Industrialized" delivery:** SLA driven, lean and standardized domain-centric solutions and accelerators
- **Innovative, flexible in scope and cost-effective "Unit Price Service" delivery model:** Catalogue-based pricing for Testing units with defined activities and defined rates per unit
- Enterprise-wide automation framework, globally, for regression Testing
- Unified and transparent view of the entire engagement progress; frequent audits and QA gate reviews
- **Tool rationalization:** Setting up of centralized Testing tools administration service

Business Impact



30% reduction in overall cost of Quality Assurance and Testing as a result of unit-based pricing model



The unit-based pricing delivery model led to 100% predictability in demand management



Industrialized set-up/best practices resulted in improved maturity of Testing processes enterprise wide and improved productivity by 40%



15% increase in time to market products and services



60% increase in automation footprint, leading to over 1000 person days' reduction year-on-year



99% containment of defects within the Testing phase, prior to go-live



Insight-driven decision making: Efficient reporting enabled better demand forecasting and budget controls

The Testing and QA processes that Wipro rolled out helped BAT cater to business variability efficiently.

"The BAT-Wipro partnership is a model for flawless execution and innovation. Our four-year relationship only goes strength to strength from here"

Sandokan Sterque

Head of Global IT Testing and Assurance - British American Tobacco

About Wipro

Wipro Ltd. (NYSE:WIT) is a leading information technology, consulting and business process services company that delivers solutions to enable its clients do business better. Wipro delivers winning business outcomes through its deep industry experience and a 360 degree view of "Business through Technology." By combining digital strategy, customer centric design, advanced analytics and product engineering approach, Wipro helps its clients create successful and adaptive businesses. A company recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship, Wipro has a dedicated workforce of over 160,000, serving clients in 175+ cities across 6 continents. For more information, please visit wipro.com or write to us at info@wipro.com