



Road to Data-Driven Retail

Fast-tracking your growth with
best-practice data strategies



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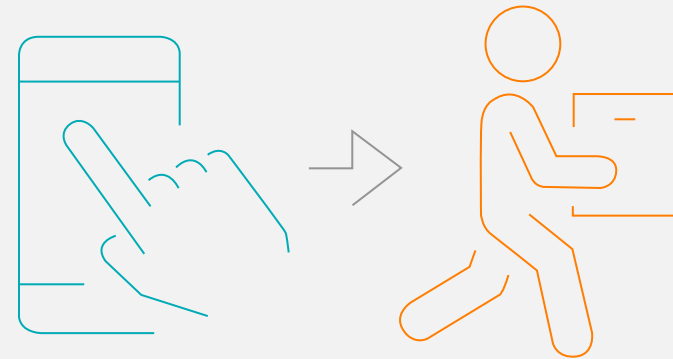
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Foreword

With the acceleration of digital transformation that happened in 2020, buy online and pick up in store (BOPIS) and omnichannel offerings have become the norm rather than the exception. The best performers in this ultra-competitive market are those who persistently reinvent their business models and evolve their organizations as times change. They move from product focus to customer centricity, from siloed channel-specific focus to an agile organization designed to support seamless omnichannel customer experience, and from semi-functional CRM programs to end-to-end data strategies which enable 360° customer insights.



In parallel to investments in physical assets, leading brands and retailers also develop digital capabilities, especially in data management and advanced analytics, and start consolidating, managing, and ultimately extracting value from their data assets. Growth is a top priority for retailers as they meet the needs of post-pandemic consumers and seek to maximize new waves of spending in the US and other countries.¹

While each retailer has its own unique set of challenges in its digital transformation, it should be of little surprise that many of these challenges are familiar to companies in a similar sector or organizational structure. It is with this in mind that we present here some of the global best practices and real-world success stories to help you assess your data management needs and strategize your next steps.

“We’re going to accelerate investments in supply chain, technology, automation, and our associates, allowing us to stay ahead of shifts in customer behavior.”²

— **Brett Biggs**, CFO, Walmart, Inc

¹<https://www.itsma.com/research/cxo-priorities-dashboard-may-2021>
²IBID

Introduction

Most industry analysts agree that in the coming decade, customer experience will be the leading brand differentiator when it comes to a buying decision, leaving behind criteria such as product and price.

Jeff Bezos' relentless pursuit of the perfect customer experience has propelled Amazon's success as the world's largest online retailer

and allowed the company to establish itself as the industry benchmark for online shopping experience. Brands and retailers increasingly focus on creating that unique customer experience for developing their competitive edge and know that they must grow their digital capabilities to empower such a business transformation.

In this booklet, we follow a fictitious Asian sportswear brand and step through how the theoretical company underwent several phases of implementation to transform its organization. We supplement this example with three additional real-world customer success stories. Although each has its unique business challenges, you will find that all three companies responded with surprisingly similar data management strategies.



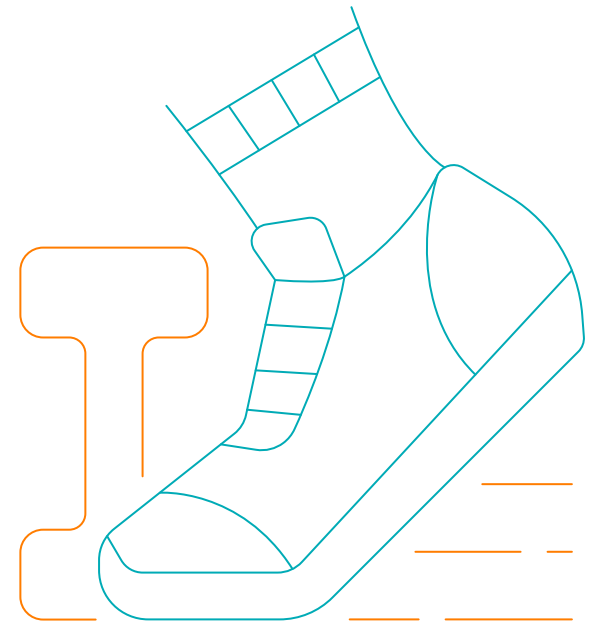
The Brand Story: Seizing The Moment For High Growth

From a traditional retailer to an inspiring and trusted fashion brand

This established Asian sportswear company has a humble beginning as a little-known brand of low-end footwear with just a handful of stores. Riding on the national enthusiasm for competitive sports and public policies supporting “health and fitness,” the company experienced exponential growth in its core markets every single year in the past decade. To create this growth, the brand followed a successful multi-channel strategy with their own retail stores, B2B distributors, franchisees, e-commerce, social media, and a number of mainstream and niche marketplaces, including TMall, JD.com, Lazada, and Zalora.

To expand its market, the company ventured into sports equipment and other non-sports categories and expanded their presence through a number of international locations.

The company even signed up to be national team sponsors at major global and regional sporting events to boost its international profile and to create brand loyalty among its domestic customers.



Road to Digital Transformation

Creating a coherent strategy with technology

Due to lack of a coherent strategy, fierce competition from both international and regional players, and unclear positioning, the company experienced a gradually outdated image, especially among younger consumers. Advised by a leading management consultancy, the company switched to a single-focus multi-brand strategy and proceeded to acquire several international brands to further increase market share in domestic markets and expedite its international expansion.

Recognizing the disruptive power of digital technology, the company established a digital advisory board, which commissioned a technology review to upgrade its digital competitiveness with a focus on data management capabilities.

Impressed with the vision and breadth of the Informatica platform, the company selected Informatica MDM as the central hub for managing its critical data domains, e.g., product, customer, supplier, locations, and organization, as well as their complex hierarchies and relationships.

As a visionary leader with in-depth technical knowledge and business insights, the company's new chief data officer (CDO) laid out a clear data strategy for the group, which formed the basis for a five-year digital transformation roadmap with the following business goals:

1. Become a customer-centric organization
2. Nurture distinctively appealing brands through better digital marketing and product strategies
3. Develop a world-class procurement and supply chain organization capable of competing with the world's leading players

“CX leaders experience 3x higher returns coming out of a recession.”³

³<https://www.mckinsey.com/industries/retail/our-insights/adapting-to-the-next-normal-in-retail-the-customer-experience-imperative>

Enriching The Product Experience

Competing on product experience through engaging product content

To further its leading position in the relevant markets, the company has identified as a priority the ability to provide its customers a personalized, relevant and engaging product experience across physical and digital channels, worldwide locations, and customer touch points. It understands that customers naturally click away from shopping sites when they can't find adequate product information to help them make an informed decision.

Consistent, relevant, and timely product information, including rich digital content, reinforces desire and confidence—the fuel of every commerce engine. There's no limit to what customers may want to know about a product—and any questions left unanswered will inhibit purchase.

Having defined a clear objective, the project team went on to address the challenges around existing product information management, namely lack of a governance framework, conflicting data

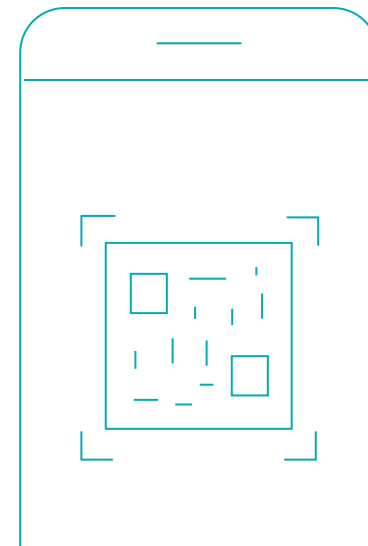
standards, uncoordinated business processes, and questionable data quality across brands and sales channels. These resulted in slow time-to-market, operational inefficiencies, and excessive data maintenance costs.

Hence, the first phase of the digital journey involved deploying the Informatica MDM – Product 360 solution to centrally manage the end-to-end process of creating, enriching, and publishing product information to fuel the various sales channels.

Given that product information permeates the entire organization—from product planning, development, sales and marketing to merchandising, supply chain, retail, and e-commerce—the project team recognized the need to secure business sponsors and engage business users from an early stage. This helped ensure that the project delivered value aligned with corporate strategies and met the expectations of the sponsors.

PIM

Product information is at the center of the modern purchase journey and serves as the foundation to transform your customer's product experience. Getting it right opens enormous opportunities as you embrace the omnichannel world.



Creating a 360-degree Advantage

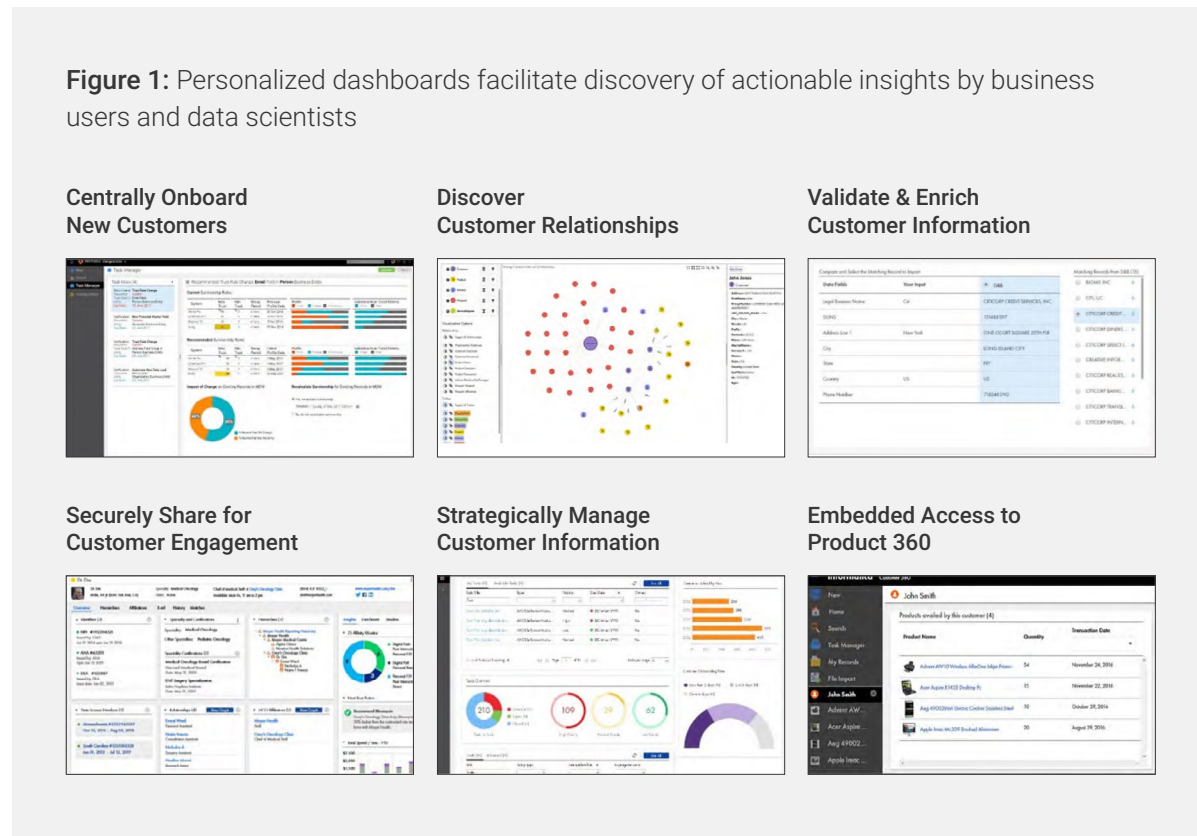
Understanding the digital consumer

Following a successful deployment of product information management across the value chains of the group's multiple brands, the project team then turned its focus to mastering customer data, which would give it a single, trusted view of its consumers. This data originates from both online and offline interactions across an increasing number of channels, including points of sale, mobile apps, e-commerce sites, marketplaces, membership clubs, and even smart wearables connected to the apps.

Understanding that customer data is one of the company's greatest assets and one that it could leverage for its competitive advantage, the project team ensured that the project was presented as a strategic initiative and received full support from both business users and IT teams.

Informatica's MDM – Customer 360 solution is central to the company's goal of obtaining a trusted 360° view of the customer to drive lifetime customer value and fuel personalized customer engagements, such as in-store promotions, social media campaigns, SEO, and other brand-building activities.

Figure 1: Personalized dashboards facilitate discovery of actionable insights by business users and data scientists



Partnering and Connecting for Supply Chain Success

Improved visibility into the supplier network

Fashion companies compete on customer experience to grow market share and brand value, but ultimately their bottom lines are driven by their ability to execute, most notably the speed and agility of their supply chains.

In recent years, fast fashion retailers have gained market share at the expense of traditional retailers due to their much shorter and more nimble supply chains, which allow them to closely align their assortments to the latest fashion trends and make timely adjustments to minimize inventory levels.

The company's acquisition of multiple sizable brands, rapid international expansion, and globalized supply chains have resulted in several thousand direct and indirect vendors and an explosion in the number of SKUs. It was therefore urgently in need of an effective solution to help manage the lifecycle of these vendors from onboarding, due diligence reviews, and risk and

compliance monitoring to performance tracking and self-service product catalog uploads to feed the product information management system.

To enable the creation of a governed and authoritative view of suppliers across the business, the project team has determined that the solution must come with robust data quality and workflow engines to safeguard integrity of the supplier data and facilitate collaboration across business functions and corporate walls on a global scale.

The project team leveraged the Informatica MDM – Supplier 360 solution to deliver these capabilities. As part of the solution, the Supplier Portal enables a range of supplier self-services, so buyers and suppliers can collaborate to streamline communication, shorten the time for supplier onboarding, and lower administrative costs for all parties involved.

72% of consumers whose values were reshaped by the pandemic expect companies they're doing business with to understand and address how their needs and objectives change during times of disruption.⁴



⁴[Life Reimagined: Mapping the motivations that matter for today's consumers](#). Accenture report, 2021

Partnering and Connecting for Supply Chain Success (continued)

Improved visibility into the supplier network

Figure 2: The supplier self-service portal enables buyer-supplier collaboration and end-to-end supplier relationship management



Elevating Customer Experience with Advanced Customer Insights

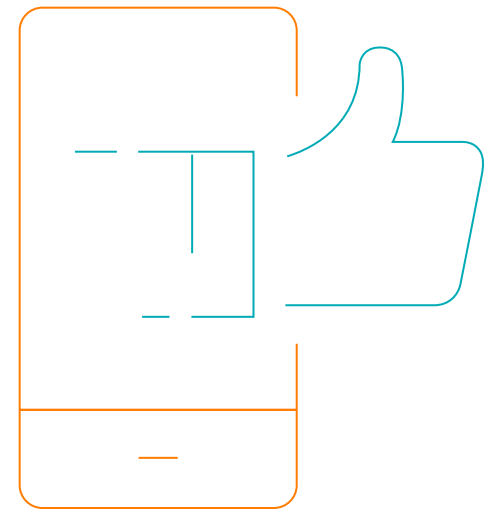
The pinnacle platform

Aspiring to be a globally leading sports brand, the company regularly reviews its strategies and scans the market for international best practices and emerging technologies. It persistently benchmarks itself against world-class players in product innovation, branding, retail experience, and supply chain excellence.

Having successfully gone through the gradual transformation into a customer-centric organization, the company was able to nurture a few thought leaders who had a shared vision and were ready to take their customer experience to a whole new level by tapping into Informatica's customer intelligence platform, Informatica – Customer 360 Insights.

Coupled with an effective digital strategy, the big data platform can speed up the process of turning insights into actions to empower business operations and analytics such as:

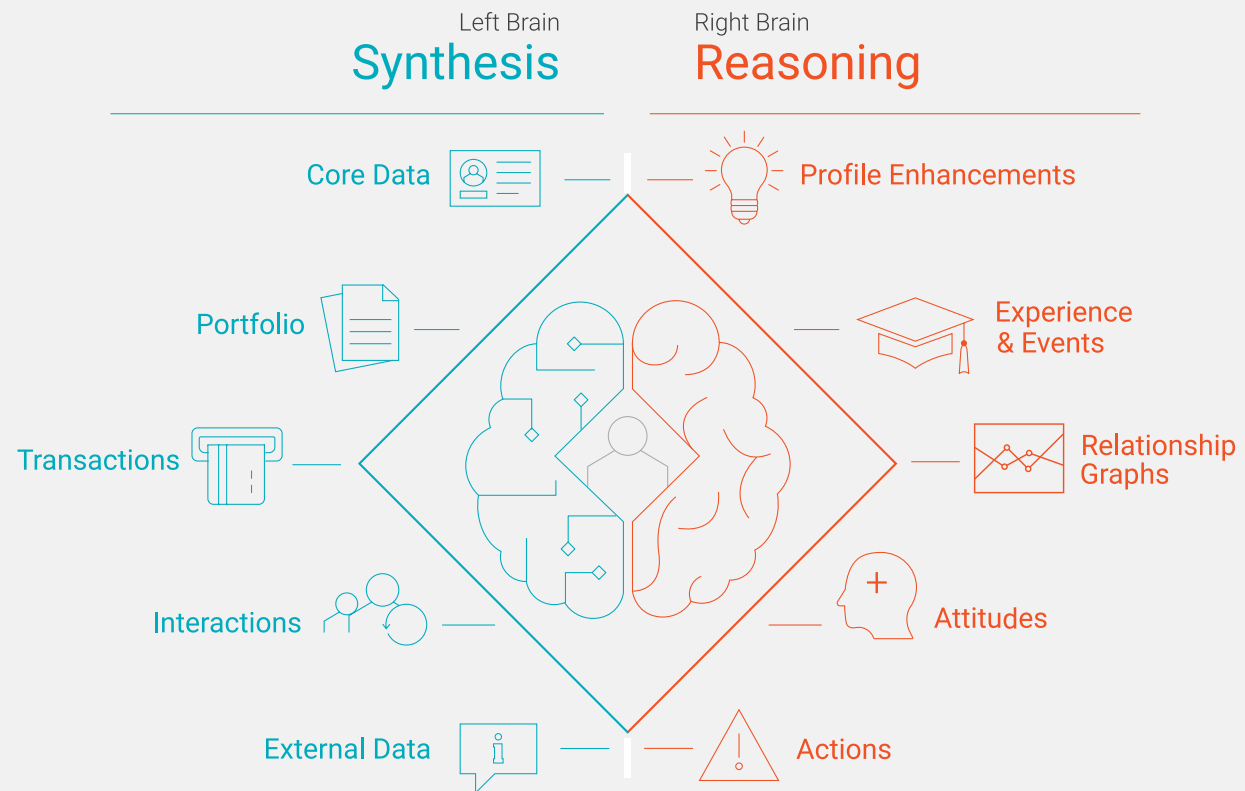
- Empowering sales and customer service reps to make personalized customer decisions while accessing multiple perspectives of the customer
- The ability to predict market trends through natural language processing so as to optimize merchandise planning and lower inventory risks
- Reducing churn rate by detecting and managing customers at risk
- Increasing shopping basket size through timely and relevant product recommendations
- Feeding product development and product quality with direct consumer feedback



Elevating Customer Experience with Advanced Customer Insights (continued)

The pinnacle platform

Figure 3: Customer 360 Insights connects customer data from any source—social media, web chats, call center logs, ecommerce applications, analytical data stores—and synthesizes it into a consolidated 360-degree customer view

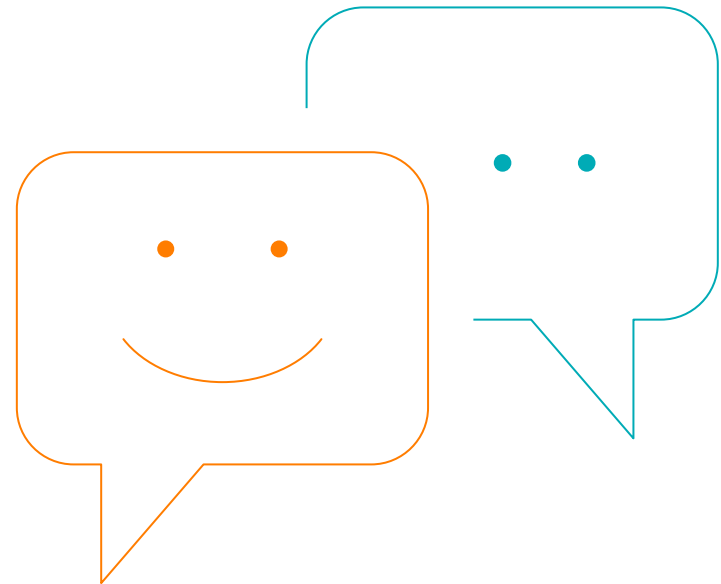


Securing Long-Term Success

Delivering high-impact business value

At the end of its Product 360, Customer 360, and Supplier 360 journey, the company reported positive results across several key performance metrics. These included higher master data quality, a higher search-to-buy conversion rate, faster time to market across channels, a more agile supply chain, and reduced data management and system maintenance costs.

The Chief Data Officer is particularly pleased that the Informatica MDM solution is future-proof—Informatica listens to our customers' feedback to enhance our products, align our updates with industry best practices and the latest technology, and consistently commit to one of the industry's largest R&D investments—so customers can avoid the pain of having to refresh their technology solutions in a few years.



The Race To Digital Disruption: PUMA Competes To Win

A 360-degree product view



PUMA SE is a sports company that designs and manufactures athletic and casual footwear, apparel, and accessories, headquartered in Herzogenaurach, Germany. For over 65 years, PUMA has established a history of designing products for the fastest athletes on the planet. The company employs more than 14,000 people worldwide.

Challenge:

- Provide a single, trusted view of product information for global e-commerce
- Unify customer experiences across all regions, channels, and touchpoints
- Support short, 12-week product lifecycles

Solution:

- Informatica MDM – Product 360 allows PUMA to deliver rich and consistent product information globally, enabling the company to achieve its vision for product information management

Results:

- Helped increase sales by 10% in 9 months with greater agility and faster time to market
- Improved operational efficiency and reduced data management costs
- Reached ROI targets in less than 2 years

“Having MDM – Product 360 helps us better prepare for our extremely strong growth ahead in international e-commerce sales and supporting a conversion rate boost of 10% to 20%.”

– **Heike Zenkel**, Team Head Content Management, Global E-Commerce, PUMA

Coop Alleanza 3.0 Unifies Retail Operations To Create Europe's Largest Cooperative

Data drives commercial success



Coop Alleanza 3.0 is Europe's largest consumer cooperative, with 2,700,000 members and over 430 stores across 12 regions of Italy, including subsidiaries. It was formed through the merger of Coop Adriatica, Coop Consumatori Nordest, and Coop Estense in 2016, and Coop Eridana and Coop Sicilia in 2018. The group also includes companies such as Digital, which supported the e-commerce launch of Coop Alleanza 3.0.

Challenge:

- Unify customer, product, and sales data to drive e-commerce and CRM strategies
- Help ensure corporate compliance with GDPR requirements
- Deliver a consistent yet unique customer experience across sales channels

Solution:

- Integrate product data using Informatica MDM – Product 360 to power new e-commerce site
- Deploy Informatica MDM to achieve GDPR compliance
- Drive group-wide business agility and efficiency across sales channels through a unified customer view

Results:

- Supports the commercial success of easycoop.com with unified customer, product, and sales data
- Helps achieve GDPR compliance by cleansing and managing customer information
- Personalizes the shopping experience for Coop members and customers

“For us, data is capital. It enables us to be proactive in responding to market developments and optimize business performance. However, getting complete, clean data on which to base business decisions requires an effective information management strategy.”

— **Andrea Furegon**, Head of Digital Innovation, Coop Alleanza 3.0



Kmart Australia Transforms Into a True Omnichannel Retailer And Quadruples Online Sales

Shop 'Til You Drop



Founded in 1969, Kmart Australia Limited is an Australian chain of retail stores owned by Wesfarmers, with annual sales of more than AUD\$5 billion. It has more than 30,000 employees and operates 234 stores across Australia and New Zealand, with its head office located in Mulgrave, Melbourne.

Challenge:

- Grow the business by opening digital channels and moving the full product catalog online
- Launch products faster across all channels, in both B2C and B2B environments
- Enable a small product management team to be more efficient while improving data quality.

Solution:

- Streamline and centralize product information management with Informatica MDM – Product 360
- Use Informatica MDM - Product 360 to speed product introductions to all channels
- Empower teams to share accurate product information using Informatica Data Quality to automate data checks and governance

Results:

- Moved 98% of the company's product range online, representing 45,000+ SKUs
- Quadrupled online sales by introducing products 4x faster and moving beyond B2C into B2B
- Improved product data quality while sustaining a 3x increase in team's overall productivity

“With Informatica MDM - Product 360, we have complete, accurate, and trustworthy information. Our customers are loving it.”

— **Emma Toop** , Online Strategic Initiatives Manager Kmart Australia



Conclusion

How do companies consistently meet and exceed the expectation of customers in the age of New Retail?

Having a complete and trusted view of their customers helps to ensure a solid customer understanding to deliver a seamless omnichannel experience. Moreover, high quality, rich, and engaging product information supports a smooth purchase journey and contributes to a positive customer experience.

The fictitious and real-world companies in this booklet share a success formula for their transformation journeys. They begin with clear business goals, mobilize the support of both business and IT leaders, and realign their organization towards data-driven and customer-centric business operations and decision-making.

Informatica has a long and proven track record of enabling brands and retailers in their digital transformations, regardless of their industry sector, market positioning, channel strategy or global footprint.

Find out more about how Informatica can help accelerate your transformation journey at <https://www.informatica.com/products/master-data-management.html> and www.informatica.com/retail

About Informatica®

At Informatica, we believe data is the soul of business transformation. That's why we help you transform it from simply binary information to extraordinary innovation with our Informatica Intelligent Data Management Cloud™. Powered by AI, it's the only cloud dedicated to managing data of any type, pattern, complexity, or workload across any location—all on a single platform. Whether you're driving next-gen analytics, delivering perfectly timed customer experiences, or ensuring governance and privacy, you can always know your data is accurate, your insights are actionable, and your possibilities are limitless. Informatica. Cloud first. Data always™.

Worldwide Headquarters

2100 Seaport Blvd, Redwood City, CA 94063, USA

Phone: 650.385.5000

Fax: 650.385.5500

Toll-free in the US: 1.800.653.3871

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