



Click Clack Slashes Supply Chain Costs and Improves Customer Relations, Inventory Management, and Cash Flow with Informatica

FAST FACTS

CHALLENGE

Integrate US electronic data interchange (EDI) customers into SAP ERP suite in order to improve customer relations, inventory management, and cash flow.

INFORMATICA SOLUTION

Informatica® B2B Data Transformation™

BENEFITS

- Improved knowledge of customers with an integrated view
- Reduced costs with in-house capabilities
- Extended efficiencies around the globe
- Improved competitiveness
- Faster shipping and accounts collection

NUTS AND BOLTS

- Data Integration:
 - Informatica® PowerCenter®
 - Informatica® B2B Data Transformation™
- Sources: US customer data in EDI format
- Target: SAP
- Platform: SAP XI

“Informatica has allowed us to get in complete control of our inventory and has radically changed the level of contact we have with our customers. The accuracy of data we provide to the customer has improved dramatically and that in itself has improved our business.”

— Natarajan Subramanian, Group IT Manager, Click Clack Limited

Operating for more than 40 years and one of New Zealand's top fifty manufacturers and exporters, Click Clack Limited has established itself as the leading New Zealand company in the design and manufacture of innovative products within the airtight storage and cleaning goods categories.

The Challenge

Out of its corporate and manufacturing base in New Zealand, Click Clack exports to more than fifty countries worldwide, including the key markets of Australia, the U.K., and the U.S. These key markets are subsidiary corporations with extensive infrastructure in place to handle warehousing, distribution, information management, and sales throughout each country.

Being an exporter, Click Clack had to rely on third party distributors to manage its inventory and relationships with major customers such as Kmart and Wal-Mart. At times, this arrangement had put Click Clack at a disadvantage; they did not have a holistic view of their inventory, which meant risking delays in order processing and damaging customer relationships.

One of the critical issues was the lack of integration between its overseas customer and inventory records and the company's SAP enterprise resource planning (ERP) suite. The customer and inventory records were stored in the electronic data interchange (EDI) format.¹ To solve the problem, the company decided to integrate all of its overseas customer and inventory records, which were stored in the EDI format, into the company's SAP ERP suite.

¹EDI: a set of standards for structuring information to be electronically exchanged between and within businesses and other organizations.

EDI is the data format used by the vast majority of electronic commerce transactions in the world.

The Solution

In light of the importance of Click Clack's ERP system, the company took a direct recommendation from SAP when selecting a tool to integrate its EDI customer data. SAP recommended Informatica and another competitive product. Two selection criteria were applied when considering the options – ongoing support and the total cost of ownership. "Informatica won the race on both counts," according to Click Clack's Group IT Manager, Natarajan Subramanian.

Click Clack's IT team implemented Informatica B2B Data Transformation in an accelerated timeframe. The solution enabled the company to translate its EDI format orders into XML IDOC then into SAP IDOC. They accomplished these otherwise complex and error-prone steps quickly and reliably with the Informatica EDI library (part of Informatica B2B Data Transformation) that delivers out of the box transformations for EDI messages into EDI XML. In addition, the intuitive GUI-based interface provided the flexibility to customize the predefined library and support any customer proprietary requirements.

Informatica's predefined EDI XML-to-IDOC templates also helped accelerate the creation of the target SAP IDOC formats. Informatica Education Services provided Click Clack's SAP Business Analyst remote training on mapping EDI document standards into SAP for use on SAP XI servers.

Data now comes directly from Click Clack's customers in EDI format and Informatica integrates the data directly into SAP. Conversely, data from SAP is transformed by Informatica to EDI before being sent to customers.

By integrating inventory data with its SAP ERP, Click Clack eliminated the third party management, allowing the company to communicate with customers directly, dramatically improving its inventory information and customer relations. The reduced time to delivery and maximized efficiency created a boost in Click Clack's organization-wide supply chain. With the improved customer service and customer knowledge, Click Clack is able to collect accounts receivable on an accelerated schedule.

"We have minimized order processing times, and we have brought the customer management function in house. We no longer have to pay the ongoing fees to our third-party distribution center for the service. More importantly, we have better direct customer relationships which will help us grow our business," Mr. Subramanian said.

The Results

Improved Bottom Line through Reduced Costs

A direct benefit of the deployment is the ability to bring the customer management function in house. By eliminating the intermediary agent, Click Clack immediately realized a savings of \$60,000.

Improved Customer Service through an Integrated View of the Customer

Informatica has helped Click Clack radically increase the level of contact it has with customers. The accuracy of data provided to the customer has improved dramatically, and time to respond to customers' needs has improved by fifty percent.

Positioned to Face Manufacturing Powerhouses

Click Clack faces strong competition. Elimination of the third party, however, has given Click Clack better control over its inventory. With this increased logistics capability, Click Clack is positioned to hold its own against manufacturing powerhouses.

Increased Cash Flow with Faster On Boarding of New EDI Customers

With GUI-based mapping, hand-coding of new EDI customers has been eliminated. Time to accommodate new EDI customers has been reduced from four to two days.

Extending Efficiencies around the Globe

EDI integration makes access to inventory and sales information available in real time round the clock. Based on this improvement in data access, Click Clack has decided to extend its inventory and customer management program to its European, U.K., and Australian EDI customers.

"We are always pleased when our customers are able to realize the benefits that Informatica offers in terms of comprehensive data integration," said Mark Randall, Sales Manager Australia / New Zealand. "By translating corporate data in every form into comprehensible business information, Informatica helps customers gain and maintain a competitive edge in the market."



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First Published: 2007

6867 (09/16/2008)