



Nestlé

Informatica Data Quality: The Data Quality Weapon of Nestlé France

KEY INITIATIVES

- Implementation of a global reference data management policy (items, customers, vendors, and employees) upon transition to SAP
- Create a single worldwide reference
- Implement a process for the ongoing improvement of data quality

NUTS AND BOLTS

- Informatica® Data Quality™
- Informatica PowerCenter®

INFORMATICA ADVANTAGE

- Improvement of data quality at the source, thanks to standards and data entry verification
- Professional approach to data quality based on a network of data stewards and key performance indicators
- Data quality analysis across five dimensions: uniqueness, accuracy, completeness, consistency, and current validity
- Publication of monthly data quality reports allowing progress to be measured
- Maximizing the advantages of implementing SAP

“Data quality is the basis for unfailing execution and the key component of consumers’ trust in our products. By giving us the capability to control data quality at the source, to regularly evaluate it, and to coordinate plans to improve quality, Informatica Data Quality and Informatica PowerCenter are the pillars of our global data quality and governance policy.”

— Frédéric Loriaux, data quality manager, Nestlé France

Since its creation in 1865, the Nestlé Group has unfailingly affirmed its leadership in the fields of nutrition, health, and well-being. The company has revenues of \$94 billion (2007), more than 276,000 employees throughout the world, and a portfolio of brands that are present in the everyday life of tens of millions of consumers. A member of the Global Commerce Initiative¹, the Nestlé Group has made improving data sharing in the supply chain a strategic priority, requiring the adoption of international standards, and as global governance of data and data quality. “The Group’s policy related to data quality has resonated strongly in France and, since 2006, Nestlé France has been considered a laboratory for best practices in this field,” says Frédéric Loriaux, data quality manager, Nestlé France. “The stakes are enormous: External studies have calculated that by improving the quality of data, manufacturers as well as distributors can gain one week of sales per year!”

Nestlé Committed to Data Quality by Investing in the Required Resources

Confirming the criticality of data quality, Nestlé France has assigned important resources to this process, which was launched in the context of a general migration of its systems to SAP. The creation of a single, worldwide database consisting of reference data on items (finished and partly finished products, raw materials, packaging, spare parts), vendors, customers, and employees is at the heart of Nestlé’s data quality process. “In a process of this type, it is necessary to pay attention to the quality of data at the source, where the data enters the systems,” Loriaux adds. “In order to do this, we needed to assign a team to make users understand what was at stake when it came to data quality and to carry out the necessary inspections and validations at the source. This required technology that would allow the quality of data to be analyzed, existing data to be cleaned up, and implementing workflows that would make the entry of data more reliable. Informatica Data Quality and Informatica PowerCenter met all of these needs.”

¹The Global Commerce Initiative (GCI) is an organization created in 1999 by wholesale distribution and industrial partners (Nestlé, Coca-Cola, Procter & Gamble, etc.) to facilitate supply chain integration and to simplify commercial processes. It is intended in particular to bring together the commercial coding standards used by manufacturers and retailers from Europe (EAN standard) and North America (UCC standard).

Managing Accurate Data Quality Across 10,000 Products

Examination of a few numbers highlights the complexity involved in the control and ongoing improvement of data quality at Nestlé. For example, Nestlé France has 35,000 vendors. So before any data is entered on a new vendor, it must be ensured that it is not already in the worldwide database that stores approximately 550,000 vendors. As another example, on average 200 items of data are required to describe each product, with the understanding that Nestlé France sells approximately 10,000 products.

“This master data is exchanged with distributors and must be perfect, because sales volume calculations depend on them being accurate. Different packaging unit calculations by Nestlé and its distributors can easily lead to problems. For example, if the distributor counts by cases and we count by palettes, and so on,” explains Loriaux. Moreover, data regarding the length, height, and depth of products is essential because that determines shelf space in the stores. In order to avoid any error in this area, Nestlé has eliminated internal standards in favor of the international standards used by distributors.

An Enterprise Platform for Ongoing Measurement of Data Quality

The workflows that Nestlé France has implemented impose rules for the entry and integration of reference data and specify the persons responsible for approval and control. Data quality is managed using key performance indicators (KPIs), based on five key considerations: uniqueness of the information, accuracy, completeness, consistency, and current validity. These quality dimensions are not weighted the same for all data. For example, uniqueness is crucial in relation to vendors: If a vendor is represented by two different codes within Nestlé, the company cannot aggregate its purchases and thus is exposed to less advantageous conditions.

“Our process is based on an evaluation of the risk associated with a lack of quality,” Loriaux emphasizes. “The goal is to focus energy on the poor quality data, which would have a significant impact on our activity. Once we know what this data is, we can audit it, measure the quality, and take the measurements required to improve the data.” Each data quality KPI is assigned to a data quality steward, a person responsible for monitoring, explaining, initiating, and coordinating plans of action to approve KPIs. This activity represents 10 to 30 percent of the steward’s workload.

Data Governance at the Highest Level

The data stewards are essential links in a chain that begins with the Data Quality Committee, a body that brings together the general managers of the supply chain. Informatica Data Quality allows all participants to have reliable measurements through the KPIs, together with monthly reporting on specific projects (for example, a reduction in the products portfolio and the deactivation of item codes). The next stage? Entrusting core responsibility for data quality to the business area teams. “It seems logical for the KPIs related to financial data quality to be monitored by the financial management team. In this respect, Informatica Data Quality allows us to transfer this responsibility to the relevant level in the organization, while ensuring coordination and respect for rules and common standards,” Loriaux concludes.

ABOUT INFORMATICA

Informatica Corporation is the leader among independent vendors of data integration services and software. Informatica’s products allow companies to receive added value from their data while integrating all of their data sources. More than 3,350 companies throughout the world rely on Informatica to reduce costs and response times for their data integration needs, regardless of the scale and complexity involved. For further information, consult www.informatica.com/fr

Informatica France : Immeuble Le Linéa, rue du Général Leclerc - 92047 Paris La Défense Cedex (France)

Tel.: + 33 1 41 38 92 00 – Fax: + 33 1 41 38 92 01 – www.informatica.com/fr

INFORMATICA[®]
The Data Integration Company™

Worldwide Headquarters, 100 Cardinal Way, Redwood City, CA 94063, USA
phone: 650.385.5000 fax: 650.385.5500 toll-free in the US: 1.800.653.3871 www.informatica.com

Informatica Offices Around The Globe: Australia · Belgium · Canada · China · France · Germany · Ireland · Japan · Korea · the Netherlands · Singapore · Switzerland · United Kingdom · USA

© 2009 Informatica Corporation. All rights reserved. Printed in the U.S.A. Informatica, the Informatica logo, and The Data Integration Company are trademarks or registered trademarks of Informatica Corporation in the United States and in jurisdictions throughout the world. All other company and product names may be trade names or trademarks of their respective owners.

First Published: 2006

6937 (03/09/2009)