



vente-privee.com Increases Profit Margins and Revenue Growth with Informatica

FAST FACTS

BUSINESS INITIATIVES

- Accelerate decision making across all areas of the business
- Increase operational efficiency

TECHNOLOGY STRATEGY

- Implement a business intelligence solution comprising real-time, near real-time, and batch information
- Optimize the performance of SQL environment during the query phase
- Capture +6 million transactions a day for real-time monitoring

BENEFITS

- Enabled the company to track customer demand from millions of customers in real-time
- Provided executives with the real-time business intelligence needed for instant, accurate, and trusted decision making
- Introduced a unified platform for data integration, delivering data throughout the business at any speed: batch, near real-time, and real-time
- Provided the performance, scalability, and high availability to support mission-critical data integration

“Our sales model depends on access to business events as they arise in order to capture customer demand and optimize our supply chain operations. The Informatica real-time capabilities enable us to track millions of online visitors per day. This is a key component of our online sales strategy to increase profit margins, revenue growth, and global customer satisfaction”

— Bruno Hocq, CIO, vente-privee.com

7 a.m. Paris

Europe’s leading Online Shopping Club vente-privee.com has just launched a major sales event for discounted Italian brand shoes. This sale will last for three days. Yesterday, they launched private sales of handbags and men’s suits. Millions of select customers across five European countries have received an email inviting them to these events and thousands are now online, reviewing the items on sale, comparing the discounts, and adding selections to their baskets. The inventory is moving quickly.

The executives at vente-privee.com are monitoring this activity closely. Using a real-time business intelligence solution based on the Informatica data integration platform, executives track orders in real-time, optimizing stock levels during the sale and potentially redistributing stock among countries. This winning formula is spearheading vente-privee.com’s success: increasing profit margins, accelerating revenue growth, and extending the customer base.

Founded in 2001, vente-privee.com organises exclusive events-based sales for its 6.5 million members, featuring items by major international brands (more than 1,250 sales involving 750 brands planned for 2008) in all product categories: fashion, fashion accessories, homeware, sports products and electronics. These exclusive designer brand sales are available in the company's domestic French market as well as in Spain, Germany, Italy, and the U.K. The sales are only open to members and last from two to three days with prices reduced from 50 to 70% off RRP. Registration at vente-privee.com is free with no purchase necessary. New members must be referred. Press companies may refer their readers.

To publicize an event, vente-privee.com sends an email to each registered member two days before it begins. Sales events typically last an average of three days, with up to six events open on any day, and purchases can only be made online in a secure environment. The success of the vente-privee.com business model depends on tracking customer demand.

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— Nicolas Genest, Data Intelligence Manager, vente-privee.com

vente-privee.com wanted its data presented at different latencies. On one hand, executives needed this business intelligence in real-time to enable instant, accurate decisions to determine the course of the sale, improve stock control, and ultimately increase sales revenues. On the other, data was also needed in a lower-latency format for managing marketing campaigns as well as for monitoring site registrations, shipping information, general market analysis, and other initiatives.

It was against this backdrop that vente-privee.com undertook initial attempts to extract the real-time and batch reporting data from the production environment. According to Nicolas Genest, data intelligence manager at vente-privee.com, it was none too successful. “At the level of activity reached in 2006, it became impossible to keep querying the production environment based on the SQL Server database in order to generate the reports we needed. The volume of data and the number of simultaneous visitors at time of report generation penalized the database performance—and that jeopardized the speed of the online sales environment. We needed to capture information about turnover, stock level, and profit margin in real time and then deliver it to multiple targets in real-time. For that, we needed a data integration solution that enabled real time.”

Despite the fact that vente-privee.com is an intensive user of Microsoft technology—what's often referred to as a Microsoft 'house'—Microsoft SQL Server Integration Services (SSIS) could not satisfy their requirements. Nicolas Genest explains, "We compared Microsoft SQL Server Integration Services thoroughly against Informatica, but the Microsoft product was too young for us and in our opinion required further development. For example, it couldn't effectively handle change data capture, and therefore didn't give us a real-time solution. We saw change data capture as critical to giving us real-time access with limited impact on performance. We needed a solid, mature product."

"No other vendor does data integration as well as Informatica."

— Nicolas Genest, Data Intelligence Manager, vente-privee.com

Informatica provided the capabilities they needed. In fact, change data capture (CDC) was just one of many compelling functions that Informatica could provide. Using Informatica PowerCenter® and Informatica PowerExchange®, vente-privee.com is taking advantage of a single, unified platform for data integration to deliver data throughout the business at any speed—in batch, in near real-time, and in real-time modes. This variety of function allows vente-privee.com to meet both the analytical and the operational needs of its online retail environment. "No other vendor does data integration as well as Informatica," says Nicolas Genest. "It offers the performance, scalability, and high availability vente-privee.com needs to support its mission-critical data integration, while reducing development time and costs."

With Informatica PowerCenter and PowerExchange, vente-privee.com staff have an up-to-the-minute dashboard view of each online sale as it happens, allowing them to track and control the course of each sale and make critical decisions in real time. The net result is optimized stock control, increased revenues, and superior profitability.

Nicolas Genest is a strong advocate of the event-driven data Informatica provides. "vente-privee.com's sales model depends on business events as they arise to capture customer demand and optimize our supply chain operations," he says. "Informatica's real-time capabilities enable us to track millions of online visitors per day. This is a key component of our online sales strategy to increase our profit margins and revenue growth."

Because of the performance capabilities of Informatica, vente-privee.com has increased five-fold the KPIs updated in real time. From the 250 KPIs monitored, they watch in real time key factors such as turnover, number of visitors on the sales event, or stock being reserved but not purchased.

Every day, at midnight, data from the events of the previous day are integrated into the 300 gigabyte data warehouse. With seven to eight million new facts integrated every day, that warehouse is growing exponentially, and a high performance platform like Informatica is essential to vente-privee.com's growth.

Integration flexibility means data is available in batch, in near real-time, and in real-time modes.

The flexibility of the Informatica platform means that vente-privee.com has the information it needs, when it needs it. Lower-latency data is used for other strategic purposes.

Alongside the data warehouse, Informatica also feeds a data mart to mine high volumes of historical data which is used for marketing analysis. Marketing events such as email campaigns and sales invitations assist with the long term growth of the company. Other organizations use this data, too, such as CRM teams, Logistics for managing shipping and delivery, and Finance.

"It's a relief to be using Informatica," Nicolas Genest concludes. "Their right-time data integration platform allows vente-privee.com to make instant decisions regarding our branded goods sales, boosting the success of each sale and maximizing the revenue and profitability. The solution will also be an integral part of our success as we grow the business and move into new product lines and geographic markets."

"Informatica helps us gain reliability in a process so critical that it is monitored in real time by our top executives. Having Informatica in place is a relief. It removes from the equation a huge risk because the chain in business intelligence is very complex. And having Informatica as the integration component of this chain removes the risk."

— Nicolas Genest, Data Intelligence Manager, vente-privee.com

NUTS AND BOLTS

- Data Integration: Informatica PowerCenter, Informatica PowerCenter Team-Based Development Option™, Informatica PowerExchange, Informatica PowerExchange for SQL Server Real-Time
- Sources: Microsoft SQL Server database
- Targets: Enterprise Data Warehouses (EDW) and Data Marts

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6899(12/15/2008)