

Informatica in Retail

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Data Integration Architect

Ace Hardware

“Informatica has given us a robust and consistent platform to manage the flow of data into and out of our analytic infrastructure. In addition, we have solved other data movement problems with Informatica as well. Whenever we have a data integration opportunity, our first thought is now Informatica.”

BENEFITS:

Achieve Greater Business Value

- Reduce IT infrastructure costs and complexity by unlocking data from its original applications and promoting reuse across the enterprise
- Boost cross-sell and up-sell rates
- Reduce costs and increase incremental revenue by improving channel effectiveness
- Increase profitability by reducing inventory levels and out-of-stocks
- Increase customer satisfaction and loyalty

Key Informatica Capabilities

- Broad access to all enterprise data, regardless of type, structure or source
- An open, platform-neutral architecture to minimize risk and vendor lock-in
- Powerful data cleansing, matching, and reporting and monitoring capabilities in a single solution
- Enterprise-class security, scalability, reliability and availability
- A shared services approach based on metadata and open standards for transparency, interoperability and flexibility

Informatica is helping leading retail companies worldwide to integrate data in a timely, cost effective manner across multiple systems, unlocking the full business potential of enterprise data and accelerating its impact on the bottom line.

Fully Integrated Data Maximizes Market Success

Most retail companies face three significant challenges:

1. Reducing costs through improved operational efficiency
2. Maximizing channel effectiveness
3. Establishing a robust regulatory compliance framework

Understanding and serving retail customers while driving business operations to respond to these challenges requires the integration of data housed in multiple sources across the enterprise, such as supply chain information, customer tendencies and preferences, inventory, transactional data and order management.

Operational Efficiency

Profit margin pressures from heightened competition are forcing retailers to optimize operational efficiency and reduce costs associated with delivering products and services.

With these pressures, retailers have increased their focus on price optimization, inventory allocation, intelligent merchandising and the ability to proactively automate store-level replenishment. Especially challenged are small retailers competing against large chains that command steep price discounts, which they pass along to their customers. Moreover, mega-retailers have improved their supply chain efficiency and flexibility, forcing other retailers to increase their IT spending to meet the ongoing business demand of improved efficiency and increased competitiveness.

Initiatives to streamline the supply chain, such as radio frequency identification (RFID), global data synchronization (GDS), and global trading partnerships, are generating enormous volumes of data and making this data more complex. Data must be managed appropriately to achieve the full benefit from these initiatives. For the greatest return on investment (ROI) and positive business impact, a

ACE HARDWARE

Ace Hardware, serving more than 4,800 retail stores operated both by the company and independent operators in the 50 U.S. states and 70 countries, is a \$13 billion cooperative established in 1924. To further build revenues and customer loyalty, Ace deployed Informatica PowerCenter to more effectively integrate point of sale (POS) data with wholesale and inventory information in a data warehouse.

The solution enabled Ace to capture POS data in real time through Informatica support for IBM's MQSeries message broker—an immense improvement over a previous system for once-a-week POS data capture. The Informatica platform helped Ace substantially grow its sales volume with breakthrough insights into pricing optimization, inventory management and replenishment and customer loyalty, including increasing customer loyalty program members from 1 million to 5 million. Ace's

Informatica-based solution was honored with an Enterprise Value award from CIO Magazine and helped Ace to:

- Optimize pricing and marketing with integrated POS, inventory and wholesale data
- Accelerate developer productivity by up to 60%
- Realize 50% faster processing performance

clean consistent, integrated view of data—both internally and externally—is necessary. Unfortunately, retailers often struggle with data fragmentation, with data coming in multiple formats, with multiple data definitions and varying degrees of data quality. This makes a unified view of business and operational data difficult to achieve.

Channel Optimization

Retailers seek to drive incremental revenue and reduce costs to serve by building upon their multichannel delivery initiatives. To do this, they must provide a consistent, differentiated experience for their customers across all channels. They also need to understand their customers and the most profitable channels for their business. This

requires the integration of multiple data types, including customer transactions, product information and inventory management. Without a clear understanding of how customers are leveraging sales channels, retailers cannot effectively optimize their usage or offer new channels to drive revenue and reduce costs to serve.

To gain a better understanding of how customers access and use multiple channels, retailers need clean and accurate data (including customer information, forecasting inventory, order management and transactional data) that they can pull together for in-depth analysis. They must also ensure that data is consistent, reusable and productive across multiple channels. Creating

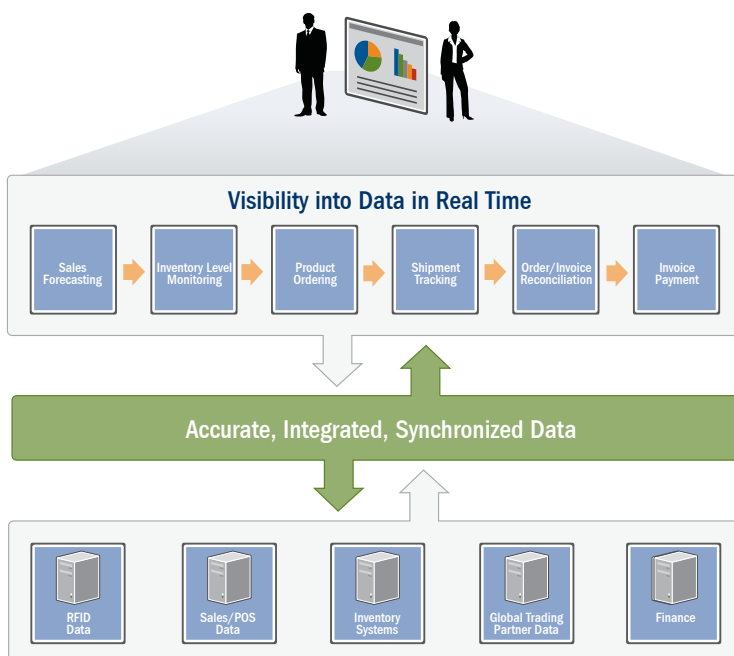
a real-time view of enterprise data—including information generated by RFID, point-of-sale (POS) software and customer relationship management (CRM) applications—and the ability to synchronize that data can help retailers reduce operating costs and maximize profit in each channel while better understanding and serving customers. Transforming raw data into a strategic asset enables retailers to improve the customer experience, increase cross-sell and up-sell opportunities and provide differentiated service.

Regulatory Compliance and Industry Standards

New industry standards—such as global trade identification numbers implemented by the Uniform Code Council to address global tracking challenges—are compelling retailers to scan and process new symbols in addition to the traditional universal product code (UPC) bar codes at the point of sale. Complying

Operational Efficiency

With increased competition from large retailers, complex global data and fast changing markets, retailers need to achieve maximum operational efficiency. By integrating and synchronizing data from disparate sources – including external data from global trading partners – retailers can optimize inventory levels and make other key business decisions that drive profits to their bottom line.



with these standards and moving toward global data synchronization generates more data complexity because retailers must now track yet more data types with multiple data formats across disparate systems.

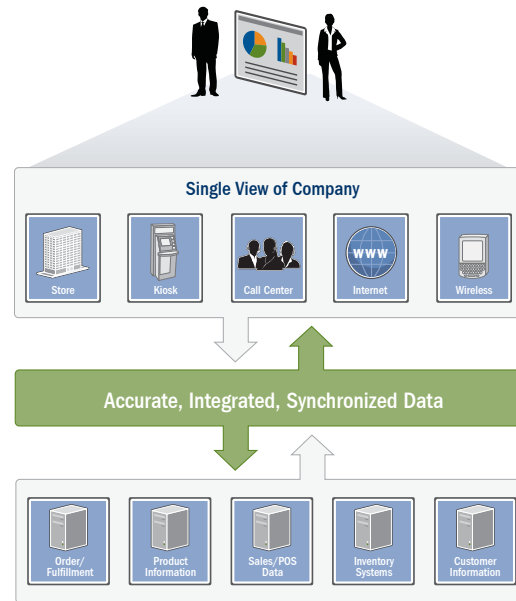
In addition to increased industry standards, retail companies must also comply with numerous government regulations, making corporate governance a top priority. However, the vast amounts of data collected by multiple systems make it difficult to get the right information at the right time. Retailers must find a way to pull consistent, reliable, auditable data from many disparate sources to simplify regulatory compliance and provide accurate financial reports. They must be confident that the data used for reporting purposes is high quality and accurate.

Informatica Takes the Complexity Out of Data Integration

Retailers are rich in information—the question is whether they can realize the full business potential of their enterprise data. In many cases, the information resides in information silos that IT must cleanse and integrate before it becomes meaningful. Informatica offers retailers a complete set of solutions to align and integrate data across all systems and applications, as well as the ability to improve the accuracy and integrity of all information assets.

Making Data Flexible, Reusable and Productive

With operational pressures and complex, evolving environments, retailers must be flexible and react quickly to change. The IT divisions are under constant pressure to deliver new projects and capabilities faster. However, the complexity and difficulty of these IT tasks can increase exponentially, especially as retailers interact globally and share data both within and outside of the enterprise. To reduce complexity and increase productivity, organizations need a flexible solution that allows them to access, reconcile and transform data into a strategic reusable asset.



Channel Optimization

Retailers deliver goods via multiple channels to drive incremental revenue and reduce costs to serve. But retailers need to understand how their customers access and use these channels to make sure that they getting the most out of them. By integrating and synthesizing data from multiple sources, retailers can analyze customer usage patterns and maximize profitability in each channel.

To meet this need, Informatica provides a single, unified enterprise data integration platform designed to deliver data integration services that enable organizations to realize the full business value of their enterprise data assets. As part of a service-oriented architecture Informatica enables organizations to leverage data services to access, discover, cleanse and integrate data, wherever and in whatever form it resides, to ensure that the organization receives data that is consistent, accurate, and timely. Offering unparalleled ease of use, Informatica can decouple data from underlying applications, promoting reuse and flexibility, while ensuring the consistency, accuracy and overall quality of the data. This in turn reduces time to results and enables retailers to deliver on a broad range of business imperatives or IT initiatives.

An In-Depth, Holistic View of Data—Wherever It Resides

For retailers to effectively manage the business, data is critical. But they can't realize the full value of their enterprise customer, product, or transactional data unless they can effectively integrate and move it between different systems, and deliver accurate, reliable data where and how the business demands it.

Informatica allows companies of all sizes to access, discover, cleanse and integrate virtually any and all data—including structured, unstructured and semi-structured data; relational, mainframe, file and standards-based data; and message, queues—and deliver that data throughout the enterprise at any speed. By providing the broadest access to, and the most flexible delivery of, all enterprise data, Informatica provides the business with the holistic information it needs, when it's needed and how it's needed—including batch, real-time, and on-the-fly—for improving business operations and driving better business decisions.

To further increase the value of data, Informatica software delivers the data at the right time, in the right format, to any other consuming application or system or to end users who can readily access the data in the form of reports, dashboards and alerts.

Delivering Data Confidence

When you know the source of your data, you have faith in that data. But with data becoming increasingly fragmented due to the proliferation of applications and systems — including inventory and POS systems — the quality of data becomes an issue, especially as organizations continuously generate increasing volumes of data. As retailers move towards global data synchronization, a foundation of quality data is essential. Users need to be able to trust the quality of their data so they can be confident that the business decisions, IT initiatives, or reporting underway are based upon data that is complete, consistent and accurate.

Informatica has the most comprehensive data quality solution available on the market, designed to put the control of data quality processes in the hands of business. By providing a complete process for measuring, monitoring, tracking and improving data quality at multiple points across the organization over time, Informatica empowers business information owners to implement and manage effective and lasting data quality processes across the entire enterprise. With Informatica data quality solutions, including global data synchronization solutions customized for retailers, companies can profile multiple data sources; cleanse, enrich and validate all enterprise data; monitor and scorecard data quality over time and against targets; and control and manage ongoing data quality across the enterprise. Informatica's global data synchronization solutions for retailers have produced results, including reduced IT and supply chain management costs, through improvements in the extended supply chain such as in-transit visibility, collaborative planning, reduction in obsolescence and better on-shelf availability.

In addition to Informatica's powerful data quality capabilities, Informatica's metadata-driven architecture documents the lineage of the data as it is accessed, altered, or moved, providing an audit trail and ensuring end-to-end data integrity throughout the life cycle. By delivering valid data, capturing data definitions and documenting relationships, Informatica offers retailers a strong foundation for making smart business decisions, improving customer relationships and ensuring superior auditing and reporting capabilities for regulatory compliance.

Informatica: The Retail Industry's Most Trusted Source for Data Integration

Informatica works with top retailers around the world to accelerate time to results for their data integration initiatives, delivering high quality, holistic information with the broadest data access available on the market. With Informatica, organizations can access and integrate data from virtually any business system, in any format, and deliver that data throughout the enterprise at any speed. Informatica's robust partner ecosystem includes leading technology and consulting firms that can deliver solutions specific to the needs of the retail industry.

CARPHONE WAREHOUSE

As The Carphone Warehouse has grown, it has created an enormous, daily need for accurate financial performance data to be provided across its businesses. The need to know how sales are faring across the product and service range is of paramount concern for everyone from store managers on the retail side to the chief financial officer. Given the large numbers of customers that the company has and the volume of products or services that any one of them may be using at any one time, the volume of complex sales data created is enormous.

When it selected Informatica PowerCenter, The Carphone Warehouse found it to be the most comprehensive and powerful solution for integrating large volumes and multiple types of data, and also represented best value for the data integration project overall.

Using PowerCenter, The Carphone Warehouse:

- Increased gross margins by 3% by adjusting sales strategies in response to financial performance information
- Reduced operating costs for financial reporting through enhanced management of data integration processes
- Fast, current analysis of financial performance down to individual store and individual customer level



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