

10 Steps to Eating the Elephant

A Practical Approach to
Optimize Internal Data
Management

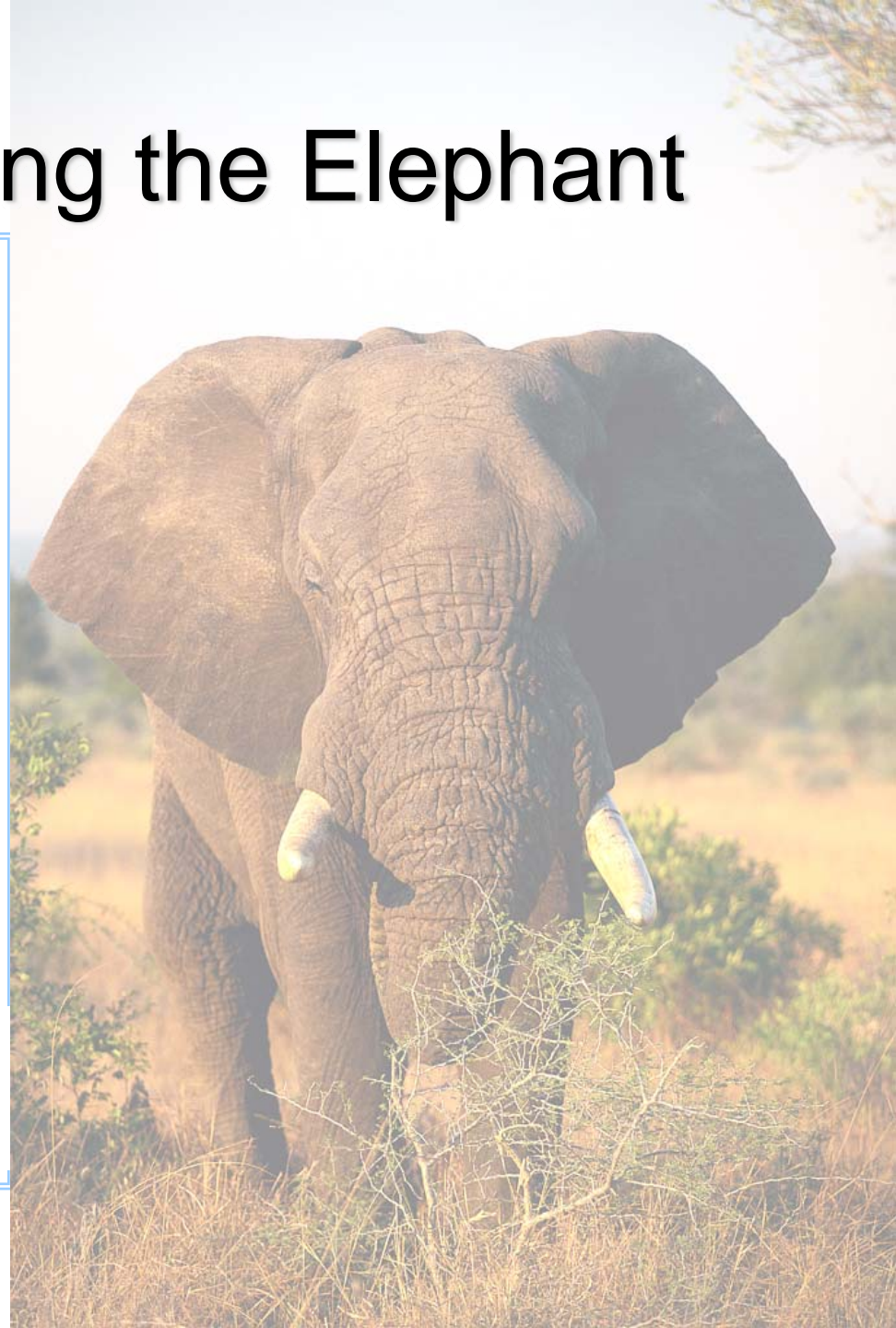
An  Webinar

Presented by:

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Today's Agenda

- I- Internal Data Management
What is it?
- II- Industry Standards
Why do we need them?
- III- Why a Product Information
foundation is a sound investment
- IV- Selling the Concept Internally
- V- 10 Point Plan
Solving the Problem, NOW!

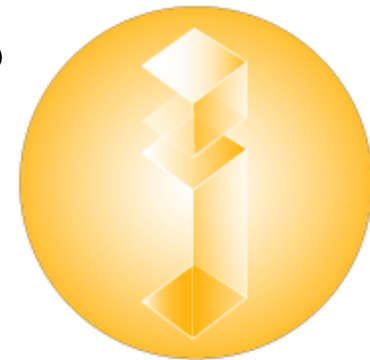


About Illumaware

Illumaware pioneered the software-as-a-service business model in the automotive aftermarket for product information management and communication.

Illumaware's Evokat™ hosted solution allows small- and medium-sized aftermarket companies to store, map, track, measure, and communicate their information easily and securely for a low monthly fee. Illumaware's ItemExpress® service communicates the Evokat information to any trading partner in any format.

One of Illumaware's key strengths is their ability to provide the fastest and most efficient on-ramp to industry standards such as PIES and ACES. Most Evokat implementations take place within 48 hours.



i l l u m a w a r e

About Pricedex

- Leader in Product Information Management (PIM) and e-Catalog Publishing Solutions for discrete manufacturing and the automotive aftermarket.
- Solutions focus on amalgamating processes and data in the 4 key 'Pillar' areas of PIM:

Product/Part Management

Pricing Management

Catalog & Publishing Management

Data Synchronization

- Companies gain significant ROI benefit from automation of key data management and publishing processes, and improving speed to market through the entire supply and sell chains, with accurate and timely product information.



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Internal Data Management

What are we talking about?

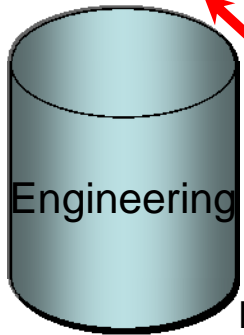
Internal Data Management has different meanings to different players

- Often used as euphemism for Data Warehouse, in BI community
- The organization of internal data in a structured format, developed for ease of use and reference (DBAs)

Business Definition:

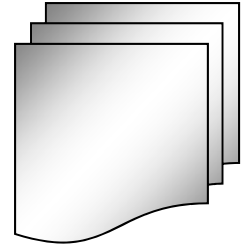
Internal Data Management is a process by a company takes inventory of its data, and data sources, and centralizes the management of its own 'internal data map' to deploy knowledge sharing and knowledge management across its enterprise.

Internal Data Management Aggregation or Aggravation?



Engineering

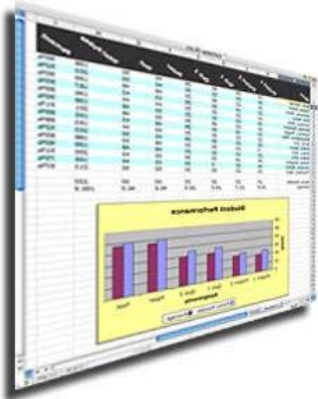
Line Drawings,
Specs.



Other Content
(MSDS, etc.)



Product
Descriptions

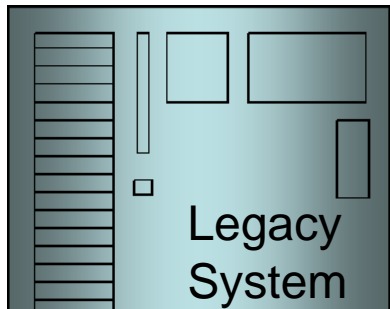


Supplier Costs, Rebate
and Contract Info.



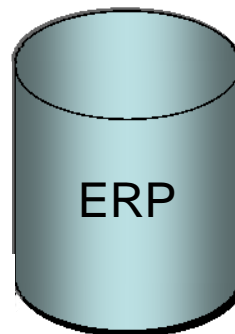
Pricing, Interchanges and
Other Customer Data

Marketing & Sales
IT & Operations



Sales History

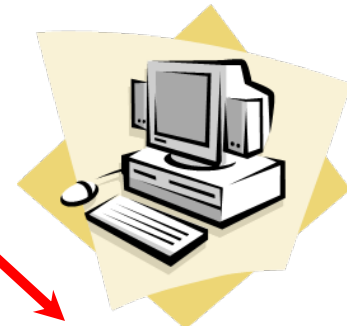
Legacy
System



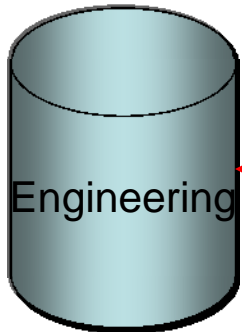
ERP

Transactions,
Part/Item Master
Inventory

Images

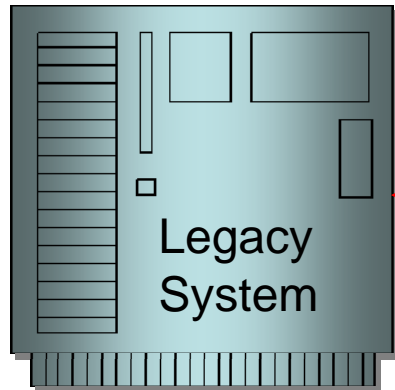


Internal Data Management Aggregation - the New Paradigm



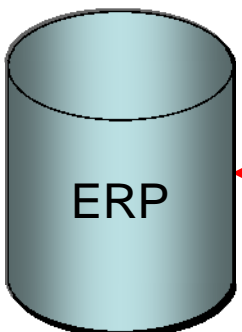
Engineering

Line Drawings,
Specs.



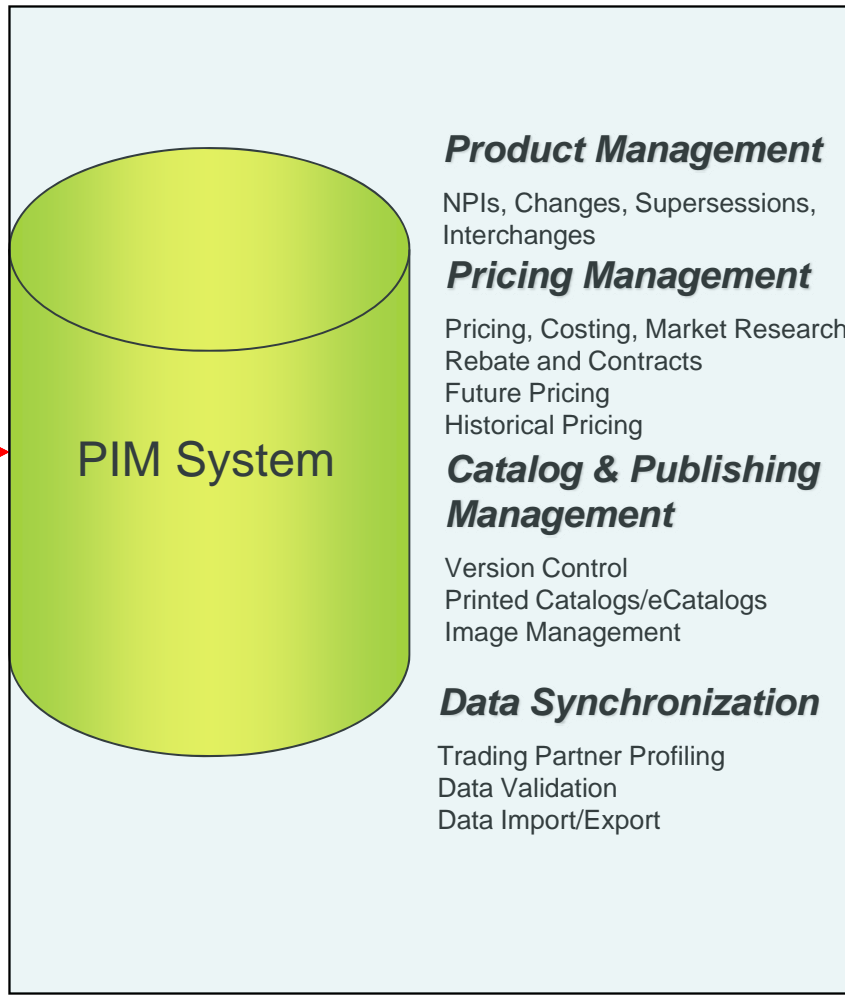
Legacy
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Sales History



ERP

Transactions,
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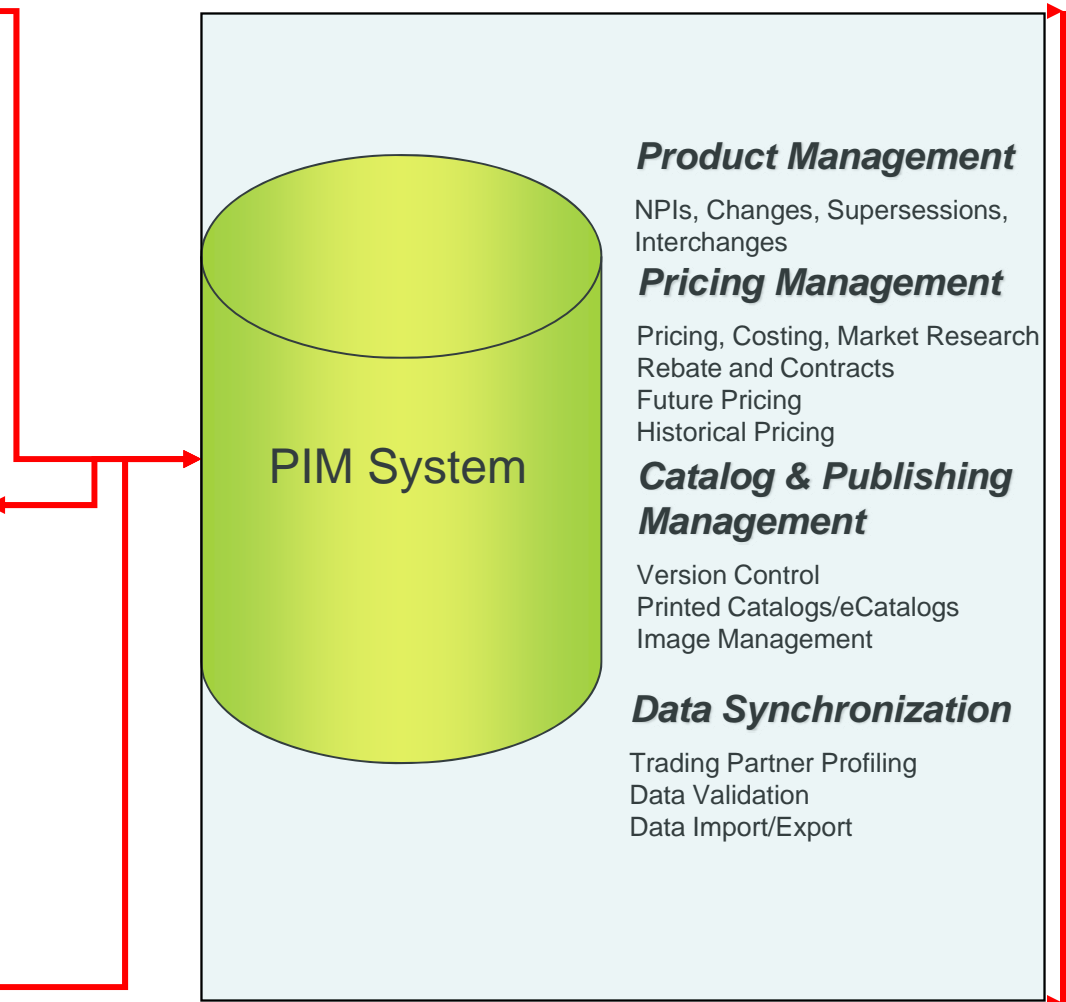


Selling Chain
Price Sheets / Net Changes
Print Catalogs / Regional eCatalogs
Product Sheets
New Number Announcements
Product Updates
MSDS/Product Sheets
Sales and Price reports

Standards
PIES
ACES
GDSN
PCFS
Other Proprietary Formats

Supply Chain
RFQs
Supplier Catalog
Cost uploads
Future Costs


Standards
PIES
ACES
GDSN
PCFS
Other Proprietary Formats



Industry Data Standards – Why do We Need Them?

- Helps everyone speak the same language and inter-operate
- Reduces lost sales and returns
- Drives costs out of the supply and sell chains
- Establishes a template against which measurement of data quality/integrity between trading partners becomes possible

Industry Data Standards – Turning the Train Around

A steam locomotive is positioned on a circular turntable. Three men are leaning against the front of the locomotive, appearing to push or guide it. The scene is outdoors, with trees and a building in the background. The locomotive is black with a red front. The turntable is a concrete structure with a circular track. The background shows a grassy area with several people sitting on a bench.

EVERYONE AGREES

-Standards are needed to optimize efficiency in the industry amongst trading partners, ensuring data can be communicated in a 'language' understood by all parties

BUT

-Standards don't solve the Internal Data Management problem

GOOD NEWS

-Standards can contribute to providing a roadmap to solve the problem

Industry Data Standards – Turning the Train Around

Resellers

Need for consistent,
timely, accurate data
from all its suppliers

PIM
Data
Roadmap

Manufacturers

Need for consistent,
timely, accurate data
from all its suppliers

Data Standards – Turning the Train Around

Standards are the Means rather than the End.

PIES and **ACES** are just names. Their real value lies in their ability to help collect and communicate information that will:

- Automate business processes
- Enable eCommerce
- Drive costs out of the supply and sell chains
- Stimulate sales
- Enhance brands
- Make it easier to do business together

“i before e – Always”

-You cannot expect to achieve success any e-commerce solution unless you have established an information i nfrastructure to support it.

-A product information infrastructure offers financial returns, through revenue generation and cost reduction, far beyond the investment required

“The backbone to everything is data”

Selling the Concept Internally

- External Benefits to a Product Information Management initiative are usually obvious:

- Reduction in Customer Complaints

- Reduction in Credit Adjustments

- Increased Speed to Market

- ‘Right Part’ + ‘Right Price’ + ‘Right Place’ + ‘Right Time’

= HAPPIER CUSTOMERS + REDUCED COSTS

- Internal Benefits should also be considered, as they may have the greatest positive impact on your business

Selling the Concept Internally

Benefits of a Product Information Infrastructure

IT

- Reduction/Elimination of duplicate/redundant data sources
- Reduction of support for disparate systems
- Reduction of support for report and file creation

Business

- Reduction of Costs
 - Customer Support for Product Interpretation (>60%)
 - Publishing Costs (>80%, up to 98%)
 - Cost of Receivables and Credit Notes, Part Returns (1% of sales/mfgs, .75% resellers)
- Margin and Revenue Gains
 - Significant reductions in 'Time to Market' – weeks/days, not months! (>1% of sales in 'revenue leakage')
 - Accurate product + transactional info in Resellers' hands = Increased Sales (doubling over 5 years)
 - Ability to rapidly adjust to changing input costs, competitive landscape
 - Harmonized pricing across brands, channels (Pricing Parity)

Selling the Concept Internally

Other Key Internal Benefits – Enabling Factors

-Management Visibility

- Ability to monitor corporate productivity and make informed decisions through its Sales and Marketing activities

-Accountability

- Ability to manage processes that have financial impact

- Ability to comply with SOX requirements

-Easier Customer Support

- Automated publishing of Price Sheets, Product Catalogs, Other Product information

- ‘Single Point of Truth’ for easy, centralized lookup and reference

-Empowerment with Control

- Ability to deploy cohesive Sales Quotation, Promotions, and Rebate strategies

- Enable end user activity with significant reductions in IT support for reports, etc.

A 10-Point Plan to Internal (and External) Data Management

1. Understand Why You Want To Do This
2. Identify the Processes presently in place
3. Identify Gaps, Problems and Opportunities
4. Amalgamate Data Needs for internal and external channels
5. Establish a Project Roadmap and Vision
6. Pre-Implementation - Assign Ownership Groups for Data
7. Design and Enhance Processes around the Data
8. Implement your Vision
9. Establish Feedback Mechanisms to measure data quality efforts
10. Establish Ongoing Key Performance Indicators

A 10-Point Plan to Internal (and External) Data Management

1. Understand Why You Want To Do This

Ask yourself the following:

- Are we just responding to demand for data?
- Are we looking to improve our business processes?
- Is there a regulatory imperative?
- Is there a profit motive?

Issues that affect the internal operations of your business will help your organization establish the priorities and timetable for your internal data management project.

A 10-Point Plan to Internal (and External) Data Management

2. Identify the processes you have in place now.

The level of detail to go into will depend on the size and complexity of your organization. Don't get stuck in 'analysis paralysis'.

Consider the following:

- Materials and component sourcing
- New Product Releases
- Classification
- Pricing Management
- Promotions, Specials and Rebates
- Customer Service and Support
- Inventory and Order Fulfillment
- Cataloging and Publishing

The inputs and outputs for each of these processes form the basis for identifying data sources.

A 10-Point Plan to Internal (and External) Data Management

3. Identify Gaps, Problems and Opportunities (from Process Review)

Operational Deficiencies

- Lost sales opportunities
- High returns impacting margins

Operational Inefficiencies

- Delayed or ineffective new number announcements
- Inaccurate or stale published data

Taking advantage of new opportunities

- Open up new sales channels
- Increase brand quality, loyalty and awareness
- Compete more effectively

Identifying gaps, problems and opportunities become the business case drivers to establish an Internal Data Management Philosophy.

A 10-Point Plan to Internal (and External) Data Management

4. Amalgamate data needs for internal and external channels

Some examples:

Interchanges

- Competitor and OE Pricing (Internal)
- Application (External)

Images

- CAD (Internal - Engineering)
- EPS (Internal – Publishing)
- JPEGs (External)

Lifecycle Codes (Internal and External)

Packaging Information (Internal and External)

Identifying the data superset associated with internal and external needs forms the basis for your internal data management regime.

Recap

To Recap:

- Step #1 - You have established the priorities to effect the necessary changes in how data is managed
- Step #2 - You have gained visibility into how business is currently conducted
- Step #3 - You have seen where processes can be improved to fix problems and take advantage of opportunities
- Step #4 - You have established the 'big picture' of data requirements

A 10-Point Plan to Internal (and External) Data Management

5. Establish a Project Roadmap and Vision

- Lay out the priorities
- Identify expertise, tools and services to help implement your PIM Vision
- Make your ROI case

“If you fail to plan, plan to fail.”

A 10-Point Plan to Internal (and External) Data Management

6. Pre-Implementation - Establish 'Ownership Groups' for Information

Ownership of individual or groups of data items will:

- Ensure accountability for quality and completeness of content
- Eliminate confusion as to 'how and who' masters the data
- Consider all operational areas of ownership
 - Engineering
 - Finance
 - Product Management
 - Marketing/Sales
 - Others

By establishing responsibilities early in the process, you can ensure stronger 'buy-in' and less resistance to change.

A 10-Point Plan to Internal (and External) Data Management

7. Design and Enhance Processes around the Data

Use your Technology/Service Provider to assist

Design or enhance Processes to manage the data

- » Triggers
- » Participants
- » Inputs
- » Outputs

This, coupled with assignment for data responsibility, lays the foundation for process and performance measurement.

A 10-Point Plan to Internal (and External) Data Management

8. Implement – Use Change Management best practices

Get an Executive Sponsor with clout

Dedicate and empower Actual People – assign responsibilities

Involve your Sponsor

Involve employees

Create a transition strategy with attainable goals and timelines

Eat the elephant 'one piece at a time' - plan for success!

Implementing Product Information Management processes and systems is not 'Rocket Science' – it only looks that way!

A 10-Point Plan to Internal (and External) Data Management

9. Transition - Establish feedback mechanisms to measure your data cleansing and management efforts

- Create “scorecard” reports that will measure quantitatively and qualitatively, task completion/fulfillment, and data completeness.

- Assign “Quality Judges” who will monitor the quality of subjective data items such as images, sales bullets, and descriptions.

Data Quality Management is an ongoing process. Data Cleansing is a remedial process resulting from the lack of a Data Quality process.

A 10-Point Plan to Internal (and External) Data Management

Example 'Scorecard' Reports

Section	Field	Percentage
Product	Original Equipment Mfr	0%
Product	Hazmat Description	0%
Product	Core Part Number	0%
Product	Quantity Per Vehicle UOM	100%
Product	Warranty Distance	99%
Product	UPC Qualifier	100%
Product	UNSPSC	0%
Product	Life Cycle Status Code	100%
Product	Replacement Item ID	0%
Product	Warranty Misc Text	0%
Product	Taxable	0%
Product	In Current Catalog	0%
Product	Minimum Order Qty	0%
Product	Secondary GTIN Code	100%
Product	Return Code	0%
Product	Warranty Time UOM	0%
Product	Shipping Class Code	0%

PIES Validation Report	
Part Number	
Part Number length	Length greater than 48: 0
Part Number invalid characters	Invalid characters: 3
AAIA	
AAIA Brand ID Code	AAIA Brand ID Code invalid: 1692
Country of Origin	
Country of Origin	Country of Origin invalid: 1970
Part Description (long)	
Part Description	Missing Part Description: 1610
Part Description length	Length greater than 80: 0
Part Description invalid characters	Invalid characters: 1
Part Description contains Part Number	Description contains Part Number: 0
Part Description (invoice)	
Part Description	Missing Part Description: 1970
Part Description length	Length greater than 40: 0
Part Description invalid characters	Invalid characters: 0
Part Description contains Part Number	Description contains Part Number: 0
Part Description (short)	
Part Description	Missing Part Description: 1970
Part Description length	Length greater than 20: 0
Part Description invalid characters	Invalid characters: 0
Part Description contains Part Number	Description contains Part Number: 0



"10 Steps to Eating the Elephant"

A 10-Point Plan to Internal (and External) Data Management

10. Ongoing - Measure your progress through Key Performance Indicators

Cost Centers

- Returns and Credits, Inventory Adjustments
- Customer Support
- Others

Sales

- Customer/Brand/Territory Sales Performance
- Promotions and Rebates Performance

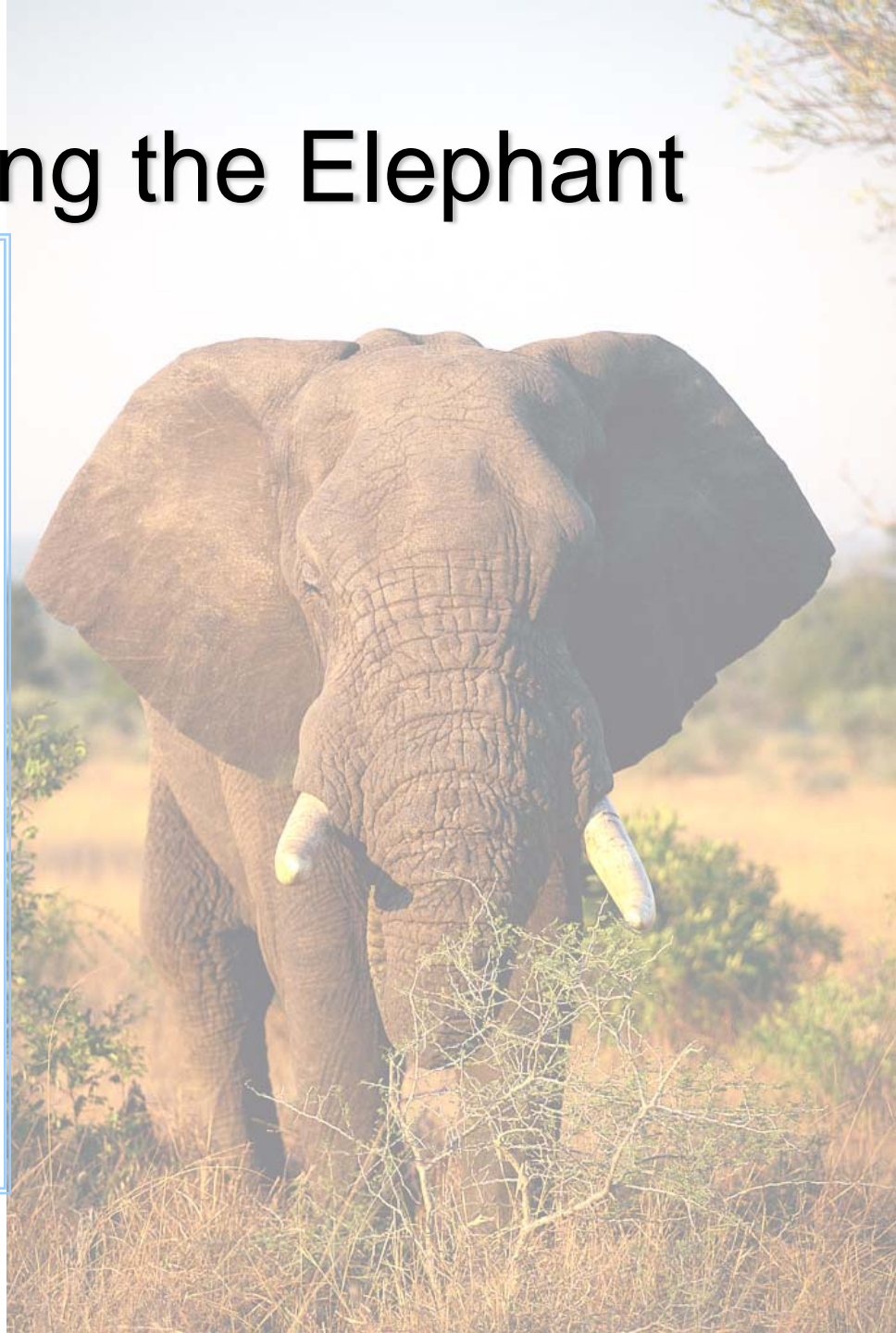
Other Areas

- Product/Brand Management
(Time to Market on NPIs)

10 Steps to Eating the Elephant

A Practical Approach to
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Management

-Questions and Answers-



10 Steps to Eating the Elephant

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-Thank you-

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