

Macintosh Retail Group

Delivering Cross-Channel Strategy with Progress Pacific

Kris De Moor
Group ICT Director
Macintosh Retail Group

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Agenda

- Introduction to Macintosh Retail Group
- X-Channel Strategy
- ICT Blueprint
- Progress Proof of Concept
- Where Are We? Future Roadmap

Macintosh Retail Group Introduction

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Large-scale non-food retailer in Europe (NL, B and UK)



Macintosh
Retail Group

*Our strategy can be summed up as
selling shoes and home decorations
through all sales channels in the most
profitable way possible, and as such to
increase Macintosh Retail Group's share
of the wallet of satisfied customers*

Retail is our business





Macintosh

Retail Group



*Consumer sales € 976 million in 2013
(about \$1,250).*

Of total turnover 20% was generated from cross-channel activities

Headcount 10,831

Retail is our business

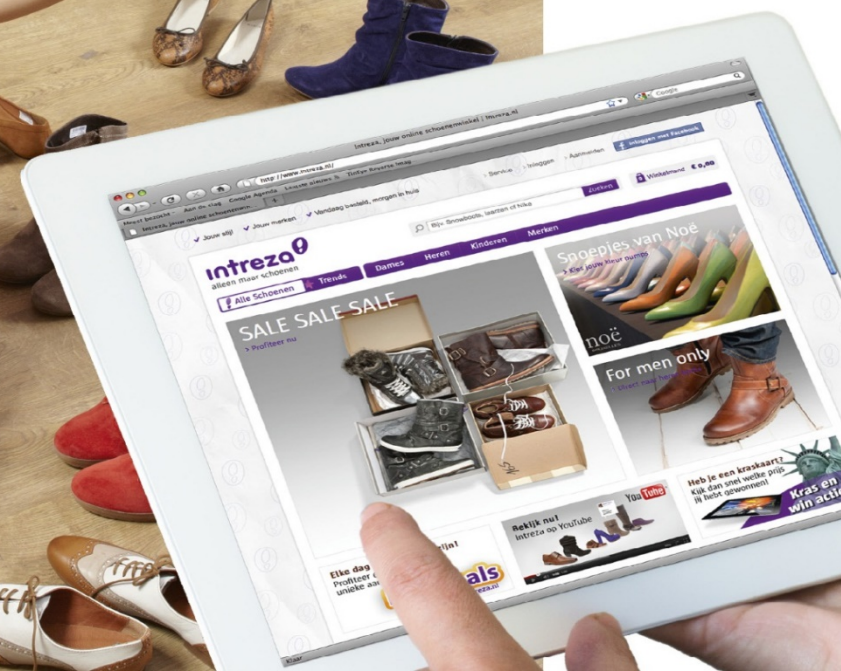


Macintosh
Retail Group



FASHION

873 shops



GORDON SCOTT

JONES

invito

MANFIELD
Passion for Quality

PRO
0031

SCAPINO















LIVING

113 shops

KWANTUM







Macintosh Retail Group Cross-Channel Strategy

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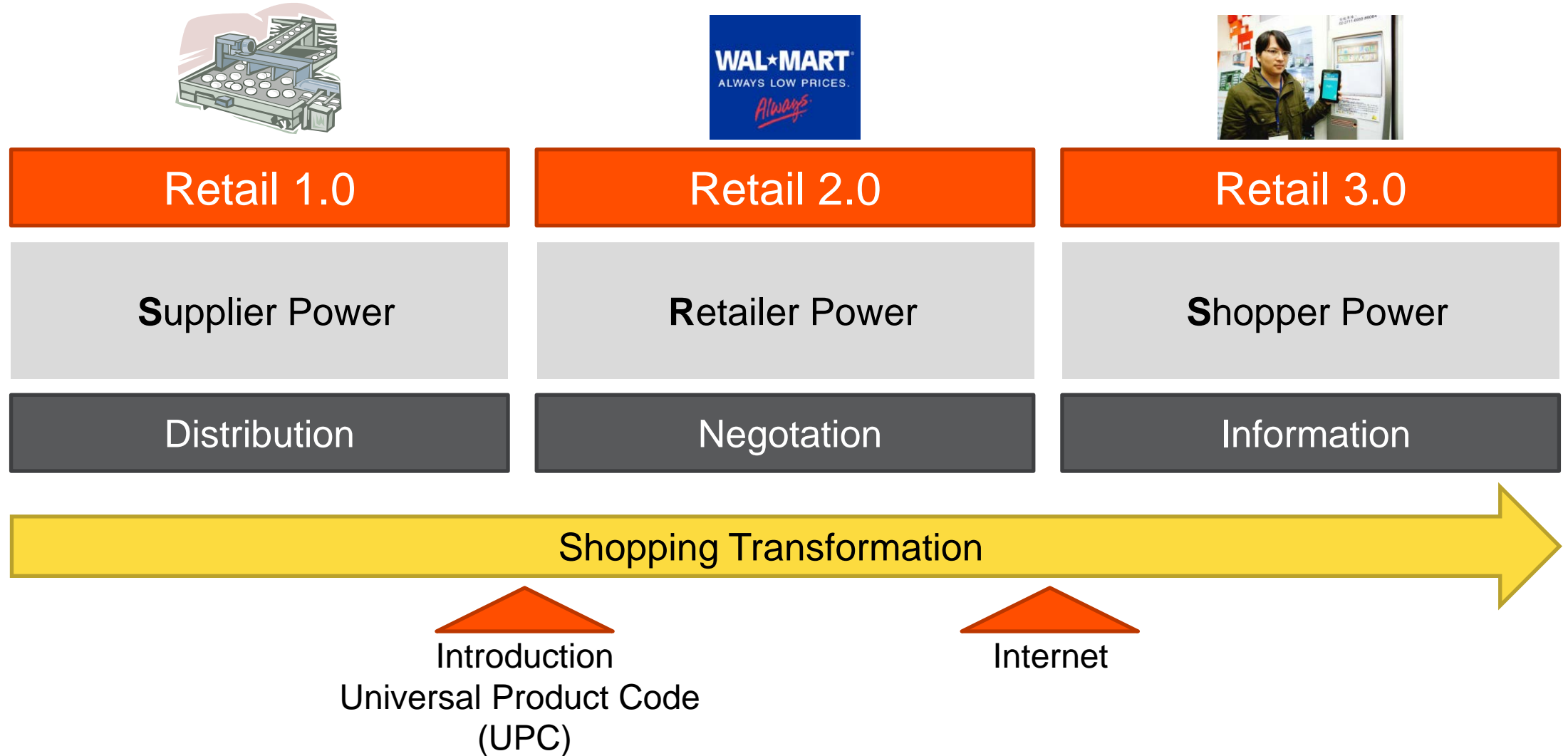
Retailing Where the Customer Is

- More than 3 years ago we defined our cross-channel strategy, which is designed to enable Macintosh Retail Group to provide customers with the **best shopping experience in the new retail reality**
- Macintosh Retail Group has opted for a combination of optimum **online** solutions and recognizable, familiar and inspiring **stores** with **excellent fulfilment**
- We **bring** retailing **to customers**, through our own sales outlets and through third parties

Macintosh Retail Group ICT Blueprint

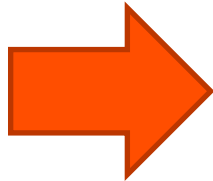
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Changing Shopper Behavior: It's All About Who is in Control



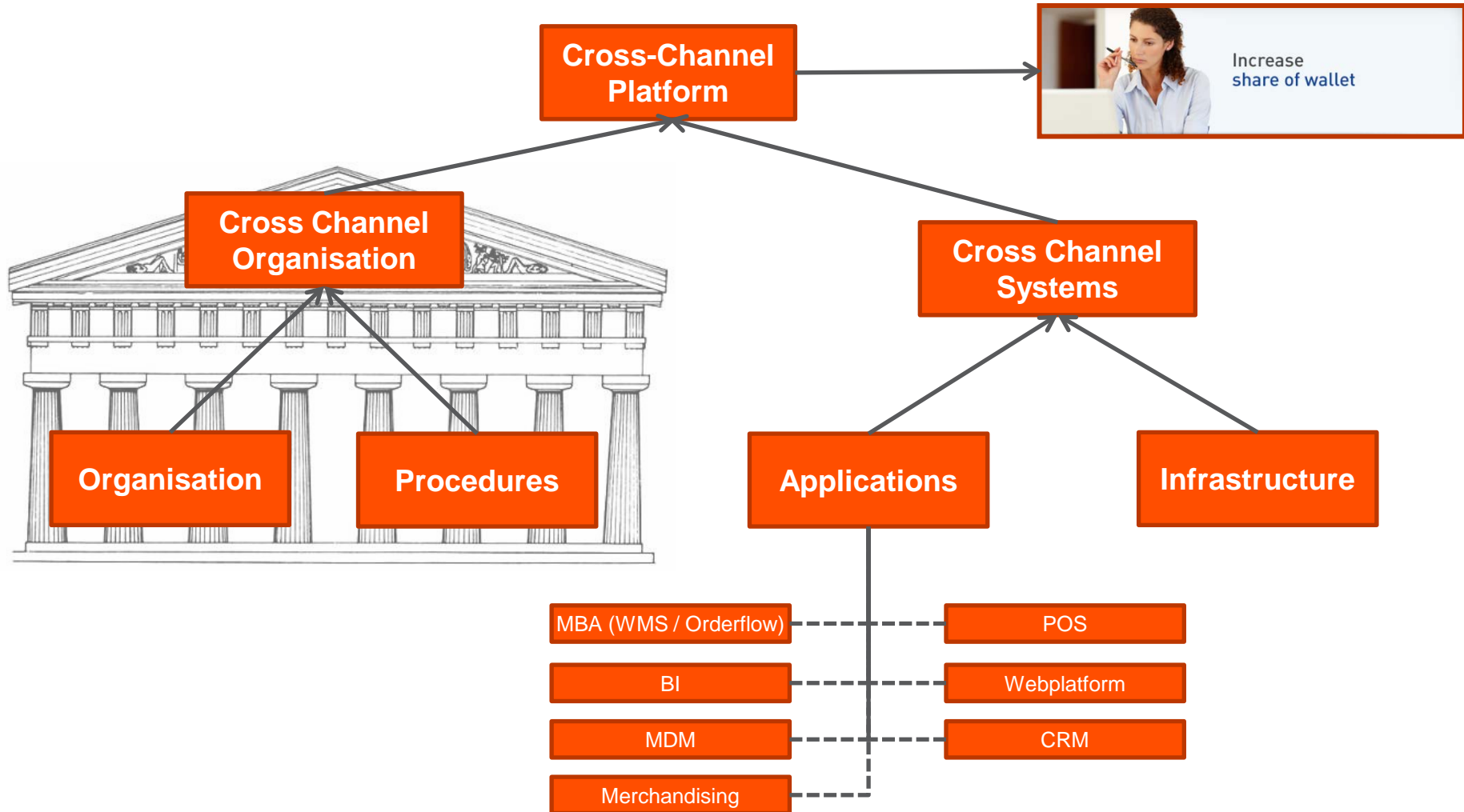
Reboot Systems and Organization

- Customer centricity and the **always connected, channel agnostic customer** are impacting business processes, our organizations and systems and **are causing a real landslide**



- Our **product centric** processes, organisations and systems were designed to support separate store and digital channels have become obstacles in our need to fulfill anywhere and at anytime

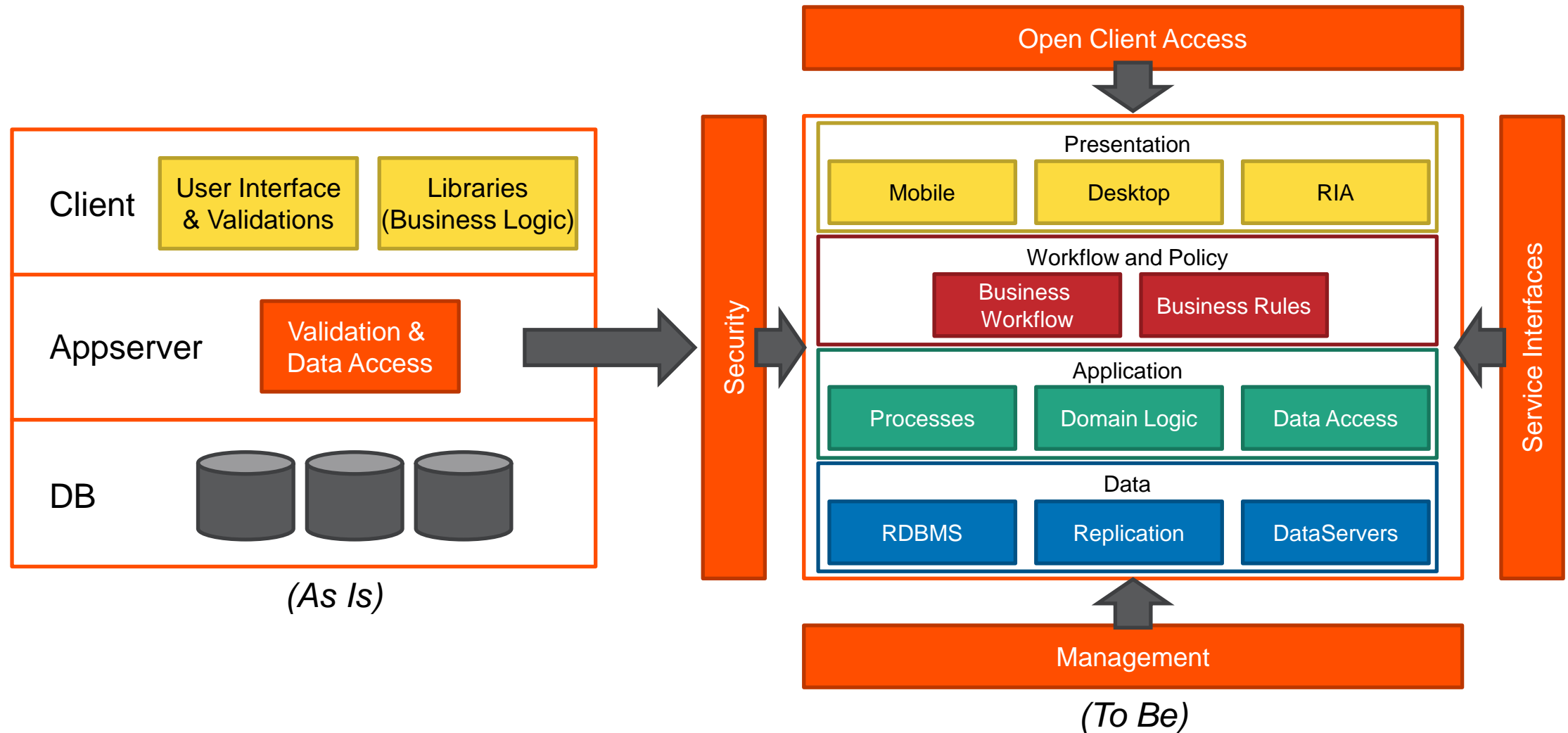
It's Not Only About ICT Systems



To Be Architecture

- Based on the principles of
- **Service-oriented** architectures (SOA)
- **Process-oriented** architecture (POA)
- Combines latest industry best practices
- Pre-requisite for X-channel (real time, web services)
- User Interface agnostic business logic & available on different UI devices (also apps and mobile)
- Designed to ensure maximum flexibility and productivity (e.g. via **B**usiness **P**rocess **M**anagement tooling that helps for deployment of dynamic business process applications)

Open Edge Reference Architecture



New Packaging For Our Existing Systems?



X-Channel Platform

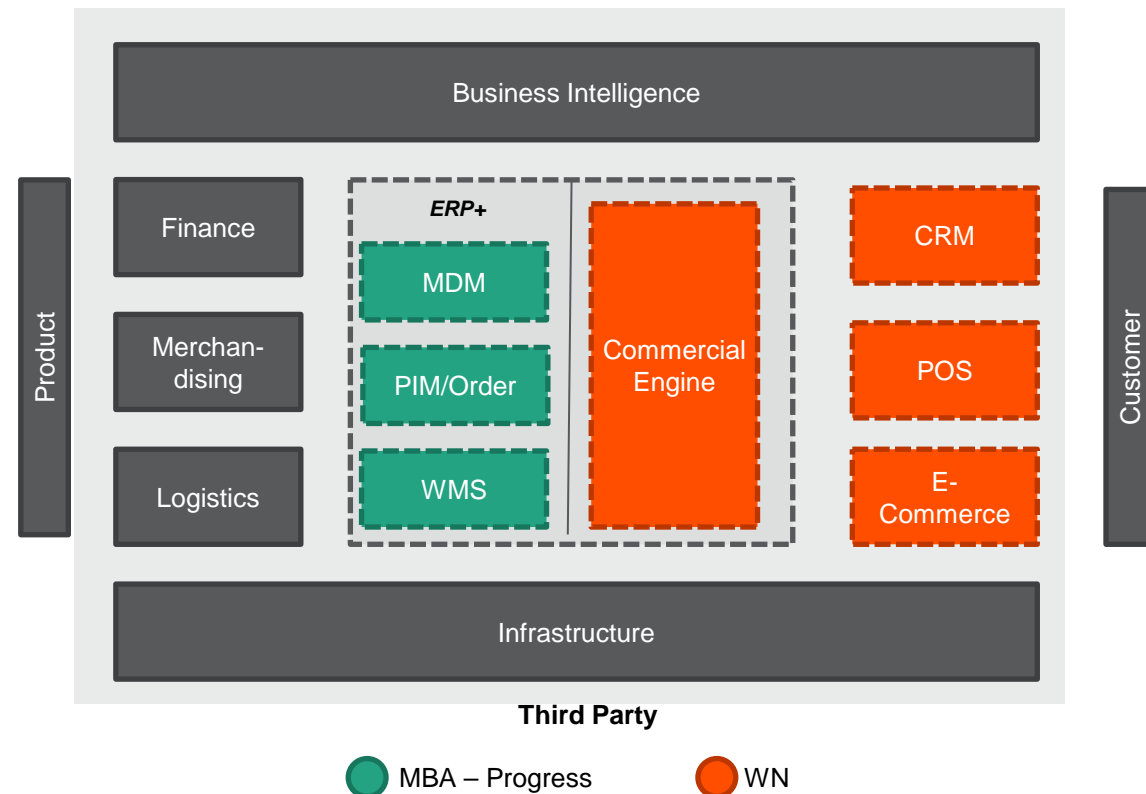
Realizing our X-Channel Platform by selecting proven solutions and technology...

ERP+ : MBA / Progress

- Existing, own developed, and proven solution to further enhance (X-channel)

Commercial Engine

- Standard X-Channel solution including POS and CRM foundations, fitting MRG's commerce needs



...by molding partnerships that allow MRG to respond to the increased complexity and speed of change

Planned vs. Realised





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Retail Group



The Proof



POC

Pacific Platform

MRG Proof of Concept – MDM

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Agenda

- Background to MDM as Candidate for POC
- POC: Core Principles / Instructions for the Development of MDM
- POC: Two Meta-Models Need to Work With Each Other
- POC: What Did We Build

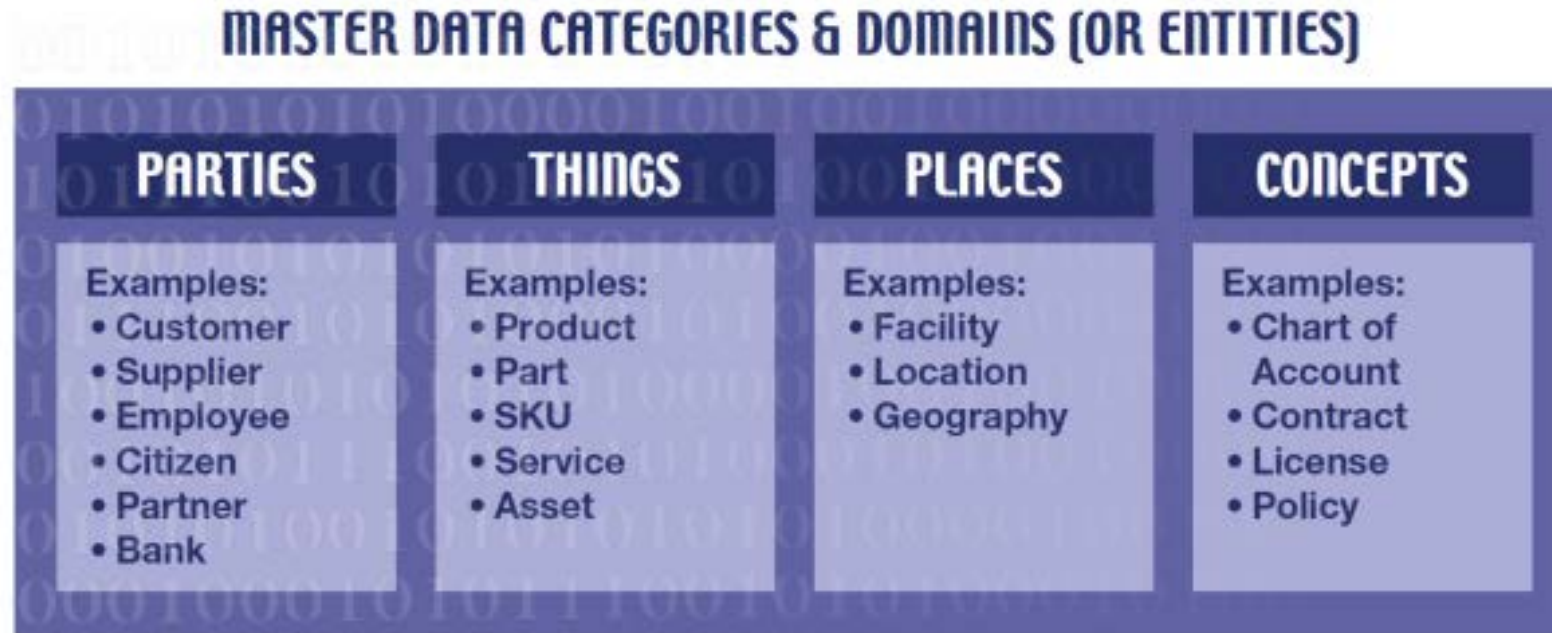
Background to MDM as Candidate for POC

Background to MDM as Candidate for POC

- A seamless cross-channel experience is impossible without master data management (MDM)
- Leveraging product data consistently across all channels is key in meeting customer expectations
- Traditional Article management is never designed to meet the demands of the Omni channel retailing:
 - Real-time access
 - Rich data and digital assets
 - Flexible data models
 - Variety of devices in omni-channel commerce
 - Central available / providing single point of view

POC: Core Principles / Instructions for the Development of MDM

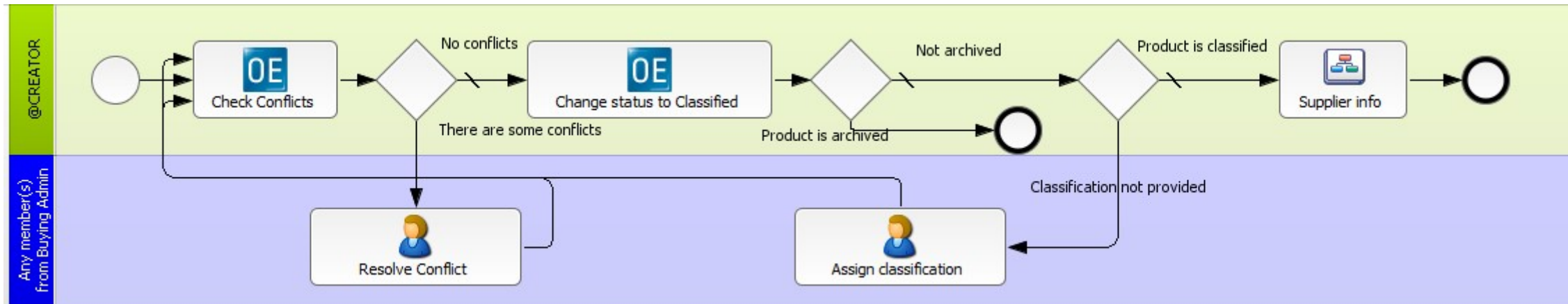
Master Data Categories & Domains



Creating Master Data Via Workflows

- Information of Master Data is most of the time **built up over time and by different people involved** (e.g., one first gets the picture of the product of the supplier, later on cost price information is handed over, later on the marketing department enriches the product with commercial descriptions etc.)

In Scope for POC



Sources of Master Data

■ Manually entered

- This is the traditional methodology
- Where possible, manual creation or maintenance of Master Data will be kept to a minimum. E.g. by importing product information coming from suppliers, suppliers editing their data via supplier portals or customers maintaining their data on websites etc.



In Scope for POC

■ Upload from files (csv, xml,)

- This is currently being used in certain instances e.g., for supplier barcodes and data enrichment
- This methodology will continue to be used and needs to be available for all Master Data



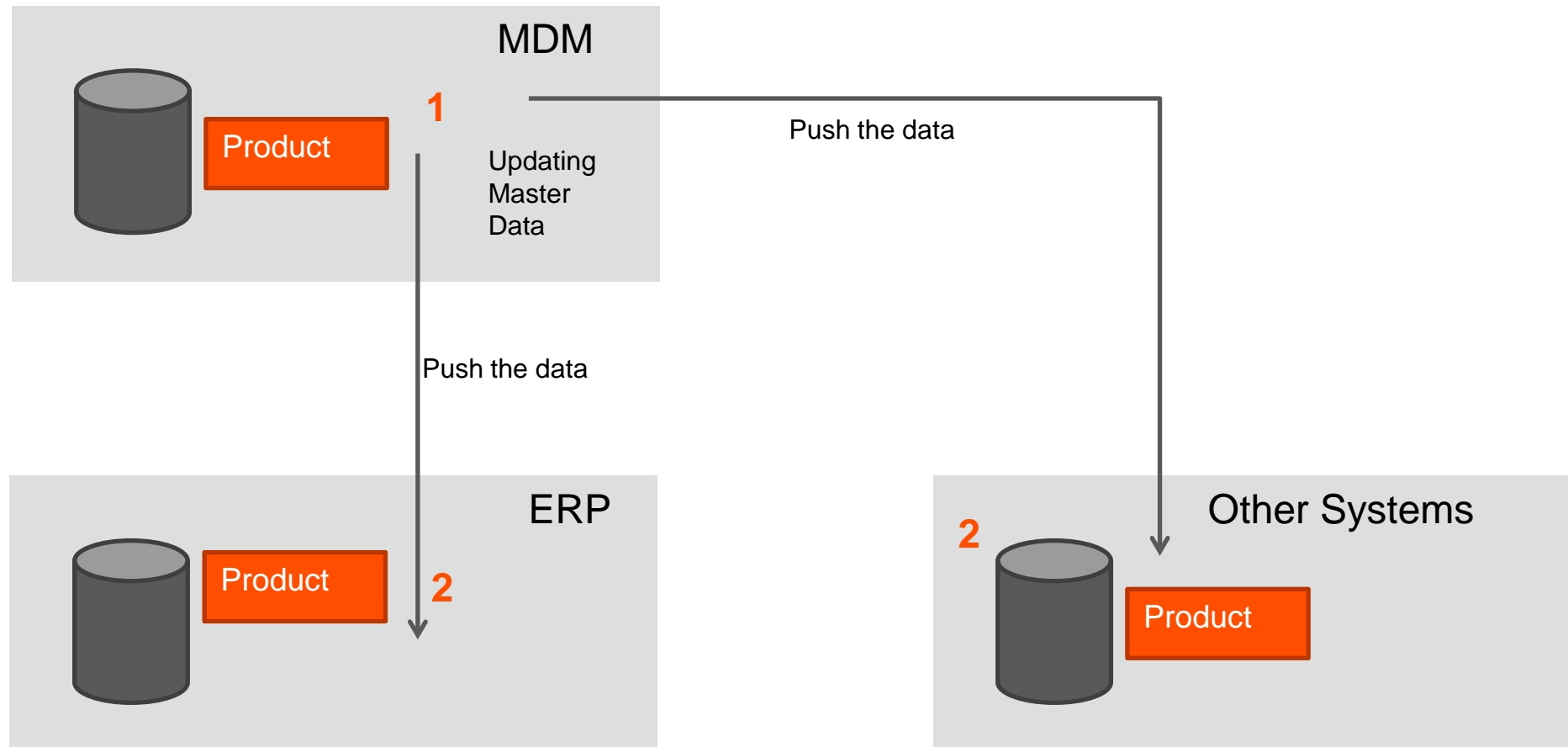
■ Web services

- CRUD services need to be available for creating/ updating/deleting Master Data



In Scope for POC

Base Principle: Centralized Setup: MDM Updates Pushes the Data



Product Information Management

- Product Management is about information from **products that are for sale or for use within a company**
 - Products have two subtypes :
 - **Goods** are products that are tangible,
 - **Services** are products that involve the use of time and in general are not tangible
- Product Management will have the following high level setup / base principles
 - Data from the central database is **pushed (in real-time) to the subsystems**
 - Product management will contain **all data of the product** (textual, images) for all processes within the different OPCO's. There will be no different source of product information, be it in a direct or indirect way
 - In principle **all information is defined on the highest level**, but on all levels one is able to change the default data
 - Product information (material, commercial descriptions etc) will be stored via a **flexible attribute management**
 - **2 types of data entry screens** will need to be created
 - Screens allowing for traditional data entry (reflecting more or less the underlying database tables)
 - Screens allowing for entering data as part of a workflow (reflecting the data needed/available as part of the normal workflow)

Product Information Management

■ Product Attribute Management:

- Allows to flexibly model all the information we want to store re. the product
- In principle adding new types of information does not need database changes
- **Product Attribute Template** allows to define what information needs to be stored for what type of product.
(Store different information for footwear vs textile)
- **Inheritance** principles to be used to reduce as much as possible the work involved in managing product information
- **From Date to Date**
 - Each attribute has a from date to date indicating if the attribute is available yes or no
 - Each attribute value has a from date to date indicating if the value is applicable yes or no / allowing for defining future values

■ Product Hierarchy Management

- Primary vs Alternate Hierarchies
- Both are created **based on rule sets**
- Each Hierarchy has a from date to date
- The **primary hierarchy reflects the physical characteristics** of the product
- A product can
 - Only belong to one category in the primary hierarchy
 - Belong to multiple categories in alternate hierarchies

Product Information Management

■ **Article number**

- The article number is meaningless
- On channel level it will be possible to create a artificial meaningful article number based on a rule set
- The rule set will have a from date to date defined

■ **Size ranges**

- Will be defined via the product attribute template
- Can be multidimensional (Length, width,..)
- A UOM conversion rule will allow for converting from e.g. UK Sizes to Euro Size
- On the product the base UOM is defined

Proof of Concept: Main Goals

1	Delivery in a short timeframe
2	Improvements in development speed and flexibility
3	<p>Needs to be state of the art and prove the technical concept where all future development will be build upon</p> <ul style="list-style-type: none">▪ Modernisation▪ Different tooling used within the Pacific Platform (Rollbase, Openedge BPM, Corticon, Openedge ABL, SOA architecture, ...)▪ At minimal 1 workflow via Openedge BPM is defined
4	Needs to be able to used on different client platforms : desktop, tablet, smart phone, ...

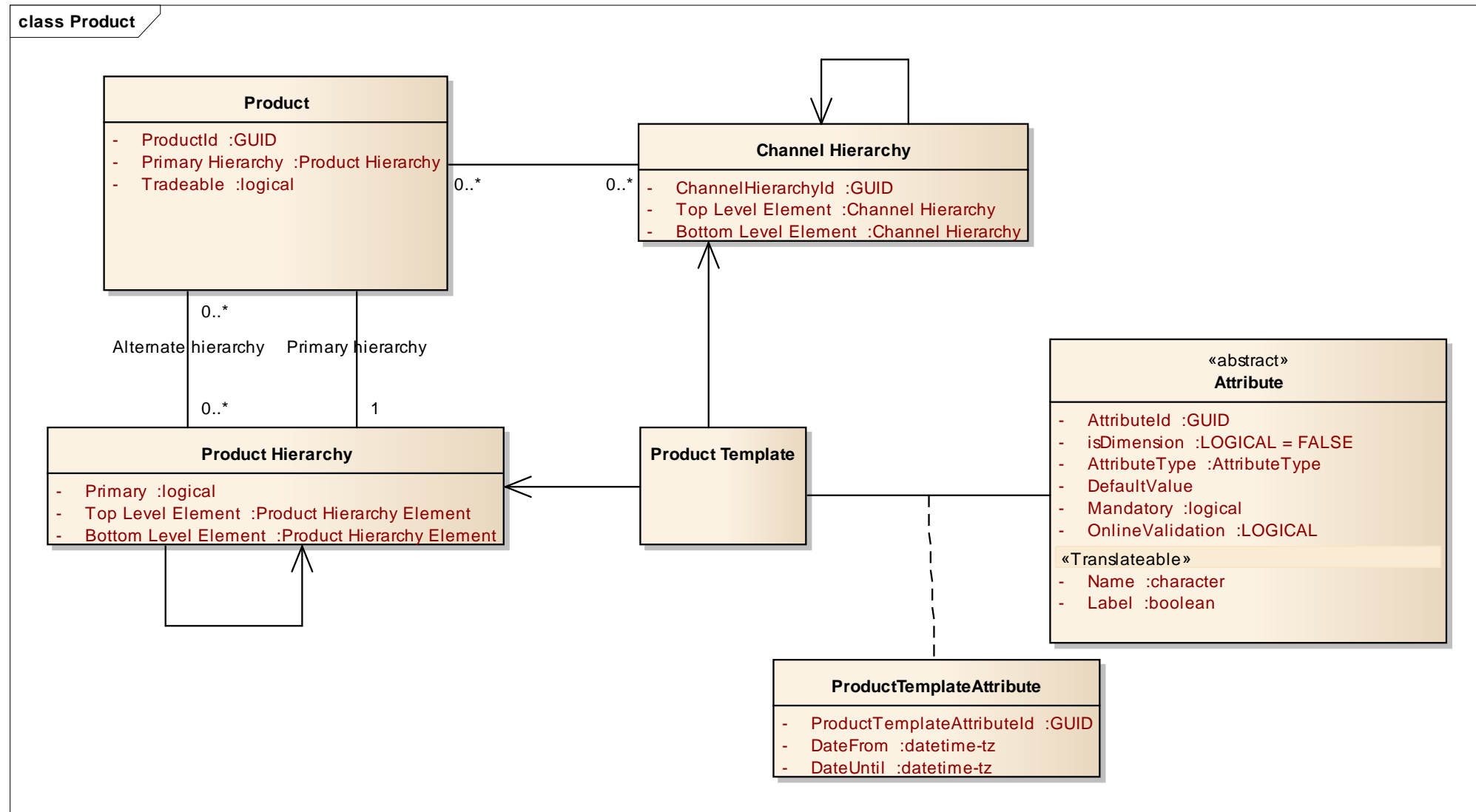
POC: Two Meta-Models Need to Work With Each Other

- Is het goed dat ik in het Nederlands presenteer?
- C'est bon que je vous présente en français?
- Ist es gut dass ich auf Deutsch präsentiere?
- Is it ok to present in English?

Some Complexities

- Article/Attribute definition
 - An article has attributes. E.g. sole material, heel height.
 - But attributes are different per shoe: sandals don't have heel height.
 - New channels require new attributes, e.g. Amazon requires extra attributes on their website
 - **We can't do with a classical article table**, we need to 'link' attributes to a specific article 'on the fly'
- Attribute value definition
 - Attributes get a value. In many cases there is a list to choose from, e.g., materials (leather, suede, neopreen)
 - The possible values are dependent on the values of other choices (defined in Corticon)
 - The **possible values to choose from are built up at runtime**, e.g., when showing a dropdown list
- Attribute group
 - Attributes are defined in groups
 - In a User Interface groups will be tied together
 - **Need for tabfolders** (or the like) that will show all attributes of a specific group

Definitions Stored in Progress Database



Business Logic Builds 'an Article'

■ Boot

- Attribute: Material
 - Possible value: Leather
 - Possible value: Neopreen
- Attribute: Heelheight
 - Possible value: 1 – 5 cm
 - Possible value: 6 – 10 cm
 - Possible value: 10 – 15 cm

■ Sandal

- Attribute: Material
 - Possible value: Leather
 - Possible value: Suede

Per Article the Screen is Different

MATERIALS

Upper Material

Material	▼
Material Group	
Material Type	▼

Lining Material

Material	▼
Material Group	▼
Material Type	▼

Heel Height (mm)

Sole Material

Material	▼
Material Group	
Material Type	▼

Insole Material

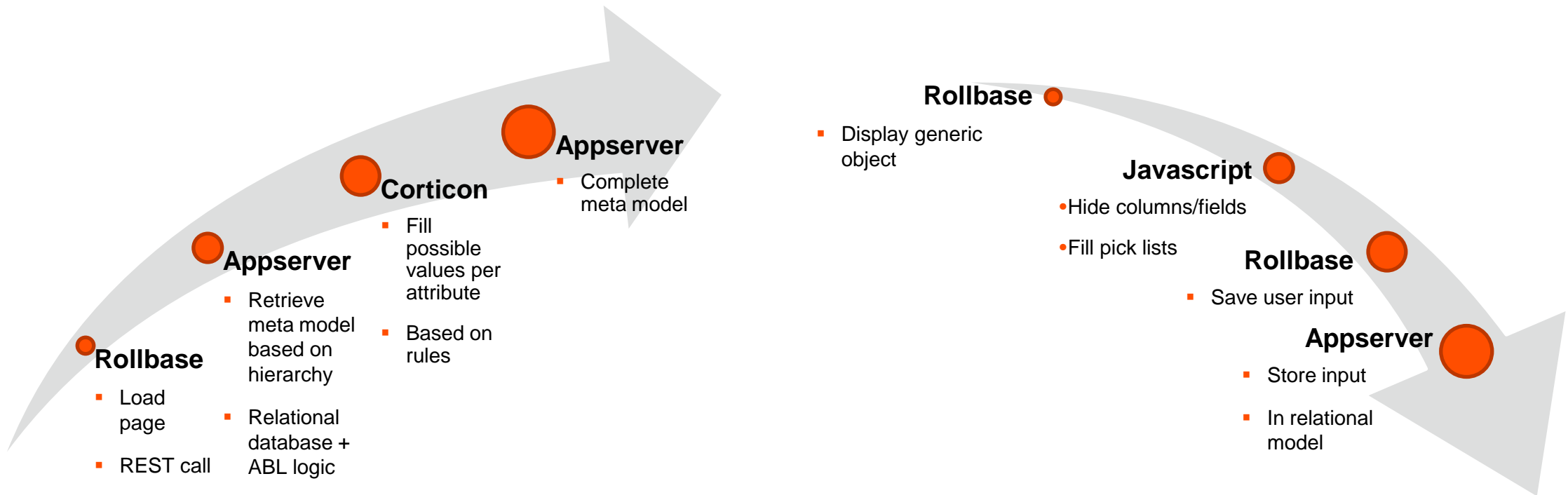
Material	▼
Material Group	
Material Type	▼

Other component??

Material	▼
Material Group	
Material Type	▼

BUILD ATTRIBUTES

How Did We Solve It?



What Was the Result

[Back](#)[Generate Variant](#)[Generate Graph](#)

Article Info


Supp Ref

CLJN

SuppCol

YLW

Image



CategoryValue

Footwear

GenderValue

Ladies

ModelValue

Safety Boot

BrandValue

ColourGroupValue

SeasonValue

CurrencyValue

Attribuut

Beschrijving

Kosten

Leverancier

Materiaal

Variant

Verwijzing

Bovenste

Bovenmateriaal Group

Leer

Upper Genre

Hard rubber

Bovenmateriaal

KL-101

Zool

Sole Materiaal Group

Rubber

Sole Genre

Kunststoffen

Sole Materiaal

SOPO-14-3

Fastener

-- Please select --

Imitatiebont

☒

Binnenzool

Binnenzool Materiaal Group

Natuurlijke vezels

Binnenzool Genre

Kunstleer

Binnenzool Materiaal

Katoen

Voering

Voering Materiaal

Angora

Voering Materiaal Group

Synthetisch

Voering Genre

Synthetisch textiel

-- Please select --

Acetaat

Acrylics

Angora

Aniline

Genakor 023

Gepigmenteerde

KL-101

Katoen

Mohair

Nylon

Poly-soft S40

Poly-soft s70

Polyesters

Polyethyleen

Polystyreen

SOPO-14-3

SOPO-14-6

Scrivins

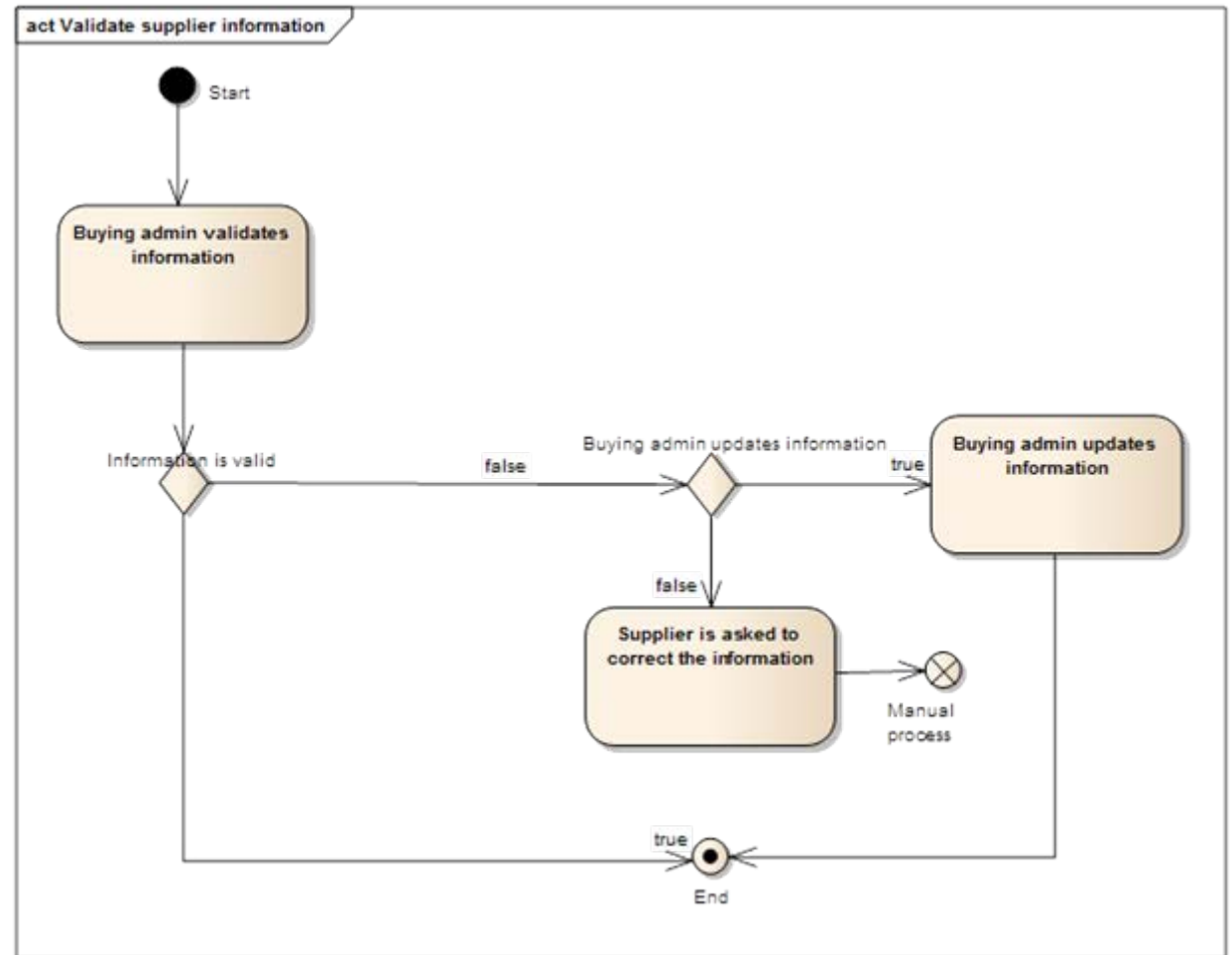
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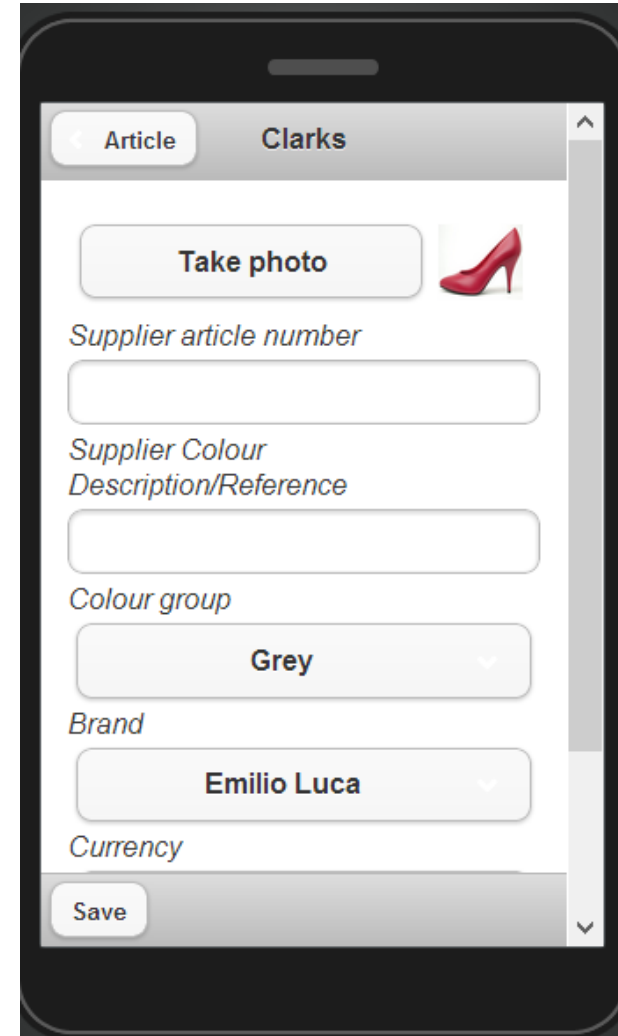
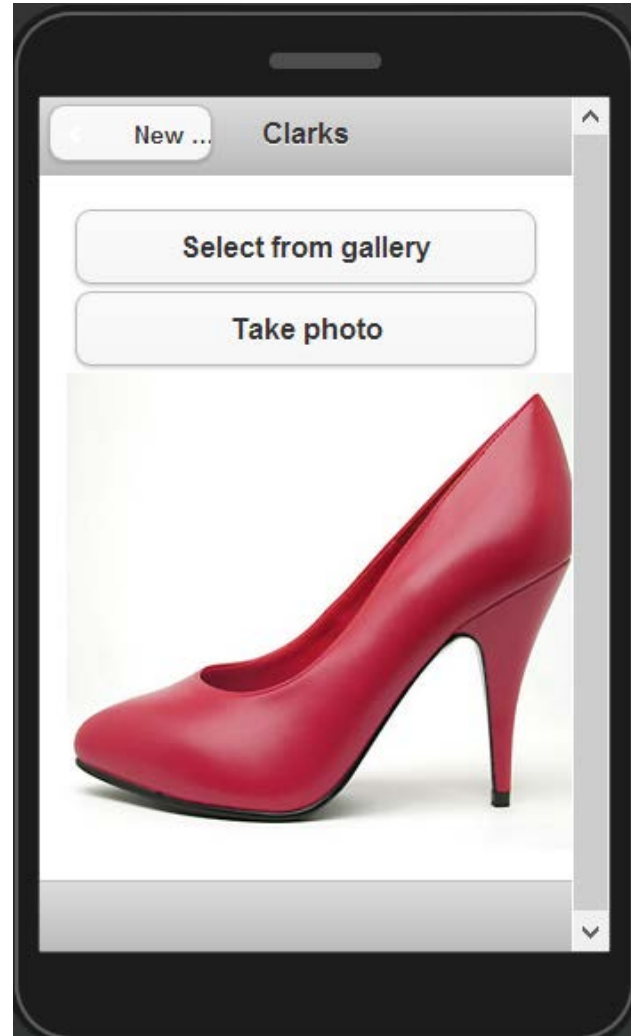
POC: What Did We Build

High Level Process Overview

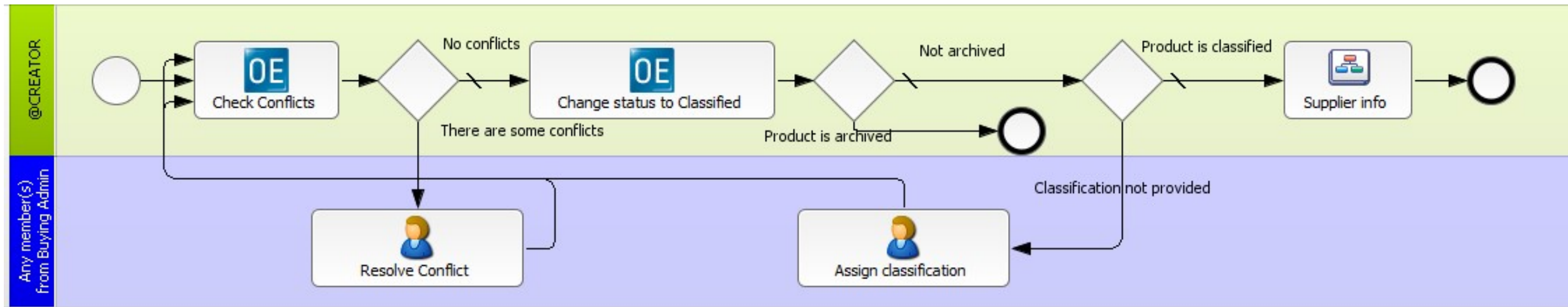
- Article creation starts in a Mobile App (OE-Mobile)...
- ... Triggers a Business Process (OE-BPM)
- Buying administrator enriches data using Rollbase
- Manufacturer supplies product attributes ruled by Corticon
- All core functionality in ABL
- Persisted in OE Database



OE Mobile Starts Article Creation



OE BPM Defines the Article Creation Process






Buying Administrator Enriches Data Using Rollbase

[Back](#)

Supplier Clujana S.A


Articles [Add Article](#)

Supp Ref	SuppCol	Article	Season	Colour Group	Brand	Currency	Target Price	Category	Gender	Model	Sel
CLJN	YLW		WS13	Purper	ariat	EUR	20	Schoeisel	Dames	Veiligheid boot	<input type="checkbox"/>
TSI	yellow		-- Please se	Geel	ariat	USD	256	-- Please select --	-- Please select --	-- Please select --	<input type="checkbox"/>
Wayfare	Team		-- Please se	-- Please select --	-- Please select --	-- Please select --	0	-- Please select --	-- Please select --	-- Please select --	<input type="checkbox"/>

[Submit](#)

Manufacturer Supplies Product Attributes Using Rollbase

[Back](#)
[Generate Variant](#) [Generate Graph](#)

Article Info
Supp Ref
SuppCol
Image 

CategoryValue
GenderValue
ModelValue
BrandValue
ColourGroupValue
SeasonValue
CurrencyValue

[Attribuut](#) [Beschrijving](#) [Kosten](#) [Leverancier](#) [Materiaal](#) [Variant](#) [Verwijzing](#)

Bovenste
Bovenmateriaal Group
Upper Genre
Bovenmateriaal

Zool
Sole Materiaal Group
Sole Genre
Sole Materiaal
Fastener
Imitatiebont ☒

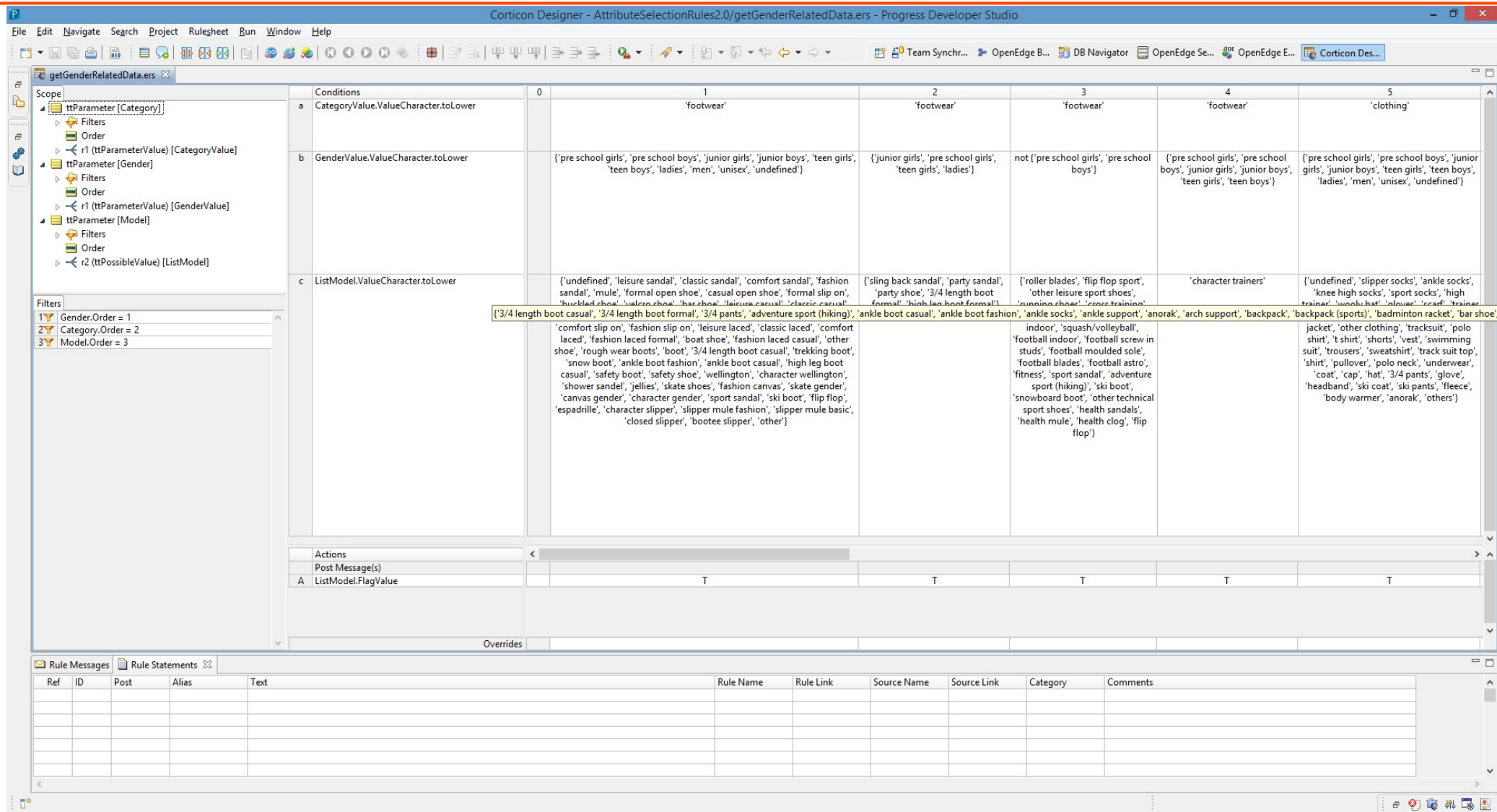
Binnenzool
Binnenzool Materiaal Group
Binnenzool Genre
Binnenzool Materiaal

-- Please select --

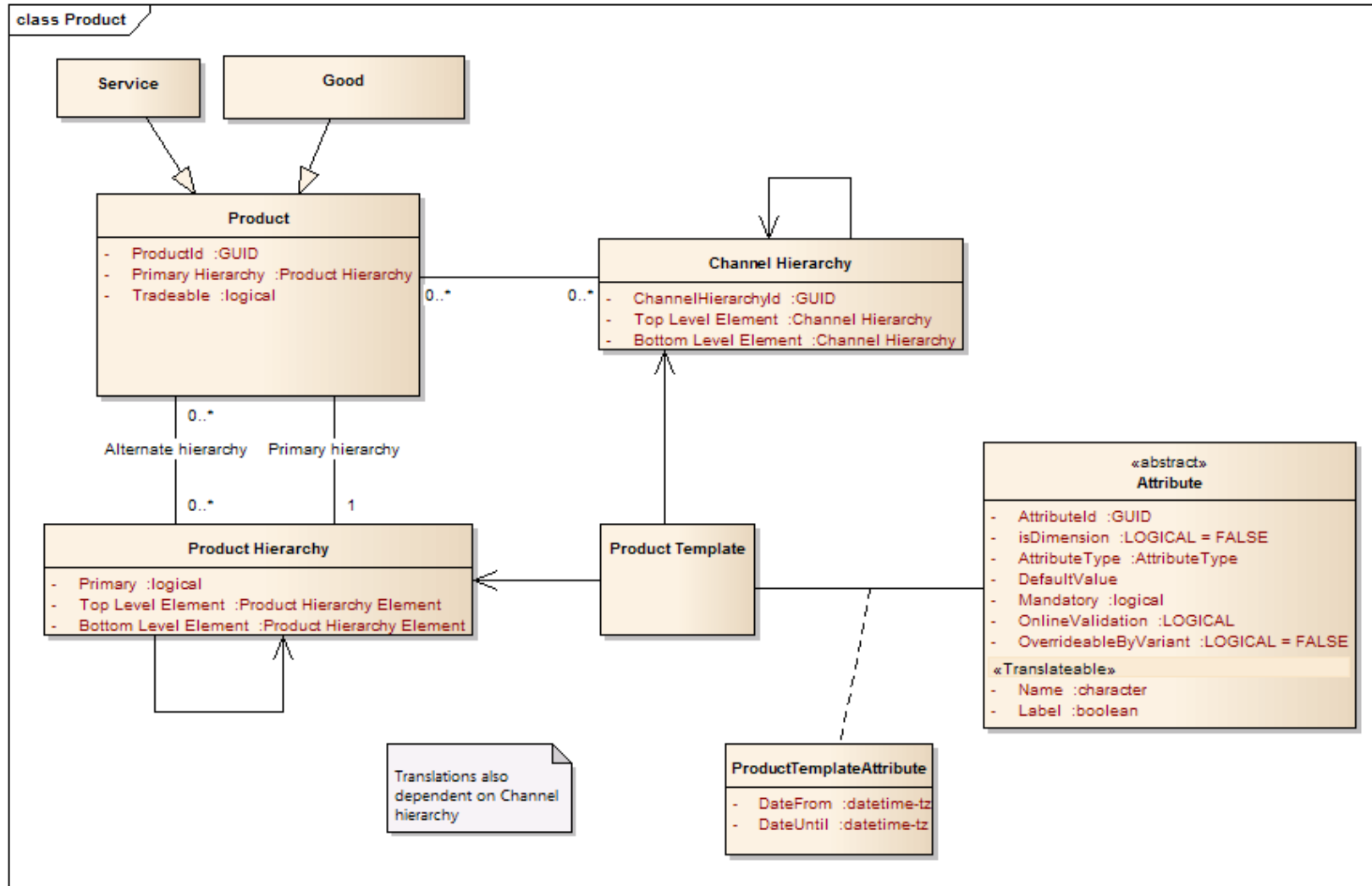
Acetaat
Acrylics
Angora
Aniline
Genakor 023
Gepigmenteerde
KL-101
Katoen
Mohair
Nylon
Poly-soft S40
Poly-soft s70
Polyesters
Polyethyleen
Polystyreen
SOP0-14-3
SOP0-14-6
Servics

Voering
Voering Materiaal
Voering Materiaal Group
Voering Genre

All Relations Between Attributes are Defined in Corticon



ABL Generates Variants Based on Color/Size/Fit (3-Dimensional)



Development

Tore Van Greembergen

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Agenda

- Objectives
- Organization
- Development (Delivered, In Progress and Planning)
- Challenges
- Conclusions

Objectives

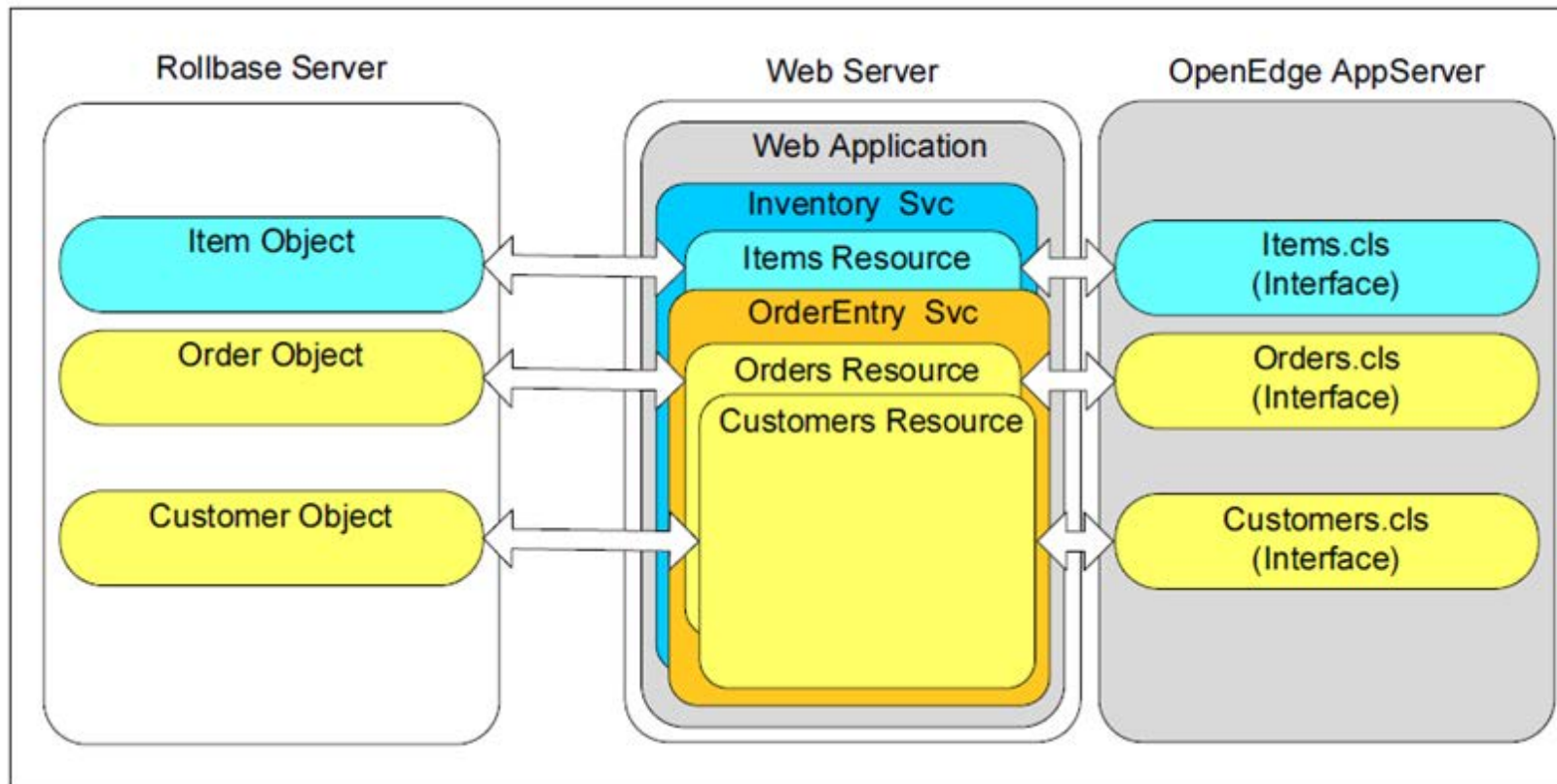
- Realization Rapid Application Development
 - Modern flexible tooling to support fast changing Business Strategies and Markets
- Maintainability
- Cost of Ownership

Organization

- Organization development team to meet business goals
 - Existing (Local) team for continuation daily operations
- Near shoring for modernization
 - New developments (replacement, adding new functionalities/ modules)
 - Adding knowledge for new available tools
- Architectural support - Progress Professional Service
 - Support
 - Services
- Integration Existing (Local) team and Near Shore team
 - (When it all comes together – Resources and source code)

Development – Delivered

- Rollbase replaced Store Front Office Application (POS+)
- Replacement of current application (Modernization) including Open Edge BL integration for real-time communication – New design



Development – In Progress

■ Rollbase integration Back Office with Front Office

The screenshot displays the Progress Pacific POS+ interface. The top navigation bar includes the Progress Pacific logo, a search bar, and a user greeting 'Hello 70007'. Below this, a menu bar lists various functions: Unpairs, Thefts, Material orders, Complaints, PrintLabels, Time registration, Customer Emails, Fidelity cards, ConfirmSpecialOrders, Manual receipts (selected), and New. The main content area is titled 'ManualReceiptDetails' and features a search criteria input field with 'Refresh View' and 'Clear Filters' buttons. Below the search area is a table with 12 columns: Action, Customer Name, Customer OrderNr, Shipping Note Nr, FlowId, # prepack, Assortment, Article/Colour, Description, Brand, Size, Qty, and Check Qty. The table contains 7 rows of data, all with a 'Qty' of 1. The footer of the page includes links for Help Me, Support, Privacy, and Terms of Use, along with a copyright notice for Progress Software Corporation.

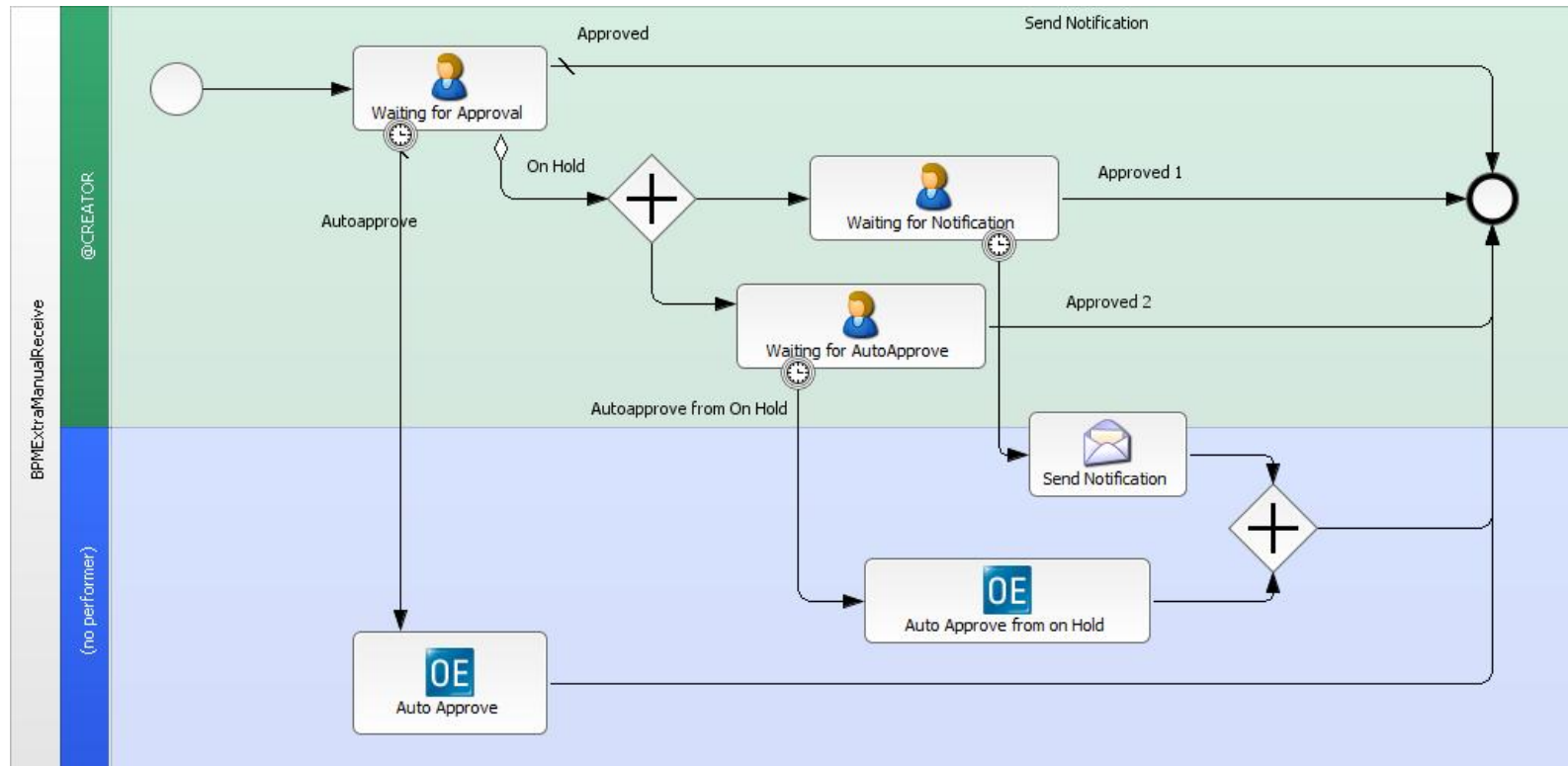
Action	Customer Name	Customer OrderNr	Shipping Note Nr	FlowId	# prepack	Assortment	Article/Colour	Description	Brand	Size	Qty	Check Qty
View Edit Del											0	0
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	19	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	20	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	21	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	22	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	23	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	24	1	1
View Edit Del			13000350	V	1	A108	20012037/55	B&CO PSANDAAL VRIJE TIJ 43730	B&CO	25	1	1

Development – Delivered

- BPM for Managing Message Flows
- Web services – Interfacing third-party applications (Web services – Rest incoming/ SOAP outgoing)

Development – In Progress

■ BPM Integration with Open Edge



- Notifications
 - Alerts
 - Escalations
-
- UI integration
 - Task lists
 - Emails
 - Text messages

Development – In Progress

- (Rollbase) Mobile



Scan/Enter article

Scan article

Enter article

Dev Only

MYSW004

Article price details

20012006/22 Size

LULU P.SANDAAL VRIJE LT060002S

Current price EUR 20

Label Requirement:

No action

Enter Article

Article price details

16051027/22 Size

BERK D.ORTHOMUIL 162

Current price EUR 89.9

New price EUR 102.85

Price active date 2014-09-29

Label Requirement:

New price

102.85

Enter Article

Article price details

16052001/22 Size

ROHD D.ORTHO MUILEN 1472

Current price EUR 36.9

New price EUR 0

Price active date 2014-10-04

Label Requirement:

Discount label

39%

Enter Article

Development – Planning

- Further integration Rollbase, BPM, Mobile with existing OpenEdge application
 - Client BL separated from UI
 - Enabling current Business Logic as a service
 - Replacement UI (Client by Web Based)
- Introduction Corticon (BRM)
 - For complex and/ or fast changing rules

Challenges

- Training to keep in pace
- Early adaptor Progress tools
- Embedding BPM, Corticon, OE Mobile, Rollbase Mobile, Rollbase and Open Edge
- Managing source code

Conclusion

- Utilization existing knowledge (Business and Development) – beware of the pitfalls
- Controlled project planning and rollout
- Cost control (What, How and When)
- Fast development to keep in pace with fast changing Business Strategies and Markets
- Near shoring provides additional knowledge, capacity and flexibility
- Progress tools supports (our) integrated tooling requirements – challenges but recognized

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