

WOOLWORTHS

**WOOLWORTHS REDUCES ADMIN BY 15-20%
THANKS TO CENTRIC PLM™**

ICONIC MULTICATEGORY RETAILER CELEBRATES 'BEACON' PLM IMPLEMENTATION,
BOOSTING COLLABORATION, VISIBILITY AND COSTING EFFICIENCIES



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“From the beginning, we didn’t just put in a PLM system, we re-examined how we worked and identified gaps and opportunities, trying to understand how we could make the systems and the processes work better.”

Moira Alexander, Manager of Improvement Projects at Woolworths, reflects on the enormity of their Product Lifecycle Management (PLM) project, which impacted not one, but numerous departments and teams, driving transformational change across the entire business.

Now, after partnering with Centric Software, Woolworths is already experiencing a significant increase in cross-team collaboration, as well as increased visibility and costing efficiencies. But how did one of the biggest retailers in the Southern Hemisphere implement such a successful digital transformation project?

A BUSINESS OF FIRSTS

Woolworths offers a unique blend of food, fashion, beauty, homeware and financial services. The first Woolworths store opened its doors to the public in Cape Town in October 1931 and Woolworths prides itself on being a values-driven organization that strives to go to market first with what matters.

“If someone does not know Woolworths I think the best way to describe it is that we are a food as well as clothing, home and beauty business. It’s a very top tier retail store within South Africa, a very aspirational, but accessible retail store,” summarizes Stacy-Anne Scholtz, General Manager of Kidswear at Woolworths.

With a team of over 31,000 people in South Africa, over 43,000 people across the Group in the Southern Hemisphere, and a comprehensive product mix, it is an understatement to say their business model is complex.

PRE-PLM CHALLENGES

In spite of their market prominence and long history of success, Woolworths was not immune to market challenges. In today’s highly competitive retail landscape, speed, agility and streamlined business processes are a must. Before PLM, Woolworths teams were working on multiple different systems, in disparate ways, and valuable time was being lost.



CHALLENGES

- + Traceability
- + Duplication of work
- + Lack of supply chain visibility
- + Standardization of processes
- + Reliance on email and Excel
- + Outdated legacy PDM system

Scholtz explains, "Woolworths is a large and complex organisation. The ability to trace product from concept was a challenge. We also experienced a lot of duplication in the business."

Prior to PLM, there were too many complexities in the way products would be attributed, coded and managed. Woolworths' many different suppliers added additional layers of complexity, and quality management was not standardized across the company.

On top of this, the business was working in an outdated legacy Product Data Management (PDM) system, resulting in an overreliance on email and Excel, duplication of work and a lack of traceability and standardized business processes. Woolworths knew it was high time for digital transformation.

"We had a PDM system that was very outdated," says Alexander. "Lots has changed in the world, and we needed to be able to move and shift with it in order to be more future fit."

Given the sheer size and complexity of Woolworths, selecting the right digital transformation solution was an involved and considered process.

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HOW DID WOOLWORTHS EMBARK ON THEIR PLM JOURNEY?

“The question of finding the right PLM is what took a bit of time. Woolworths is a big retailer with a complex product mix. We had to make sure that we could find the right system to be able to cater to all of the complexities and nuances across our product mix,” shares Alexander.

Woolworths selected Centric PLM for a variety of reasons including Centric Software’s expertise in fashion and retail, customer referrals and the opportunity for truly localized project support.

“We wanted someone who understood the complexity of a fashion retail business,” says Alexander. “Secondly, when we did the research and had a comparison discussion with other retailers around the world, we had very good feedback in terms of Centric’s ability to support us. And, thirdly, we were familiar with Cogworks, the local implementation partner, and knew that they could deliver and provide support.”

TURNING THE SHIP AROUND

Woolworth’s PLM implementation was delivered **on-time, under budget** and with a **larger scope** that originally estimated. Because of the complexity of the business and size of the organization, careful planning, seamless communication and starting with the end in mind were the keys to success.

“We took quite a lot of steer from the Centric and Cogworks teams,” explains Alexander. “Because we had an existing system, we had to replace that functionality and then add more. We couldn’t do just a little part of the product development process, we had to do the full process so that we could take out the old system.”

Determining factors of success can be attributed to identifying KPIs from the onset, keeping them in sight throughout the project and rolling out strategically.



"The KPIs we were tracking were improvements in our product margin, improvements in our visibility and in our critical path track and trace, as well as people efficiencies," says Alexander. "We decided to tackle each business unit and group as we went along... putting it into a structured and phased way so that we didn't roll it out as one big bang to the whole organisation."

Scholtz adds, "Centric and Cogworks always made us feel like we were their only clients in South Africa. They gave us a lot of input around how to structure the project and how to deliver it."

Alexander goes on to explain how Woolworths rolled the implementation out via superusers for each department.

"When we went through the design phase of it, we tried to make sure we had a cross group representation. So, we had superusers from every group. Whether it be across design, buying or planning, or technology. And then as we went along, we got a lot of feedback because we followed an iterative approach. When we went live, we took it group by group, which again gave us the opportunity to course correct."

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IMPLEMENTATION
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DIGITALIZATION AND BUSINESS TRANSFORMATION

The process of embarking on a digital transformation journey impacted Woolworths in a much deeper way than solely implementing a PLM system. Their entire way of doing business evolved as a result.

"This project was an opportunity to re-look at how everything was done in the business," explains Alexander. "So, it was not just a system implementation. It was very much a process, a way of working which continues to evolve."

Woolworths has realized significant ROI since the rollout in terms of time saved, communication and collaboration, removing duplication of work, cost-efficiencies and increased visibility.

"We saw definite time savings in terms of the admin-intensive tasks such as creating items, doing quotes and finalizing costings. You've seen at least a **15-20% reduction in time** on some of those elements," shares Alexander. "Centric PLM has enabled us to utilise our materials more effectively, streamline our costing process and increase process efficiencies, resulting in a **0.2% increase in product profitability.**"

Previously, Woolworths used to cost one way for their local suppliers and another for international suppliers. Centric PLM has now given them the ability to have visibility across the entire supply chain.

"We're now doing a lot more of our bigger volume costings through the system, enabling us to make decisions on who is giving the best price," Alexander adds.

Scholtz shares a few additional benefits Centric PLM has brought to Woolworths, "One benefit is the fact that the system is cloud-based and we are able to access it now, regardless of where we are at. Another benefit that's been very good is the visibility of the critical path. I certainly do enjoy the fact that there's more collaboration happening on the systems. Information is now housed in one central place, which gives access to all the stakeholders and is definitely eliminating some of the duplication of work which we have experienced in the past."



ADVICE FOR MULTICATEGORY RETAILERS

Woolworths is the gold standard when it comes to the large, complex, multicategory retail space and they offer some words of advice to others looking to adopt a new PLM system.

"You need to know what processes you want to shift and what changes you want to make. You need to decide on your priority areas that you want to focus on in terms of the categories or the product types and group similar product types together," advises Alexander. "For example, we did our beauty implementation at the end. We didn't try to confuse ourselves by throwing the complexity of a beauty business in while we were doing apparel."

The best advice they have to offer is to start the project with an end goal in mind and understand that progress is the key.

"My mantra is that's it's progress, not perfection," Alexander confides. "You can't aim for perfection on day one."

THE JOURNEY CONTINUES WITH CENTRIC

"I think what's next is there's always improvement. So, we've opened a bit of Pandora's box, there will be continuous upgrades." shares Alexander. "We did put in place the Merchandising Module and we are now starting to look at doing investments in our planning systems. The PLM project is a continued relationship of how we can reach new heights and make things simpler for our users."

RESULTS

- + 15–20% decrease in time spent on admin tasks
- + Implementation on time and under budget – even with a bigger scope!
- + Extremely high user adoption
- + Remote collaboration
- + Costing efficiencies
- + Visibility
- + Supporting a sustainable business model



ABOUT WOOLWORTHS (www.woolworths.co.za)

At Woolworths, QUALITY is our DNA, it's our philosophy, it's how we're wired. It's what we do, and how we do it, since 1931. It's our passion, our obsession and the promise we make to our customers and to each other.

We are a business led by our values, with every customer we serve, every product we sell, every decision we make, bringing quality to life. Our values inform and underpin the way we do business. From values based leadership to passionate brand advocacy, we seek to embed our values across all dimensions of our business. At Woolies we offer a unique blend of food, fashion, beauty, homeware and financial services with the vision to be a leading fashion retailer in the Southern Hemisphere. We employ over 31,000 people in South Africa and over 43,000 people across the Group in South Africa, Africa and Australasia to transform this vision into reality. Doing business responsibly, in the most transparent and ethical way, sits at the heart of the Woolworths business. Sustainability is one of our values as well as a strategic imperative. We rely on our employees to be the creative and innovative hub of our business through the integration of sustainability initiatives into everything we do. Through the collective efforts, commitment and support of our people, suppliers and customers we continue to make great progress on our journey to leave the world and our community in a better place than we found it.

ABOUT CENTRIC SOFTWARE (www.centricsoftware.com)

From its headquarters in Silicon Valley, Centric Software® provides a Product Concept to Consumer Digital Transformation Platform for fashion, retail, footwear, luxury, outdoor and consumer goods including cosmetics and personal care and food and beverage. Centric's flagship Product Lifecycle Management (PLM) platform, Centric PLM™, delivers enterprise-class merchandise planning, product development, sourcing, quality and product portfolio optimization innovations specifically for fast-moving consumer industries. Centric SMB focuses on core tools and industry best practices for emerging brands. Centric Visual Innovation Platform (CVIP) offers highly visual digital board experiences for collaboration and decision-making. Centric Software pioneered mobility, introducing the first mobile apps for PLM, and is widely known for connectivity to dozens of other enterprise systems including ERP, DAM, PIM, e-com, planning and more as well as creative tools such as Adobe® Illustrator and a host of 3D CAD connectors. Centric's innovations are 100% market-driven with the highest user adoption rate and fastest time to value in the industry. All Centric innovations shorten time to market, boost product innovation and reduce costs.

Centric Software is majority-owned by Dassault Systèmes (Euronext Paris: #13065, DSY.PA), the world leader in 3D design software, 3D digital mock-up and PLM solutions.

Centric Software has received multiple industry awards and recognition, including being named by Red Herring to its Top 100 Global list in 2013, 2015 and 2016. Centric also received various excellence awards from Frost & Sullivan in 2012, 2016, 2018 and 2021.



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