Relational Solutions, Inc. and IBM: unleashing the power of demand data

Helping consumer product companies increase sales, reduce costs and gain strategic advantage

Highlights:

- Create competitive advantage by utilizing downstream demand data

- Deploy a true enterprise demand signal repository solution with the proper technology foundation

- Provide timely, powerful analytics and predictive capabilities with confidence

- Ensure success through end-to-end IBM Global Business Services®

- Achieve significant financial results through the unique RSI-IBM solution

In a world of increased global competition, new retailer expectations and changing consumer environment, many consumer products companies understand the importance of differentiating themselves in the marketplace. The consumer is king, and it is of critical importance for companies to fully understand what is happening at the shelf. To gain the most valuable business insights, organizations must collect and exploit downstream demand data from a variety of sources.

Point-of-sale (POS) data can yield pertinent and timely information including which products are selling, when they are selling and where. Companies that can quickly and aggressively employ this information gain valuable advantages over their competitors. They are smarter about their business.

In addition to POS data, companies must be able to use additional demand data sources such as syndicated, loyalty card, consumer panel and shipments, as well as enterprise resource planning/SAP data, and other internal system data, to name a few. Since SAP and ERP business process automation is no longer the differentiator that it was even five years ago, companies must exploit opportunities to use demand data for continued success.

The combined offering of Relational Solutions' POSmart and IBM's Global Business Services, software, change management and domain expertise, provides consumer goods companies with a true, enterprise demand signal repository (DSR) solution. RSI's enterprise DSR offering provides clients with accurate and timely information. Its solid and proven enterprise DSR methodology and architecture provides companies with a solution that will grow with their business and provide significant returns for many years to come.

Solution overview

IBM is teaming with Relational Solutions, Inc. (RSI), Westlake, Ohio, an advanced member of IBM PartnerWorld®, to provide the consumer products industry with a best-in-class enterprise DSR solution. As part of the relationship, IBM provides a global reach to RSI's enterprise DSR software, known as POSmart. In addition, the two companies can utilize IBM technology including Cognos® and Netezza® to provide consumer product clients with powerful analytics and predictive capabilities.

The combined solution represents a unique offering for the marketplace. Along with best-of-breed software from each partner, it includes industry data models and domain expertise, Global Business Services presence, change management consulting, hardware and broad analytics knowledge. Additional strategic software and analytic assets are also utilized as part of the solution vision.

RSI's POSmart is a unique and comprehensive application that integrates, cleanses and harmonizes POS data from any retailer. It also integrates all POS with internal, syndicated and other third-party data to provide a holistic view of the marketplace. Clients see many business benefits through the use of POSmart as a foundation technology. These include better retailer relationships and customer support, improved supply chain efficiencies, decreased out-of-stocks, optimized new product introductions and more effective, profitable trade promotions to name a few. There are also added internal efficiencies, with less time spent gathering and analyzing data.

POSmart's analysis tool, BlueSky Analytics, was designed specifically for consumer products companies. Users can create ad-hoc reports and combine data from multiple sources. Multiple levels of security allow different users to access information related to their business areas. BlueSky Viewers can receive and re-run scheduled reports. They can drag, drop, drill, filter, sort, compare data and more. They can create their own views, alerts and favorites, set exceptions and export to Excel, html, xml and other formats. Users can seamlessly create PowerPoint presentations by simply dragging the tables and charts into the 'create presentation' area.

POSmart also leverages other tools, including IBM Cognos and SPSS®, for analytics and critical reporting. With IBM's additional software options, clients can ensure they take advantage of future advances in analytics beyond today's capabilities.

A true enterprise approach

There is much confusion in the marketplace regarding the evolving definition of a DSR. There is a good reason for this. A DSR is not simply a reporting tool, nor merely a database filled with POS and other demand level data from the retailers. A true enterprise DSR is an architecture and a process with a solid methodology of integrating and cleansing demand data with other internal data, so that it supports the business's ongoing needs.

Unlike many other available DSR offerings, the IBM-RSI solution is truly an enterprise DSR. This is an important distinction. Numerous other DSR solutions are 'team-oriented' meaning they focus on traditional 'silo' reporting for a specific retailer team or group. With this approach, there is little ability to expand the solution without extensive and manual coding. The IBM-RSI enterprise solution can extrapolate the positive results from one team across the business to show substantial financial return. Even a small or incremental improvement in one area or retailer can often yield a significant company return when extended across the entire retail landscape.

Unlocking the potential of the DSR

The IBM-RSI solution can integrate all POS information provided by the many retail chains, including international retail chains. Global sources of data are becoming an imperative in most organizations. Whether supplied via .txt file, Electronic Data Interchange (EDI) or a proprietary application, the retail information requires a proper architecture to consolidate, harmonize and align the data into a common, secure environment. The end result enables new insights previously unobtainable for the organization.

New industry data sources are coming into the mix. For example, loyalty card data has become widespread. Social media data is also rapidly becoming important to consumer understanding. An enterprise DSR supports business analytics with these new sources, enabling true competitive advantage.

In short, the IBM-Relational Solutions DSR is the foundation to enable ongoing insights for the CP organization. The result is demand-driven, near real-time, forward thinking business. With the enterprise approach, the return on investment is maximized through increased sales and reduced costs across multiple functional areas.
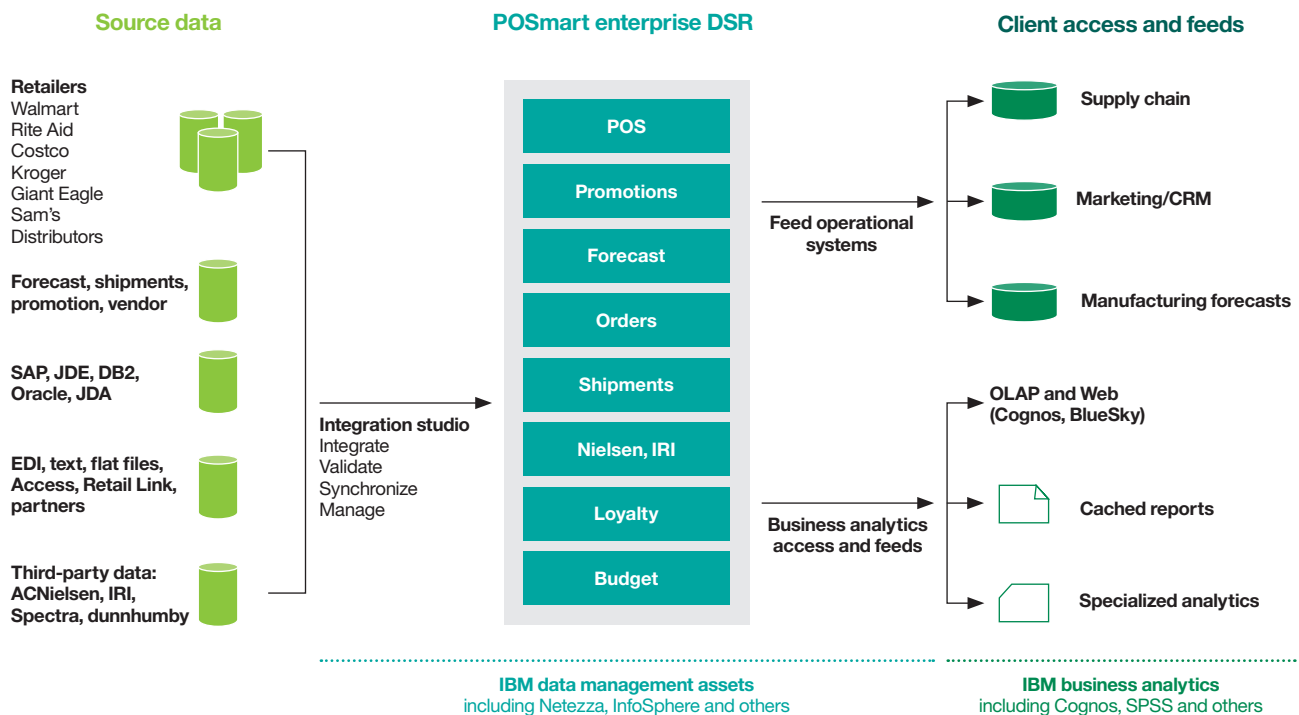
IBM's vast array of resources

IBM brings a wealth of expertise to its partnership with RSI, including domain expertise and assets from IBM research. Some other examples include:

- **Global Business Services team** – IBM's Global Business Services unit provides consulting and professional project management services, change management expertise, experienced domain know-how and numerous other services. It also offers worldwide exposure to the RSI application through its global organization.
- **Analytical software** – Cognos performance management solutions and the Netezza data warehousing appliance together contain an array of business analytics and optimization capabilities. Other available analytic tools include business process transformation (Unica®), web analytics (Coremetrics®), predictive analytics (SPSS) and information integration (InfoSphere®).
- **Consumer Products Industry Framework** – IBM's framework has been designed to help consumer product companies create value in activities beyond SAP/ERP that generate growth and increase margins – such as smarter customer collaboration, enterprise visibility, 1:1 consumer, and smarter supply networks and manufacturing.

"We are very excited about our partnership with IBM. Although the relationship dates to the mid 1990s, this new level of alignment gives RSI the ability to offer clients our Enterprise DSR with the best-in-class, global support that IBM's Global Business Services provides. POSmart, in combination with IBM's technologies and services, will offer customers a total solution not previously available in the market. This joint effort will also introduce new capabilities in the Enterprise DSR for enhanced client value in the CPG industry."

—Janet Dorenkott, Vice President and COO, Relational Solutions

IBM-RSI enterprise DSR architecture

Source data

Retailers
Walmart
Rite Aid
Costco
Kroger
Giant Eagle
Sam's
Distributors

Forecast, shipments, promotion, vendor

SAP, JDE, DB2, Oracle, JDA

EDI, text, flat files, Access, Retail Link, partners

Third-party data: ACNielsen, IRI, Spectra, dunnhumby

Integration studio
Integrate
Validate
Synchronize
Manage

POSmart enterprise DSR

POS
Promotions
Forecast
Orders
Shipments
Nielsen, IRI
Loyalty
Budget

Feed operational systems

Business analytics access and feeds

Client access and feeds

Supply chain

Marketing/CRM

Manufacturing forecasts

OLAP and Web (Cognos, BlueSky)

Cached reports

Specialized analytics

IBM data management assets
including Netezza, InfoSphere and others

IBM business analytics
including Cognos, SPSS and others

Rely on RSI and IBM experience

Between them, RSI and IBM have extensive experience with systems that collect, analyze and integrate valuable demand data for businesses.

- **Industry leadership** – For more than a decade, RSI has offered a proven, results-based methodology for architecting, designing and deploying small to very large scale multi-terabyte data warehouse and business intelligence solutions. RSI's large customer base includes consumer product companies of every size.
- **Efficient design** – The award-winning POSmart DSR and BlueSky suite are industry-leading tools known for their broad enterprise-wide capabilities and ease of use.
- **Versatility** – POSmart's open architecture, integration engine with EDI support, CP data model and ability to grow and change rapidly with customer needs are among its most valuable client features. Customers can employ their valuable time improving business results rather than managing data, all from one single, integrated 'version of the truth'.
- **Technology** – Companies throughout the world employ Cognos and SPSS business analytics solutions, Netezza data warehousing appliances, InfoSphere, and other tools that provide strategic advantage.
- **Forward-thinking analytics** – Business analytics and IBM research resources guide customers as domain experts in consumer products and process optimization.

For more information

To learn more about IBM in Consumer Products, contact your IBM sales rep or visit:
ibm.com/software/industry/consumerprods

To learn more about Relational Solutions, Inc. please visit:
www.relationalsolutions.com

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