Electronic Catalogues

the Foundation for

Electronic Commerce

Who needs to share information?
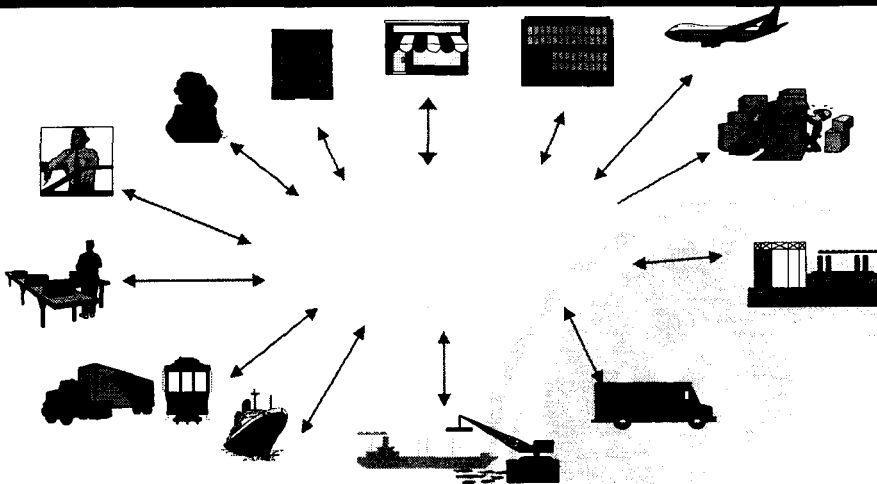
- Provide a central point for all Supply Chain Product Information for *all Industries.*

- Create total Data Alignment between **ALL** members of a Logical Trading Community.

Data alignment is the synchronisation between supplier and customer database master files.

Even when there is an error only one fix is required – Error is fixed once and stays fixed
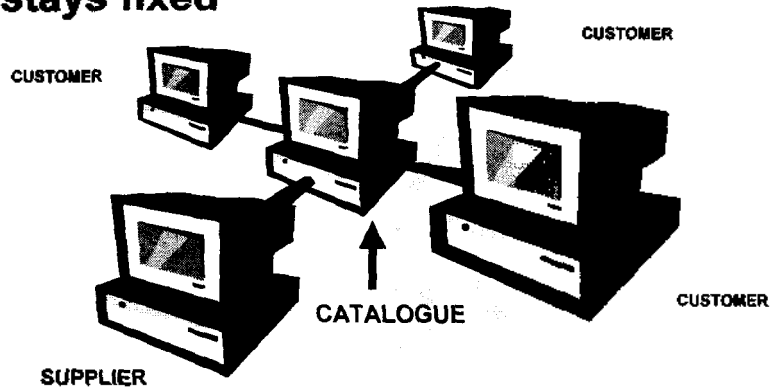
CUSTOMER

CUSTOMER

CUSTOMER

CATALOGUE

SUPPLIER

%$
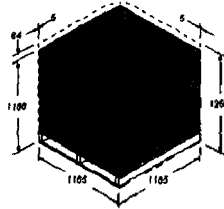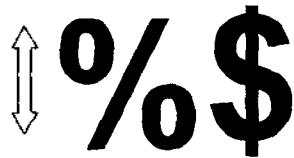
Data Alignment includes the
co-ordination and maintenance
of *accurate* promotion, price, product and
ordering logistics information.

Why do we need standards?

- Paper Catalogues

- Electronic Catalogues

- Formatted Files

- Web Sites

- Electronic Transactions
  - EDI
  - XML
  - Other Emerging Standards

> Remember me? Thanks to technology, time and savings expectations have grown, but so has the work to find anything!
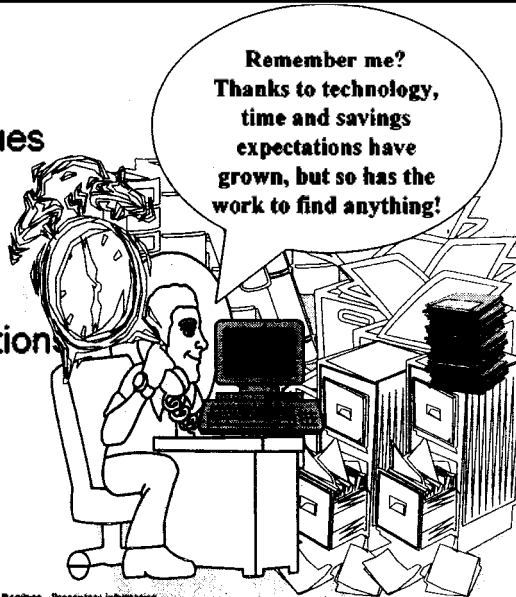
EC built on standards and data alignment....

How to achieve this foundation?

Industry Electronic Catalogue

It will ensure the integrity of data needed for electronic commerce transactions by providing a single, standardised record of product details.

EANnet

The Online Industry Catalogue

Australia

What Is EANnet ?

EANnet

The Online Industry Catalogue

Australia

- An internet accessible *Multi Industry* Electronic Catalogue.

- The essential foundation for trading partners to exchange standard information about the product, price promotion and place.

- To provide a central point for all Supply Chain Product Information for <u>all</u> Industries.

- To facilitate total Data Alignment between trading partners.

- To promote the use of standards - barcoding, UNSPSC.

- Deliver the Integrity of Information essential for Electronic Commerce transactions.

EAN
AUSTRALIA Ltd.

GE ECXpress
Australia

Industry to take responsibility for data input & maintenance.

EAN to provide the platform, service, add additional data & assist data integrity.

Provide Infrastructure to EAN (Server, Catalog & Electronic Connection)

- **Successfully delivered and tested**
- **Static Data**
- **400,000 + products**
- **25,000 + images**

Browser

Internet

Browser
Batch File
Uploads

Internet

EDI

EDI VAN

Excel
Spreadsheets

Secure
Private
GEIS HPN

EANn**t**
The Online Industry Catalogue
Australia
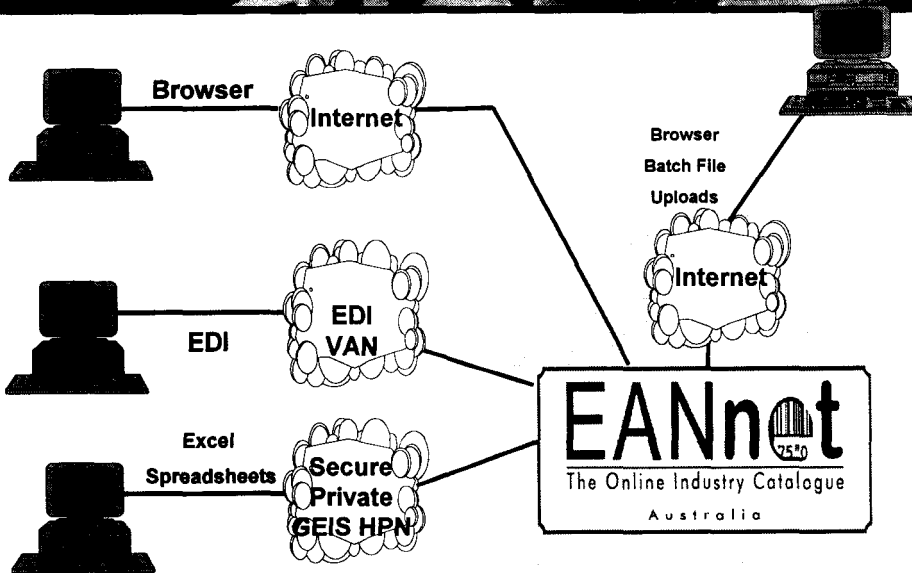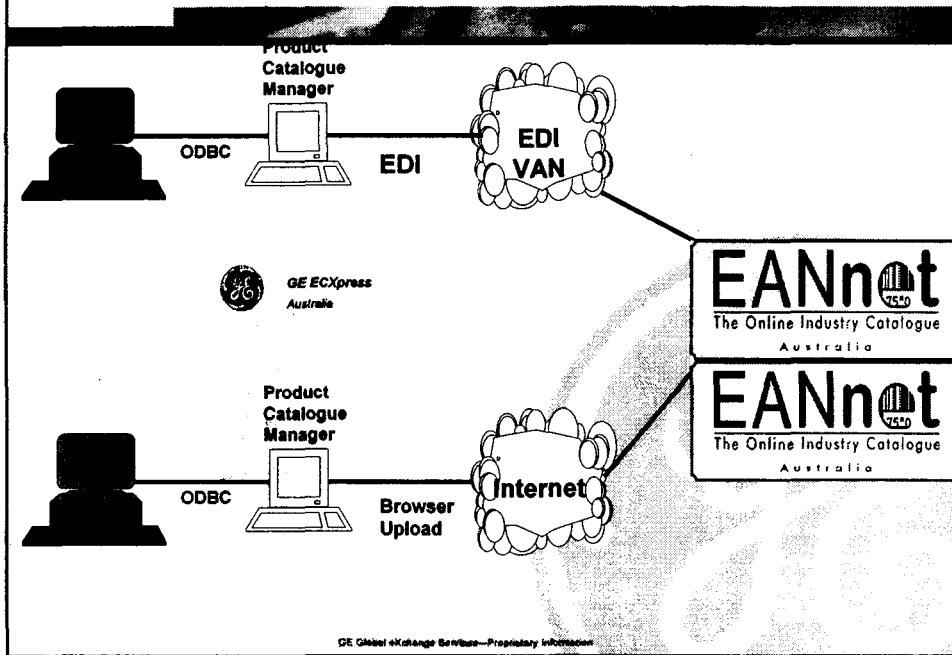
Pro-active messages to or from trading partners advising of all new products, or changes to an existing products

The benefits of EANnet Data Quality through the Supply Chain

Production
- Accuracy in Shipment Processing,
- Production Planning,
- Inventory Management
- Material Tracking,
- Forecasting.

Sales & Marketing
- Valid & accurate Orders
- Accurate Invoices
- Remove claims for credits
- Enhanced Customer Service

Distributor and Carrier
- Right Goods delivered to Right Place
- Calculate load volumes
- Appropriate vehicle allocation

Consumer
- Assortment
- Value
- Right Product
- Right Place
- Right time

Retailer
- Accurate Product Specifications
- Accurate Prices
- Reduced Claims
- Successful Promotions
- Accurate Order Generation/Processing
- Efficient Replenishment
- Inventory Management
- Reduced Stockholdings

GE Global eXchange Services—Proprietary Information

EANs & Barcodes - The Foundation

$$$ ECR $$$

Category Mgt | S.C.M. | Promotions | Merchandising | Technology

Foundation Issues (Barcodes)

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$$$ ECR $$$

Category Mgt

S.C.M.

Promotions

Merchandising

Technology

Foundation Issues (Barcodes)

Supplier Catalog — Orders → Catalog Buyer

Product Info

Orders

Product Info

Supplier

Multi-vendor
Product Catalog &
Trading Relations

Product Info → Buyer

Buyer

Buyer

Buyer

Orders

Buyer

Supplier

The Inter/intranet   Buyer

▷ *Savings = 50,000 administration hours, data integrity, shelves*
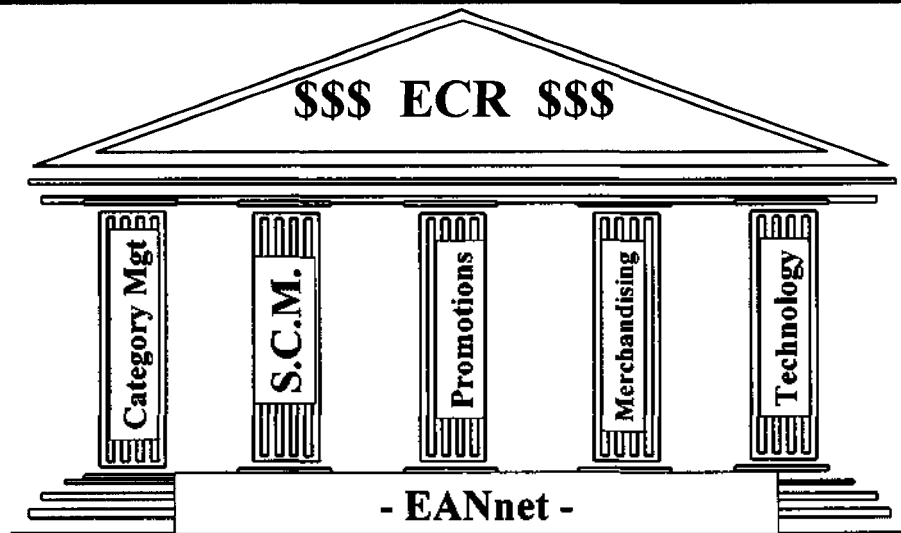*management,...* GE Global eXchange Services—Proprietary Information

Summary

- **Without Data Integrity, you cannot conduct any EC/SCM initiative**

- **Data Alignment leads to significant direct and indirect rewards**

- **Data Alignment project already in place in many countries and "global exchanges".**
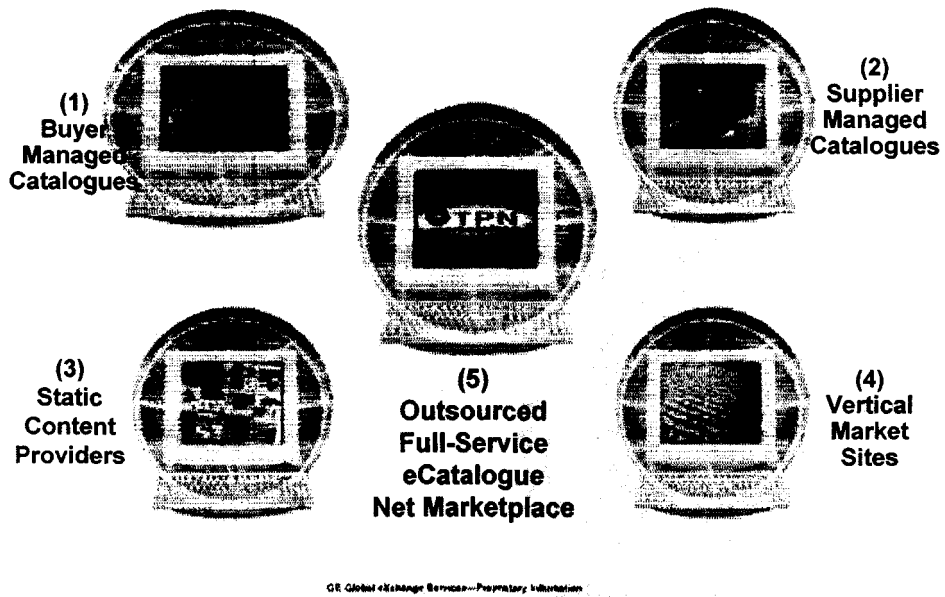

EANnet - The Foundation for any SCM initiative

$$$ ECR $$$

Category Mgt | S.C.M. | Promotions | Merchandising | Technology

- EANnet -

Different Approaches to eCatalogues

(1) Buyer Managed Catalogues

(2) Supplier Managed Catalogues

(3) Static Content Providers

(5) Outsourced Full-Service eCatalogue Net Marketplace

(4) Vertical Market Sites

1) Buyer-Managed

Seller Content

Seller Content

Buyer's Intranet
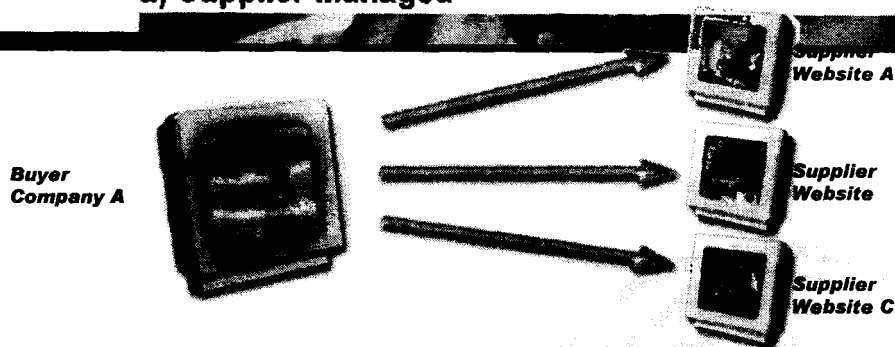
Buyer's eProcurement System
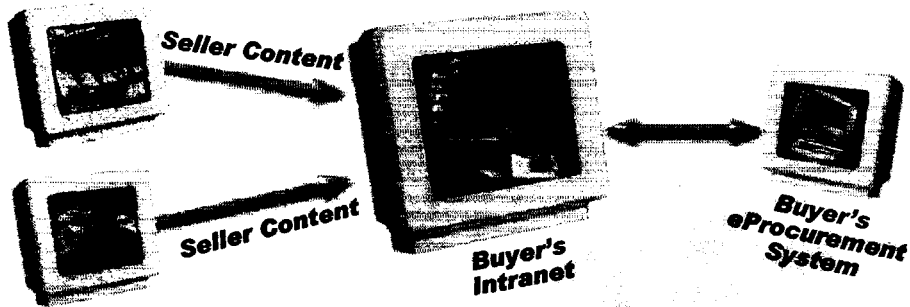
Works Best For: **Smaller buying organizations with limited number of suppliers**

Challenges: **Internal support cost and speed of deployment; integration of suppliers**

2) Supplier-Managed

Buyer Company A

Website A

Supplier Website

Supplier Website C

Works Best For: Very technically sophisticated suppliers with highly eCommerce-enabled websites or configurators (ex. Dell Premier Pages, Cisco Connection)

Challenges: Buyers must go to multiple interfaces and search methods; limited contract customization; no integration with procurement system

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3) Static Content Providers

Static Content

Static Content

Content Aggregator

Buyer's Intranet

**Buyer's eProcurement System**
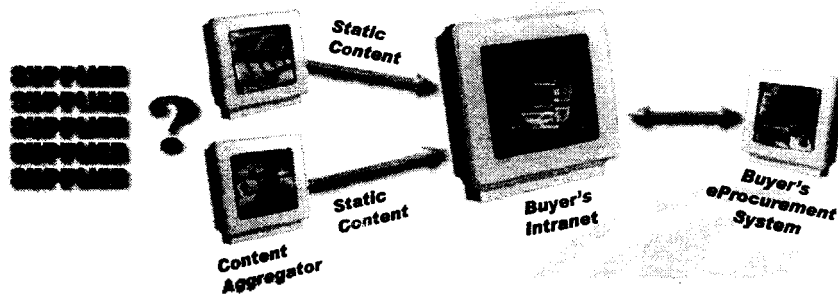
Works Best For: Buying organisations with established capabilities to host and manage their own Catalogues

Challenges: Still requires local servers, software, & expert personnel resources to customize and maintain data; suppliers often NOT involved, data quickly outdated

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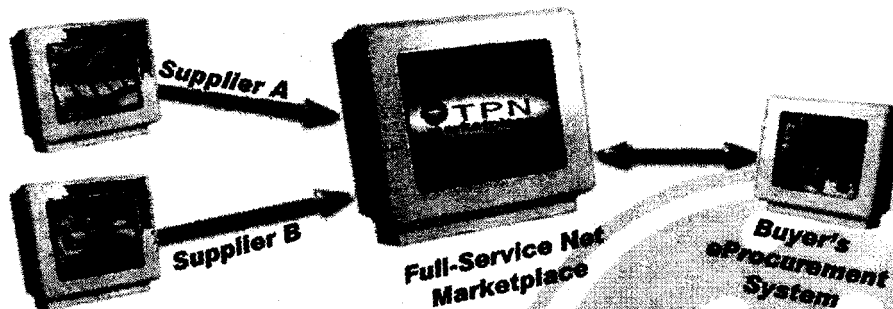
4) Vertical Market Sites
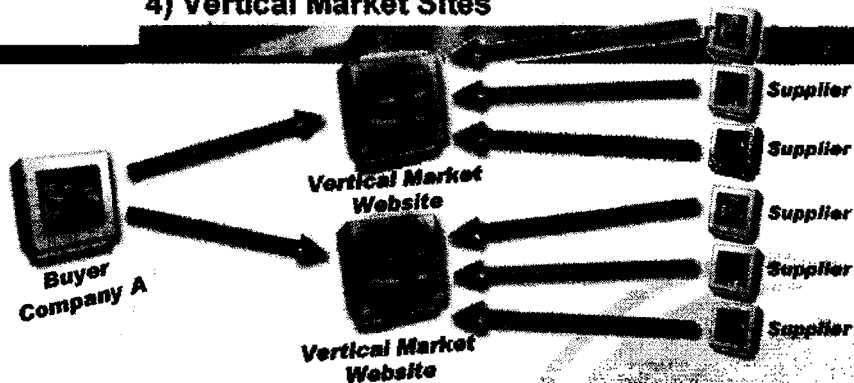
Works Best For: "Spot Buys" or sourcing for specific products in select vertical markets (e.g. VerticalNet, Ventro [Chemdex], MetalSite, etc.)

Challenges: Seller centric view; multiple GUIs and interfaces; no back-end integration; limited contract information

5) Full-Service eCatalogue Net Marketplace

Works Best For: Buyers with limited contract management expertise or infrastructure; Contract-based ordering across a large supplier base; also spot-buys and strategic sourcing across many product categories
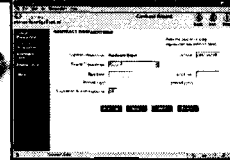
The Catalogue Management Challenge

- Content exists in very different and often incompatible formats
- Product information is not standardized or classified

- Ideally Catalogue Content is "transactive", containing buyer-specific pricing and other information

- Frequent changes can be expected -- 25% to 50% -- resulting in high maintenance costs

- Distribution of catalogues (supplier's to their customers...the customer to their requisitioners) is difficult across the enterprise

Without a Catalogue Management Infrastructure
and Supporting Services,
ROI Will Become Significantly Delayed, Reduced or Non-Existent!

The User Experience – Professional Buyer

1. A Professional Buyer logs into her account on TPN Marketplace, reviews Supplier "A"'s Catalogue (may review Suppliers B, C, etc. as well)

3. And TPN Marketplace also generates custom catalogue views by product line, department or individual user

Office Supplies

The Utica Factory

The Office Asst.

2. Following approval, TPN Marketplace generates the Buying Company's aggregated, customized "virtual" catalogue

Supplier "A"
Supplier "B"
Supplier "C"

The User Experience – Requisitioners

1. A requisitioner logs into their local eProcurement system, and searches TPN Marketplace to select contract items
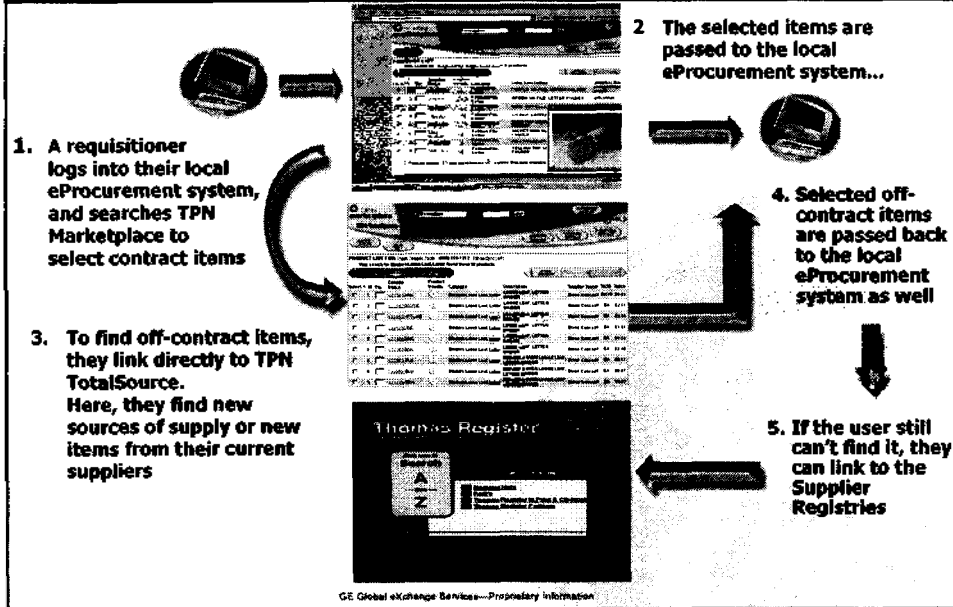
3. To find off-contract items, they link directly to TPN TotalSource.
   Here, they find new sources of supply or new items from their current suppliers

2 The selected items are passed to the local eProcurement system...

4. Selected off-contract items are passed back to the local eProcurement system as well

5. If the user still can't find it, they can link to the Supplier Registries

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The User Experience - Suppliers

1. Supplier "A" has 10,000 items in his TPN Marketplace Master Catalogue

Master catalog
10,000 products

2. Using the TPN's Online Tools, the Supplier creates Contracts and assigns sub-catalogues for their customers

3. The supplier places all or some of its Master Catalogue items into TPN TotalSource, a strategic sourcing and "spot buy" environment

9,500 items For Sourcing

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Catalogue Management Benefits - Buyers

Fast and Efficient User Experience

Scalability Across the Enterprise

Low-Hassle, Cost-Effective Outsourced Service

Tremendous ROI - Quickly
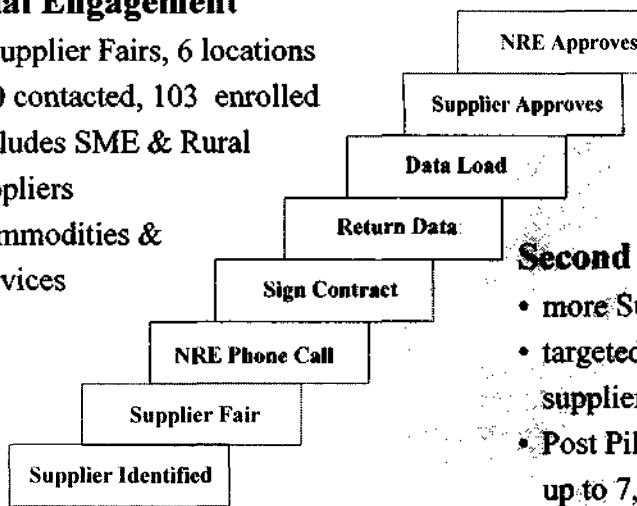

Catalogue Management Benefits - Suppliers

- Publish Once, Access to Many Buyers
  Through One Channel

- Strengthen Existing Customer Relationships and
  Increase Contracted Sales

- Expand Market Reach into New Accounts

- Easy Online Maintenance Tools and Reduced
  Ordering Errors

- No Additional Software/Hardware Costs –
  Only Need a Browser

DNRE : Best Practice Supplier Engagement

Initial Engagement

- 6 Supplier Fairs, 6 locations
- 130 contacted, 103 enrolled
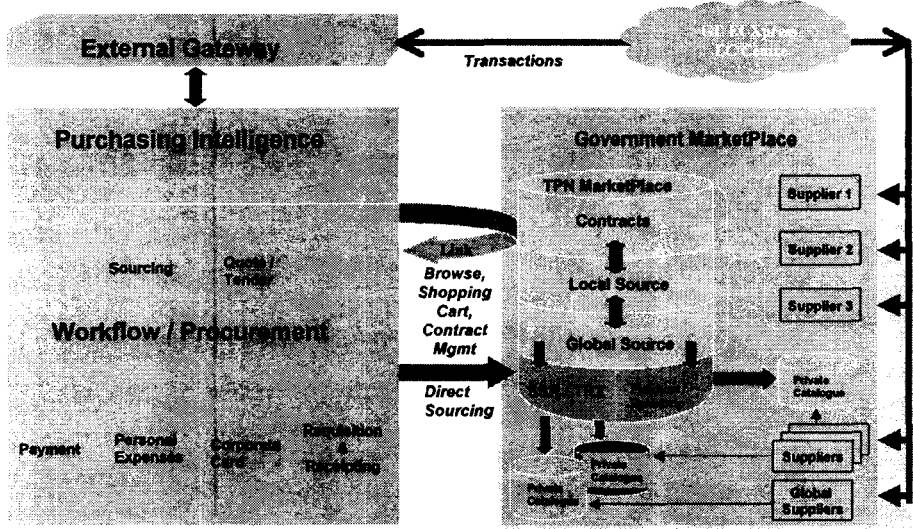- Includes SME & Rural suppliers
- Commodities & Services

NRE Approves

Supplier Approves

Data Load

Return Data

Sign Contract

NRE Phone Call

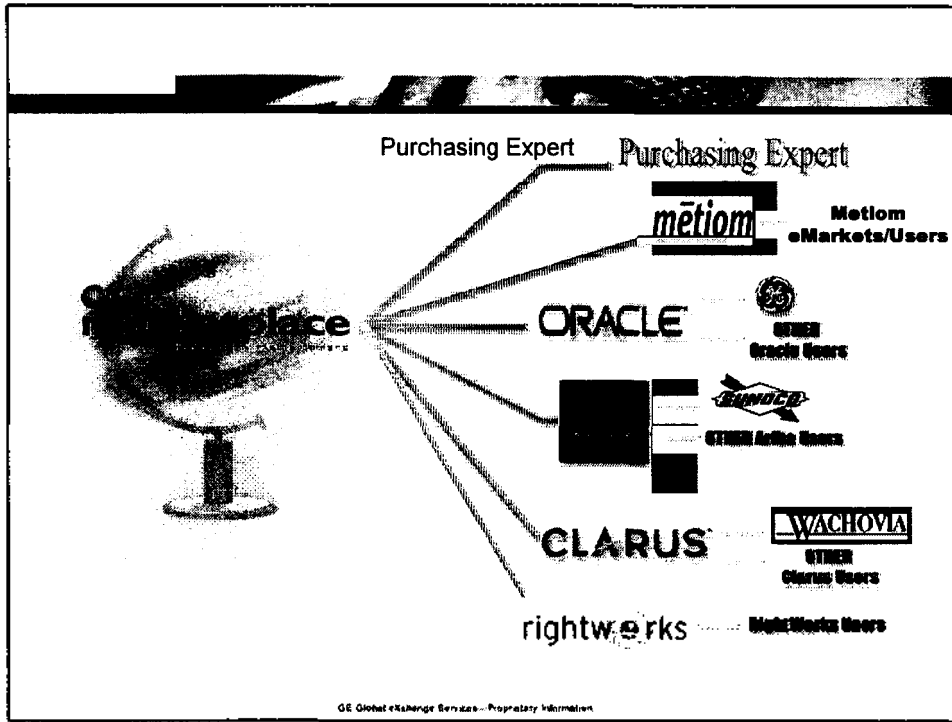**Supplier Fair**

Supplier Identified

Second Phase

- more Supplier Fairs
- targeted to specific suppliers
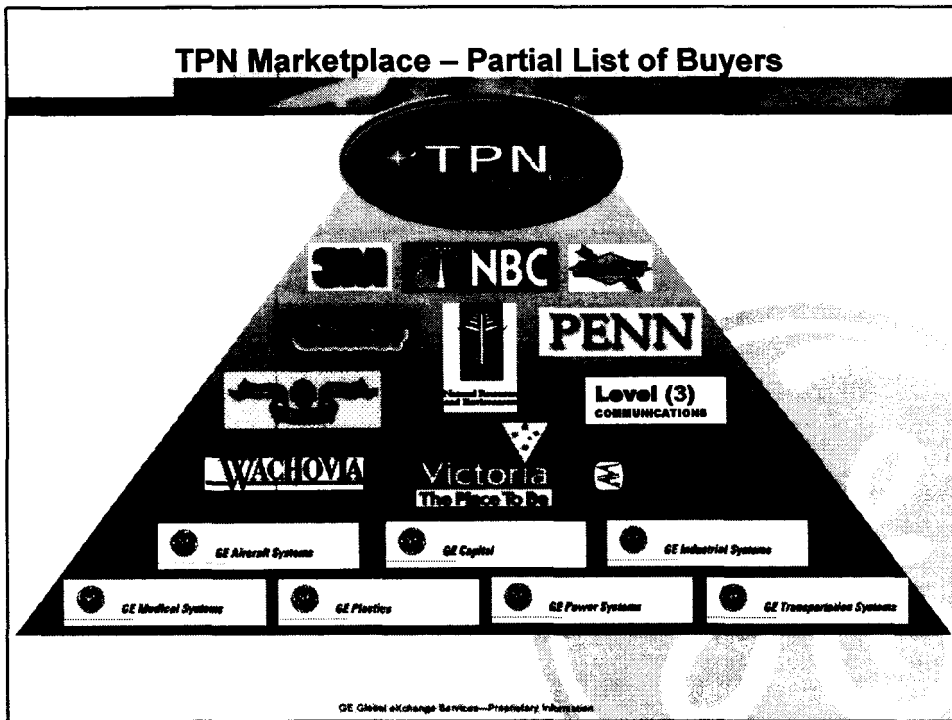- Post Pilot will engage up to 7,000 suppliers

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Solution Overview

External Gateway

Transactions

Purchasing Intelligence

Government MarketPlace

TPN MarketPlace

Contracts

Sourcing | Quote / Tender

Browse, Shopping Cart, Contract Mgmt

Local Source

Workflow / Procurement

Global Source

Direct Sourcing

Payment | Personal Expenses

Supplier 1

Supplier 2

Supplier 3

Private Catalogue

Suppliers

Global Suppliers

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-474-

TPN Marketplace – Partial List of Buyers

Conclusion

The management of content is a key element in the implementation of an e-procurement solution

- As a buyer are you able to maintain your own catalogue?
- As a supplier are you able to maintain a catalogue that can be accessed by buyers?

A Managed Catalogue is an option that should be considered