Tesco.com’s Business Challenge

By 2004, Tesco.com was in its fifth year, having leveraged its already successful online grocery brand by successfully expanding the product offering into several non-food sectors. The brand was by now the world's largest online grocery retailer and was managing hundreds of thousands of different non-food products, sourced from a large supplier base. Competition in the market had become increasingly aggressive during this period with threats to the Tesco.com business emerging on a global scale. To compete, Tesco.com needed to strengthen the business further. As Jon Higgins, IT Director at Tesco.com explained, "Our strategy is to provide exceptional value and choice for our customers with an unrivalled choice of products. To deliver on this promise, we manage hundreds of thousands of products, sourced from a large number of different suppliers. When one of our suppliers or partners fails to deliver essential product data that we can use quickly and easily, it results in Tesco.com failing to provide that choice for our customers. It was very simple; we needed a solution that would help us to work collaboratively both internally and externally, reducing our reliance on our weakest links and to provide consistent and accurate product information for our customers to choose from."

The Solution - Sonetto™ Information Management from IVIS Group

According to Higgins, having worked with the IVIS Group for almost ten years, the company had the right track record, level of trust and credentials to move into this next phase with Tesco.com. Higgins was confident that IVIS Group's Sonetto™ Information Management technology would provide the business solution Tesco.com was looking for. They knew from the start that they would have great flexibility in the way they managed product information as there was no prescriptive or restrictive definition to follow. IVIS Group also had a solid understanding of the Tesco.com business, having already worked as a virtual part of the Tesco.com team since its inception.

Working together with the Tesco.com commercial team, IVIS Group deployed the Sonetto™ Enterprise PIM application within a matter of weeks. Firstly to manage the electrical product information in the run-up to the busy Christmas 2004 trading period and later for the entertainment product range. The benefits it brought to the business became clear very quickly.

Handling Control to Business Users

With Sonetto™ Enterprise PIM, the commercial teams were now able to 'teach' Sonetto™ to automatically correct errors in new and existing product data and add enriched information to product records by providing examples. This process of standardisation was applied to product data that was being supplied to Tesco.com in an unstructured and often unreliable form from different sources. Using Sonetto™ ensured that product information was accurate and up-to-date across the entire supply chain. As Bruno Monteyne, Electrical Category Manager at Tesco.com highlights, "Sonetto's superior Product Information Management capability considerably improved the quality of our website navigation by cleaning up and enhancing the data we receive from suppliers and partners."
Thanks to its rules-based technology, Sonetto™ also gave back control of product information to the commercial teams, immediately reducing their reliance on their own IT department and improving time-to-market. With the ability to make their own product amendments online within seconds there was no more time wasted on hard coding data.

Additionally, Sonetto™ enabled them to 'enrich' their own products, adding information to the data in a language appropriate to the audience. This provided customers with more relevant information on which they could base their buying decision. Using Sonetto™ they could also classify product information in different categories, giving the opportunity for an unlimited variety of marketing campaigns and ultimately, increasing the opportunity to buy. For example, in the Tesco.com electrical site, a widescreen TV could also appear in the 'Featured Products' or 'Best Buys' sections as well as in the 'TV' category.

As Monteyne explains, cleansing, enriching and categorisation of data, ultimately leads to a better customer search experience; "High quality data on our products is important to allow customers to quickly navigate to the products they want."

**Fixing it and keeping it fixed**

As Sonetto™ solves product information problems iteratively, the value of product information grows over time. This ability to learn through example or rules, means that only one change has to be made to a piece of information and it is replicated across all similar data, immediately eliminating the need for manual intervention. Quite simply, by teaching Sonetto™ why the change is being made, it automatically makes the same amendment when it finds the same aspect in another product. As Monteyne states, "Instead of having a full time person cleaning data, we can now do the job in one hour per week and we can be much more creative with what types of new data we would like to create."

**Business Impact**

With Sonetto™, Tesco.com has been able to streamline its entire Product Information Management process and in turn, its business process. The time to market and therefore the opportunity for faster return on investment has speeded up significantly with the implementation of Sonetto™ as Monteyne outlines; "This improves conversion rates on the site, which in turn reduces our cost of marketing and speeds up our return on investment. It also improves customers' satisfaction with how the website works."

And the future? Monteyne confirms that working with IVIS and using Sonetto™ could add real benefits for the rest of the Tesco.com business, "We can see real benefits from potentially expanding the power of Sonetto™ across the supply chain. Technically, building a platform on open standards, as Sonetto™ is, has removed a potentially big headache. We have a great partnership with the IVIS Group team and have, I believe, learned a great deal from each other in implementing this solution. Ultimately, we are delivering on the Tesco.com promise of providing exceptional value and choice, which will drive revenues and help us maintain our position as the world's number one online retailer."

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**Details and Information**

IVIS Group Ltd.
CP House 97-107 Uxbridge Road,
Ealing, London W5 5TL, UK
Tel +44 (0)20 8579 3335
www.ivisgroup.com

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