

Case Study

Progressive



Country:
New Zealand

Industry:
FMCG, Retail

B2BE Solutions:
EDI



Business Objective

Educate and encourage almost 1,000 New Zealand Trade Partners to transition to an e-business trading platform in a short time-frame.



Business Benefits

Contract Value-Added Network Specialist and Woolworths' partner, B2BE, to liaise with Trade Partners locally.

The Company

B2BE converts 50% of Progressive / Woolworths' NZ Partners to e-business

The major grocery group engaged B2BE (then called “ECN” in New Zealand) to ‘educate’ its 943 NZ Trade Partners of the benefits of switching to EDI and webforms – 48% did so in just 3 months, with more to follow....

Woolworths Limited is a major publicly listed trans-Tasman retail group, with more than 3,000 stores and 180,000 employees in New Zealand and Australia. Through its New Zealand business, Progressive Enterprises Limited, it is a significant player in the New Zealand grocery market.





The Challenge

A key business improvement focus for Woolworths over the past few years has been enhancing the integration of its own core IT systems with those of its Trade Partners, through Electronic Data Interchange (EDI). It has also been deploying a web-based e-business portal called webforms.

Webforms is a free online solution allowing Woolworths' Trade Partners to receive purchase orders and then respond with purchase-order acknowledgments and electronic invoices. The application has been introduced as an alternative to fax and email, allowing the company's Trade Partners who may not be in a position to implement a full EDI process, to still access the benefits of electronic trading.

In a bid to speed up Trade Partner uptake of these electronic trading options in New Zealand, Woolworths engaged B2BE, one of its Value- Added Network (VAN) providers with a New Zealand base, to undertake a 13-week education project. This involved liaising with 943 of Woolworths' New Zealand Trade Partners, to educate, encourage and assist as many of them as possible to make an early transition to webforms or EDI.

Prior to the webforms/EDI engagement project, B2BE had a strong existing relationship with Woolworths and its New Zealand operation, Progressive, facilitating the connections for many of those Trade Partners already engaging in e-business with Progressive.

This put B2BE in a good position to help Woolworths in its goals around uptake of e-business by its New Zealand Trade Partners.

The Solution

worths that involved contacting each Trade Partner several times. Initially B2BE tested the community's preparedness for the changes using an online survey. Then, depending on responses, B2BE followed up via phone and email to all Trade Partners, directing them to a purpose-built B2BE web site.

The site provided all the documentation Trade Partners needed along with a registration process. The registrations from the site were also integrated with the Woolworths TRM (Trade Relationship Management) system.

Jason Steiner, Woolworths' Senior Project Manager for e-business, says the key reason for engaging B2BE was the realisation that to get the most out of the project it would be best to use an organisation with strong e-business supplier engagement skills, with "on-the-ground" presence in New Zealand and expertise in Woolworths' e-business solutions, as well as in VAN services in general.

"B2BE already had contact with the majority of our Trading Partners who were already connected with Progressive electronically. In addition, they had experience in previous e-business initiatives undertaken by Woolworths in the past," says Steiner.

"One of the challenges we faced was contacting the right person to liaise with on e-business issues within each Trade Partner organisation. This was an issue from a resourcing point of view if we were to do it in-house. We could have got on the phone and started contacting each organisations, but we realised it was more efficient and cost-effective to engage B2BE who could not only establish contact in the context of e-business but also provide expertise and guidance as a VAN should it be necessary" says Steiner.

"We looked to employ expertise in a geography that's in a different time-zone to our Australian headquarters, and where we don't have our own significant in-house e-business expertise or resources to undertake such a task." He says Woolworths' New Zealand Trade Partners vary significantly in the size of their businesses, and the IT and technical skills they have within their organisations.

"B2BE were in the ideal position to assist us, given they have a presence on the ground in New Zealand and could also add value, technically, to discussions with our Trade Partners about whether to go down the webforms or EDI route."



The Results

By the end of B2BE's 13-week campaign contacting and liaising with Woolworths' 943 New Zealand Trade Partners, 361 had signed up to use the webforms platform and 67 others had opted to engage through EDI. More than 100 others had indicated their interest and intention to move to either webforms or EDI in the near future. This meant the result of the campaign was that of Woolworths' potential e-business base, 48 per cent had signed up to the initiative within the campaign's agreed time-frame, and 12 per cent were expected to do so in the very near future.

"When you look at the number of trading relationships transitioned to e-business from start to finish, I think it was an impressive outcome," says Steiner.

"We're very happy with the results achieved. I do not think we would have been able to achieve the same result utilising our own resources alone. We definitely achieved what we set out to do."

Further insights gained by B2BE into the e-business capabilities and preferences of the Woolworths' Trade Partner base, during the course of the project, will enable Woolworths to progress most efficiently and effectively those yet to make an e-business transition, Steiner adds.

"We've gathered key information to assist with this and future eBusiness initiatives, such as who the right contact is for e-business within the various Trade Partner organisations. Thus, we're now well positioned for any follow-ups with those yet to sign-on. In addition, we are now able to conduct a discussion with the Trade Partner already aware of our e-business aspirations."

One New Zealand-based Woolworths Trade Partner to sign up for webforms, as a result of the B2BE project, is organics products' distributor Ceres Enterprises.

Ceres distributes its range of dry goods through Progressive Enterprises' supermarkets, typically supplying each store with between 200 and 300 lines of product. Ceres' General Manager, David Josephson, says his company had previously been interacting with Progressive via email.

"Facilitating the changeover to e-business trading with Progressive was probably going to be out of our league without somebody like B2BE having the expertise to handle things as the go-between," Josephson says.

"Even though we had dabbled in the EDI side of things, to try and get e-business up and running, and to, eventually, consider moving towards a full EDI connection with Progressive, we needed somebody like B2BE to come in and assist us," he says.

"We haven't actually gone live with webforms yet, so haven't seen the benefits from that side. But we have definitely seen the benefits of working with B2BE. It's certainly a lot easier dealing with somebody locally than it is trying to deal directly with a company based in Australia."

And Josephson is also anticipating that significant benefits will flow through to Ceres' operation when the company does go live with webforms in the near future.

“We get hundreds, if not thousands, of order lines through on a weekly basis which we currently have to manually key-in, so moving to an e-business platform will assist our operation greatly.”

“We’re very happy with the results achieved. I do not think we would have been able to achieve the same result utilising our own resources alone,”

Jason Steiner, Senior Project Manager, eBusiness, Woolworths Limited.

About B2BE

B2BE delivers electronic supply chain solutions globally allowing organisations to better manage their supply chain processes, providing greater levels of visibility, auditability and control. With over 20+ years of experience, the B2BE teams operate in over 20 countries and regions and speak 17 different languages. We are trusted by over 6000+ customers with more than +58,000 trading relationships.

For more information, visit www.b2be.com