

Retail Power Wawa Benefits From Seagate Software's Enterprise Information Management Paradigm

An ancient Chinese proverb asserts that a friendly gesture is its own reward. Implicit in this thought is the idea that good is likely to come from a positive impulse—something retail power Wawa (Wawa, PA) is benefiting from in information management.

Wawa has a unique fit in the retail food market. With annual sales of nearly \$1 billion, the company has more than 500 stores that offer groceries, fresh produce, and prepared foods in addition to the sundries associated with the typical “convenience” store venue. To improve the distribution of information across the enterprise, Wawa moved to a client server environment in 1992. According to Joe Campbell, project leader for Wawa's decision support system (DSS), the next key step in leveraging data was to implement the project he currently leads. “The IT director at that time wanted to improve the relationship with the marketing department,” says Campbell, “and also begin the decision support effort. So he offered the marketing group sponsorship of the DSS project—an offer they readily accepted.”

Project Launch

Wawa proceeded with a full tool evaluation, seeking a solution that would fit with the company's existing IT infrastructure. “Four or five solutions were examined as possibilities,” says Campbell, “and that was narrowed down to two finalists. We ran a test with both systems, and found that Seagate Holo was much better equipped to handle the volume of data we wanted to process.”

Seagate Holo is an application development environment optimized for the delivery of business intelligence systems that encapsulate and report on an enterprise's business processes. By supporting users with a framework that inherently understands their needs, these business information systems provide organizations with a key strategic and tactical weapon in their battle to make effective use of the ever-increasing volumes of data held in both relational and online analytical processing (OLAP) data stores.

“The main reason for building the system,” says Campbell, “was that it took an inordinate amount of time and work for the marketing analysts to collect the necessary information to make informed business decisions—on pricing, promotion, performance of vendors, and so on.”

According to Campbell, in many cases Wawa marketing analysts simply didn’t have access to the data they needed, especially for critical historical trends like time frame comparisons.

Wawa implemented Seagate Holos in 1995 and immediately began to use the technology to address the data access and management problems identified. “We’ve used it to build standard management reports,” says Campbell, “which has saved analysts a tremendous amount of time and effort formerly used in identifying, accessing, and organizing relevant data.”

He also cites the importance of Seagate Holos in responding to ad hoc requests from marketing analysts covering varying items or product sets. “Key factors for products like magazines or soda or fresh sandwiches are markedly different,” Campbell continues. “The retail industry has provided different standards of how to report on these goods, and what used to be labor- and time-intensive in providing the data to build such reports is now available instantly through the DSS.”

The system provides information from a single source of data, shared across all Wawa departments. “For example,” notes Campbell, “tobacco data is viewed by many branches of the company for different purposes, but the raw numbers all start with DSS. Distribution may look at the numbers of cartons shipped in a week; marketing may track the performance of a particular brand; finance monitors earned vendor discounts.”

Enterprisewide Benefits

Since system implementation, Wawa market analysts have noted that data they now have online in real time—organized and analyzed—formerly took over a month just to collect. “The productivity gains are exceptional,” Campbell says. “Just multiply that type of gain over all the users of the system, and you can begin to see the advantages we’ve gained since implementing Seagate Holos.”

According to Campbell, use of the DSS has now become “an integral part of daily work” at Wawa, all the way up to the company president, who reviews a daily executive sales report built with Seagate Holos.

This sort of analysis—formerly impossible, now routine—can be seen in Wawa’s bakery goods. Product sales are visible by product, by day part, and by store, across the enterprise. Movement can be tracked by time of sale. Volumes can be tracked precisely and deliveries coordinated accordingly—ensuring that no Wawa customers are disappointed at the point of sale.

“Much of what the system delivers are the intangible benefits so key to success in the retail food market,” says Campbell. “Quality and freshness of goods. Customer satisfaction.”

The system is also delivering tangible, quantifiable benefits. “A good example is the beverage analysis we did with the DSS,” continues Campbell. “All cold products the company handled were surveyed, and we were able to identify which products were significant and which were ancillary—reducing our inventory of items from over 2,000 to less than 800.”

Through this analysis, Wawa was able to substantially reduce the number of vendors it had to deal with, improve its ability to leverage relationships with the “significant” vendors, and free up space throughout its network for the introduction of new products.

Working With Seagate Holos

“The DSS,” says Campbell, “really revolves around Seagate Holos. The system uses a VMS as its server, with an Oracle RDB database. We’ve found the Seagate software to be incredibly reliable—bulletproof—on the system as structured.”

Wawa users now go through two training sessions—an introduction to the technology, and an advanced session in which users become familiar with how to use the system worksheet in a more specialized manner. “The biggest questions we’ve found,” says Campbell, “center around where the data is located for a specific request, now that we’ve developed multiple applications. So we developed something called the Roadmap, in which the user defines what he’s interested in; the Roadmap then tells

him all areas within the system in which data resides, as well as what factors are calculated there.”

The DSS addresses what Seagate Software calls Enterprise Information Management (EIM), providing Wawa a business intelligence system that reflects a new way of thinking about the enterprise. The company has focused on creating a forum for sharing information effectively, rather than taking a narrow focus on the technology per se. In doing so, Wawa has moved boldly towards EIM.

EIM solutions adhere to three broad requirements—information analysis, information delivery, and information reliability—that, when combined in a single integrated architecture, address all user and technology issues faced when connecting people and information. The key is starting with the needs of the users of the system, not the requirements of the technology. This results in a system that facilitates thinking, planning, and decision making—with an eye to how people learn, communicate, and share knowledge with each other. By combining the functionality of business intelligence with network and storage management, the DSS helps Wawa deal with information challenges it addresses across the growing enterprise. The company currently has over 100 installs of Seagate Holo at its corporate headquarters.

Into the Future With Solid Support

“There is a plan to expand the use of the DSS into other business areas,” Campbell notes. “Right now we’re focused on the product and marketing arena, but we could easily apply the technology in other areas like warehousing, shipping, financials, and human resources.”

Campbell cites two specific areas as likely extensions of DSS usage: “market basket analysis,” in which patterns of how products are sold together are determined, and further development of the technology’s data-mining capabilities.

“Seagate Software has been very helpful from the get-go,” says Campbell. “Their on-site demonstration of Seagate Holo was excellent while we were in the decisionmaking process, and they addressed our acceptance criteria comprehensively.”

Campbell concludes, "The Seagate HoloS product is technically sound and reliable, it works well with our hardware and database resources, and the company's technical support has been excellent."

Something, one might say, you can take off the shelf and put into your basket with confidence.

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