



Delivering
Intelligent Business Solutions
To **World-Class Retailers**

ibs **DEALS**
ibs **REFERENTIAL**

**Carrefour MAF implements
ibs DEALS & ibs REFERENTIAL from
Soft Solutions – Case Study**

PARTICIPANTS

#2 worldwide in Retail, Carrefour maintains a solid pattern of growth and profitability. Majid Al Futtaim group was associated with Carrefour group for the purpose of developing the concept of hypermarkets in the Middle East.



RELEVANT FIGURES

~ 700 millions euros

Consolidated Sales for UAE, Oman, Qatar and Egypt for the year 2002

1995

Opening first hypermarket (Dubai - UAE)

2002

4 countries: UAE, Egypte, Qatar, Oman / 12 hypermarkets

2004-2006

6 new countries: Lebanon, Syria, Jordan, Kuwait, Bahrain, Saudi Arabia / 30 hypermarkets

100 000 products

Number of item references managed in total

55 000 products

Minimum number of item references managed by store

CONTEXT

In the general framework of an all-out redefinition of organizational processes (accounting, orders, merchandise acquisition, follow-up on purchases and sales, billing, supplier negotiation, unification and standardization of information systems), Carrefour MAF was looking for modular and open-ended solutions that could take up a key role in the restructuring task.

Identified needs are twofold

- Set up a group referential.
 - Each country had its own referential.
 - Listed data lacked uniformity.
 - Consolidation at various structure levels were laborious if at all possible.
- Redefine a purchases-monitoring process based on a "mixed" organization.
 - Purchases management is decentralized: Each country, or even each store manages its own negotiations.
 - It is not possible for the group to exercise any influence in international negotiations
 - The group has no visibility on store actions:
 - It is not possible to follow up on negotiations based on store's real TO.
 - No margin or purchase TO analyses are available.
 - Information exchange among various organizational levels are not fully reliable.

IMPLEMENTATION

General definition of metier processes

- Implement: ibs *REFERENTIAL* and ibs *DEALS* at the core of the organizational strategy.
- Define the role of each participant and each entity for an optimized and reactive purchases control.
- Allow a "mixed" purchases organization providing for store involvement in managing sales and billing.
- Define a project perimeter providing for short-term results and mid-term evolutions.

Referential

- Unify supplier management
- Redefine and standardize product set management
- Identify international suppliers and create a unique suppliers/product sets base
- Preserve specifics of each entity

Deals

- Audit information of back-office systems
- Proof and validate purchases TO. Align them with accounting sales
- Implement purchasing methodology
- Automate processes and information flows

ORGANIZATION

HQ

- Management of a single base for international suppliers and reference product groups
- International negotiations
- Follow-up on national and international contracts
- Consolidation of purchases and sales Tos
- Analyses of all-country margins

Country

- Management of country referential
- National negotiations
- Complement to international negotiations
- Follow-up on national and international contracts
- Country-level purchases and sales consolidation
- Country-level margin analyses

Store

- Integration and validation of purchasing sales - accrual - billing Private label analyses

Group's Agenda

- Organizational structure - ibs **DEALS**
 - Implementation of mixed model
 - Definition of elements
 - Control of purchasing process
- Data reliability / flow management: - ibs **REFERENTIAL**
 - Data quality
 - Redundancy avoided
 - Information shared and consolidated at all levels
- Automation of information flows - ibs **DEALS**
 - More control
 - More coherence
- Visibility and flexibility - ibs **DEALS**
 - Diffusion of information
 - Follow-up by group and by country
 - Level of secured access adapted to group/country/store and to Merchandise Structure
- Purchases performance - ibs **DEALS**
 - Improvement of negotiations
 - International negotiations
 - National negotiations
- Time savings - ibs **DEALS**
 - Task automation
 - Automatic consolidation of purchases, sales and margins
 - Automatic billing
 - Redefinition of efficient processes
- Evolution
 - Natural integration of new countries

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