Shop 'Til You Drop:

Kmart Australia Transforms into a True Omnichannel Retailer and Quadruples Online Sales

"With Informatica MDM - Product 360, we have complete, accurate, and trustworthy information. Our customers are loving it."

Emma Toop
Online Strategic Initiatives Manager
Kmart Australia

Goals	Solution	Results
Grow the business by opening digital channels and moving the full product catalog online	Streamline and centralize product information management with Informatica MDM - Product 360	Moved 98% of the company's product range online, representing 45,000+ SKUs
Launch products faster across all channels, in both B2C and B2B environments	Use Informatica MDM - Product 360 to speed product introductions to all channels	Quadrupling online sales by introducing products 4x faster and moving beyond B2C into B2B
Enable a small product management team to be more efficient while improving data quality	Empower team to share accurate product information using Informatica Data Quality to automate data checks and governance	Improving product data quality while sustaining a 3x increase in team's overall productivity

About Kmart Australia
Founded in 1969, Kmart Australia Limited is an Australian chain of retail stores owned by Wesfarmers, with annual sales of more than AUD$5 billion. It has more than 30,000 employees and operates 234 stores across Australia and New Zealand, with its head office located in Mulgrave, Melbourne.

Kmart Australia Limited is one of the most widely recognized brands in the nation for providing families with fashionable, high-quality products at great prices. It's Australia's largest container importer, processing a vast amount of goods every day. Born out of a joint venture with Kmart's U.S.-based founders, Kmart Australia is now unaffiliated with the American retailer.
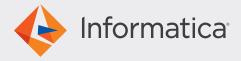
Unlike many retailers, Kmart Australia designs and develops its own products—over 80 percent of its product range is home-branded. Customers love the products, but competition from web retailers and international companies is growing. To continue expanding the business, Kmart Australia needed to use digital channels and innovations to improve the customer experience beyond brick-and-mortar stores. Of the company's wide product range—everything from work boots to dresses, fishing rods to camping supplies, and makeup to pet beds—only six percent was available to purchase online.

"With the shift in customer behavior and the way that the market is changing in Australia, we need to make sure that we're opening up all of our digital channels, and our customers are demanding that," says Emma Toop, Online Strategic Initiatives Manager at Kmart Australia. "Our goal is simple: Take what we're already great at—the products our customers love—and move them to the digital realm."

In addition to broadening its online reach, Kmart Australia wanted to expand beyond its business-to-consumer (B2C) focus and pursue business-to-business (B2B) selling opportunities. To achieve its business goals, the company needed a robust product information management (PIM) solution.

Kmart Australia began implementing a PIM system designed for general merchandise, but it lacked the functionality and flexibility that the large retailer required to bring its full product range of more than 45,000 SKUs online. Importing product data was tedious, and one-third of the company's product team was devoted to reviewing and approving product information for data checks and governance. Because only basic data was available, online product information was often incomplete. Customers did not have enough data to make purchasing decisions, which impacted online sales.

Adding to the company's challenge was a large volume of on-trend apparel products, most of which have a short lifecycle requiring comparatively quicker turnaround time and take more effort to load into and maintain within the PIM system. Images had to be manually assigned to all apparel products, and publishing a new SKU took an average of 10 days. Although the number of products introduced grew slightly, the small team struggled to maintain a mere 12 percent of its product range online, performing manual stock checks on a daily basis. "The plumbing was broken," recalls Toop. "On average, we would lose about 30 percent of our product data every time something was shared to the website."

Toop continues, "We're reaching two and a half million customers every week with our online channels, which is approximately the same number of people that come through our doors in Kmart Australia. When we told the business that, it was non-negotiable—we had to get our entire product range online, and we had to do it as quickly as possible."

Kmart Australia began looking for a more powerful and flexible PIM solution that would allow it to generate, edit, and load complete product information, including photos, and significantly increase its current product load rate. It also needed a system that could integrate with the vendors that supply 20 percent of its product inventory, as well as external agencies to onboard and validate product images and other digital content.

Enabling a rapid online expansion

With big ambitions, Kmart Australia selected Informatica MDM - Product 360 to centralize and manage product information, along with Informatica Data Quality to help keep product data accurate. MDM - Product 360 provides simple web collaboration and portals for Kmart's internal team as well as external agencies and data contributors, enabling business users to more efficiently acquire, author, edit, and share product information.

"We chose Informatica because of the cultural fit as much as the technology," says Toop. "They are best in class at what they do, and they were completely willing to partner with us. They took on our problems as their problems and found the right solutions."

To help ensure a quick and expert implementation with fast time to value, Kmart Australia worked with Informatica Professional Services, who integrated MDM - Product 360 with Kmart's ERP system to update 130 data fields daily. Within one month of implementation, Kmart Australia expanded its online reach by 50 percent, and within months brought 98 percent of its product SKUs online.

"We used Informatica MDM - Product 360 to digitalize our entire product range because products are what we care about and love, so we needed to showcase them to the world," says Toop. "Part of the decision to select Informatica was its strength in data governance and our access to those skills through the Informatica Professional Services team."

Quadrupling online sales

With Informatica MDM - Product 360 and Informatica Data Quality, Kmart Australia can introduce products much faster across all channels. Automated data checks and three levels of quality assurance processes yield accurate, high-quality content. Images are now automatically assigned to apparel SKUs, with no manual intervention required. Kmart Australia has also moved further into B2B sales opportunities, driving more revenue and helping the business grow 60 percent over the last two years.

"*Since we implemented Informatica MDM - Product 360, our online sales have quadrupled because we have our full product range online. Now that customers can confidently shop online, we're hitting all of our sales and range coverage targets."*

Emma Toop
Online Strategic Initiatives Manager
Kmart Australia

"Since we implemented Informatica MDM - Product 360, we've seen the productivity of our team triple, so the team is able to share three times as many products at a much higher quality," says Toop. "We're four times faster to market, meaning that we can process products four times faster and get them online quicker. Our online sales have quadrupled because we have our full product range online. Now that customers can confidently shop online, we're hitting all of our sales and range coverage targets."
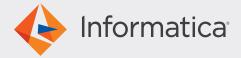
Better customer shopping experiences

With higher quality and more complete product data, Kmart Australia can provide better, more informed shopping experiences with fewer unwanted surprises. For example, automated stock checks and dynamic image management across lines of apparel mean that the system displays only the colors of in-stock products in search results for customers, saving them the disappointment of ordering an out-of-stock item.

"With Informatica MDM - Product 360, we have 98 percent of our product range online, we can support it, and we have products ready to go before they even land in stores," says Toop. "We have complete, accurate, and trustworthy information. Our customers are loving it, because they can shop Kmart wherever and however they want."

Falling in love with PIM

With the ability to keep product data consistent and accurate and reuse the data across multiple channels, Kmart Australia is in a much better position to compete in the world of global digital retail. Instead of working on manual data governance tasks, one-third of the company's product team can now focus on improving customer experiences and meeting the demands of online shoppers.

"Before we implemented Informatica MDM - Product 360, we were in a difficult situation," says Toop. "Now, the system just works. The process works. If we do something wrong, MDM - Product 360 will stop it with data quality checks. PIM used to be the bane of our existence. Now, PIM is actually loved by the team!"

Inside The Solution:

- Informatica MDM - Product 360

- Informatica Data Quality