



Quality data supports sales at Festool.

Interview with Sales Manager for Festool in Denmark, Michael Petraeus.

About Festool

Founded in 1925 in Germany, Festool is known as a manufacturer of top-quality power tools with a global presence.

Festool offers a complete range of power tools for the tradesman who wants products of absolute top quality and for whom safety, ease of maintenance and first-class support from the manufacturer play a particularly important role.

The Danish subsidiary, for which Michael Petraeus has been national sales manager until May 2024, shares an office with the Swedish subsidiary in Malmö, from where all activities in the two countries are managed.

Read more here:

www.festool.dk

Festools salgsplatform

Around 2018, Festool underwent a strategic process, which resulted in what is now the current sales and marketing platform; The number of dealers was reduced and the requirements for Festool dealers to purchase from Festool's new marketing platform increased. The focus was sharpened on three key areas: Consolidation, internationalisation and digitalisation. According to Michael Petraeus, this was a breakthrough in the market:

"We presented the dealers with a new sales platform, which included a wide range of highly data-driven elements such as product data, documentation, images, support and other sales support elements. And of course, the products themselves! We treat all dealers the same and offer all dealers the same broad package, and from there it is up to them to use as wide a range of it as possible to help with the sale of our products."

In particular, the level of display of data, descriptions, technical specifications and images on Festool products could vary greatly from one dealer to another:

"We are a high-end product and want to be marketed as such by our dealers. If we were a car, you could compare it to a Porsche – you don't try to sell it with the help of grainy pictures, where the car stands clumsily on beer crates and is described with incorrect or outdated texts about advantages and features. It is important to us that our products appear as good as possible both in terms of images and the large amount of product information we provide as part of the package. It is important for the end customer that he or she feels safe in his or her choice of our product, and a very large part of that security is created on the basis of the large amount of completely impressive specifications that our products have."

Better do it now!

For Michael Petraeus, Denmark, Sweden and the Nordic countries are generally examples of a pioneering area that is 5-10 years ahead of the rest of Europe. This is due to the high degree of digitalisation that the Nordic Region has undergone.

"In Denmark and the Nordic region, we are digitalised in a way that will not appear in the rest of Europe until several years from now. Digitalization entails a large and necessary focus on data. For a company like ours, it has given us an opportunity to move up a gear and prepare the global business to be able to support sales processes at retailers that are fully digitalized. In Denmark and Sweden, for example, we see virtually no dealers and distributors who do not have some form of robotic warehouse. This means that we must be able to provide precise and

adapted logistics data on our products, so that they know in advance how many boxes they need to sell in the warehouse for our products. All retailers have one or more e-commerce channels and do not necessarily meet the end customer physically, and in this context, it is crucial that the end customer has a broad, deep and advisory data basis for all products to base their purchase decision on, and we must therefore also be able to deliver this to our retailers."

According to Michael Petraeus, there are a few other areas that distinguish the Nordic markets from the more southern markets in Europe:

"In the Nordic region, we sell large quantities of products to a large number of end customers via a limited number of dealers. E-commerce is largely the driver of this. In the more southern regions of Europe, we still see a very large number of retailers who primarily meet the end customer in physical stores: All other things being equal, it is a completely different kind of logistics data that you need if you need to place a product on a shelf in a store compared to having to place your product in a box together with other products in a miniload robotic warehouse."

Festool has not only managed to adapt to the high degree of digitalisation, but has also managed to use it to its advantage in the market. In general, Michael Petraeus sees a race of elimination taking place in these years.

"The brands that will emerge as global winners in a few years are those that are geared to act in a highly digitalized reality, and who know how to support and guide their retailers to meet the end customer in the best possible way in the digital reality. It is especially about being at the forefront of being able to deliver data and support your dealer network in sales. For those who think that it is probably possible to wait a bit before increasing their focus on the digital and on the delivery of product data, images, documents, etc. in high quality and abundant quantities, there is one piece of good advice I would like to give them along the way: Better do it now! There comes a time when the inability to provide data can result in the loss of a reseller."

It's not just about product data for a webshop: precise dimensional and weight data must also be provided to the warehouse systems, ESG data, product data for the app, inventory data for cross-docking purposes. The supplier must be prepared to be able to service its dealers in the broadest possible sense.

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Less pressure on employees

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Highly digitized reseller customers create a completely natural need to be able to deliver a customized cloud of data and documents together with the products sold to the reseller. No two retailers are running the exact same platform and the same systems, and even if they did, their individual ways of meeting the end customer would be reflected in individual data models that a supplier would have to navigate and be able to deliver data to.”

“There are some industry databases that service specific segments of the market. For example, most DIY stores pull their product data from the database called ByggeBasen. We are therefore asked to create our products there and enrich them with data and prices. But there are other dealers in other segments who use other industry databases that we need to update in the same way, and despite these databases, we are still asked to deliver data directly to the same dealers who use the industry databases – precisely to satisfy their very individual needs.”

Festool has increasingly experienced pressure from dealers to provide product data in dealer-specific formats, which are usually based on Excel. This applies not only to the initial creation of products at a dealer, but also to the ongoing maintenance of the sales-ready products in the dealers' sales channels.

“Digitalisation is a fact, and dealers usually only have one place to look to catch up on the digital data fuel that keeps their engines running: Behind to the suppliers. There were many Excel sheets in circulation, many emails to answer. This put pressure on our organization, which was stressed by the many inquiries. It's an ugly type of pressure and stress that can break employees.”

The problems at the time were largely the “translation” of Festool's own good data into the specific data needs and models that the various dealers needed. Despite Festool's good data, there could be very square conditions on the dealer side, which were perceived by the dealer customer as more important than the quality of the data content itself. A lot of time had to be spent at Festool to understand the framework and to meet the sometimes somewhat rigid ways of collecting and processing data from Festool, and in the end the result was not always very good.



About InLoad

InLoad is a SaaS multidomain master data syndication platform that enables all data value chain members to share and transform data based on automation.

InLoad helps retailers, wholesalers, manufacturers and brands save up to 80% of the time spent sharing, cleaning and exporting/importing data and files.

With a single integration, InLoad enables you to automatically manage the ever-growing need to send or receive product data and files to all systems and sales channels with full control and precision, making your time to market lightning fast.

Contact InLoad on [+45 6110 1094](tel:+4561101094) or info@inload.dk to hear more about your options.

Read more here:

www.inload.dk



The contact for InLoad

Michael Petraeus therefore set out to investigate the possibilities of solving the challenge of the practical sharing of data and the need to service the reseller customers with more and better data. The result was an inquiry to Rasmus Jærgaard at InLoad:

"I had a clue that InLoad could do something with master data. I worked really Rasmus to ensure that InLoad could solve Festool's needs. InLoad has a rather unique position in the market as those who know the needs on both sides of the negotiating table at both the supplier and the dealer. InLoad is super nerdy with product data and makes a point of guiding retailers in better presentation of a product in, for example, a webshop. At the same time, they make sure to communicate and push the opportunities and needs of the dealers backwards to the suppliers, so they know what additional data is needed on the products to achieve even better sales via the dealers. It's a pretty amazing interaction that ultimately makes both the retailer and the supplier stronger together."

Today, InLoad not only implements Festool's product data directly into the ByggeBasen, but also implements the products into the PIM and ERP systems of a number of Festool dealer customers. Data distribution works automatically. According to Michael Petraeus, this has brought some significant benefits to Festool:

"We have experienced a huge improvement in time to market on new products. I barely have time to leave the parking lot at the dealership after the end of the negotiation before my product data is in place and implemented data-wise in all the dealer's sales channels."

Overall, Festool has achieved at least half of the time spent on supporting dealers with data. But for Festool, InLoad was also the solution to a problem that had frustrated employees and had a negative impact on employee satisfaction:

"My collaboration with Rasmus at InLoad has worked on several levels. Of course, there is the data level itself, where Rasmus from InLoad has helped us create the framework for better data. But we also received help at the more tactical and understanding level, where there was a task with the internal "sales work" of focusing on the need for better data internally at Festool, so that those at the heart of HQ understood how important it is to be able to provide certain types of data to dealers for highly automated warehouses or e-commerce, for example. On top of this, there is the dialogue with our resellers, where InLoad helped us ensure that they implemented a better, broader, deeper and always updated dataset on all our products."

Digitalised companies at the retail level need data, and as a mature supplier, you must be able to understand the necessity and consequences of this, and there must be no blank holes. The winners are the dealers who can make the best use of the Festool platform. And when they win, so do we."