

Easy migration to Struct PIM and highly efficient data processes at Fog

Interview with Morten Nayberg, Online Manager at Johannes Fog A/S

About Fog

Fog is a foundation-owned chain of building material and DIY stores, which, based on nine physical stores on Zealand (Sjælland), in combination with a professional webshop, serves customers throughout Denmark. Fog was founded in 1920 in Lyngby. The range consists of more than 40,000 item numbers, of which approximately 28,000 are available online.

Read more here:

www.johannesfog.dk

What is it that characterizes Fog compared to the other players in the building materials industry?

Fog is a wholesale and retail store that supplies building materials and materials to the construction industry in general. The product range reaches widely, from felt-tip pens to screws, workwear and heavy building materials. In addition, we have a home & design department in the Lyngby department, which among other things has a large, high-profile lamp department. Here you will also find quality garden furniture and home interiors such as Fatboy, Skagerak and Vipp. So you could say that Fog is a supplier of building materials with a small crown on top, which is the home & design department. The focus is on Zealand with a heavy position in North Zealand.

What is Fog's value proposition?

In short, it is to deliver services that last in the long run. This applies to advice, know-how and materials. We want to be the good partner who has a well-trained staff who can provide thorough guidance and who can help both professional and private customers find the right solutions.

How do you orchestrate the combination of e-commerce and physical stores?

We see it as something that has to work in context. We find that our e-commerce is very appealing to the private customer, while the professional customers both need, and really like, the contact with our staff in our stores.

We were already well underway, but during Covid, e-commerce and digitalization got a huge boost, where, for example, we were able to use e-commerce and digitalization. Click & collect ordering became a norm in trade with both private and professional customers.

We have a great robustness in the model, where each store has a close relationship with its professional customers. They can always call or drop in for guidance. At the same time, the digital platform helps to support quality assurance and helps to meet the documentation requirements, as the professional customer has access to the documents they need online in our B2B portal. These include product data, data sheets and safety data sheets.

Seen in a 5-10 year perspective, what do you see as the biggest changes that digitalization has brought?

Quite obviously, there has been significantly more transparency in the market than there has ever been before. There has been a change in behaviour, where the market is scanned for

prices and availability before the customer buys. This is something we have to adapt to. In the past, the customer went into a store, was recommended some products, was given a price and made the purchase.

That is not the case today. If you want to be part of the market, visibility and transparency are crucial: What do we have on the shelves, what is the price, when can the customer get the product?

The premise is that if the item cannot be seen online, then the customer does not believe that we have it. This applies to both the B2B and B2C customers.

How has digitalisation been reflected internally at your organisation?

We have changed the organization and staffed up and. The digital team has added more full-time employees, so that from being a small part of the Marketing department, we have become an independent department that is measured on the same terms as our other departments.

Can you tell us a little about your suppliers and about the range?

We have hundreds of suppliers. The range is enormously wide and ranges from screws and boards to quality garden furniture and designer lamps. Out of a total assortment of approx. 40,000 active item numbers, approx. 28,000 are active in the webshop.

Has digitalisation and the focus on e-commerce changed the way you work with suppliers?

We are constantly experiencing new requirements from both customers and authorities, which necessarily affects the demands we have to make of suppliers. This applies not least in areas such as EPDs, environmental data and documentation. As a result, the amount of data has grown a lot, and the need for handling data has therefore also grown. Therefore, we generally place greater demands on our suppliers for digital deliveries to us in connection with product enrichment or documentation. There is an expectation of fast time-to-market on the webshop, and we need to have the right data to be able to fulfill this. For example, if there are no product images available, it is not possible to sell the goods online. There are a number of basic criteria that we need to meet from the supplier side.

What is your strategy in relation to the balance between using the data that your suppliers are directly able to provide you, and you yourself create some new data and process it? Do you have a strategy to make the supplier's data and content more "Fog'esque"?

Of course, we have some standard requirements for how an item should ideally look when sold by us. This is reflected in a number of requirements for the structure of the data, images and documents we ask to receive from suppliers.

We would like to have some data in a special edition for Fog. We can't always get these requirements met, but there's plenty of "hard" data where it's not so relevant. 18 volts is 18 volts, no matter how you look at it. But for example, we would very much like to have product texts with a specific structure that we can rewrite if necessary, or rewrite with the help of AI.

Are there examples of data that the supplier might be able to give you, where you think you would rather do it yourself?

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No, we would rather have a basic material than have nothing at all. But we would like to avoid having to clean up the things we get from the suppliers. For example, it could be statements about sustainability or certifications. We are very aware of content that could resemble greenwashing.

Are there areas where you need more control over the data you receive?

Overall, it is us who take responsibility for compliance in the presentation of the product, regardless of whether we receive data directly from a supplier or not. If there are any erroneous statements about FSC certifications or green statements, then we are the ones who both have the documentation requirement and are fined if the presentation does not live up to the applicable rules. This is something we are very aware of. Data is often delivered in a rather fragmented form, and we are very aware of whether there is an interjected sentence with some statement that we cannot stand up for ourselves.

Do you find that the searches in your webshop change and start to focus on other things than the purely basic product features? For example, whether something is Nordic Ecolabelled or has a specific environmental footprint?

Yes, there is definitely a focus on data that makes it possible to show whether a product has one or the other label or certification. This requires both being able to display this type of data in searches and filters on the website and to be able to explain the meaning of it on product pages.

Now, you mentioned AI before in connection with rewriting texts. Have you formulated a strategy in this area that there are certain types of data and content where you would like to use the AI-based text generation more?

We are very much looking at opportunities to use AI tools in daily operations. But there is the very important dimension to it in relation to, for example, greenwashing, that the result of an AI generation must be credible and not oversell anything, or outright misinform. We go a bit with both belts and braces in this area and have a strong focus on meeting rules regarding product liability and presentation of the goods.

What about the data volumes? There has been talk for many years that they just increase year after year. Is it also your experience that the amount of data required to sell a product is increasing?

Yes, I would say so. Customers are becoming more and more data-driven, so they can verify that it is the right product they are getting. If even the slightest doubt arises about this, the customer may already be on their way to the next webshop where the right information is available.



Where do you focus your attention to satisfy this need for more data?

In reality, we don't have many other options than to send the need back in the value chain to the suppliers. We try to illustrate the connection between delivering good data and selling more. We find that suppliers can easily see the benefits they get from making products appear professional to customers.

And as a supplier, you will also appear as a more attractive trading partner by coming up with the complete package, where you have all the data and documentation ready, so you can get it up and running quickly at the dealer.

You have just replaced your old PIM system with Struct. How does Struct as a PIM system help you optimize your product data management?

This is what Struct's business rules do, which, for example, provide incredibly good visibility of what actually needs to be enriched and with what, and which help automate a wide range of processes in the system that previously had to be handled manually or programmatically.

For example, the automation helps us to visualize whether an item should be active in the webshop or not. Behind this lies a complex logic that requires an overview of data in several fields in the system. Struct makes it possible for us to search for relevant item numbers with a single click in the dashboard. We use automated business rules to help us with a number of other things, for example managing information in the webshop about where an order for an item should be placed.

Sounds like something that saves time?

It saves a lot of time, and it gives a significantly better quality. I would put it in the sense that there are things that we can do today with a relatively simple business rule that can correct data automatically. It saves time, but it actually also gives more revenue because we get to the market faster with the product.

How do you experience the user interface and the user-friendliness in general in Struct compared to other or previous PIM systems?

I only have our previous inriver PIM to compare with. It is my gut feeling that the switch to Struct has given us a boost in efficiency of perhaps 30-40 percent.

You quickly got started using the new Struct PIM yourself?

Yes, very quickly. We started working with the import function – it made it possible to do a data migration from inriver to Struct itself in 14 days, which was otherwise estimated at a high number of consulting hours. The feature is really user-friendly, and once you're in it, it just runs.

Are there any conditions or functions in Struct that have made a special difference in your daily work with goods?

There is an almost limitless flexibility in the PIM model. For example, if you need a new data field, you can create it yourself. It's also easy to set up or change business rules. Of course, this requires that you know the underlying data model, but it is very flexible and easy to configure. We can continuously adapt Struct to our exact business needs, which is a huge advantage.



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What about the flow you have of data, images and documents from the suppliers? Are there any things in Struct that help to support that the quality is always good?

Yes, in Struct we have an always updated overview across all items and categories. Struct's model for selecting items makes it easy to set up clear and efficient dashboards.

For example, items that are missing information about freight can be searched for with a single click in the dashboard and displayed in a system view where all relevant data is available.

In addition, you can define enrichment insights, where you control which enrichment requirements for a product must be met before publication – possibly differentiated by the product's product category.

It's not just smart system functionality that appears as a gimmick in a sales demo; It's useful functionality that really helps us in our everyday lives. The system helps us to quickly focus on any missing information, so that we can take action exactly where data is missing.

How did you experience the migration process from the previous PIM system to Struct?

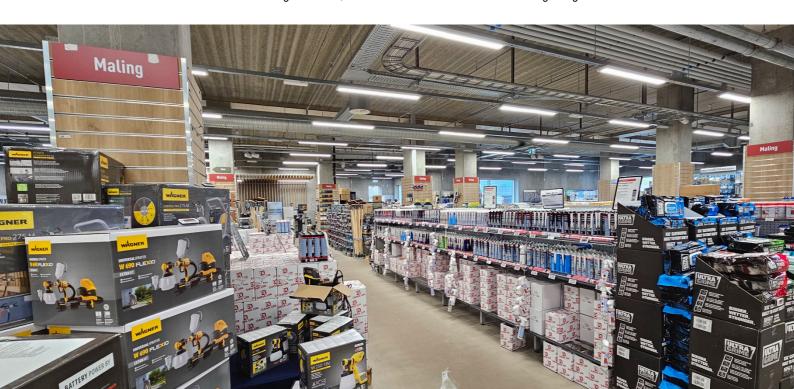
From a budget and time perspective, we went for a one-to-one solution compared to the old PIM solution. The one-to-one solution made it easy to migrate the data model and all data to Struct, and the subsequent quality assurance was also easy because of this choice. As mentioned, there is really good functionality for importing data as well as images and documents in Struct.

Have there been no challenges at all in the migration or anything you did not succeed in moving over to the new system?

It is only some limited campaign functionality in inriver that could not be migrated to Struct in the first place. It has been moved to the ERP system. But that's the only thing we've had to compromise on.

How about moving users to Struct - has it been just as easy?

The overall impression for users is that it is easier to work in Struct and that they have received an increase in productivity. The search methodology in Struct is a little different, which they have had to get used to, but that's about it. It has been a short getting used to.



Is Struct something that you would recommend in general?

100 percent! I'm a huge fan of the system as such. Struct has also been good at reacting when there has been something system-related or a bug that has been reported.

Our implementation partner has been Impact, so most of the dialogue in connection with the migration has been with them. In cases where the documentation or implementation partner has not been able to help us further, Struct has been available with help or answers to questions.

Struct is a mature solution where the basic model has really been thought through, so the solution is scalable.

You are both data receivers in InLoad and use InLoad Pull to pull data from the suppliers to the residential building. How did the contact with InLoad come about?

During the Covid epidemic, I was contacted by Rasmus from InLoad, who stated that he had a lot of product data directly from our suppliers – if we were interested in getting access to it? Since then, we have had a good and close collaboration.

What was the basic problem you had that InLoad could help you with?

Among other things, it was the process of getting data from some of our suppliers of electric tools. We actually had a good dialogue with them, but it was always a bit difficult to make it work in everyday life and benefit from their data in the daily operations. We were left with the task of finding out where there had been any changes in their data and getting this converted into something that customers could see in the webshop. It was quite time-consuming for us and for the suppliers.

And is that still what InLoad helps you with now? Has the nature of the collaboration changed over time?

First of all, we have made the change that we now use Inload's connector for Struct instead of the old PIM system that we deprecated. That change was super easy to make. But otherwise, it's basically the same challenges that InLoad helps us solve on a daily basis.

The collaboration has been continuously expanded as other of our suppliers have entered into collaboration with Inload and can thus deliver data directly to our solution.

What benefits does it give you?

First and foremost, it gives us a structure and quality of data that we rarely see when we receive data directly from a supplier. Through InLoad, we have the opportunity to influence the supplier to deliver more and better data, which we can implement on the products more quickly in our own PIM system.

InLoad also collaborates with others in our industry, and we feel that there are some cumulative effects in terms of data that we also benefit from. There is simply a broader data base to draw on from the suppliers.

Do you have figures on the efficiency increase that InLoad has helped to give you?

This provides lightning-fast time-to-market and valid data. InLoad and InLoad's connector for Struct work very well with our processes and the validations and business rules we have set up in Struct to ensure the highest possible data quality.

You could say that it is a two-stage rocket, where data first enters Struct via the Struct connector in InLoad, and then Struct supports the process of controlling and developing data with a high degree of automation in the form of, for example, business rules, before anything is published in the webshop.

It's that simple.

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 <u>+45 6110 1094</u> or <u>info@inload.dk</u> to hear more about your options.

Read more on www.inload.dk



About Struct

Struct is a leading Danish provider of Product Information Management (PIM) software that helps companies centralize, structure, and enrich product data across channels.

With a focus on user-friendliness, flexibility, and high data quality, Struct makes it easy for both brands and distributors to manage complex product catalogs – from one place. Struct is used by ambitious companies across Europe and supports their digital growth through effective data management and improved time-to-market.

Read more on www.struct.com



There is no doubt that InLoad makes it significantly faster for us to achieve sales goals. We have just run an implementation of a new range of 170 items from a supplier. Before we used InLoad, we had to spend a lot of time on the process of collecting data and texts, obtaining images, loading data, texts and images. It was a heavy process, which meant that we could not spend our time on much else. With data from InLoad, this process takes very little time. For some suppliers, we may save up to 80-85% of the time spent in the process.

How do you experience the collaboration with InLoad in general?

Good, flexible, and we get the wishes we have fulfilled, I think. There is a close and solution-oriented dialogue.

You use InLoad's Struct connector to get supplier data into Struct. What concrete benefits does this connector give you?

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