Effective use of POS information at Migros

Consolidating POS data into useful information has enormous potential for almost all business areas. Migros bets on retailsolutions in its implementation of technological developments.

Huge amounts of new data are collected daily in over 600 branches of Switzerland’s largest retailer. “With such massive data, we needed an efficient solution that guaranteed us full-time control of our POS data,” explains Oliver Jung, Head of SAP Development at Migros. At the same time, the consolidated data needed to be availed to the different corporate branches as a source of information. A target-group-based analysis of the information from the receipts presents enormous potential: Analyzing the purchase behavior makes it possible to optimize assortments, promotions, replenishment planning, logistical processes, etc. An excellent tool for increasing customer satisfaction.

The goal of the project was therefore to consolidate this mass of existing POS data at a central point, review it, and then avail it to the different systems of the cooperative association based on the respective target group.

From mass data to relevant information

11,000 POS systems in over 600 stores and more than 2 million transactions per day – every receipt contains valuable information on the type and quantity of purchased items, prices, discounts and payment method. To use this information effectively, both the POS data and branch data must be integrated into the SAP world.

The solution: SAP Process Infrastructure (SAP PI©) and SAP POS Data Management (SAP POS DM©) are used as a basis to amass all the data from the different sources onto a central platform. The data are then analyzed and consolidated using well-engineered checks within the SAP POS DM. The information required for the Migros-specific loyalty program “Cumulus” is also taken into account. A comprehensive sales audit is performed to ensure the integrity of the POS data.

The next step entails processing the data based on the respective target group and forwarding it to the appropriate systems. Business process monitoring, which is integrated in the SAP solution manager, is then used for comprehensive and automatic monitoring of the critical POS processes from a central point.

„Thanks to our competent staff and the professional assistance from retailsolutions, we have managed to effectively exploit the potential of existing POS data: We can now tell what is happening in the stores every hour and need not wait until the next day.“

Oliver Jung, Head of SAP Development, Migros IT-Services
About Migros

Migros is the largest retailer in Switzerland. It was founded by entrepreneur Gottfried Duttweiler in 1925 in Zurich, and the group has consisted of 10 autonomous regional cooperatives since 1941. Contributing up to 60% of the sales turnover, the retail business is the core business of the Migros Group, which also consists of different specialist markets and restaurants in addition to supermarkets. Migros has 610 branches in Switzerland. It also has several industrial and wholesale companies, tourism companies, as well as cultural and social organizations and foundations. In 2010, Migros generated 25 billion CHF in total sales with 83,616 employees.

More information and contact data can be found at: www.migros.ch

About retailsolutions

retailsolutions is one of the leading retail consulting companies in Europe. From our office locations in the UK, Switzerland, Germany as well as Austria, we are supporting clients in the UK, the Nordics as well as all German-speaking countries. Our pedigree is in retail and with over 100 consultants we help implement SAP solutions and conduct IT engagements covering the entire retail supply chain.

An overall of 450 years of SAP retail expertise speaks for our technological and business competence. Our close relationship with SAP is based on the fact that the company was founded as a spin-off of the SAP organisation.

Do you have any questions?

Further information and contact details of our offices in Switzerland, Germany, Austria and UK available at: www.retailsolutions.ch

CHALLENGE

SAP XI (PI) as a data hub of all POS interfaces to the head office and ERP systems

» 11,000 POS systems
  (8,500 sale points / 2,500 weighing scales)
» 800 back-office servers
» 14,000 TLOGs files/day

Full integration with SAP Solution Manager

» Business process monitoring (BPM)
  • Different measurement points within the entire POS process chain

High performance POS upload via POS Data Management (POS DM)

» Approx. 2.2 million transactions/day
» Approx. 22,000 generated IDOCs with aggregated sales data
» Sending to ten decentralized ERP systems
  • Dynamic recipient identification in POS DM, based on article master data
» Support of “CUMULUS”, Migros’ loyalty program
» Various consistency checks of the POS data
  • Hourly adjustment of the branch calendar
  • Validation of master data
  • Check to ensure topicality of all POS data
  • Check for duplicates
  • Check for gaps in the receipts
  • Check for internal cost hierarchies
» Functionality in POS DM and recipient system to completely cancel or book new days
» Intraday supply