

Collaboration Platform Improves Communications Process and Productivity

Executive Summary

CUSTOMER NAME
Canadian Tire

INDUSTRY
Retail

CHALLENGES

- Improve retail performance
- Increase dealer access to marketing and retail information
- Enable real-time feedback and collaboration

SOLUTIONS

- Centrally manage online store collaboration platform with mission-critical retail applications
- Call-center gateway for frontline feedback with defined service levels
- Comprehensive IP network foundation

RESULTS

- Realized significant cost savings, increased sales opportunities, improved productivity, and increased customer satisfaction
- Improved quality of information: prioritized company announcements, updated warranty information, and placed planograms and merchandising calendar online
- Improved quality of dealer support: faster response time for dealer questions

As Canadian Tire grew, so did the amount of paper pushed out to its dealers. From promotions to product introductions to technical information and announcements, the retailer's 473 stores received an overwhelming 40 million pieces of paper per year to sift through, act on, and file, creating productivity challenges. With visions of a paper-less communications process, Canadian Tire created an interactive, online connected collaboration platform that organizes, prioritizes, and filters retail program content, as well as provides access for feedback, saving Canadian Tire significant time and money.

Business Challenges

Canadian Tire, operates 473 stores throughout Canada through a network of entrepreneurial dealers. Canadian Tire together with its dealers form one of Canada's best-known and most successful retailers, offering customers a large selection of national and retail brands, including automotive parts, accessories, and service; and sports, leisure, and home products.

Speed, accuracy, and organizational alignment of business strategy are critical in any industry. In retail, however, where business happens daily at lightning speed, these attributes can mean the difference between a highly successful promotion and lost revenue.

"I could be away from the office for three or four days and come back and find a foot of paper on my desk," says Jim Dodson, president of Jim Dodson Sales, a Canadian Tire dealer in London, Ontario Canada. "There was no easy way to keep it up to date. That meant the filing cabinet kept getting bigger and the ability to access information kept getting harder."

In addition, there was no formal process for the dealers to provide feedback or seek additional information if something was unclear. The manual, paper-based communications process between Canadian Tire and its nationwide network of dealers resulted in missed sales opportunities, unnecessary costs, and an inconsistent customer experience.



“We had too much information sent to the stores and no real way of consolidation,” says Glenn Butt, senior vice president, store design and support, Canadian Tire.

Solutions

Real-Time, Interactive Information Gateway

Canadian Tire wanted to create a real-time, interactive information gateway that would help dealers implement its retail programs to improve collective business performance and enhance the customer experience. “For us, the collaboration started with a shared, common vision,” says Butt. “We wanted to make sure we were aligned with the dealers on what we wanted to accomplish.”

The company engaged the Cisco Internet Business Solutions Group (IBSG) to work with both corporate and the dealers to conduct a comprehensive analysis, identify gaps and improvement areas, and recommend a business strategy, which consisted of a set of solutions and an implementation roadmap, to achieve its vision. Once the discovery phase was complete, Cisco shared its findings with the retailer’s executive team.

“Cisco IBSG has been a great partner to the Canadian Tire executive team in helping us understand what’s possible and chart a way forward” says Butt.

Cisco recommended developing a collaboration platform, a set of retail-specific applications, and an improved organization and governance model that would provide tools that could be operated centrally, regionally, and locally to optimize the company’s communications performance and culture. Cisco also emphasized the need for a common IP foundation for the organization and its 473 stores. The joint engagement team identified significant potential cost savings and additional benefits, such as greater efficiency, productivity, and increased revenue for both Canadian Tire and its dealers.

“The advice we got from Cisco was comprehensive and very forward-thinking,” says Butt. “They paved the way for us to realize a great vision.”

Knowledge Gained through Comprehensive Program

Based on Cisco’s technology and organization roadmap, Canadian Tire launched the Store Communications Program and created a working committee for the dealers to help promote the initiative. Making sure that the end user was a priority throughout the entire process, Canadian Tire engaged many of its dealers’ front-line employees, held collaboration sessions with the dealers via WebEx, (Cisco’s network-based conferencing tool), and sent project team members to work in the stores to gain first-hand knowledge of the situation.

“Collaboration is critical,” says Butt. “You have to identify those things that are important, get them up [and running], and prove the value of the technology.”

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Glenn Butt
Senior Vice President
Store Design and
Support, Canadian Tire

With the discovery phase complete and consensus reached between Canadian Tire and its dealers, Canadian Tire worked with third-party vendors to build and test the set of online tools and roll out an IP-enabled infrastructure to the stores. This common platform will allow dealers to take full advantage of critical retail applications.

Results

Evolution to a Paperless World

Canadian Tire rolled out the new process to the dealers gradually, enabling them to use both the old paper-based system and the new communications tools concurrently. Dodson's store was among the initial test group. "In my store, you can't take the online tools away," he says. "My employees have no use for the old way at all anymore."

The online dealer platform has eliminated almost all of the 40 million documents sent to dealers previously. The solution provides alerts that identify whether the information received is an informational announcement or an action item, such as a product recall, promotion, or other situation that requires action within seven days.

The opportunity for the dealers to provide feedback is another advantage of the platform. Canadian Tire dedicated a team to be available to the dealers during all store hours to respond to questions, concerns, and requests for additional information. Prior to the initiative, dealers did not know who to call with questions, and important questions often remained unanswered or the timeliness of the answers was unacceptable. Today, dealers rarely have to wait more than two hours, and if their concerns threaten to impact all the stores, the information is sent out to the entire retail network in the form of an alert.

"Typically people don't like change," Butt says. "So whenever you make a major change like this one, everyone has to believe in the value in order for it to be successful. Today, nearly every one of our dealers has come onboard."

Other advantages of the online dealer platform include:

- Saves costs for paper, printing, and postage
- Decreases feedback time from several days to often less than four hours
- Ensures up-to-date and accurate warranty information
- Provides access to critical retail applications, such as alerts, merchandise calendars, planograms, directories, how-to instructions, and more

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Next Steps

With its unified platform firmly in place, Canadian Tire is looking ahead to incorporate virtual tools, such as videoconferencing, for even greater collaboration with its dealers. Conferencing solutions such as WebEx are already widely used today, contributing to a next-generation collaboration environment for Canadian Tire that takes advantage of data, voice, video, and advanced Web 2.0 capabilities.

More Information

The Cisco Internet Business Solutions Group (IBSG), the global strategic consulting arm of Cisco, helps CXOs and public sector leaders transform their organizations—first by designing innovative business processes, and then by integrating advanced technologies into visionary roadmaps that address key CXO concerns.

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