

THE INDIA DATA CRUNCH REPORT 2011



Impact of poor data quality on profits and consumer service
in the Indian Retail & CPG Industry



Confederation of Indian Industry







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Foreword

Organised retailing in India has been growing rapidly but experiencing increasing cost pressures, some of which can be attributed to inefficiencies in Supply Chain business processes. One such area, often ignored, relates to product data quality management - capture / recording and seamless sharing of accurate, complete and updated product data between suppliers and retailers.

With thousands of Stock Keeping Units (SKUs) currently stocked on retail shelves and new consumer products being introduced each month, maintenance of accurate master data with required product attributes becomes important since several retail operations connect the master data with ordering, replenishment, despatches and payment processes.

With the objective of bringing out its impact on retailing in India, the CII National Retail Committee decided to undertake a detailed study in 2009 - 2010. The study was conceptualized and led by GS1 India, a not-for-profit standards organisation under Ministry of Commerce, Government of India in collaboration with IBM India.

GS1 is involved in development and implementation of global, open, interoperable and user driven standards used in Supply Chain Management, collaboratively with Industry, which facilitate physical flow of goods and related electronic information flow among Supply Chain partners.

The study was modelled on a similar survey undertaken in U.K. by IBM [1] which brought out dramatic results in terms of the extremely high level of mismatches and inaccuracies in product data maintained by suppliers and retailers. It was estimated to cost the retail sector in U.K. £1 billion in five years.

With margins already under tremendous strain, such kind

of cost continues to restrict growth of retailing worldwide but can be avoided if suppliers and retailers agree to clean, align and synchronize product data in an automated manner using global data quality and Global Data Synchronisation (GDS) standards through certified datapool services.

As a part of the study in India, face to face meetings were held with cross-functional teams of some select Indian suppliers and retailers to elicit as complete information as possible on product data captured and recorded by them. This painstaking work was undertaken by IBM India and we gratefully acknowledge their whole hearted support and efforts in providing their resources for the study.

The India study was as significant and as dramatic in terms of findings and outcomes which are captured in this report. We hope this would serve as an eye opener to the retail sector and help them in understanding the grave impact of poor data quality on top line as well as bottom line performance of organisations.

The study points clearly towards the need for product data cleansing through adoption and implementation of GS1 standards and Global Data Synchronisation Network (GDSN) service by both suppliers and retailers in India.

The above would enable the Indian retail sector to realise efficiencies and benefits which have accrued to suppliers and retailers worldwide on addressing product data quality issues and implementing data synchronisation.

We urge the Industry to take cognizance of this important report and proactively implement its recommendations. It would help the Indian retail and CPG sector integrate with global best practices, improve their performance and service levels to Indian consumers.



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Executive Summary

Organised retailing in India needs addressing several issues/challenges related to infrastructure, logistics, taxation etc. Many of these require intervention by policy making bodies for their satisfactory resolution. There are however areas which can be expeditiously addressed through collaboration between trading partners by adoption of Information Technology (IT) enabled applications and global standards.

It can significantly and positively impact operational efficiency / productivity, administrative costs resulting in increased sales, lower logistics costs, enhanced consumer satisfaction and a win-win opportunity for all trading partners.



One such area which is at the core of mission critical retail operations relates to accuracy of master data of traded SKU's. This is extensively used in facilitating several applications related to ordering, despatch, inspection, invoicing, stock management, replenishment, category management, planogram planning, demand forecasting, reverse logistics, consumer billing, warehouse management etc.

Success in retailing is contingent on effective management of product master data through maintenance of a single, trusted, accurate, fully updated and complete product item master which can be relied upon by retailers and their suppliers.

Good quality data ensures that all master data in the Supply Chain is complete, consistent, accurate, time-stamped and industry standards-based and also allows effective collaboration among trading partners. It is not only vital to reducing errors but fundamental to increasing efficiency, reducing costs and positively impacting customer satisfaction.

Due to the persistent exchange of inaccurate product data among trading partners, benefits cannot be realized and optimized from the use of IT tools, applications and technologies such as Enterprise Resource Management (ERP), Customer Relationship Management (CRM). This in turn impacts significantly the returns which can be realised on investment in IT by an organisation.

Rs 40 to 50 billion - Estimated loss over next 5 years due to poor data.

To study and evaluate its impact on business operations and provide recommendations to the Indian Retail and CPG Industry for addressing the same, a detailed survey was undertaken in 2009-10 by the CII National Retail Committee.

70% - Average level of product data inconsistency across Retail sector.

GS1 India led the study with project execution leadership by IBM India.

The study was modelled on a similar study undertaken by IBM in the U.K. [1]. Four major Indian retailers and four leading CPG brand owners participated by sharing details on the status of their respective product master data as requested through the study questionnaire.

The data supplied by each participant was collated, compiled and analyzed for correctness and completeness with respect to GS1 Standards. The level of data inconsistency was determined by comparing the retailer and supplier data on a common set of parameters / data attributes.

The impact on business operations was then tabulated to demonstrate the linkage between data quality and business results. The impact on organisational performance was tabulated under three broad categories covering loss of revenue, additional costs incurred and opportunity costs. This included fill rate loss, deductions, administrative shrinkage, loss of man-hours on duplication of work and time / efforts spent in resolution of errors etc.

Study recommends adoption of global data quality and product data synchronisation standards by retailers and their suppliers.

The study revealed startling results on the extent of inconsistency in product master data between retailers and suppliers which exceeded **70%**. Estimated losses on account of the same which could get sustained by the Indian Retail and CPG sector over a five year period pointed to losses of between **Rs 40 - 50 billion** due to data inconsistency and subsequent errors.


In a sector like retailing with relatively small net profit margins, such losses could significantly impact overall profitability of trading partners if not addressed through collaborative efforts.

In its recommendation, the report urges Indian retailers and suppliers to adopt and implement global standards for data structure, data validation, its communication and updation following global best practices and standards.

The report also recommends adoption and implementation of Global Data Synchronization Network



(GDSN) through subscription to a certified GDSN datapool service provider. The standards for the same, called GDSN Standards, have been developed by GS1 through active participation of various stakeholders representing retailers, CPG companies etc.

India has the opportunity to benefit from the maturity level that GDSN has attained over the last few years and can speed up its adoption without having to expend efforts and delays in starting from scratch. 

Background

Organised retailing, in India, has gone through phases of rapid expansion, uncertainty and slowdowns constantly in the past few years. While it has endeavored to deliver superior store experience to consumers, it has struggled with on-shelf availability of products, poor fill rates and timely replenishments.

Out of Stocks (OOS) is an industry wide problem and results in avoidable loss of revenue to both suppliers and retailers. Amongst other factors, it is significantly dependent on quality of product master data as well as its accuracy and timely update.

Issues such as OOS, purchase order (PO) errors and operational inefficiencies due to master data challenges are not unique to India. Many global studies have highlighted how supply chain data management issues continue to restrict growth of organised and modern retailing.

A similar study undertaken in the U.K. grocery industry [1] identified that discrepancy and inconsistency issues related to supply chain data in the retail industry were significant

The India Data Crunch study was proposed by the Chairman (CEO, GS1 India) of the CII National Retail Sub - Committee on IT & Standards to the Chairman (CEO, ABRL) of CII National Retail Committee to evaluate impact of poor data quality on the Indian Retail sector and provide recommendations on addressing the same.

reasons for shrinking profit margins. The U.K. Study Report also revealed that individual retailers and suppliers did not share product data among themselves. There was therefore no mechanism in place for both retailers and suppliers to check the consistency of product data maintained by each.

An additional issue is retailers' lack of trust in suppliers' data. It results in each maintaining its own individual product master data. Not only does this result in data discrepancies along the supply chain, it also leads to huge operational costs for retailers in maintaining separate and different product master data and trying to correlate the same to the master data maintained by their suppliers.



It is evident that in order to overcome these supply chain inconsistencies, a collaborative effort involving retailers and suppliers is required.

In this direction, a joint industry initiative that allows retailers, distributors and suppliers to manage and share accurate product data in a single master data system is the appropriate solution. Suppliers and retailers can both benefit from this joint industry initiative by enhancing their common key performance indicators (KPIs) such as increasing sales, improving productivity, reducing costs

etc [2]. The performance metrics of suppliers and retailers surveyed and impacted in this report have been summarised in figure 1.

To study the problem and provide recommendations to the Indian Retail sector on addressing the same, it was proposed by the Chairman (CEO, GS1 India) of the CII National Retail Sub - Committee on IT and Standards to the Chairman (CEO, ABRL) of CII National Retail Committee to conduct an "India Data Crunch study", on lines of the one conducted in the U. K.



Figure 1 : Business Metrics / KPIs affected by data quality



The Study

Scope & Methodology

The study scope included a survey on extent of data inaccuracy / inconsistency in product master data maintained by retailers and suppliers. This survey was conducted in two phases.

Phase I

Data sets were collected both from retailers and suppliers for an identical set of product data parameters / attributes and were analysed for measuring the extent of discrepancy

between them. The data was then compared on the same products as maintained by each participant retailer using GS1 standards for unique identification of SKU's through use of Global Trade Identification Numbers (GTINs) as product identifiers. Results obtained by comparing product data held by the four retailers were then matched with the same held by four major suppliers. The step by step procedure followed in this phase has been summarised in figure 2.

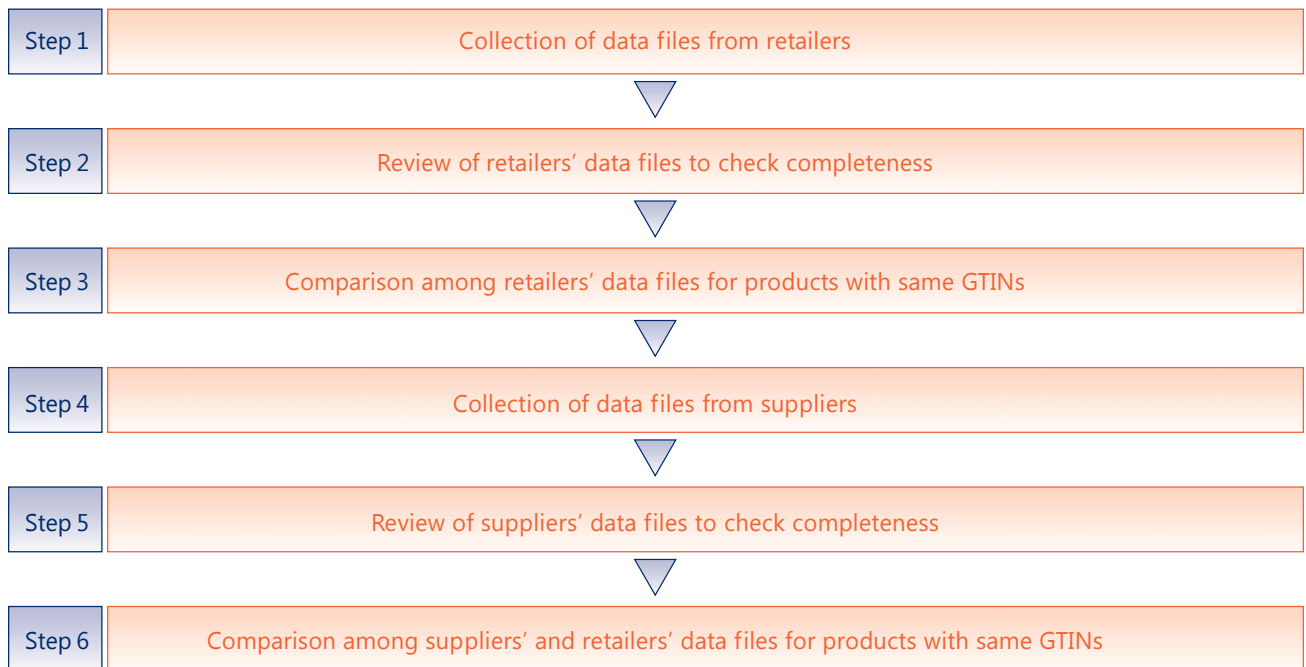


Figure 2 : Phase I



Phase II

Data was collected through face to face interactions with each participant. Survey results reflected the issues and challenges experienced in day to day operations on account of poor data quality. The step by step procedure followed in this phase has been summarized in figure 3.

Participants from the retailer community comprised large retail chains operating different retail formats with a pan-India presence. Participants from the supplier community comprised of large multinationals and Indian Consumer Packaged Goods (CPG) manufacturers.

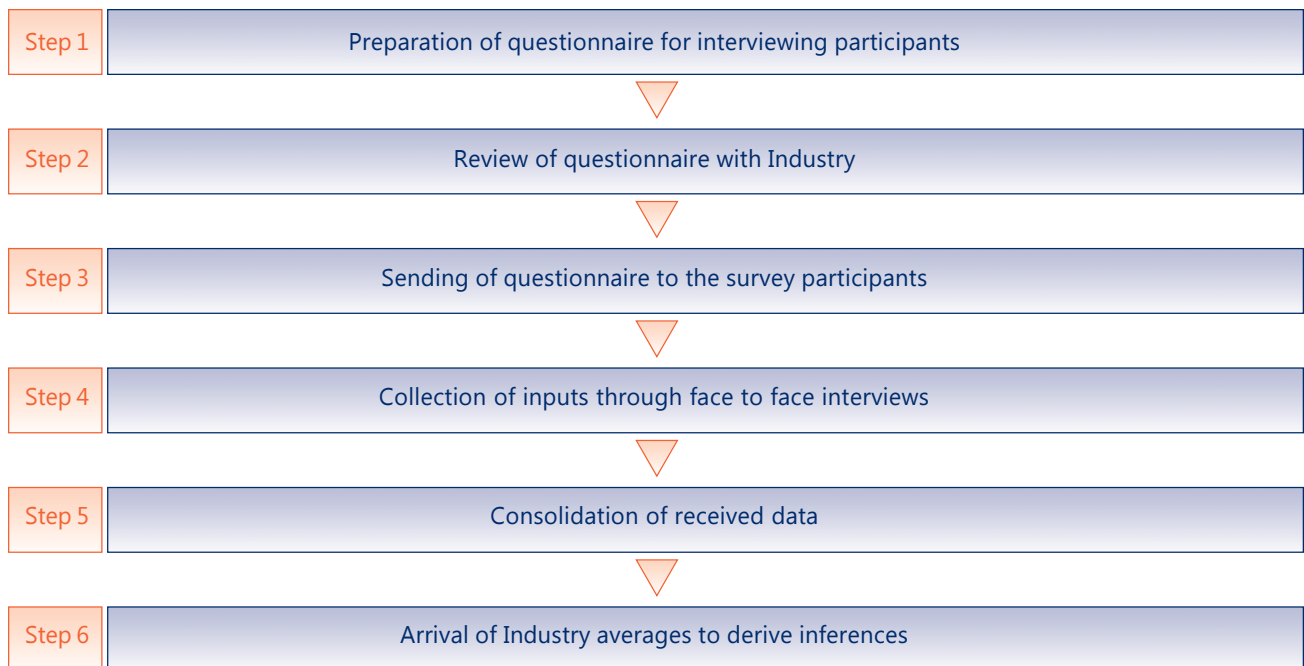


Figure 3 : Phase II

Study Challenges

1. Product data maintained by retailers was being done at their internal item code level which was frequently linked with multiple GS1 (EAN / UPC) codes for a single item / SKU / product. This made it difficult to compare product data between retailers.
2. Prevalence of same item (SKU) with multiple MRPs (maximum retail prices), made it difficult to compile data on all available MRP's for a single item.
3. Use of different units of measure / attributes in item measurement and different conversion factors used, made it difficult to compare data accurately at desired precision levels.
4. Dummy entries with a value of 1 in several product data fields to satisfy system data entry validation requirements, made it difficult to differentiate between a genuine value and a dummy value.
5. Obtaining master data on 30 identified product attributes was a challenge as many of the participants were maintaining data in multiple IT systems under different data owners within the same organisation.

Findings

1. One item- multiple GS1 codes

- a. It was observed that three out of four retailers had **28 to 53%** of their internal item codes associated with two or more GS1 codes. (figure 4)
- b. While having multiple GS1 codes associated with a single internal item code made retailers' efforts for new item creation easy, it showed negative impact on efficiencies of shelf life management, promotion handling and planogram planning.

2. Low correlation of data between retailers

The data files provided by all four retailers had a significant amount of information missing or contained 'dummy entries' (e.g. 1x1x1 size dimensions) to satisfy system data entry validation requirements. In order to normalize the results, null entries and dummy data were omitted during comparisons.

Analysis revealed an extremely low correlation between the data held on identical products by the four retailers. The correlation was quite low when the comparison was done considering data received from any three of the retailers.

The average exact match of data received from four retailers for the same SKU was less than **50%** across parameters / attributes, barring a few attributes like MRP and product dimensions which showed close to **0%** match.

This was a clear indication of inefficient master data sharing among supply chain partners. Retailers seemed to maintain their own version of data instead of using a single common version available from the suppliers. The multiple versions of data being maintained across a Retail organisation also resulted in data inconsistencies within the same organisation.

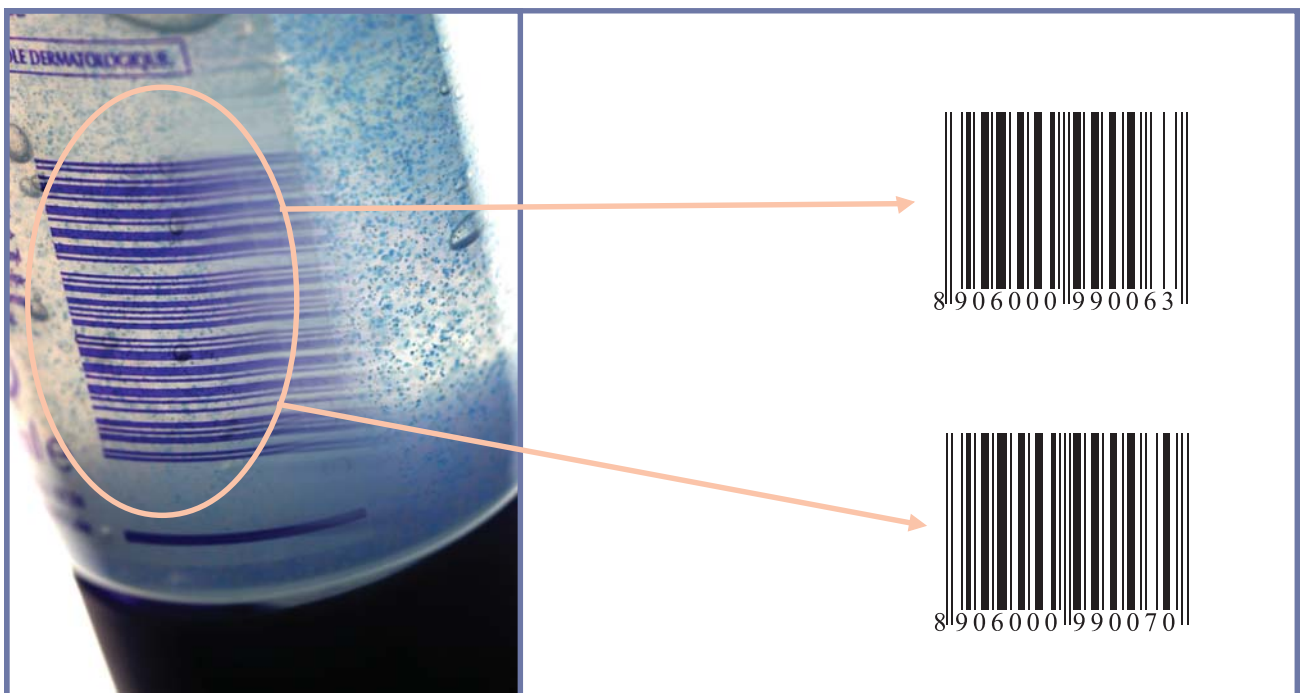


Figure 4 : One item with multiple GS1 codes

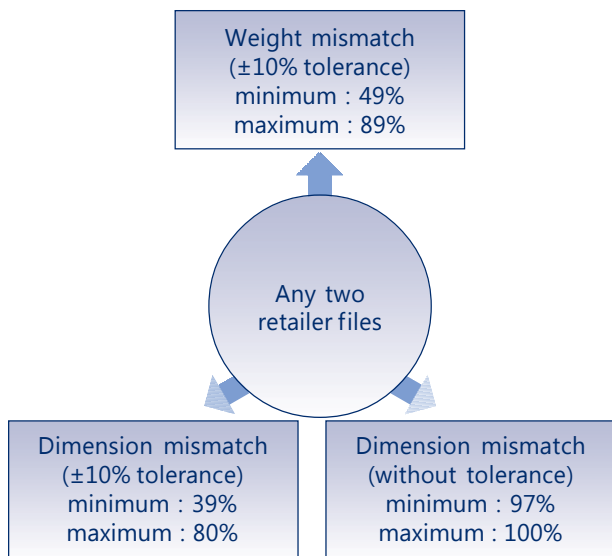


Figure 5 : Comparison between retailer files on weight and dimensional data at SKU level

These data discrepancies could cause problems in invoice matching and show up in apparent stock 'shrinkage', unexpected stock outs, and under / over payments to suppliers.

4. *Case level dimension data not used by Retailers*

Case / carton dimensions were not captured by retailers even though the same were available with the suppliers.

This data could be very useful for suppliers in warehouse and transportation planning but was not being used. It could also be leveraged by retailers for their Distribution Centre (DC) space planning, transportation planning and backend retail stores space planning but was not being done.



Figure 6 : Comparison between retailer files on units per case and shelf life

3. *Extremely low correlation of data between Retailers and Suppliers*

The survey matched data held by each of the four retailers with the data held by the suppliers. Less than 30% of the data held by retailers matched with the product data available from suppliers. Certain attributes like MRP and dimensions showed close to 0% match.

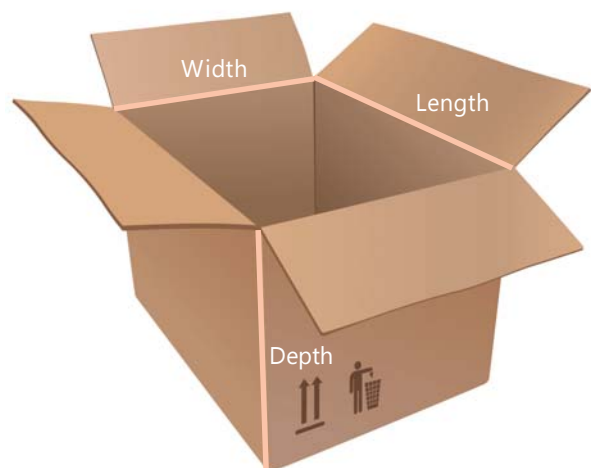


Figure 7 : Case level dimensional attributes

The result was sub-optimal truck loading, road congestion and enhanced avoidable logistics costs.

5. *Supplier data more complete*

Supplier data in general, appeared to be more complete in comparison to retailer data. Retailers did not seem to capture SKU / case dimensional data and shelf life data. All suppliers had complete case level dimensional data which was more accurate as compared to item level dimensional data.

Out of the four, only two retailers were maintaining item level dimensional data.

Not all retailers were maintaining accurate and exact data about shelf life and case configuration.



Figure 8 : Retailer data file

Survey outcome - insights

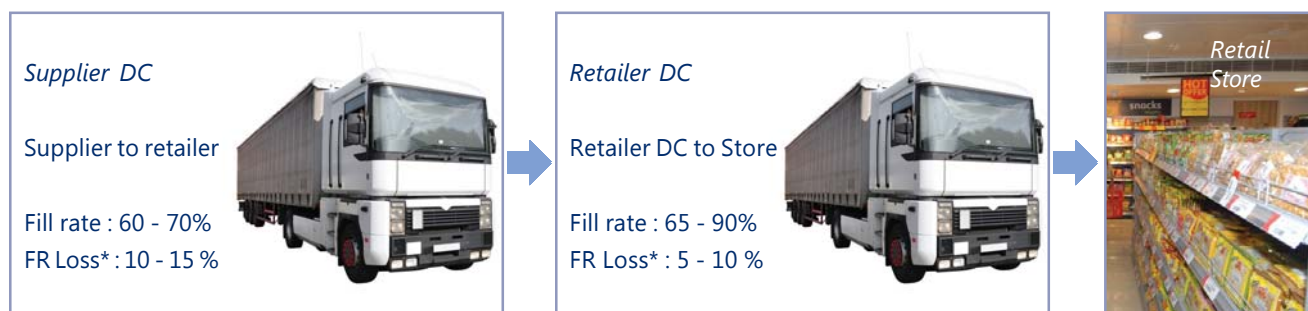
1. *Fill Rate & Fill Rate Loss*

In the second phase of the study, fill rates and fill rate losses across the industry were analysed based on the questionnaire responses received from participant retailers and suppliers:

- a. Fill rates between suppliers and retailers varied between **60 - 80%**. Almost **10 - 15%** drop in fill rate was attributed to discrepancy in product master data.
- b. Fill rate maintained at retailer DC's also varied between

60 - 90%. Some retailers maintained the same fill rate as that of their suppliers and this contributed frequently to OOS at their stores. Other retailers carried extra inventory at their DC's as buffer to manage lower fill rates of the suppliers.

- c. Fill rate loss due to data errors was contributing to out of stocks and increased inventory and inventory carrying costs.



* Due to data errors

Figure 9 : Fill rate losses

2. SKU data management

Both retailers and suppliers spend considerable time in maintenance and management of their product data masters. Average time spent on the same by each

consumed 10 - 30% of their productive working time. This amounted to 25 - 100 man-hours loss per month (figure 10).

At Supplier end	
Productive time spent on managing & sending item information to retailers	10 - 15%
Man hours spent managing item information in a month	25 - 99 hrs.
Time required to create and update a new SKU	2 - 15 days
At Retailer end	
Productive time spent on managing item information	10 - 30%
Man hours spent managing item information in a month	12 - 50 hrs.
Time required to create and update a new SKU	2 - 5 days

Figure 10 : SKU data management

3. Invoice & Purchase Order (PO) errors

Frequent errors were encountered in invoices and purchase orders on account of master data inaccuracy. Substantive time / efforts, which were not quantified, were spent in correcting the same (figure 11) by each survey participant.

Invoice and PO errors impacted multiple functions which included buying, merchandising, finance, and logistics. Delays were also encountered on account of unavailability of relevant staff for undertaking validation and authorisation processes.

At Supplier end	
Invoices with errors	5 - 10%
Time spent by merchandising team in reconciling invoice & PO errors	15 - 30%
Time spent by DC team in reconciling invoice & PO errors	10 - 20%
At Retailer end	
POs with errors	15 - 30%
Time spent by merchandising team in reconciling invoice & PO errors	15 - 30%
Time spent by DC team in reconciling invoice & PO errors	10 - 20%

Figure 11 : Invoice & PO errors

4. *Returns & Invoice deductions*

Prevalence of product returns and invoice deductions on account of the same were common practice as stated by all survey participants. This had direct financial impact

on suppliers who had to incur additional transportation costs and efforts in receiving returned products, handling damages and shrinkages etc (figure 12).

At Supplier end	
Shipments with returns	5 - 10%
Units returned	<5%
Returns attributable to data errors	5 - 10%
Deductions in invoice value	<5%
At Retailer end	
Shipments with returns	10 - 20%
Units returned	<5%
Returns attributable to data errors	15 - 20%

Figure 12 : Returns & Invoice deductions

5. *Importance of recording product weight & dimensional data*

All survey participants agreed (figure 13) that a scientific approach to Warehouse (WH) & truck space utilisation and Store space planning by using product weight and dimension data could increase their operational efficiency and reduce costs significantly.

Estimated improvement in WH & truck space utilisation	10 - 20%
Estimated improvement in store space utilisation using planogram planning	20 - 30 %

Figure 13 : Ware house, truck space and store space utilisation data



6. *Time to market for new product introductions*

It was observed that on an average, new product introductions required almost **2 weeks**. It could be significantly reduced by maintaining quality and consistency of product data shared between retailers and their suppliers.

Financial Impact

Based on the data collected from the responses received to the questionnaire in Phase II, an assessment on the financial impact of poor quality data was calculated and the same is reflected through figures 14 & 15.

It is estimated that the cumulative impact of poor master data would result in industry losses to the tune of **Rs 40 to 50 billion** in next five years if unresolved.

The problem will amplify considering that the Indian

retail sector is poised for rapid growth in the next few years (estimated as **US\$ 804.6 million by 2015**) [3] and impending entry of new players.

The need therefore for better quality and improved management of product data is significant and growing. The current tactical approach of developing local processes and fixes to work around bad product data is no longer adequate and results in significant costs to both retailers and their suppliers.

Lost sales per year in CPG Retailing due to product data inconsistencies	2.30 - 2.50
Lost revenue per year in CPG Retailing due to deductions on invoice value	1.20 - 3.00
Lost sales per year in CPG Retailing due to out of stocks attributed to data errors	2.70 - 3.00
Additional inventory holding cost per year in CPG Retailing to account for fill rate loss due to product master data errors	0.06 - 0.10

Figure 14 : Lost Revenues in CPG retailing (in Rs billion)

Transportation inefficiency cost due to unused / incomplete / incorrect product dimension and weight data	0.03 - 0.05
Costs associated with efforts taken by the Retailers and Suppliers on reconciliation of PO and invoices errors within their organisation	0.02 - 0.03
Additional cost incurred in reverse logistics assuming 10% shipment returns	0.02 - 0.04
Estimated savings in store rentals due to better utilization of space using product dimension data	1.10 - 1.20
Retail shrinkage due to product master data errors	1.10 - 1.20

Figure 15 : Additional costs in CPG retailing (in Rs billion)

Costs due to duplication of work at ware house, damage and shrinkage of products in transit	? (not tabulated)
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Figure 16 : Intangible costs

Financial impact due to poor product data - Rs 8 to 10 billion per year (Rs 40 to 50 billion in 5 years).

Financial calculations exclude several other intangible costs due to which actual losses could be higher than the amounts estimated above.

Emerging Data Requirements

Retailers and suppliers are continuously looking at speed to market and to utilise warehouses, delivery vehicles and shelf space more optimally. Key Performance Indicators (KPIs) funnel down to two imperatives – increasing Sales and reducing costs.

While the objectives are clear, there is little understanding of just how far collaboration between suppliers and retailers can deliver sales growth and cost economies, based on accurate, clean and consistent product data.

An additional compelling reason for retailers and suppliers to take action to improve efficiency and manage the quality of product data more effectively, is the increasing demand for more data on products consumed coming from consumers, Governments, Regulators etc.

These trends suggest that retailers will need to collate, store, manage and report on increasing product attributes. Additional data will be required to address demand for information in the following areas:

Supply Chain

Currently there are more than 200 GS1 standard product attributes. On an average, only 66 product attributes are being used by retailers and suppliers. Considering the increase in the diversity of products and product sourcing, demand and usage of attributes will increase in the next four to five years as the need for additional product information increases, e.g. Price, Handling instructions, Traceability attributes, product classification etc.

Health and Wellness

Consumers today are increasingly conscious of their health and wellness with rising income levels. They are demanding more information on same on the products they consume.

Demand for data, such as nutritional information, allergens, sustainability, is increasing and driven by the consumer using new channels like mobile phones, internet ordering etc.

Environment, Packaging and Legislation

Governments, Regulatory bodies and retailers will require timely information regarding packaging waste, detailed tax information, carbon footprint etc.



Addressing the Challenges

The time has arrived for the Indian CPG & retail industry to address the data quality issue head on, and reap the benefits.

Given the importance of maintaining an accurate and consistent product master data, there is need for the Industry to come together and address data related problems and inefficiencies through collaborative efforts.

The problem needs to be recognised as a key strategic issue at the highest level within supplier and retailer communities on its impact to the top-line and bottom-line performances of organisations.

Data synchronisation through GDSN certified data pools alongwith use of GS1 data accuracy / validation guidelines can be adopted towards resolving the quality and accuracy issues.

The Indian organised retail sector can benefit from the experience of global community and adopt these standards without having to go through the pain points experienced earlier worldwide.

GDSN is an internet-based network of interoperable data pools that enable retailers and suppliers to exchange standardised and synchronised Supply Chain data with trading partners. The diagram (figure: 17) elaborates the process of a GDSN based solution.

According to a recent GS1 benchmark, over 30% of global trading volume is now transacted using data synchronisation through GDSN certified data pools.

Retailers can save the time and effort they currently devote in creating their own product data files in separate stores, warehouses, buying divisions and merchandising departments. Everyone draws from the same product data pool which means everyone has access to consistent information because there is only one trusted source of product information for all.

This collaborative approach assures the quality of product data and creates trust between retailers and suppliers, eliminating many of the workaround activities currently employed to address errors.

A series of real-life case studies have been compiled in the GCI-Capgemini Report [2] which demonstrates that data synchronisation reduces costs, improves productivity, increases sales and provides the essential foundation for collaboration among trading partners.

The study concludes by recommending adoption and implementation of a GDSN certified datapool service in India utilising the expertise, services and local facilitation support of GS1 India to address the challenges being faced. This is an initiative which can be rolled out with speed through collaboration between retailers and their suppliers.

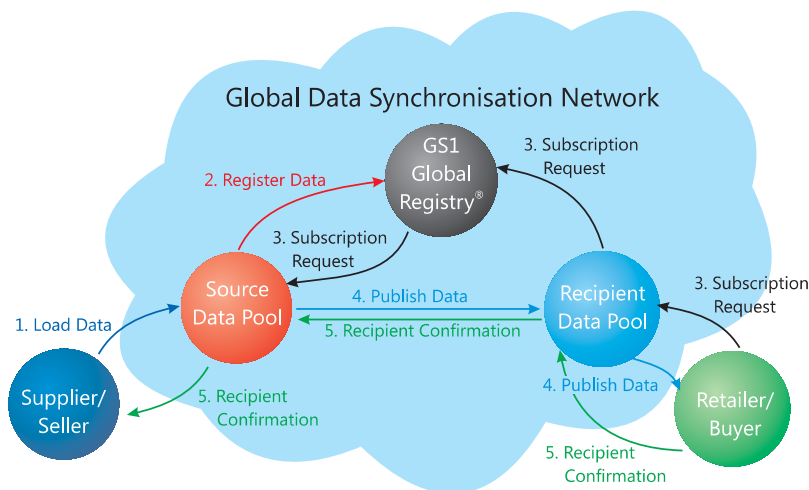


Figure 17 : Schematic diagram

Appendix

Appendix 1 - Study Results Tables

A. Data received from Retailers

Parameters	Retailer 1	Retailer 2	Retailer 3	Retailer 4
Total number of GS1 codes available for analysis	1014	3265	1735	1313
Items where multiple GS1 codes are mapped with a single internal item code	60%	18%	43%	0%
Items where single GS1 code is mapped with multiple internal item codes	0.4%	0%	0%	0.7%
Items with missing / incorrect GS1 codes	3%	0%	0%	1%
Items with missing MRPs	9%	4%	0%	0%
Items with missing vendor / supplier codes	65%	100%	100%	100%
Items with unrecorded / zero shelf life	51%	18%	24%	31%
Cases with missing data on units per case	5%	1%	0%	0%
Items with missing / incorrect dimensional data	38%	1%	100%	100%
Items with missing weight data	9%	5%	99%	100%
Cases with missing dimensional data	29%	100%	100%	100%
Cases with missing weight data	29%	100%	100%	100%

Under 40% match
 40 - 70% match
 70 - 100% match

B. Comparison of data across Retailers

B1. Comparison of Retailer data files on units per case, shelf life and MRP

Attributes	Exact match		
	Attributes matched across 4 retailers	Attributes matched across 3 retailers	Attributes matched across 2 retailers
Units per case	1%	22%	66%
Shelf life	7%	29%	65%
MRP	42%	82%	91%

Under 40% match
 40 - 70% match
 70 - 100% match

- Shelf life data is critical for ensuring product freshness. Any discrepancy in shelf life can have financial impact as well as safety concern
- Case configuration data if incorrect can also result in financial impact when used in calculating the units received / invoiced
- MRP is the only parameter which shows match at a reasonable level (discrepancy is attributable to human error and not updated systems)
- Only exact data match considered

B2. Comparison of any two Retailer data files for SKU level dimensional data

Attributes	Exact match	Match with $\pm 10\%$ tolerance
Length	1%	23%
Width	2%	13%
Height	7%	49%
Volume	1%	22%
Net weight	51%	55%

Under 40% match
 40 - 70% match
 70 - 100% match

- Besides net weight, all dimensional parameters showed high level of data inconsistency
- Even after applying a tolerance of $\pm 10\%$, none of the parameters showed more than 70% match

C. Comparison of data between Retailers & Suppliers

C1. Comparison with four Retailer data

Exact match				
Attributes	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Net Weight	32%	67%	24%	0%
Length	0%	0%	0%	0%
Width	0%	0%	0%	4%
Height	0%	0%	0%	0%
Volume	0%	0%	0%	0%

With ±10% tolerance				
Attributes	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Net Weight	45%	70%	43%	19%
Length	29%	0%	22%	38%
Width	10%	0%	24%	42%
Height	48%	0%	18%	48%
Volume	12%	0%	8%	23%

Under 40% match
 40 - 70% match
 70 - 100% match

- There is a significant discrepancy between retailer and supplier dimensional data in case of exact match
- Even with ± 10% tolerance, discrepancy does not improve much
- Retailers are maintaining their own version of data which is further impacted by manual errors

C2. Comparison with two Retailer data

Attributes	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Dimension per case	3%	3%	0%	0%
Shelflife	0%	8%	0%	0%
MRP	42%	23%	62%	33%

Under 40% match
 40 - 70% match
 70 - 100% match

- There is significant discrepancy between retailer and supplier data
- Retailers are maintaining their own version of data which is further impacted by manual errors
- Inconsistency in Retailer data would not arise in event all retailers use supplier provided product data, instead of creating their own



References

1. "Data Crunch Report - The Impact of Bad Data on Profits and Consumer Service in the U.K. Grocery Industry", Published by GS1 U.K., October 2009
2. "Global Data Synchronisation at work in the real world - illustrating the business benefits", Capgemini Global Commerce Initiative, March 2005
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About GS1 India



GS1 is a neutral, not-for-profit organisation that facilitates collaboration amongst trading partners and technology providers, in order to solve together business challenges that leverage standards and to ensure safety, efficiency and visibility along the entire value chain. Headquartered at Brussels, GS1 oversees a global network of over 100 GS1 organisations serving over 150 countries. GS1 India is an affiliate of GS1.

GS1 India was setup as a not-for-profit standards body in 1996 by the Ministry of Commerce, Government of India and leading Chambers of Commerce comprising CII, FICCI, ASSOCHAM, IMC, FIEO besides BIS, IIP, Spices Board and APEDA. It promotes awareness on GS1 standards and solutions and supports their implementation in line with the overall global objectives of GS1. ■■



About CII



Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the growth of industry in India, partnering industry and government alike through advisory and consultative processes. CII is a non-government, not-for-profit, industry led and industry managed organisation, playing a proactive role in India's development process.

Founded over 116 years ago, it is India's premier business association, with a direct membership of over 8100 organisations from the private as well as public sectors, including SMEs and MNCs, and an indirect membership

of over 90,000 companies from around 400 national and regional sectoral associations.

The CII National Committee on Retail has been set up to address issues that hinder the growth of organised retailing in India. The committee has representation from prominent retailers and suppliers in India.

The CII National Retail Sub-Committee on IT & Standards was constituted to lead the standardization Initiatives as well as activities covering subjects related to the use of IT tools, applications and technologies in the Indian Retail Sector. ■■



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