



EVOLUTIONARY INTERACTION

Towards production methods of the future

BY SANDY STRASSER

The real and virtual worlds are becoming ever more entwined, modern information and communication technologies are merging with industrial processes and are consequently changing the production landscape to an increasing degree. Festo examines this change holistically and from various perspectives. As a global player, the company supplies pneumatic and electrical automation technology to factory and process automation customers in more than 200 different sectors. Its products and services are available in 176 countries throughout the world. We talked to Dr Roger Kehl, CIO, and Urda Stieler, Head of IT Sales at Festo, about the digital present and the future of the company. »

What challenges relating to digital transformation do you anticipate for your company in the future?

DR ROGER KEHL: In its core business – automation and didactic solutions – Festo will have some major challenges to master over the next few years. Let me give you a few examples: in addition to our standard ranges, we also supply clients with more than 10,000 customer-specific solutions annually. We are present in 176 countries and register in excess of 100 patents every year. Our markets also require the expansion of our services around our portfolio. If – within this context – I only focus on the customer communication processes and ignore the entire machine-to-machine communication pursuant to the fourth industrial revolution, we will continue to work flat out on the re-orientation of our data storage and distribution platforms.

URDA STIELER: Here, the primary focus is on classic marketing channels, such as trade fairs and print materials and, in particular, on the expansion of our digital services. We have established our roadmap both for e-commerce scenarios – above all within the global growth markets – and for virtualised customer services and have launched it as a programme.

Many of your products require customised configurations. What role does the topic of e-commerce play in terms of your sales strategy?

U. S.: Within the context of our standard ranges, we are absolutely a classic e-commerce business with shopping baskets and order histories. However, the particular challenges lie in specific customer requirements. In addition to PIM and the product information kept there, it is above all the Festo configuration platform that plays a decisive role. On the one hand, to manage the diversity of the configuration, to introduce rules and regulations and hence secure the 'configuration accuracy' of our products. In future, an increasing number of our customer services will be based on this, whereby we will offer pre-configured products and application-related configuration processes online, but also client-specific configurations within the context of a concrete customer implementation of our products. Our aftersales department benefits from these measures as do those clients who no longer just purchase their products from us, but also receive support from us in solving their respective automation tasks.

How important is product data management in this regard?

U. S.: It plays a very decisive role. Without a description, information relating to the dimensions or configuration possibilities, you are unable to sell products – online or offline. Incomplete or incorrect data fast become a tremendous cost factor for companies. Conversely, good product data have a positive impact on sales figures. Furthermore, we have realised that a comprehensive view of the product data management process is of crucial importance. Here, our new product creation processes are closely integrated with the marketing-related editorial processes and the respective target channels. From an IT perspective, ERP-related master data are merged with the variant configuration and PIM to create a consolidated solution.

DR R. K.: However, we do not distinguish between faculty and IT here. We see ourselves more in an enabler role. We jointly define the process design and the role responsibilities. What do you generally have to look out for when approaching a new PIM or MDM project?

DR R. K.: All process launches and the associated system rollouts are a challenge. In particular, PIM and MDM demand quality management and data governance. On the one hand, to define the objectives of such a project and, on the other hand, to ultimately secure the longevity of the value added for our customers.

U. S.: We defined, for example, clear roles and process owners from the outset, transferred data quality into measurable KPIs and defined the monitoring responsibilities. And a further issue also showcases just how important the topic of data governance is: even before reaching the first project milestone, we intensively thought about the operating processes. As such process-driven systems are constantly subject to changes, these must be covered by a control process. Our consulting partner parsionate has provided us with outstanding support here, hence decisively helping to shape the success of the project.

And what point would you consider the most important in such comprehensive ventures?

U. S.: If I return to the integrated processes comprising ERP and MDM, variant configuration and PIM, initially it is the transparency and unambiguousness of data and process sovereignty that are the main focuses. In addition to these, we also intensively thought about the system integration architecture. We also set central IT components responsible for data transport, transformation and distribution as parameters for our PIM project.

DR R. K.: From an IT-strategic point of view, it is crucial that we establish a service-oriented IT platform and maintain it with specific project management.

Within this context, what were the decisive criteria for selecting the MDM software? Why did you decide on the Informatica solution within the context of your reorganisation?

DR R. K.: Two of our strategic IT objectives are the centralisation of governance and the deployment of standard components. With regards to the issue of PIM and MDM, we realised early that we are operating within a mature IT environment in which standard software solutions offer a high degree of coverage in terms of our defined requirements.

U. S.: To this end, Informatica was able to convince us both in terms of the function and the future-proof character of its solution and with regards to its network of consultancy partners. Because in addition to the challenges for PIM being addressed today, the solution competence for complementary topics such as master data and data quality management is also important to us.

What spoke in favour of parsionate as the implementation partner?

U. S.: We got to know parsionate back when we were creating the PIM specifications and were very much persuaded

by their expertise. During the first implementation phase, its staff advised us with complete professionalism, also asking critical questions and – with our Festo team – jointly assuming actual responsibility for the results.

How do you organise such a major project?

U. S.: We spent a lot of time ensuring that PIM did not become an IT project, instead choosing to integrate all specialist departments involved in the process from an early stage. This approach proved to be the right one as – in addition to the completeness and the prioritising of the requirements – it above all promoted the interdepartmental exchange of ideas and information. With this, we had a clear picture of all departments on the objectives of our project even before it kicked off.

What measurable added value have you already been able to achieve as a result of introducing the Informatica MDM Product 360 solution?

DR R. K.: The result of the first milestone is a system-supported, 100-percent automated print publication. The time required to create this one catalogue each year has been reduced from four weeks to just two days.

What role does the Internet of Things play for Festo today and what role will it play in the future?

DR R. K.: It plays a huge role for us because it will become an important topic for our customers.

U. S.: Clearly defined processes, also within the context of MDM, help us vigorously drive forward innovations. For our product data management processes, innovation will be closely associated with the omni-channel topic over the next

few years, with a central database, effectiveness and efficiency in sales and marketing. Concretely, we are – with this – addressing the data quality in terms of scope, up-to-dateness and accessibility and are accelerating the time-to-market of our product ranges.

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DR. ROGER KEHL

Dr Roger Kehl is Global CIO at Festo AG & Co. KG. Prior to this, he spent 20 years working for various IT service providers. Following his extra-occupational doctorate at the dbu consultancy, he held management positions at debis Systemhaus, Atos Origin and Siemens IT Solutions & Services. Up to the end of 2013, Dr Kehl was on the management board of Atos Germany, responsible for the manufacturing industry, retail and services.

URDA STIELER

Urda Stieler works in IT at Festo AG & Co. KG. After studying business administration and majoring in information technology, she started working in the data warehouse division at Festo. After spending many years heading up the BI department, she switched to IT in the role of Director of Sales where she was responsible for establishing sales in such areas as CRM, global contact centre, document processing solutions, e-business and PIM. Ms Stieler has been the head of IT sales since 2004.

DIGITAL TRANSFORMATION

A brief portrait of Informatica

Informatica is one of the world's leading independent software providers for 'all things data.' Companies across the globe trust Informatica to tap their information's potential in order to gain a competitive advantage. Informatica's platform is an intelligent data platform which includes data integration and quality, master data management, data archiving and data security, and allows customers to convert potentially unsafe raw data into quality information. It leads to more accurate insights and better decisions. Leading master data solutions assist companies in enabling improved customer experiences by providing a complete and correct analysis of data critical to the firm's mission: a 360-degree view of customers,

products, suppliers and locations as well as all relations between these data. This results in higher conversion rates in e-commerce and accelerated product launches, and enables personalised customer communication across all channels. Informatica MDM Product 360 gets companies ready for successful omni-channel business. It creates the conditions to manage product information for all sales channels centrally while providing an end-to-end process management throughout the product information supply chain. This ensures that correct product information is being provided in optimum quality in the right place at the right time and in the right format. More than 5,800 companies rely on Informatica to optimally

utilise the value of their information assets on-premise, in the cloud or on the internet, i.e. in social networks.

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ACHIEVING GOALS TOGETHER

Festo AG relies on Informatica and parsionate for establishing a new generation of communication channels. For this, Festo opted for the MDM Product 360 solution from Informatica, with parsionate accompanying the global PIM project as the strategic partner and supporting Festo with its many years of expertise in information logistics.