



# Optimizing PLM Systems for Retail and Wholesale

## OUR EXPERTISE

The product lifecycle management process for retail and wholesale is among the most time sensitive and organization specific of any industry; each company requires optimal processes and a supporting PLM solution tailored to its individual needs. Kurt Salmon has a proven track record of working with retailers and wholesalers, from fashion companies to multicategory brands. Our global team has the strategic, project and change management expertise needed to design a PLM business transformation roadmap that will give your organization a competitive advantage and to successfully implement it from day one.

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## OVERVIEW

Whether you've implemented a product lifecycle management system for your fashion or specialty brand company or not, its benefits will go unrealized unless it is aligned with your business vision, focused on your strategic goals and tailored to your unique processes. And the implementation of a PLM system requires an equally tailored change management program. It's never too late; even companies whose implementation activities are well underway will reap the rewards of fine-tuning their roadmap to fit their evolving needs.

## DESIRED OUTCOMES OF A PLM TRANSFORMATION

Implementing a PLM system optimized for your retail or wholesale company starts with clarity of vision. A clear vision is then translated into a strategy for achieving your goals, be they getting your product to market faster, better collaboration, growing your brand—whatever it is that your company feels is necessary for success—and a strategic roadmap for how to get there.

Without a roadmap tailored to your company's needs, a PLM system can't be utilized to its full potential. For example, after one \$3 billion retailer spent more than \$1 million over six months to implement a PLM system straight out of the box, it was seeing poor system adoption and unused capabilities a full year after rolling it out. Kurt Salmon did a thorough review, one that encompassed the retailer's teams and partners around the world, and subsequently provided it with a reconfigured end-to-end roadmap that ensured the system's benefits would be fully realized.

The next step is implementation. PLM implementations are global undertakings, affecting the various roles and responsibilities of offices around the world. As such, global business representatives and sponsors are necessary in order to implement the changes that the PLM transformation will bring. Moreover, such changes need to be actively managed so as to ensure acceptance throughout the organization.

When done properly, it won't be long before your company will begin to see the full beneficial impact of your PLM investment on your bottom line. Our PLM roadmap and implementation plan for Deckers, for example, reduced the number of days its product entry teams worked by 40 per year, cut the Teva products timeline from 90 weeks to 48 and saved the outdoor footwear company \$1.5 million in leather costs and \$500,000 on boxes.

## THE FIVE CRITERIA FOR SUCCESSFUL PLM IMPLEMENTATION

### 1. Gain strong business sponsorship

Gaining full support and active participation from the business side from day one of the implementation process is the basis for success in any PLM project. In order to institute change, sponsors from the business side need to be the face and voice of the project and be able to clearly articulate its value to other stakeholders, especially to key business users.

### 2. Review each “as-is” process and define future common processes

Many companies simply map each existing process “as is” to the new PLM system or let new processes be driven by the system implementation itself. Companies rarely find benefits when every “as-is” process is implemented, however. Instead, organically grown processes need to be reviewed and detailed future processes defined at the start, before PLM implementation begins.

### 3. Assign and align roles and responsibilities

Roles and responsibilities related to the PLM system need to be assigned and aligned across the organization and globe. Most fashion and specialty brand companies have a global organizational structure that includes a strong product development team, which should be tasked with the majority of the PLM-related workload, but sometimes new roles are required. Left unassigned, responsibilities as seemingly simple as creating new colors will slow down the development calendar and negatively impact system adoption.

### 4. Plan for phases and continual improvement

PLM transformations should be delivered in phases that take into account both system dependencies as well as targeted business goals. For example, fabric and color libraries are a prerequisite for tech pack management, but an organization’s ultimate goal may be external collaboration. Phasing in the project in such a way that capabilities and benefits are introduced every 60 to 90 days helps maximize your return on investment.

### 5. Actively manage changes while communicating benefits and goals

Every new system implementation involves multiple changes, which will be met with resistance in some form if not actively and properly handled. It is therefore necessary to communicate not only the benefits of a PLM system implementation to the organization, but to use them to continually highlight the long-term goals of the project and to actively manage the related changes that need to take place along the way.

## Three Pillars of Successful PLM Transformations

