Case study

Unilever

Unilever UK Ltd achieves significant efficiencies by adopting GS1 UK data quality recommendations

With 400 brands globally covering foods, ice cream and home and personal care products, Unilever is truly one of the world’s leading suppliers of fast-moving consumer goods, meeting the needs of consumers and customers across the globe. With a presence in over 180 countries around the world and employing 167,000 people, Unilever’s world’s best known and most loved brands include, Flora, PG Tips, Hellman’s, Walls, Ben & Jerry’s, Persil, Comfort, Simple, TRESemme and Dove.

Unilever Europe is the second largest market in Unilever’s portfolio after the USA, and Unilever UK is the largest Operating Company in this Region. Unilever works closely with GS1 in the UK and globally and is a strong advocate of adopting global standards to drive business benefits. Customer Development Operations Director, John Macfarlane sits on the GS1 UK Supervisory Board advising GS1 UK.

Challenges

In 2008 Unilever embarked on one of the greatest challenges it had faced in the UK – merging three separate businesses in Ice Cream, Foods and Home and Personal Care into a single corporate entity. This programme of change was to affect every UK employee. The business was simplified and duplication of effort eradicated, whilst keeping growth at the top of the strategic agenda. It was the turn of the UK to join a programme already in several European countries where the benefits around Data Quality Management had started to emerge.

Given the complexity of the challenge for the UK, it was decided to employ the GS1 UK Professional Services team to examine the current state of processes related to Data Quality Management and the physical product flow, with the aim of providing best-practice recommendations.

“Meeting the information needs of all our customers so that they can efficiently make our products available to consumers is vital to the way we do business in the UK.

By adhering to the GS1 global standards and adopting a strong and successful data quality programme, we can be confident that the data we supply is of the highest quality”

John Macfarlane
Customer Development Operations Director
Unilever Europe
Initial recommendations from GS1 UK

After a lengthy study of Unilever’s UK operating processes, one of the key findings was the level of commitment to the success of the business demonstrated by UK staff. The issue of master data ownership and responsibility was a major opportunity for improvement. The UK needed to follow the European model and adopt a better understanding of roles, responsibilities, and data knowledge. A review of internal and external communications was needed.

GS1 UK recommended introducing the GS1 Data Quality Management System, GS1’s best practice procedures on how to manage data, which includes setting objectives, defining responsibilities, data generation and verification, product measurement and internal audits. The project team concluded the UK needed a data management strategy to merge the three business functions successfully and migrate to a single data management system, focusing on data accuracy and delivery.

Significant business benefits

Unilever’s systems and data on the whole were of a very high quality. However, like many large FMCG manufacturers, much time and energy was spent delivering new product information to meet different customer requirements. To improve efficiency and ensure customers receive accurate product information, GS1 UK recommended the company review and adopt the GS1 data governance model and GS1 data accuracy standards, and create customer focused key performance indicators to measure data quality.

The study also concluded that there were process issues relating to customers’ New Line Forms, new product listing samples – data corrections and changes could be improved. GS1 UK’s recommended an evaluation of the information flow between Unilever UK and its customers as well as reviewing its production process and timescales for new product samples.

In terms of technology, the study found Unilever’s Home and Personal Care business had an excellent master data system, but the company had multiple ways of sending data to UK retailers and wholesalers. Data was sometimes inaccurate missing vital information. There was a significant opportunity to consolidate the three UK processes and create a single master data repository, following the European model.

The physical product flow study found a formal and consistent process was needed to ensure barcode quality. GS1 UK recommended Unilever UK took advantage of barcode verification systems to monitor products and materials moving internally and improving stock visibility.

Implementing the change

Unilever UK followed recommendations made by the GS1 UK Professional Services team and the first priority was to focus on improving data quality. A team of skilled Master Data Executives was created. Full responsibility and accountability for data quality was now established.

The team worked collaboratively across Europe through the European Master Data team to ensure all requirements were met. This ensured consistency across the region and Unilever reduced the potential for multiple sources of inaccurate data.

A Product Information Management system was rolled out, ensuring consistent data across Europe. The UK team quickly fulfilled retailer and distributor requests as well as benefit from efficiency gains of end-to-end supply chain automation.

The last three years has seen two significant acquisitions, Sara Lee and Alberto Culver. It was essential the UK & Ireland Master Data Team managed the influx of product data and maintain existing standards. Scorecards were introduced to keep tally of the status of data quality in each country circulated to Senior Management to track improvement.

The outcome

By implementing recommendations from the Professional Services Team, Unilever UK has seen considerable improvements in data quality in the last three years. Quality levels moved from a monthly average of 40% to a consistent score of 99% over the last 15 months, placing the UK with the best of Europe. Several recent data comparison exercises with UK demand side partners confirmed this with the latest showing a 99% match when master files were compared.

The automation of several key internal business processes allowed GDS data to flow from source system to customer without any manual intervention, reducing potential data corruption from operator error. The speed at which Unilever’s customers receive accurate product data is improved – allowing new products to get to shelf more efficiently.

In 2010, Unilever launched the Unilever Sustainable Living Plan, with the aim of doubling the size of the Company whilst lowering environmental and increasing the social impact of the business through 50 time bound commitments with data quality playing an increasingly vital role in achieving these goals.

The quantity of information companies will be required to supply to customers and consumers around sustainability and being a good corporate citizen is set to increase exponentially. Data quality will become a key priority in the FMCG industry. The requirement to supply robust, accurate information across packaging waste, energy, water and food allergen in the short term will rapidly increase.