The Complete Guide to

# PLM Purchase and Implementation

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What's New:

The retail sector continues to evolve and grow at an accelerated pace thanks to the rise of new technologies.

In this edition of our guide, we address why retailers are urgently adopting product lifecycle management (PLM) technologies. We also dive deeper into the current PLM landscape to discover the kinds of solutions—good and bad—that are available.

Our goal is to help retailers develop a foundation on which to build a successful PLM strategy. We've added new data, industry expertise, and actionable advice to aid them on their way.

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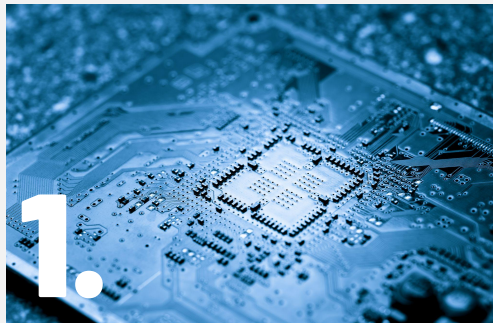
Why Your Team Needs PLM Software

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How to Purchase PLM Software

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How to Implement Your New PLM System

Download the Next Guide!
Learn how to leverage your PLM to build a sustainable business.

Part One

Why Your Team Needs PLM Software

Four Signs that You Need PLM Software to Automate your Product Process

Need for PLM Software

Efficiency of Teams

You Rely on Outdated Tools
Critical processes like finalizing product details and placing orders are relegated to excel and email.

Your Teams are Overwhelmed
Teams working on thousands of new products are being asked to seek and compile previous product lines.

Your Data is Trapped
Important product & order data is stuck in spreadsheets, PDFs, and emails—making it inaccessible to stakeholders.

You Have No Transparency
Managers and teams have little insight into how decisions are made and why changes happen.

Each delay in the collaboration cycle has enormous impact at scale

Hundreds of trips

Hundreds of meetings

Tens of thousands of emails

Thousands of new products

Suppliers

Retailers

Millions of dollars to create & sell

Thousands of POs to finalize

Thousands of SKUs to manage

Hundreds of suppliers to manage
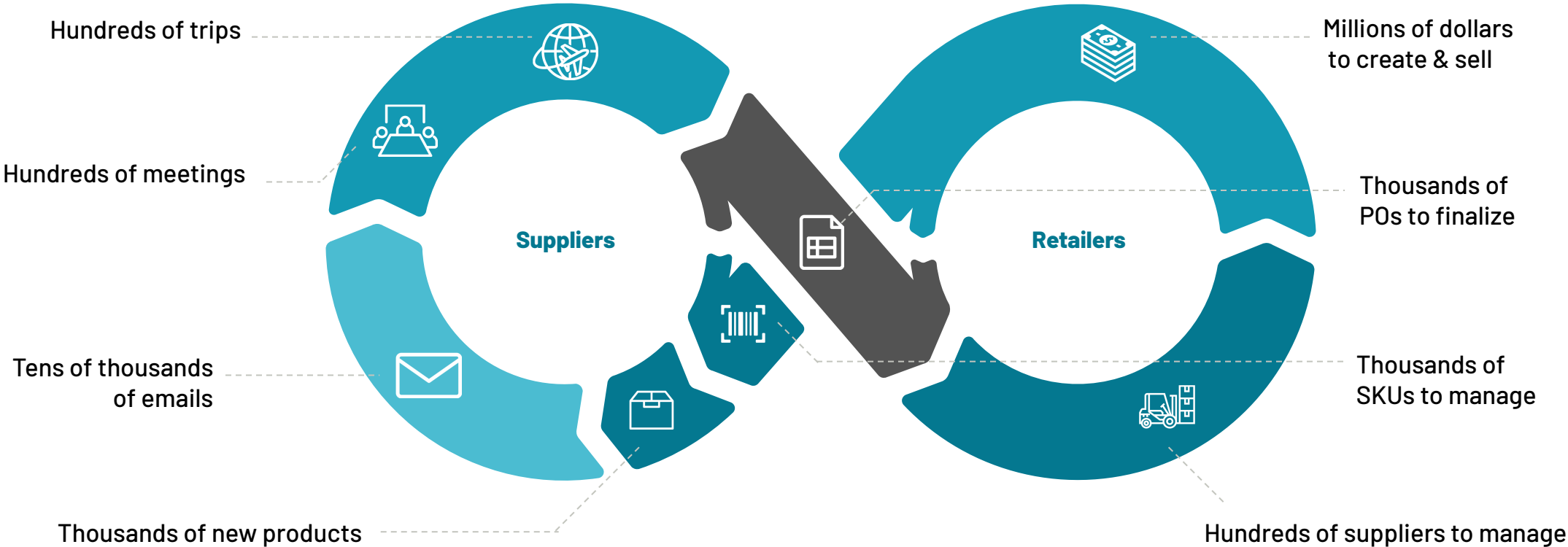
5 reasons to implement a PLM software solution

Improved Collaboration & Communication

Streamlined Workflows

Increased Revenue

Readily Available Data

Better Product, Better Business

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Improved Collaboration and Communication
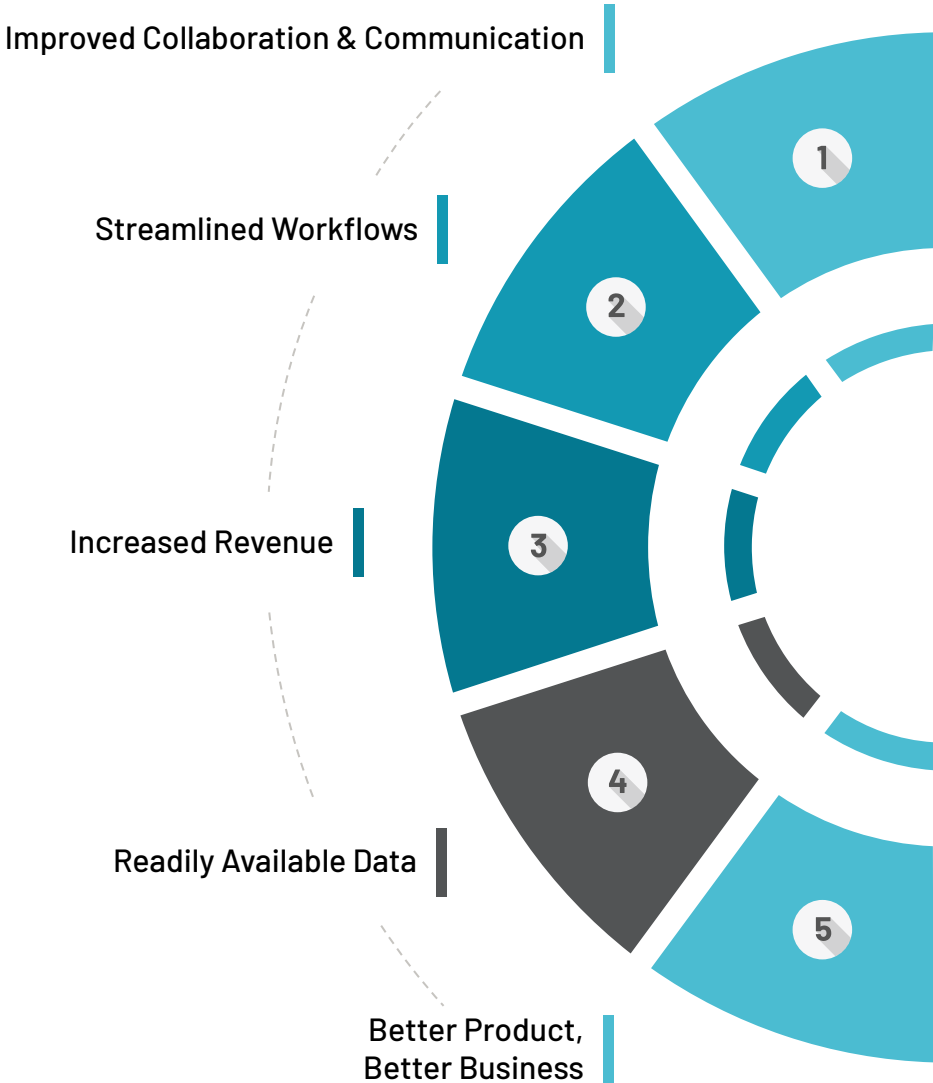
Retailers

- Quickly share product ideas with your suppliers, receive responses in seconds

- Work within a single system, speeding communication and time to market

- See a marked reduction in PO mistakes thanks to improved, centralized tools

Suppliers

- Instantly review buyer product ideas, and ask questions/for clarifications immediately

- Clearly and quickly respond to buyers (meaning less frustrated buyers!)

- Facilitate communication and collaboration across all of your teams, from buyer to manufacturer

Across most industries, employees spend less than **40% of their work time** on the primary function of their job. The rest of the time is often dedicated to data entry and re-entry, email communications, and other data-centric activities that could be streamlined or automated to increase productivity. Sound familiar to **you and your team**?

Implementing a scalable and unified PLM platform will allow everyone involved in the PLM process at your organization to increase productivity by consolidating designs, communications, workflows and product data in a single place.

You'll cut down on time spent digging through emails, spreadsheets, PDFs, and stacks of actual printouts. Data will be at your fingertips right when you need it. You'll have a history of communications tagged to specific products, so you can be confident that you and your vendors are on the same page, referencing the same SKU—reducing potential errors caused by miscommunication.

1 2 3 4 5

Streamlined Workflows

Retailers

- Receive assortments in the way you need to see them (from any supplier), then request quotes instantly

- Manage and customize all merchandising workflows

- Engage all team members and have visual insights into your PLM process

You work with multiple teams that are both inside and outside of your organization—external partners, suppliers, and vendors, for example. There are a lot of products moving through your development pipeline at any given moment, so it can be overwhelming and seemingly impossible to keep track of your entire product lifecycle.

With a PLM solution, you can **better manage** and (ideally) **customize** your workflows. This allows you to quickly and more transparently see what everyone across your many teams is doing. If your system has a comprehensive chat function, it's easy to align internal stakeholders and supplier partners.

You can work with and refer to product images, product details, line sheets, quotes and purchase orders. Because all team members work within a single platform, you'll be able to identify problems instantaneously so you can sort out issues and unclog bottlenecks.

Suppliers

- Use built-in workflows to manage orders, or customize your own

- Receive real-time questions/ feedback/ modifications from buyers, so you can turn around deliverables fast

- Finalize order details within one system – without emails

(1) (2) (3) (4) (5)

Retailers

- Order the correct products every time, leading to fewer order mistakes and less excess inventory

- Increase full-price sell-through rates of items as you design and develop products closer to the market trend cycle

- Increase speed and accuracy when you publish new product content to ecommerce platforms, ultimately increasing B2C sales

Increased Revenue

As you accelerate your time to market with a product lifecycle management solution, you'll also be reducing your production costs, improving your margins and scaling up your business operations.

You'll make better business decisions too because you'll have **increased planning time** thanks to more efficient collaboration tools and better, more accessible data to work with to inform your next order.

PLM software does more than just improve your workflows—after a few cycles, one of the most critical KPIs is its revenue impact. Any great PLM solution will **measurably increase your revenue** over time.

Suppliers

- Make smarter decisions and present highly accurate quotes by calculating costs and margins on the same screen

- Reduce the time and input needed to bring new products to market by 30%-50%

- Convert new business opportunities in less time thanks to centrally located, highly visual product data

1 2 3 4 5

Readily Available Data

Retailers

- Easily access what you ordered last season from each of your suppliers

- Forget why you made a change? Intuitively view all communication on specific products to refresh your memory

- Save time searching for information—and use that time to make more informed decisions moving forward

Suppliers

- See what your buyers liked, didn't like, and ordered last cycle—all in one place

- Use data to better understand your buyers' needs and to present new product assortments with those needs in mind

- Know which manufacturers you want to work with again and which didn't work out last time by analyzing shipping costs/timelines or other relevant data captured by your PLM

Do you ever scramble through various platforms looking for PDFs and spreadsheets that contain the information you need to evaluate past merchandising decisions? Or, worse yet, do you ever request data ad hoc from other teams within your organization? Or from vendors? These processes are highly error prone and leave your company in a mess.

PLM software **captures** your data, **organizes** it in an intuitive way, and **enables data sharing** with the right stakeholders at the right time (both internal and external).

No longer having to scramble to retrieve siloed data means you'll enjoy better planning for your next buy. You'll also delight your employees and partners with smooth, error-free communication at every level of your business.

1 **2** **3** **4** **5**

Did you know that...

readily available data facilitates sustainability compliance and reporting?

Learn about impending SEC regulations in our latest guide.

OVER
95%
OF A RETAILER'S SUSTAINABILITY FOOTPRINT
is determined by their supply chain

Su re GUIDES

Download the Next Guide!
Learn how to leverage your PLM to build a sustainable business.

THE
SEC
RECENTLY PROPOSED A NEW SET OF SUSTAINABILITY REGULATIONS
that will soon become the gold standard for retail operations

Retailers

- Earn time back in your day for planning activities
- Love what you do again
- Improve customer satisfaction and loyalty

A Better Final Product

Your end goal is to provide the **right products** at the **right time** to your customers. PLM software makes that possible by giving you access to the data you need when you need it. This allows you to make the best sourcing, development, and buying decisions possible.

It also saves you time thanks to workflow and communications tools—giving you back the hours you need to **effectively plan your upcoming projects**.

At the end of the day, you're delivering a better final offering for consumers, improving sales and building a strong basis for customer loyalty.

Suppliers

- Use data and communications tools to present higher quality product assortments to buyers
- Improve customer (retailer) satisfaction
- Increase retention and repeat sales

1   2   3   4   5

Part Two

How To Purchase PLM Software

Buying enterprise software is hard work

Your B2B buying journey begins.

Now that you've determined that a PLM's ability to **increase speed to market** and **improve collaboration** are critical to your business success, what's next?

First, we need to evaluate your organization's specific workflow needs.

B2B Buyers complete a set of jobs to make a purchase

To understand how to best help customers advance through a complex purchase, Gartner research identified six B2B buying "jobs" that customers must complete to their satisfaction in order to successfully finalize a purchase:

- **Problem identification.** "We need to do something."
- **Solution exploration.** "What's out there to solve our problem?"
- **Requirements building.** "What exactly do we need the purchase to do?"
- **Supplier selection.** "Does this do what we want it to do?"
- **Validation.** "We think we know the right answer, but we need to be sure."
- **Consensus creation.** "We need to get everyone on board."
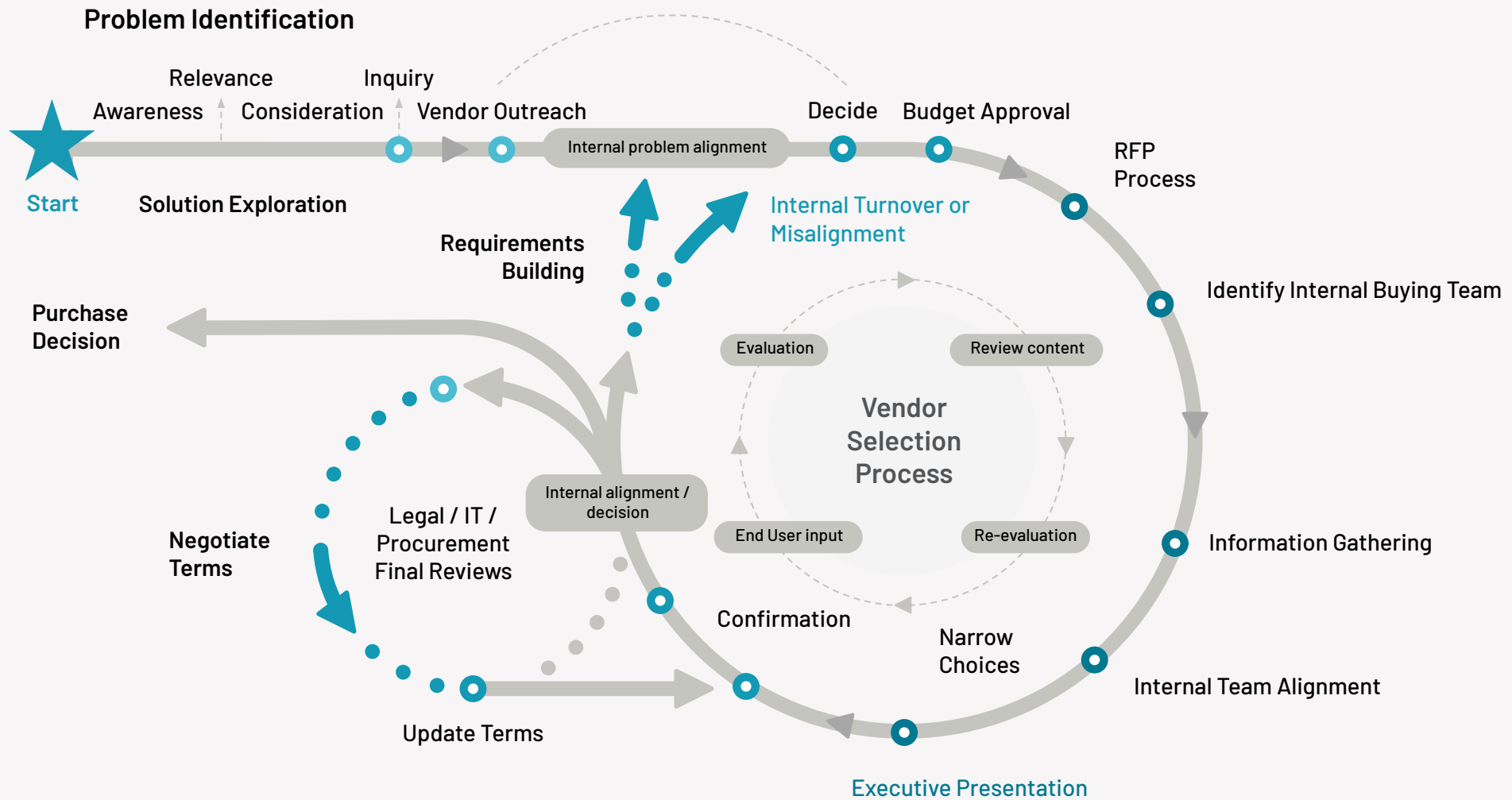
B2B buying jobs

Problem identification	Solution exploration	Requirements building	Supplier selection

Validation

Consensus creation

Source: Gartner
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Gartner

It's called a buying 'journey' for a reason

Problem Identification

Relevance
Inquiry
Awareness
Consideration
Vendor Outreach
Decide
Budget Approval
RFP Process

Internal problem alignment

Start

Solution Exploration

Internal Turnover or Misalignment

Requirements Building

Identify Internal Buying Team

Purchase Decision

Evaluation
Review content

Vendor Selection Process

Information Gathering

End User input
Re-evaluation

Negotiate Terms

Legal / IT / Procurement Final Reviews

Internal alignment / decision

Confirmation

Narrow Choices

Internal Team Alignment

Update Terms

Executive Presentation

Six jobs for your internal buying group

This is our PLM-focused spin on the Gartner research approach to business software purchase.

We'll start by taking you through each of these steps. Then, we'll demonstrate the importance of choosing the right PLM service for your business..

Job #1

Define the current state of your product lifecycle process

"Where are the opportunities for improvement?"

Job #4

Finalize and prioritize needs

"Which features will make the biggest impact on our PLM efficiency and effectiveness?"

Job #2

Explore the categories of retail software

"PLM vs. ERP vs. PIM. How are they different?"

Job #5

Vet software solutions and ask them the right questions

"Can your PLM tool really work for me?"

Job #3

Gather requirements from all teams

"What does everyone NEED?"

Job #6

Make a final decision

"Everyone's on board. Let's go!"

Job # 1

Define the Current State of Your Product Lifecycle Process

"Where are the opportunities for improvement?"

A whopping **90%** of all delays in launching a product are caused by **poor collaboration** between internal partners, or **obstacles** occuring during information transfer between internal and external partners.

Collaborative bottlenecks are why projects feel like they're dragging on for too long, why there are so many missed details, and why retailers always feel like they are drowning in work.

If this sounds familiar, it's probably time to implement a PLM solution that can ease bottlenecks and crossed wires throughout your product lifecycle management process.

The following questions will help you identify your pain points before you begin interviewing potential PLM solution providers for your business:

- *As you are bringing your new product line to market, how much of your time is spent collaborating with your internal teams?*

- *How much of your time is spent collaborating with your brand or production partners?*

- *How many product data / images / tech packages / etc. are you passing back and forth every day?*

- *How much time are you spending ripping that data out of excel spreadsheets, PDFs, and emails and putting it into your internal systems, and then ripping it out of your internal systems just to put it back into excel spreadsheets, PDFs, and emails?*

Job #2
Explore the Categories of Retail Software

"PLM VS. ERP VS. PIM, oh my! Let's look at the differences of each functionality."

After you've identified and analyzed the pain points you need to solve, it's time to start exploring what's available in the market.
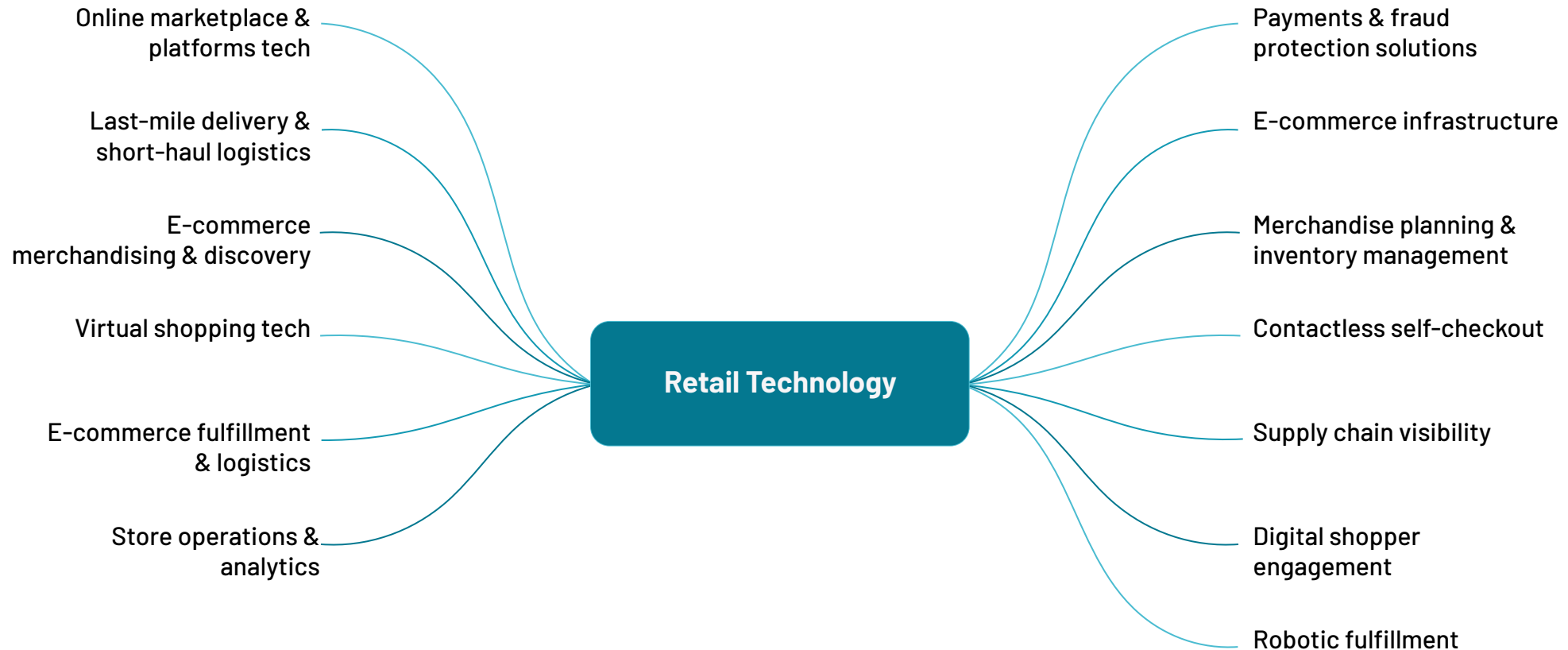
But how do you determine what software solution is the best for your business, without paying for unnecessary features?

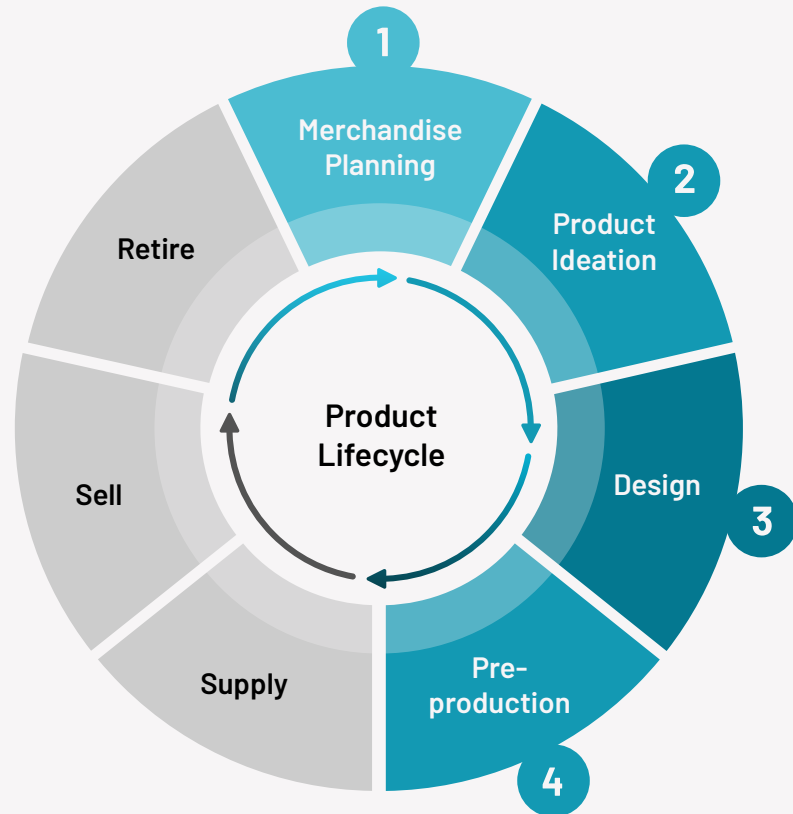**There is a LOT of debate about what PLM encompasses in the consumer goods/retail supply chain**

- **Design to purchase order confirmation** — For example, inspiration capture, line planning, storyboarding, product specification development, raw materials visibility and management, and finished goods sourcing. May include the creation of the purchase order.

- **P.O. to shipment** — For example, the creation of the purchase order, visibility to manufacturing status, creation of the outbound delivery notice or ASN, creation of shipping documentation, traceability to the dock and invoicing the (B2B) customer.

- **Shipment to cash** — For example, visibility to the location of the shipment and import status, distribution of product to warehouses or stores, allocation to channels or stores, and visibility to MIOE (merchandise, inventory and operations execution)

- **Different software vendors support different elements of these processes to different degrees!**

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High Level Categories of Retail Technology

Online marketplace & platforms tech

Last-mile delivery & short-haul logistics

E-commerce merchandising & discovery

Virtual shopping tech

E-commerce fulfillment & logistics

Store operations & analytics

Retail Technology

Payments & fraud protection solutions

E-commerce infrastructure

Merchandise planning & inventory management

Contactless self-checkout

Supply chain visibility

Digital shopper engagement

Robotic fulfillment

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An ideal PLM system covers steps 1-4 of the Product Lifecycle

1. Merchandise Planning

➔ Assortment planning
➔ Live review
➔ Sales comps

2. Product Ideation

➔ Concept / Ideation
➔ Customer needs analysis
➔ Trend boarding
➔ Budget Requirements setting

3. Design

➔ Design
➔ Product iteration
➔ Initial Specs
➔ Collaboration
➔ Costing
➔ Specs

4. Pre-Production

➔ Sampling
➔ Packaging
➔ Testing
➔ Materials planning
➔ Labels / Tags

Product Lifecycle

1. Merchandise Planning
2. Product Ideation
3. Design
4. Pre-production
Supply
Sell
Retire

The steps and substeps a PLM system covers (1-4) do not take place entirely in-house at your organization.

The teams you work with—from merchandise planning to design to product sampling, etc.—will change throughout the process. Collaborators will include everyone from internal merchandisers to vendors, manufacturers, and frontline sales reps.

For a PLM system to do its job effectively, it must allow all of these team members to communicate and collaborate on a unified platform that streamlines the PLM process.
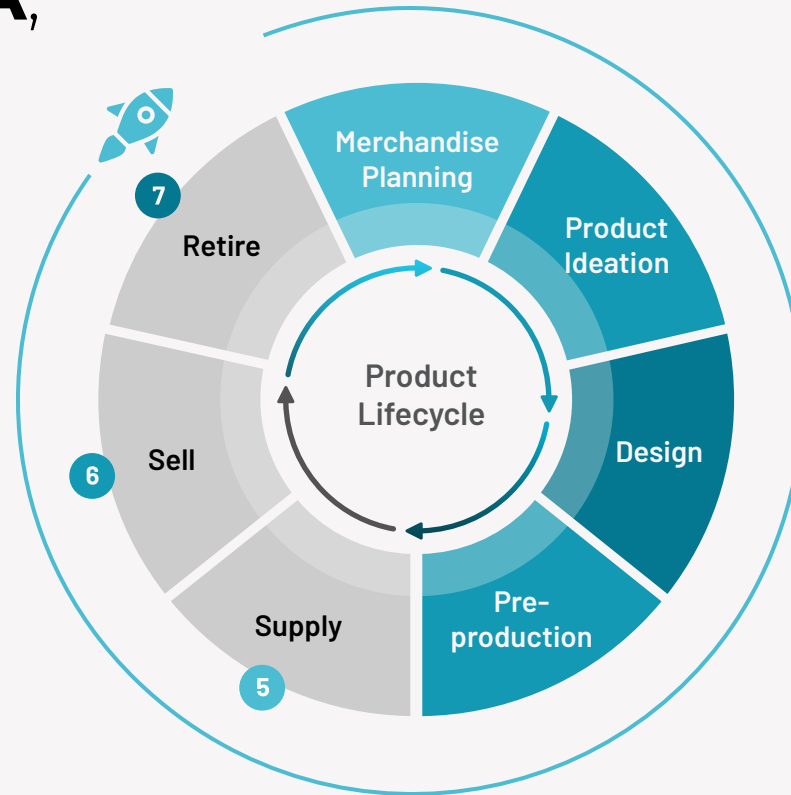
A proper PLM system will handle every step of the process, including:

- Creating a merchandising hypothesis
- Nailing product details
- Handing off to production
- Managing logistics
- Selling on store shelves
- And more

It should accomplish these crucial business tasks on one unified system.

That means you won't ever have to use emails, PDFs, or Excel spreadsheets to communicate with external vendors throughout the product lifecycle management process.

A good PLM system should then set your business up for handoff to **MPA**, **ERP**, and **PIM** systems (steps 5-7)

Product Lifecycle

- Merchandise Planning
- Product Ideation
- Design
- Pre-production
- 5 Supply
- 6 Sell
- 7 Retire

Your software tools, defined:

PLM

Product Lifecycle Management (PLM) software is a comprehensive system used to manage product data throughout its lifecycle. From design and development to production and marketing, PLM software facilitates communication and collaboration between teams dispersed across different locations.

MPA

(Or MPAA) is software for Merchandise Planning & Allocation. This is the system that digests your new product data. It also enables you to allocate the distribution of products to different branches and marries your sales data to your products for markdowns, promotions, and seasonal review. You'll start here when forming your new merchandise hypotheses and then jump back into a PLM tool.

ERP

ERP stands for Enterprise Resource Planning. It's software that manages your company's financials, supply chain, operations, commerce, reporting, manufacturing, and human resource activities.
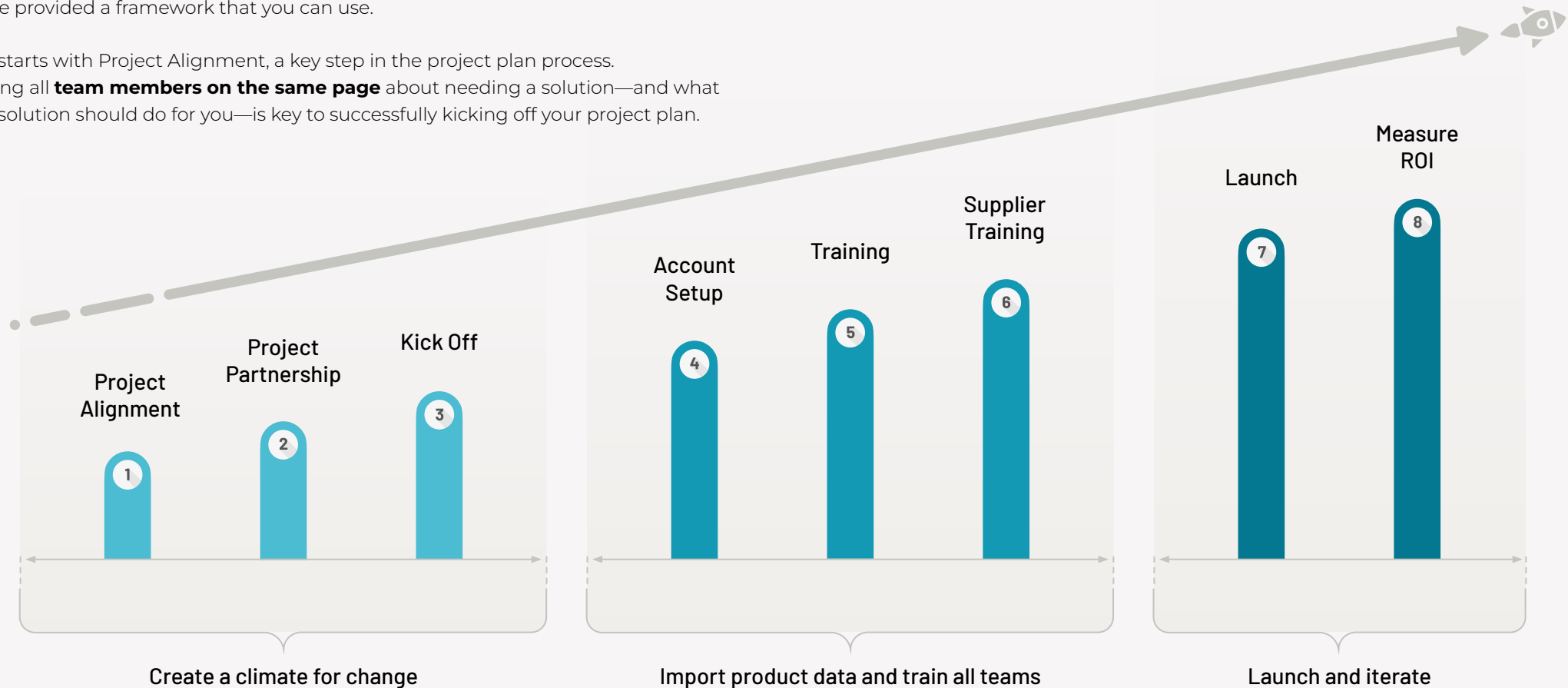
PIM

A Product Information Management (PIM) solution is a business application that provides a single place to collect, manage, and enrich your product information, create a product catalog, and distribute it to your sales and eCommerce channels.
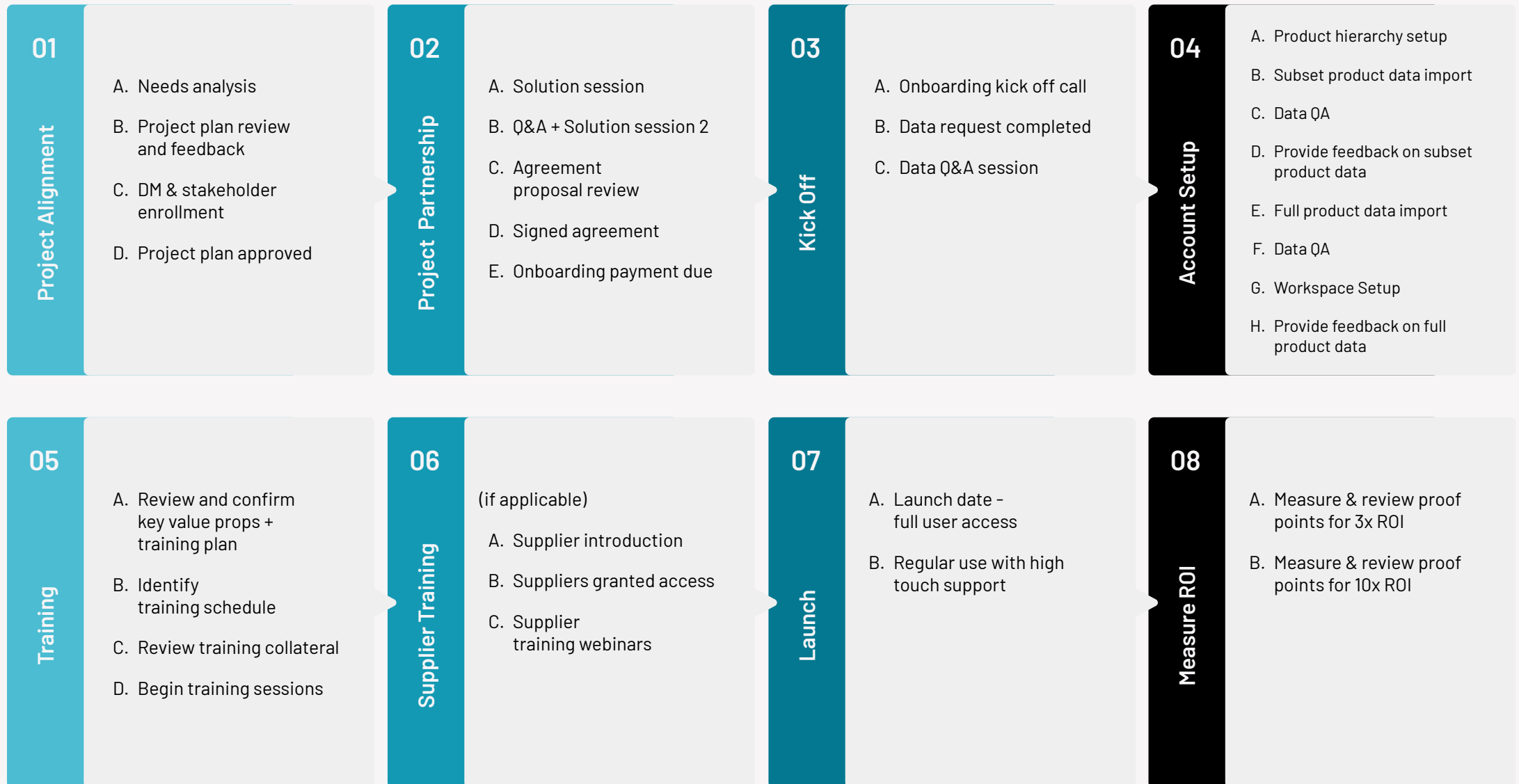
Get organized with a Project Plan

Before moving on to the next step, it's important to get organized by creating a project plan outline. This plan will guide your organization from the needs gathering phase, all the way through implementing your new solution. We've provided a framework that you can use.

It all starts with Project Alignment, a key step in the project plan process. Getting all **team members on the same page** about needing a solution—and what that solution should do for you—is key to successfully kicking off your project plan.

Project Alignment — 1
Project Partnership — 2
Kick Off — 3
Account Setup — 4
Training — 5
Supplier Training — 6
Launch — 7
Measure ROI — 8

Create a climate for change

Import product data and train all teams

Launch and iterate

01 Project Alignment

A. Needs analysis
B. Project plan review and feedback
C. DM & stakeholder enrollment
D. Project plan approved

02 Project Partnership

A. Solution session
B. Q&A + Solution session 2
C. Agreement proposal review
D. Signed agreement
E. Onboarding payment due

03 Kick Off

A. Onboarding kick off call
B. Data request completed
C. Data Q&A session

04 Account Setup

A. Product hierarchy setup
B. Subset product data import
C. Data QA
D. Provide feedback on subset product data
E. Full product data import
F. Data QA
G. Workspace Setup
H. Provide feedback on full product data

05 Training

A. Review and confirm key value props + training plan
B. Identify training schedule
C. Review training collateral
D. Begin training sessions

06 Supplier Training

(if applicable)

A. Supplier introduction
B. Suppliers granted access
C. Supplier training webinars

07 Launch

A. Launch date - full user access
B. Regular use with high touch support

08 Measure ROI

A. Measure & review proof points for 3x ROI
B. Measure & review proof points for 10x ROI

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Example of a project plan template

Project Name	PLM Software Plan	Project Sponsor	<name>	Jan	Feb	Mar	Apr	May
Date Start	<dd.mm.yyyy>	Date Finish	<dd.mm.yyyy>					
SKUs	<# total SKUs>	Product Categories	<# of categories>					
Suppliers	<# of suppliers>	Custom Exports	<# of custom exports>					
Team Members	<# of people/users>	Agreement Signor	<name>					

Step	Milestone	Status	Responsible	Due Date	More information
1	**Project Alignment**				
1a	Needs analysis	**100 %**	<project sponsor>	<dd.mm.yyyy>	
1b	Project plan review and feedback	**100 %**	< PLMS sales rep> + <project sponsor>	<dd.mm.yyyy>	
1c	DM & stakeholder enrollment	**100 %**	<project sponsor>	<dd.mm.yyyy>	
1d	Project plan approved	**80 %**	<project sponsor>	<dd.mm.yyyy>	
2	**Project Partnership**				
2a	Solution session	**100 %**	< PLMS sales rep>	<dd.mm.yyyy>	
2b	Q&A + Solution session 2	**30 %**	< PLMS sales rep> + <project sponsor>	<dd.mm.yyyy>	
2c	Agreement proposal review	**30 %**	< PLMS sales rep> + <project sponsor>	<dd.mm.yyyy>	
2d	Signed Agreement	**0 %**	<project sponsor>	<dd.mm.yyyy>	

Job # 3
Gather Requirements From All Teams

"What does everyone NEED?"

Whole team collaboration is what makes a PLM a necessary and valuable tool for your organization. If you're considering PLM software that doesn't allow for this, it'll just create problems for your team.

This is the "needs analysis" portion of the project plan—where you get together with your internal stakeholders to document key pain points you must resolve with a solution.

As part of this exercise, think about how the whole team (internal merchandisers, brand partners, factories, etc.) is going to use a potential solution.

Good PLMs can be leveraged by every one of your team members and business partners. They can bring the information that they are most responsible for to the collaboration process.

Internal and external collaboration is the single most vital piece of the PLM puzzle. It lets you to have exceptionally reliable information at your fingertips in the moment you need it, without having to comb through emails, PDFs and other external systems to find it.

Working within a single tool reduces risk of error and eliminates time delays when working across time zones.

If you're using a PLM to collaborate within your organization only—relying on external tools like email and Excel to communicate with external team members— you are missing half the equation. Using a PLM that does only half the job causes more problems than it resolves.

An internal-only solution isn't sufficient to automate a process that relies on inputs and collaboration from external partners. Without the ability to interface externally, this type of PLM will actually create more work for your internal team members, totally defeating the purpose.

Team members are stuck ripping information out the PLM, sending it to external partners, and then migrating it back in. This makes your PLM an additional hurdle your team must surmount on the way to market, rather than an accelerant.

Job #4
Finalize & Prioritize Needs

"Which features will make the biggest impact on our PLM efficiency and effectiveness?"

After you establish that a potential PLM solution enables seamless internal and external collaboration and communication on a unified platform, then you can take a look at some other features you may need. These can include:

- A 'many to many' communication system

- Customizable, visual workflows/stage-gates/checklists

- Capabilities for RFQs and RFPs

- Pro forma purchase ordering & PO worksheet generation

- Quick & easy onboarding

- A configurable bill of materials/tech packs

In today's work climate, many of our teams are dispersed or working remotely. While remote work offers a lot of flexibility, it comes with unique stressors. Trying to adapt in-person practices with new digital tools can result in broken workflows, contributing to mental stress and exhaustion for remote employees.

For workers who rely heavily on digital tools to get their work done, it's important to confirm that you are choosing the right tools—those that help, not hinder, your current workflows. These tools should be easy to implement and use, allowing employees to feel more productive. This is not only good for the organization as a whole, but also for individual employee satisfaction and wellbeing.

Paying attention to ease of use during the PLM evaluation process is important, as it shows that you not only value the end result of the work being done, but also the wellbeing and personal fulfillment of your individual employees.[4]

Job #5
Vet Software Solutions, Ask The Right Questions

"Can your PLM tool really work for me?"

It's easy for PLM software suppliers to claim to be the answer to all of your problems.

Before you take any claim by a PLM vendor at face value, it is important to validate their system's ability to effectively and efficiently meet your needs.

Here are a few ways to do this:

- Get a custom solution demo
- Review case studies
- Talk to existing customers
- Implement potential solutions within smaller teams before rolling out the platform to your whole business

Whatever your vetting process entails, it's in your best interest to compare a number of options.

To the right are a few key questions that your team should align on and ask a sales rep before a demo:

Q: Is this the right time to buy a PLM system?

[Here] are the other items we have on our strategic technology roadmap. Are the systems we're considering implementing downstream consumers of PLM data?

*Keep in mind: If you have plans to implement a merchandise allocation system, ERP system, PIM system, or any other system down the road, setting up your data ingress now with a proper PLM system will pay dividends in the future. There is no substitute for well groomed and well managed data for the handoff to other systems.

Q: What is the time frame it will take to implement it?*

Which of my current systems will this PLM software replace, if anything? Which of my systems will I need to migrate data out of?

*Keep in mind: Any PLM tool you implement should take 1-2 quarters versus years to onboard.

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Q: Does this PLM solution work with the systems and tools we currently use/already trust?

[Here] is what I like and [here] is what I do not like about my product development process and manufacturing/ERP processes.

Q: How will this PLM software enable me to improve processes that are not working for me while allowing me to continue with the parts of my process that are working well?

Which system or systems will this new PLM need to integrate with?

Even "out of the box" integrations require some engineering to smooth out the edges. How will this new system and my other systems transfer data back and forth before integration?

Does your tool solve for the parts of my process that I want to change? How?

How will this new system transfer data after integration with existing systems?

Which of these desired process changes are limited by our current tools and which are limited because of our current workflows and practices?

How can we change practices while implementing a new tool/system?

Q: Are you fully committed to your customer success?

Do you have a service system in place that will help us get there?

Adopting a new tool happens in stages. Will your team be there to support our changing needs from initial implementation through strategic expansion of our system usage and capabilities?

Q: Can we see examples of the path to transformation this PLM solution provides?

Job #6
Make Your Final Decision

"Everyone's on board. Let's go!"

At this point, you will have identified and engaged your internal buying group. This will likely include the following branches: legal, IT, executive leadership, marketing, sales, compliance, HR, product development, and anyone else with a key role in supplier management.

You'll also have mapped out a plan (refer to the framework in Job #2).

Now it's time to create a consensus within your entire team.

This requires getting everyone on board with PLM software and ensuring that everyone understands how it will be used. Make sure you have set up the right meetings with the right people in the right branches. If necessary, have a representative of your prospective software walk each team member through a day using the software to augment their role. This will help them see how the new system will make their job easier and how it will help the team function at an accelerated pace..

Next, it's usually a good idea to get the entire team together for a custom demo. In order to make this demo as valuable and illustrative as possible, talk with the PLM sales reps beforehand and communicate the requirements you've laid out. One way to make this demo as useful as possible is to ensure that every department of your company is at the meeting. This will give stakeholders a holistic view of the product in action.

After you've received a custom demo from your chosen PLM solution, it'll be time to discuss with your team what you can gain from adopting the solution. Additionally, it's worthwhile to discuss what you risk if you don't bring on a PLM and just continue working through Excel, email, and PDFs.

Questions are key in this phase of the implementation process. Try asking your team:

Q: If we continue on in the same vein, can we keep up with competitors who are increasingly onboarding PLM systems to assist with their processes?

Q: What does one day, one week or one month delay in getting our product to market do for our numbers?

If speed to market is a concern within your industry, and you find yourself competing against others who are effectively using a PLM tool to collaborate and communicate with internal and external team members, you risk holding onto your competitive edge long term.

After you've talked through these questions, addressed concerns with your team, and established buy-in across all key stakeholders, it's time to move forward with your PLM solution.

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Project Evaluation:
What does success look like?

What can you expect out of your PLM solution if you choose the right option for your organization and onboard it correctly?

You can expect to benefit in 3 main areas:

Scaling your business asymmetrically.

PLM users **eliminate 30%-50%** of the manual input and time spent bringing new products to market. The right PLM system will help you cut out repetitive tasks, communication blockers, and administrative work. So your team is able to power a growing business with increasing demands, without hiring more employees to tend to tedious administrative tasks.

Better capitalization on existing opportunities and ability to convert new opportunities.

Because PLM systems **reduce the time** and **input needed** to bring new products to market, you'll have the ability to design and develop products closer to the market trend cycle which, in turn, will increase the full-price sell-through rates of your products.

Centrally located, **highly visual product data** will help your sales team convert new business opportunities in a fraction of the time. But a well-managed database of new product information won't only improve your B2B offerings, it will also **increase speed** and **accuracy** when you publish new product content to ecommerce platforms—ultimately increasing B2C sales.

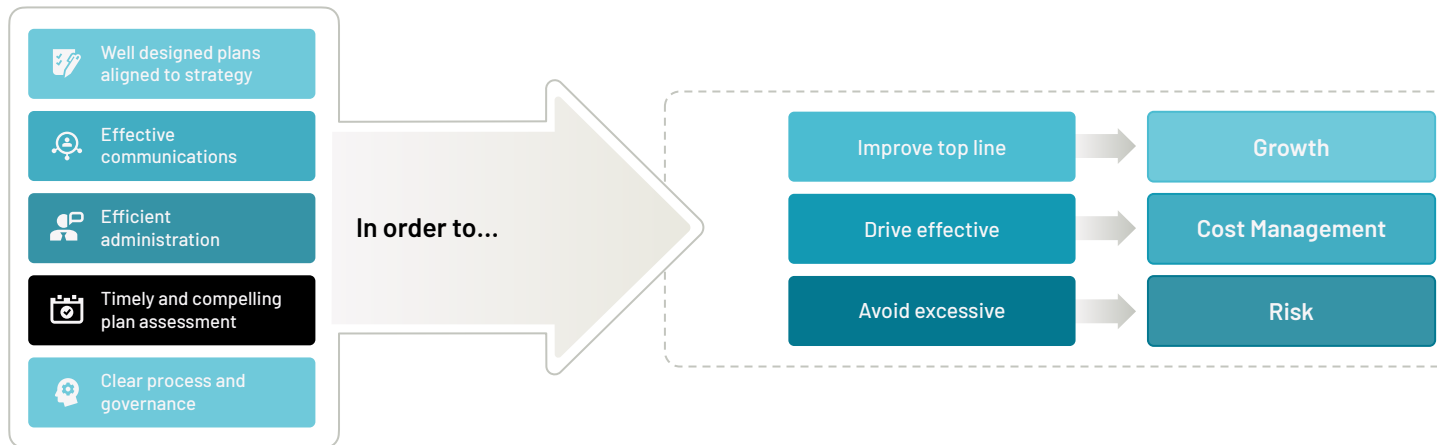### **A happier, more fulfilled team of professionals.**

Empowering your teams with state-of-the-art tools that are built to streamline their job functions shows your employees that you have respect and consideration for their daily tasks. That's a big deal in an industry where turnover and callouts are one of the largest obstacles to bringing products to market in time. The agility you get from a strategic PLM will result in increased job satisfaction, reduced bottlenecks, and, ultimately, a significant reduction in the rate of employee turnover.

Return On Investment (ROI)

To obtain maximum ROI, partner with a PLM solution provider that allows you to interface with external vendors. This will **save 20%** of the **time spent** on administrative tasks like PO worksheet generation. A home furnishings retailer that recently implemented Surefront® PLM software, for instance, decreased the length of their product development cycle by 40%.They went from an average of **5 weeks** per product **to 3 weeks**. Entering new products into the system went from being a five day process to a five minute process.

The right PLM solution can help you realize a **3x boost to ROI** within 6 months of implementation, with at least **10x ROI after a year** of using the software. PLM adoption is quickly becoming the gold standard for high-ranking retailers. The sooner you implement a strategic PLM system that works with external vendors, the sooner you can make this impressive ROI a reality for your business.

ROI Formula

In business, the purpose of the return on investment (ROI) metric is to measure, per period, rates of return on money invested in an economic entity in order to decide whether or not to undertake an investment. It is also used as an indicator to compare different investments within a portfolio. The investment with the largest ROI is usually prioritized, even though the spread of ROI over the time period of an investment should also be taken into account.

ROI and related metrics provide a snapshot of profitability, adjusted for the size of the investment assets tied up in the enterprise. ROI is often compared to expected (or required) rates of return on money invested. ROI is not time-adjusted (unlike e.g. net present value): most textbooks describe it with a "Year 0" investment and two to three years' income.

ⓘ More information

	In order to...		
Well designed plans aligned to strategy		Improve top line →	Growth
Effective communications		Drive effective →	Cost Management
Efficient administration		Avoid excessive →	Risk
Timely and compelling plan assessment			
Clear process and governance			

$$ROI = \frac{\text{Net Profit}}{\text{Cost of Investment}} \times 100$$

$$ROI = \frac{\text{Present Value} - \text{Cost of Investment}}{\text{Cost of Investment}} \times 100$$

Check out our PLM ROI Calculator that will allow you to do that math yourself.

Book a demo with us by emailing **sales@surefront.com** if you'd like to walk through the profit equation together.

Part Three

How To Implement Your New PLM System

Getting up and running

There will inevitably be some complexities in the setup and integration process. So you should insist that your PLM software provider designate a representative to provide frequent live demos and have someone on call to answer your setup questions during business hours.

Once the software is in use, the process will become seamless. Until then, however, the onus falls on you to make sure that individual team members in every department have a seamless transition to the next phase of their daily workflow.

📅 Month 1

Crawl

In the initial weeks of adoption, your primary goal is onboarding and training your team.

Start with an onboarding kickoff call. You'll want to discuss data transfer with your onboarding team. Then it's important to spend time getting your account set up correctly. You do not want to rush this step. Ensure your product hierarchy makes sense for your needs.

Once that's firmed up, import your product data, set up your workspace and get your team(s) trained.

📅 Months 2-3

Walk

Next it's time to train your brand and vendor partners with the assistance of your PLM software onboarding team. Walk through the process. Take copious notes:

- Gain feedback, measure results, and develop user stories that can be reused and/or applied elsewhere

- Perform an assessment to review the current state of your quality management processes, as well as regulatory and implementation challenges

- Make adjustments to product or workflows based on your initial use of the platform

Finally, develop plans for compatibility and scalability to ensure that your respective businesses are ready for the growth that's sure to come.

📅 Months 3-12

Run!

Scale throughout your organization, and lean into using your new PLM platform for every aspect of your day-to-day business. Bring in key stakeholders to determine an enterprise-wide rollout plan based on learnings from your smaller scale tests.

Take this time to check back in with your brand and vendor partners to ensure that they're comfortable using the system. Incorporate process, system architecture, and organizational changes.

Continuously review progress, report on metrics, and share results with your team to help them understand the value of the software. Help them see that your products move faster to market with less hassle, freeing up new bandwidth to go after opportunities.

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TL;DR

DOs & **DON'T**s of implementing PLM software

Here are a few key tips you can use when implementing a PLM strategy.

Tip #1

Establish your PLM strategy from the get-go.

Lay out your reasons for purchasing the PLM software in the first place.

Are you trying to centralize product data for better accessibility? Remove the bottlenecks caused by taking data on and off platform when collaborating with external partners? Modernize your quote and order process? Manage regulatory requirements? Prepare data for an ERP or PIM system down the road?

Establishing clear objectives and goals will give you a better understanding of which processes need help now and which ones can wait.

Don't try and do everything all at once—it will cause confusion and overwhelm the team. Have a plan with progress benchmarks in place before you begin slowly rolling out your new PLM strategy.

Tip #2

Consolidate collaboration and centralize workflows.

90% of issues in the PLM process are caused by mistakes that occur when transferring data to and from partners, both internally and externally.

Use your new PLM software to centralize communications for all of the people inside and outside the organization.

Train each member of your internal team on how the new software can impact and improve their day-to-day life.

Do the same for your buyer and vendor partners, taking care to show them the benefits of having all the data centralized in one system.

Involve your team in the implementation of the software so everyone is brought up to speed together.

Tip #3

Review data.

Anybody who has moved from one city to another has had to spend a lot of time deciding what to toss and what to keep. The same goes for data.

This is your chance to analyze all the data you have been storing for years and decide what needs to be kept versus what needs to be tossed or updated. The first casualties are usually Excel spreadsheets, PDFs, and other antiquated data storage tools.

If you take the time to go through your data now, you'll have a PLM system built on accurate and usable data.

If you don't, then you will be sorting data on the fly, which can going to lead to problems down the road and slow your speed to market (again).

Tip #4

Obtain buy-in.

For your PLM strategy to work, you need the executive team and others in the organization to believe in and commit to the implementation process. Executives can offer an incentive plan to nurture team buy-in.

If your team is actively contributing to the PLM software integration and they have a say in the process, they'll feel personally involved in its success.

It's a common mistake to dump new software on your team and assume they'll just start using it. They have been working with their current system for a while now and are used to it. Most people will stick with the 'old way' until they are encouraged to switch. That's why it's crucial to get everyone involved early on.

Tip #5

Have an implementation plan and lead.

Setting goals and clearly identifying milestones and deadlines will help keep your teams on track. It'll also give you specifically designated opportunities to review what is and isn't working in the implementation process.

It's recommended to have a specific point person on your team who works directly with a representative from your PLM vendor to answer questions and keep everybody on track.

It's common to assume that each department head will take ownership and manage within their own team, but this isn't usually how things work out. That's why it's good to have an overall plan, and assign a leader to oversee rollout in each branch.

Tip #6

Train people early.

A new PLM system will ultimately make everyone's job easier, but nothing is easy when it's brand new.

Demos need to be offered so everyone thoroughly understands the new software and how it's going to make their jobs easier.

Online help systems are available 24/7, and additional classes are available if need be. Getting users training material early will help avoid adoption lag and help you better control processes and data.

Conclusion

Product Lifecycle Management comprises every phase of a product's journey. Put very simply, PLM Software give you the management and control of all product data and information throughout a product's lifecycle.

Product information is an essential business asset. But, all too often, product data is volleyed around in spreadsheets, emails, text messages, and phone calls. Data loss is almost guaranteed when using these outdated methods. This leaves people who need data wasting precious business hours searching—which has a measurable impact on their ability to get stuff done.

PLM software comes in and eliminates the need to work in multiple ineffective systems throughout the numerous phases of the product life cycle. With the right PLM system, retailers can work with suppliers (who can in turn work with their manufacturers) within a single platform. The system is used to house centralized product data for easy access, easy updates, and easy exports. It creates a single source of truth across all business partners.

With better communication and collaboration tools:

- Teamwork happens faster and with less room for error
- Efficiency and profitability improve
- Worker productivity increases
- Products get to market faster

In an industry built on trend cycles and seasons, speed-to-market is a priceless advantage. You'll have **no more bottlenecks** and **no more panicked moments**. Just a streamlined, unified home for product data and communication.

Merchandising

Product Development / Sourcing

Corporate Development

Planning & Design
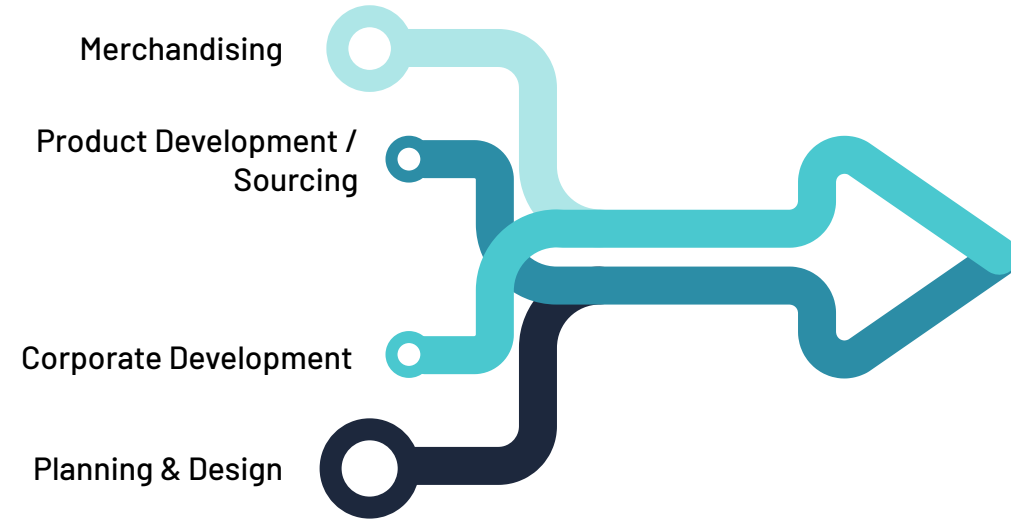
PLM software is becoming standard in the retail industry. This is because Product Lifecycle Management software is a significant investment that can make a colossal impact on businesses. Start shopping for the right PLM solution for your business today to get ahead of the competition.

The following two checklists will help you choose the teams you need to communicate with to define the areas of opportunity within your organization and guide you through the PLM inception/implementation process.

Your Internal Buying Team

Your buying team will be unique to your organization. However, you should consider including individuals from the following teams in order to streamline your PLM software buying process:

- ❏ Legal
- ❏ IT
- ❏ Executive Leadership
- ❏ Marketing
- ❏ Sales
- ❏ Compliance
- ❏ Product Development
- ❏ Supplier Management
- ❏ Vendor Relations
- ❏ Buying/Merchandising

STEP 1
Identify Buying Team

- Who is participating in the project?
- Who is interested in the project or who is affected by it?
- What processes are linked?

STEP 2
Display Relations

Define all stakeholders and how they are related to the process:

- Internal and external stakeholders
- Degree of intensity
- Importance of each stakeholder

STEP 3
Evaluate and Analyze

Compare expectations and interests of each stakeholder:

- Expectations concerning the project
- Characterization
- Objectives and interests of stakeholders
- Investments
- Influence, power and attitude (positive or negative) regarding the project

STEP 4
Deduce Future Measures

Insights of analysis and possible consequences:

- Plan measures and communication
- Calculate risks, threats, and opportunities
- Develop implementation strategy

Your PLM Checklist

Cost Benefit Analysis:

❏ As you are bringing your new product line to market, how much of your time is spent collaborating with your internal teams?

❏ How much of your time is spent collaborating with your brand or production partners?

❏ How many product data/images/tech packages/etc. are you passing back and forth every day?

❏ How much time are you spending ripping that data out of excel spreadsheets, PDFs, and emails and putting it into your internal systems, and then ripping it out of your internal systems just to put it back into excel spreadsheets, PDFs, and emails?

Define Your Purchasing Process:

❏ Understand what PLM software is and conduct research. Verify that this is a solution to your problem statement.

❏ Identify and assemble your team.

❏ Put together a project plan.

❏ Conduct a needs analysis exercise with your team.

❏ Determine whether each potential solution solves for your pain points or not.

❏ Develop a list of questions for the sales reps at each of the PLM solutions on your short list.

❏ Research potential PLM solutions.

## Work With Solutions Providers / Choose The Right One:

❏ Work with PLM solutions sales reps to develop a custom demo for your team.

❏ Attend custom demos for each potential PLM solution with your entire team.

❏ Regroup internally. Get consensus on (1) the need for a PLM tool and (2) decide which tool best meets your needs.

❏ Request and complete contract/paperwork

❏ Implement!

About Surefront

Businesses that adopt Surefront see an average **10X ROI after a single year** of use. Are you ready to calm the chaos of your product communication and quote creation process, and get to market faster?

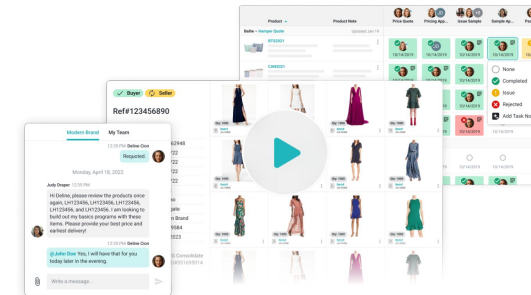**Email sales@surefront.com** to set up an intro call with our solution experts today.

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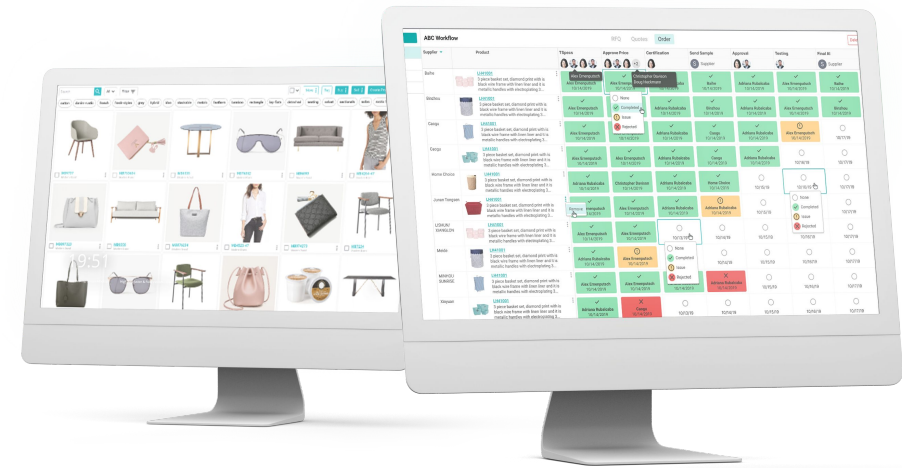
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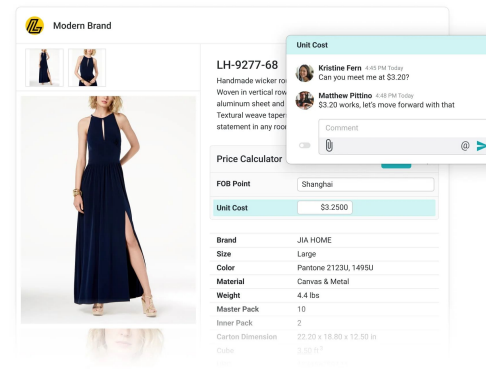
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