

CASE STUDY



Sonepar Canada DIVEs into Digital Success

Leading global distributor Sonepar Group is an independent family-owned company with market leadership in the business-to-business (B2B) distribution of electrical, industrial, safety products, and related solutions. As the digital revolution advances and product technologies continue to evolve, there's a widening range of applications for electrical equipment and a growing need for new services. Sonepar Group is established in 40 countries, including the United States and Canada, and has embarked on an ambitious transformation agenda to become the first global B2B electrical distributor to provide a fully digitalized and synchronized omnichannel experience to all customers. Drawing on the skill and passion of its 45,000 global associates, Sonepar had sales of €33.3 billion in 2023, €11b of which was from online channels. Their vision is clear: "Sonepar makes our customers' lives easier, over the counter, visiting customers, by phone or online – however we are needed."

Sonepar Canada represents 9 electrical and industrial distribution brands with 1800+ employees across 90 locations in 8 provinces. Pivotree worked with Sonepar Canada to automate their data enrichment processes to streamline manual effort, improve time-to-market, and grow revenues for this growing market leader.



THE HIGHLIGHTS

350K enriched SKUs processed with 95% accuracy in just 24 hours

56% operational cost savings

Improved data integrity and quality

Achieved a cohesive view of supplier information



Achieving scale at this level has allowed us to bring our products to market much faster while making customer experience seamless.

- Christopher Staples, Director, Master Data Management, Sonepar Canada



Data Enrichment a Number One Challenge

In line with Sonepar Group's mission to develop a fully digitized customer experience, Sonepar Canada worked with Pivotree to automate portions of their data enrichment pipeline. With numerous vendors and a vast supply of products, Sonepar Canada faced the challenge of efficiently managing the scale and size of their product portfolio. Fueled by the company's aggressive growth through acquisition over the years, an increasing number of products — approximately 50K SKUs — are being added every year. As the rising volume of data from an increasing number of sources can lead to data inconsistencies and ultimately a poor customer experience, instituting data governance was key. As such, there was an imperative to create a common understanding of data across the organization to ensure consistency and alignment as well as achieve revenue objectives, improve speed-to-market, and create greater operational efficiencies.

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A Powerful Combination of Expertise Plus AI/ML Innovation

Having demonstrated strengths in implementing PIM/MDM systems and supporting numerous global distributors, Pivotree was identified as the best partner to guide their digital transformation.

To address the challenge of managing such a large portfolio of products given significant growth and efficiency objectives, it was recognized that leveraging Pivotree DIVE, a proprietary AI/ML platform that integrates seamlessly with their master data management (MDM) application, would achieve Sonepar Canada's goals to:

- Automatically classify their data into 2 separate classifications
- Automatically normalize and standardize their product data
- Report on the model's performance
- Fine-tune the data models based on human-in-the-loop feedback



Diving Deep for Even Greater Results

Sonepar Canada and Pivotree developed a phased approach to implementing DIVE. The first phase consisted of discovery in which both parties collaborated on a set of data that could be subsequently loaded into and assessed on DIVE. The end objective was to determine if the DIVE models would yield accurate predictions as compared to the customer's existing models. If the model predictions produced by DIVE indicated positive progress, the next phase of the project would begin.

As it turned out, the DIVE models yielded excellent results. Products were efficiently categorized and mapped to intuitive taxonomies utilizing DIVE's machine learning algorithms. During phase 1, proof-of-concept ingestion included approximately 70,000 products; these products were mapped in approximately 3 hours with 90% accuracy, excluding any tweaks or fine-tuning to the model. In comparison, Sonepar Canada's previous manual process would have taken roughly 32 weeks to onboard the same number of products using an estimated 17,280 hours of human effort.

Following this profound success, Sonepar Canada plunged into Phase 2, a full implementation of DIVE.

Much larger in scope, Phase 2 encompassed approximately 350,000 products. Leveraging DIVE, these products were uploaded, classified and integrated into Sonepar Canada's MDM platform in just 24 hours, with

In 24 hours, Sonepar Canada did what would previously have taken almost 3 years and 88,020 hours of human effort to accomplish.



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- Christopher Staples, Director,
Master Data Management, Sonepar Canada



accuracy rates of 95%; the excellent accuracy rates were made possible through Pivotree's fine-tuning of the model. Utilizing the customer's legacy method, this same effort would have taken the customer 163 weeks (over 3 years) with an estimated work effort of 88,020 manual hours of human effort.

"The DIVE tool has been invaluable in automating the enrichment of the hundreds of thousands of SKUs we manage. Achieving scale at this level has allowed us to bring our products to market much faster while making customer experience seamless. These are complex products and making it easy for our customers to find, buy, and remain confident in the brands we represent is our ultimate goal," says Christopher Staples, Director of Master Data Management at Sonepar Canada. "Internally, with the efficiencies gained, our data team has been able to focus on less mundane tasks, raising their capacity to do more strategic work."



Ultimately, Pivotree DIVE has empowered Sonepar Canada to:

- Achieve scale and reduce errors
- Gain faster time to market compared to other distributors
- Improve data integrity and quality through every stage of the product life cycle
- Provide a cohesive view of supplier information across all business units
- Save approximately 56% in operational costs through automation
- Deliver seamless customer experience

Mr. Staples adds: “Many organizations struggle with the sheer quantity of data, often realizing they need to clean up their existing data before being able to use it for strategic purposes. This solution makes the data manageable and allows users to navigate through information effectively. As organizations mature, they should focus not just on categorizing data, but also on being able to leverage it for greater purposes like predicting and building out what customers want.”

Due to the tremendous achievements and value derived from the DIVE program, Pivotree and Sonepar are expanding their partnership. Pivotree is actively implementing the DIVE technology to additional divisions of Sonepar.



If you are interested in learning more about enriching, automating and transforming your product data for improved omnichannel customer experience contact us today.

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Pivotree, a leader in frictionless commerce, strategizes, designs, builds, and manages digital Commerce, Data Management, and Supply Chain solutions for over 200 major retailers and branded manufacturers globally. With a portfolio of digital products as well as managed and professional services, Pivotree provides businesses of all sizes with true end-to-end solutions. Headquartered in Toronto, Canada, with offices and customers in the Americas, EMEA, and APAC, Pivotree is widely recognized as a high-growth company and industry leader.