

Tesco.com Ensures Online Offers are as Fresh as Produce with Interwoven



The UK's leading grocery retailer and first to offer Internet-based home shopping in the UK

Industry

Retail

Geographies

Europe

USA

Asia

Implementation Highlights

- OpenDeploy content distribution software automates deployment of content and code, making it possible to instantly update and deploy new content
- Content management system replaces inefficient, costly processes
- Templates enable frequent site updates and replacement of costly outsourcing process

Benefits

- OpenDeploy enabled retailer to increase frequency of publishing from 1 x per week to 100 x per day
- Parallel development and scalability provided by content management platform enabled rapid rollout of 15 Web properties in 18 months and estimated 2-year lead over competition
- Streamlined content production processes have resulted in 80 percent reduction of production costs



"Since implementing Interwoven, sales have gone up in some of our divisions by as much as five to tenfold. This is due largely to our ability to instantly update our online offers."

—Francesco Bruno, manager of content management infrastructure

Founded in 1924 by Sir Jack Cohen who sold groceries in London's East End Markets, Tesco is today the largest retailer in the UK with more than 800 stores in eight countries, staffed by over 200,000 employees. Unlike the many notable dotcom failures of the late 1990s, business is booming for the retail giant. Today, the company reaches 95 percent of the UK population, providing items to an estimated 4,000 customers each day.

There are two primary reasons for Tesco's sustained success. First is the company's tremendous market penetration in the UK (over 95 percent) and European markets, giving it the unique ability to leverage its "brick and mortar" stores as grocery "warehouses". The second is Tesco's commitment to supplying online visitors with continuous stream of new, compelling offers and editorial information every time they visit the Tesco.com site.

When Tesco's grocery site was first launched, it was limited in scope. Supported by just five servers, the retailer's site was managed by a five member IT team who updated content featured on the site once per week. Predictably, as Tesco.com rapidly grew in popularity, the retailer became more acutely aware of its insufficient infrastructure and processes to handle its mushrooming volume of visitors.

At that time, Tesco relied on a highly manual, inefficient, and error-prone process to publish new content to its sites. It involved the extensive use of external agencies to

develop content, which would then be reviewed by Tesco product managers who would then forward this content to Tesco's IT team to aggregate all of the content and manually copy the completed pages to staging and production. According to Francesco Bruno, manager of content management infrastructure at Tesco, this process was highly impractical. "We used to have a lot of phone calls, e-mails, and CDs going back and forth. The process was just not scalable." Bruno adds, "Just to release one page of content could take hours."

A platform for rapid growth and constant innovation

With competitors at its heels, Tesco sought a solution that would enable it to provide visitors with personalized, up-to-the-minute price updates and offers. At the same time, Tesco needed a system that could scale to accommodate the retailer's global expansion goals.

"We knew we were going to be expanding rapidly. We could not afford to take 6 to 12 months to build any one of our projects or we would risk falling behind the competition," emphasizes Bruno. "We needed a scalable solution that would improve our time-to-market and enable our internal business users to update and distribute new content to the site." In 1999, Tesco turned to Interwoven because it was the only solution that met all of the retailer's needs.

Tesco gets to market faster while saving with Interwoven

Using Interwoven's content management software, TeamSite, which enables business users to edit and publish their own product information, Tesco was able to dramatically speed up the Web publishing process. And as Bruno attests, because Tesco no longer has to rely on outside vendors to make routine changes to its sites, it has reduced costs considerably. "Where we used to spend tens of thousands of pounds on our agencies each month, we've reduced that cost to a couple of thousand pounds... that's a magnitude of nearly 80 percent."

This newfound ability to internally update and create new site content also enabled the retailer be more reactive to market fluctuations. "To ensure our offers are as up-to-date as possible, we were seeking a system that would enable employees to quickly update the site on a regular basis. Interwoven fit the bill by providing us with the user-friendly architecture and ease of use we needed."

Powerful content distribution capabilities enable frequent site updates

With thousands of customers accessing Tesco.com every hour, it is imperative the retailer have the ability to instantly post new product information and promotional discounts. By automating its content distribution processes, Interwoven's content distribution software, OpenDeploy enabled Tesco to increase the frequency with which it was able to update its sites, from one time per week to one hundred times per day. Now, as soon as a competitor's price goes down, the retailer can immediately respond in-kind—which has clearly boosted sales.

"Interwoven really helps us keep our site

'alive' with product information and editorial content that our customers are really interested in, including special offers across the whole site," says Bruno. "We believe this makes our customers' experience much more enjoyable and keeps them coming back. In fact, since implementing Interwoven, sales have gone up in some of our divisions by as much as five to tenfold. This we feel is due largely to our ability to instantly update our online offers."

OpenDeploy has also helped Tesco meet its global expansion goals by automating the process of configuring new servers throughout the production environment. "When our most heavily trafficked sites get bombarded, OpenDeploy makes it a lot easier to get new servers up and running to handle the surge. This configuration capability is also useful when servers break down, and need to be quickly rebuilt," says Bruno.

In addition to aggregating and deploying content managed within TeamSite, Tesco is also using OpenDeploy on an independent basis to copy and deploy Web application code from Microsoft Visual Source Safe (VSS). "One of the great things about OpenDeploy is that you can use it in conjunction with TeamSite or completely separate from it," says Bruno.

Tesco's online investment is clearly paying off. Since launching Tesco.com, sales for the retailer have exploded from £52 million in 2000 to £356 million in 2002. And in December 2002, despite a soft economy, Tesco.com grocery sales reached an all-time high of £10 million per week for the first time ever. Thanks in part to Interwoven, the retailer is able to handle this impressive growth without a hitch.

Technology

Solution Summary

Interwoven OpenDeploy® content distribution software allows Tesco to distribute and replicate all types of content from development, through testing, to multiple geographically distributed production servers. OpenDeploy has dramatically reduced time-to-market enabling the online retailer to update content in minutes

Interwoven TeamSite® content management software powers all of Tesco's global sites. TeamSite provides the foundation for distributed content contribution and central management of look and feel through templating. TeamSite's unique parallel development capabilities have allowed Tesco to simultaneously develop and manage its multiple online stores

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