

choice

Empowering consumers in the grocery market place: A proposal to operate GROCERYchoice

1 Introduction

CHOICE is an independent not-for-profit consumer organisation with more than 25 years experience in surveying supermarket prices.

CHOICE proposes to operate GroceryCHOICE to deliver a wide range of information useful to grocery shoppers. CHOICE will use its expertise in consumer research and consumer information delivery to provide an enhanced GroceryCHOICE that is:

- responsive to consumer needs
- fully transparent
- a rich environment designed to satisfy the diverse needs of diverse consumers
- consumer driven

but also continues to put pressure on supermarkets and other grocery retailers to provide competitively priced groceries to Australian consumers.

GroceryCHOICE will be presented to the Australian community as a tool to help them in their daily lives. Its central purpose will be to provide price information of a type and in a form that is relevant to consumers. To do this it will be flexible to meet the needs of different households; and it will prioritise feature development based on consumer research and user feedback. Price data will be supplemented with information which will help consumers choose products according to their performance, health attributes and environmental impact.

GroceryCHOICE will offer consumers the opportunity to share with each other information and tips that they gather in the course of their grocery shopping. There will also be scope for both CHOICE and others to provide lifestyle information such as recipes, information about seasonal fruit and vegetables and tips for making sustainable grocery choices.

In addition to empowering consumers, GroceryCHOICE will support the government's agenda of keeping downward pressure on grocery prices and will help drive competition to improve quality and the availability of healthy and environmentally sustainable choices consistent with consumer preferences.

2 Summary of proposed Features

GroceryCHOICE will

- deliver *better price information* than the current site
- ~~enhance the usability of the information with improved information display,~~ intuitive site design and interactive and visual features
- provide increased transparency (including store and product identification)
- add value to the grocery price information with *additional features*
- add value to the grocery price information by developing a user community through *structured consumer input*
- test and where feasible introduce ways of expanding the information available through *consumer participation in data collection and information priority setting*
- explore mechanisms to obtain more detailed price data from retailers
- use regular research into consumer preferences to guide ongoing review and redesign of the site
- integrate with other key consumer policy agendas including unit pricing, healthy eating and sustainable living.

GroceryCHOICE will deliver *better price information* through increasing the number of supermarkets, frequency of data update and/or range of products. It will also provide better and more comparable information about generic/own brand products.

Grocery CHOICE's *additional features* may include

- cheapest basket, standard basket (and possibly premium basket)
- healthy basket
- green basket (environmentally friendly and/or organic)
- user mix and match basket (capacity to combine various sub-baskets, capacity to exclude certain items eg fresh fruit and vegetables)
- personalised baskets (user selected products)
- individual item prices (including unit prices)
- shopping advice (price cycles, how specials work, when to shop, how unit pricing works, links to CHOICE content on groceries including food)
- seasonal food advice
- green purchasing advice

- lifestyle information such as recipes or updates on seasonal fruit and vegetables and how to prepare them
- supermarket address lists with map links, transport and parking advice and disability access advice.

GroceryCHOICE will develop a community of empowered consumers to provide *structured input*. This may include

- local variation reporting (price, availability)
- local specials reporting
- general tips and comments about shopping options locally
- feedback on grocery prices or any related issues (unit pricing, availability)
- feedback on the site.

CHOICE will explore ways to take advantage of consumer input to build the quantity and richness of the data. We will assess the feasibility of data collection based on actual shopping experience (docket tracker) to build a database of GroceryCHOICE users shopping preferences and increase the quantity of real-world, near real-time price data.

3 Benefits to Australian consumers

The CHOICE proposal builds on the features and underlying infrastructure of the current GROCERYchoice site. Depending on final feature mix, consumers will benefit through

- the ability to determine the cheapest retailer for a wide range of baskets of groceries at supermarkets in their area
- the ability to personalise this information to suit their shopping needs and preferences
- access to additional price information (including specials) provided by other consumers and potentially by retailers
- increase competition on the demand side offering some downward pressure on grocery prices
- access to additional information and advice relevant to grocery purchases (for example seasonality information, healthy eating information, green consumption information)
- the opportunity to join a community of 'price watching' consumers sharing information about grocery shopping.

4 Why CHOICE?

As Australia's largest consumer organisation, CHOICE has a long track record in consumer research. We have undertaken substantial grocery price surveys over 26 years. CHOICE is known as the only source of truly independent consumer information in the marketplace. We take no advertising and buy all the products we test.

CHOICE's market success demonstrates that we provide relevant, useful consumer information - CHOICE has a track record of successful commercial consumer publishing going back 48 years. Our core business does not depend on external funding but we have successfully delivered government funded and politically sensitive projects.

CHOICE informs, engages and advocates for consumers. Our expertise, independence and hands-on experience in comparing products and prices makes it a natural fit with the concept of grocery website.

5 Government investment

CHOICE believes a five year commitment to GroceryCHOICE is required to support up-front development of an effective and engaging site. The precise amount required will depend to some extent on the work undertaken already by the ACCC that can be adapted to the site we propose to build, the contracts if any that the ACCC has entered into which would be assigned to us and the exact specification of deliverables. As an indication we believe that a useful site could be built, operated and from time to time enhanced within a budget of \$20 million across the five years.

6 Transition

CHOICE will work with the ACCC and government to establish appropriate transition arrangements.

7 Qualifications and limitations

This proposal is subject to CHOICE access to detailed information about the current ACCC GroceryCHOICE site, including software and database design and functionality, data collection processes and third party contracts. It is also subject to the requirement that CHOICE is given sufficient time to design and develop the site features proposed above.

8 Further Information

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Proposal to the Australian Competition and Consumer Commission for CHOICE to operate the Grocerychoice information service

CHOICE (Australian Consumers' Association) proposes to takeover the operation of the consumer information service, Grocerychoice, from the ACCC and enhance it.

CHOICE's proposal will continue all the market benefits of the current Grocerychoice service while at the same time eliminating some of the criticisms. In particular CHOICE will in the medium term provide a substantial consumer engagement strategy in support of the service's goals.

Key elements of this proposal:

1. From 1 November 2008 the site would be re-skinned with the CHOICE brand and style; the site would link to a consumer survey to obtain valid information about consumer needs and expectations for the site; the site would link to an online forum for consumers and industry to post comments about the site and the whole area of grocery services and prices.
2. At the same time CHOICE would engage directly with all the major interests in the supermarket industry and independent experts to optimise opportunities and manage risks in the services further development.
3. CHOICE would develop a new website and other related technologies to take in directly from the supermarkets their prices on a continuing basis. This site would incorporate its own consumer interactivity. Outputs would be based as now on basket prices but for stores instead of regional averages, and basket contents would be transparent. A variety of baskets would be introduced progressively and include premium, housebrand, cheapest, healthy and green alternatives. The expected launch of the new site would be April 2009.
4. By July 2009 further enhancements are intended which would allow consumers to make up their own baskets and to compare the costs of them across supermarkets in their area.
5. CHOICE would take over the operation of the current system and website from ACCC from 1 November while commencing on scoping and then building the new website.
6. CHOICE would take over the current data gathering contract with the Bailey Group pending the negotiation of a new contract for a lesser service to provide independent verification of the supermarket provided prices plus any additional price gathering needed from supermarkets not supplying prices directly.
7. CHOICE and the ACCC would be able to terminate the agreement at 3 months notice and in the event of a termination before the contract expiry date CHOICE would be funded for continued operations up until the termination date including any staff termination costs.
8. CHOICE would retain any capital expenditures and any equipment acquired for the project after project termination or expiry.
9. CHOICE will not continue with the service if a reasonable level of cooperation for direct price input from the supermarkets cannot be achieved and the service is only able to operate with its present data gathering scope.

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Benefits of this proposal:

1. The ACCC would be relieved of what it sees as a conflict in its price monitoring responsibilities.
2. CHOICE is an experienced consumer information publisher and this service fits comfortably within that framework.
3. The expansion of the service into consumer engagement, and the industry engagement undertaken by CHOICE, will reduce criticisms of the service from the various voices currently raised.
4. The independence/arms-length from government should assist the service to provide consumer benefit without the perception of interference in the market.

Funding requirements of this proposal:

1. CHOICE will be required to take over the supply of technology infrastructure for the service from the ACCC. ACCC currently provides a very high level of infrastructure quality and service levels from their overall internet resources and this cannot be transferred to CHOICE. Consequently CHOICE will need to make capital outlays and service agreements with appropriate partners to supply the new site (construction from November 2008 to April 2009).
2. CHOICE will take over all the functions currently provided by ACCC employees including those funded specifically from this project and the management support for this. This staffing will include a high level technology development officer and staff to engage with consumers on the website and directly. Provision will also be made for a qualified researcher to ensure that the consumer and price research is carried out effectively.
3. Provision for offices, office services, telecommunications, auditing and insurances and equipment to support the staffing.
4. Provision for the development of policy in regard to supermarkets, pricing and retailing generally and for the appropriate advocacy on these matters in the consumer interest.
5. Service fees for the Bailey Group to continue the current data gathering until April 2009 and for the Bailey Group or a suitable alternative to provide field verification and support data gathering from then onward.

Budgets:

The funding required for CHOICE will be a mix of two budget scenarios. Firstly a scenario (November 2008 to April 2009) in which we use the contracted data gathering firm, Bailey Group but replace the ACCC staff and management with CHOICE people. Then a scenario in which the data comes directly from the supermarkets with Bailey Group performing field verification at a lower cost than the first scenario.

The requested budgets for the period 1 November 2008 to 31 March 2011 in the financial years are as follows. These are requirements in 2008 dollars and actual funding will need to be increased by the Sydney CPI progressively.

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2008-9	
Capital Funds	\$846,120
Operating Funds	\$2,397,121
Total	\$3,243,241 (from 1/11/08)

2009-10	
Capital Funds	\$177,320
Operating Funds	\$2,779,229
Total	\$2,956,549

2010-11	
Capital Funds	\$177,320
Operating Funds	\$2,137,868
Total	\$2,315,188 (to 31/03/11)

Grand Total	\$8,514,978
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All amounts above include GST where applicable. Not all items in the budget attract GST.

GroceryCHOICE budget scenarios

Head office (dedicated) staff
 Assumption is that CHOICE hires staff to do what current ACCC staff and management are doing plus carry out consumer research and consumer engagement online.

Position	Annual salary	Oncosts @ 10%	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Manager	120,000	12,000	132,000	132,000	132,000	132,000	132,000
Project Manager	100,000	10,000	110,000	110,000	110,000	110,000	110,000
Consumer engagement	75,000	7,500	82,500	82,500	82,500	82,500	82,500
Verifiers	50,000	5,000	55,000	55,000	55,000	55,000	55,000
Managers for field staff	85,000	8,500	293,500	546,942	300,000	300,000	273,471
Admin Support	50,000	5,000	55,000	55,000	55,000	55,000	55,000
Researcher	80,000	8,000	88,000	88,000	88,000	88,000	88,000
Price checkers			1,069,442	822,500			795,971
Assumptions:							
Regions	Scenario 1	Scenarios 4 and 5					
Hours per region per check (10 stores @ 7 hrs ea)	60	TBC					
No of checks per annum	70	Varies					
Rate per hour	12.12 with reduced qty						
Oncosts @ 10%	925						
NY allowance							
(1000 kms x 26 x 1.50 cpl) @ 10 km per litre							
CHOICE Team			1,760,000	1,402,682	1,114,820	1,114,820	701,341
			126,000				350,671
			113,400	161,846	161,846		40,462
			1,499,400	1,564,529	1,276,666	391,132	80,923
							782,264
Total annual staff and travel costs			2,315,400	2,633,971	2,059,466	1,187,103	1,578,235
Indirect costs/infrastructure/incidental staff costs			124,000	124,000	124,000	124,000	124,000
Hosting and server costs			360,000	360,000	360,000	360,000	360,000
Increase in CHOICE staff costs (CS & interactivity)			70,000	70,000	70,000	200,000	200,000
Baileys indirect overheads			157,790	157,790	157,790	78,895	78,895
Licence Fees			100,000				
Policy development			200,000	200,000	200,000	200,000	200,000
Contribution to CHOICE @ 3% of revenue			88,636	88,636	88,636	88,636	88,636
TOTAL RUNNING COSTS			3,250,036	3,634,397	3,099,593	2,238,635	2,639,767
Funding = Annual \$3,250,000 (incl GST)			2,954,545	2,954,545	2,954,545	2,954,545	2,954,545
Surplus/deficit per year			-303,491	-679,852	-145,047	715,911	324,779

NOTE: Under these models there is no 'cost' in the event of the termination of the Bailey contract, which must be considered in addition to the above and to be borne by the ACCC
 *** Denotes subject to GST

[CHOICE]

GroceryCHOICE infrastructure costs

*Assumption 10% of current CHOICE o/h
based on staff numbers*

Annual cost

Rent	60,000
Electricity	15,000
Telecommunications	6,000
Internet	5,000
Insurance	5,000
Photocopiers (rent)	6,000
Stationery	5,000
Audit	10,000
Staff amenities	2,000
Cleaning	8,000
Equipment maintenance	2,000
	<u>124,000</u>

Capital outlay (initial only)

(1) 8 PC's @ \$3,000 @ 33.3%	24,000
Phone system @ 20%	5,000
Furniture (8 x 500) @ 20%	4,000
Initial Website modifications	80,000
Website development	495,000
	<u>608,000</u> ***

Capital outlay (annual)

Software development/contingency	<u>161,200</u> ***
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*** Denotes subject to GST

[CHOICE]

Funding/Cashflow requirements: Funds to be received by CHOICE based on fortnightly payments received on the following dates.

Assumptions: Scenario 2 from 1 November 2008; Scenario 5 from 1 April 2009

	1/11/08	15/11/08	29/11/08	13/12/08	27/12/08	10/01/09	24/01/09	7/02/09	21/02/09	7/03/09	21/03/09	4/04/09	18/04/09	2/05/09	16/05/09	30/05/09	13/06/09	27/06/09	
Capital:																			
Software development	632,500	-	-	-	-	-	-	-	-	-	177,320	-	-	-	-	-	-	-	-
HO staff PC's	26,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HO staff office equipment	9,900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	668,800	-	-	-	-	-	-	-	-	-	177,320	-	-	-	-	-	-	-	-
Running costs:																			
Baileys contract	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007	96,007
HO staff costs	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096
CHOICE infrastructure	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769
Hosting and server costs	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231
CHOICE staff costs	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692
Policy Development	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692
Contribution to CHOICE	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409
	148,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897
	818,697	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897	149,897

Cash requirement for initial 22 weeks (Scenario 2)
Budget equivalent for initial 22 weeks (Scenario 2 pro rata)

2,494,987
1,557,650

Cash requirement for 14 weeks (Scenario 5)
Budget equivalent for 14 weeks (Scenario 5 pro rata)

748,254
708,014

Consolidated Summary - Funding requirement

Requirement	
Y/E 30/06/09	3,243,241 (from 1/11/08)
Y/E 30/06/10	2,956,549
Y/E 30/06/11	2,315,188 (to March 2011)
	<u>8,514,978</u>

Current Allocated funding

Y/E 30/06/09 (Balance)	2,640,000 (as at 31/10/08)
Y/E 30/06/10	3,328,000
Y/E 30/06/11	2,514,000
	<u>8,482,000</u>

Additional funding request

32,978

Funding requirement for Y/E 30/06/09

3,243,241

Total budget for Y/E 30/06/09

2,245,644

Variance

997,598

Capital (incl GST)

846,120

GST on Baileys contract

126,555

GST on Hosting/server costs

24,923

997,598

[CHOICE]

Funding/Cashflow requirements: Funds to be received by CHOICE based on fortnightly payments received on the following dates.

Assumptions: Scenario 2 from 1 November 2000; Scenario 5 from 1 April 2009

	11/07/09	23/07/09	06/08/09	20/08/09	03/09/09	17/09/09	31/09/09	14/10/09	28/10/09	12/11/09	26/11/09	09/12/09	23/12/09	06/01/10	20/01/10	03/02/10	17/02/10	03/04/10	17/04/10	01/05/10	15/05/10	29/05/10	12/06/10	26/06/10	
Capital:																									
Subarea development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Set up costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HO staff PCs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HO staff office equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
						177,320																			
							177,320																		
Running costs:																									
Behaviour checking	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004	48,004
HO staff costs	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096
CHOICE infrastructure	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769	4,769
Holding and inventory costs	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231
CHOICE staff costs	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692
Policy Development	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692	7,692
Contribution to CHOICE	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409	3,409
	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893
	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893	106,893

Funding requirement for Y/E 30/06/10: 2,556,543

Total Budget for Y/E 30/06/10: 2,592,767

Variance: 326,782

Capital (incl GST): 177,320

GST on balance carried: 119,483

GST on holding/inventory costs: 35,000

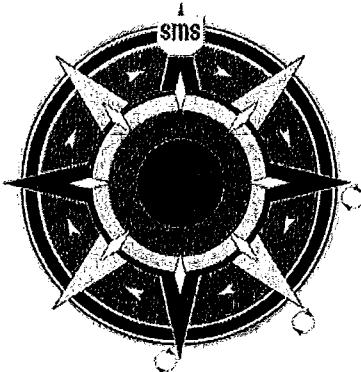
326,782

GROCERY Choice

Retailer Data Processing Overview

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Date:	11 th May, 2009
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SMS Compass Methodology



SMS



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1 Document Control

1.1 Document Owner

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1.2 Document Contribution List

Name	Role / Title	Key Areas
Andy Todd	Project Manager	

1.3 Document Reviewers

The following people are required to review and provide feedback on this document.

Name	Role / Title	Version Reviewed
David Williams	Programme Manager	

1.4 Document Distribution List

The following people will receive approved versions of this document for **information purposes only**.

Name	Role / Title	Version Reviewed

1.5 Document History

Version	Version Date	Author	Version Update Details
0.1	08.05.2009	Andy Todd	Initial draft
0.2	11.05.2009	Andy Todd	Updated after project team review

1.6 Document References

Title	Version	Date
GROCERYchoice ETL Architecture Design.doc	0.7	25 Mar 09
GROCERYchoice Interface Specification	0.1	30 Mar 09

2 Document Sign-off

By signing in the sections below, all parties agree to the contents of this Project Scope Document.

CHOICE Stakeholders

Linda Magee
Head of Online, CHOICE

Date

Steve MacDonald
Manager, Information &
Communication
Technologies, CHOICE

Date

SMS Stakeholders

David Williams
GROCERYchoice
Programme Manager

Date

3 Introduction

3.1 Document Purpose and Intended Audience

This document describes the approach and process being used by the GROCERYchoice project to accept, store and publish information supplied by retailers. It does not describe specific technical details of the solution but concentrates on describing the process and principles in use in the system.

The intended audience of this document is retailers who wish to understand how the data they provide is stored and published with the GROCERYchoice system.

3.2 Background

The GROCERYchoice web site will be sourcing item pricing information from retailers defined by area (potentially down to store level) at least once each week. As well as pricing information the GROCERYchoice web site will retain details of retailers (including banner/brand), stores/locations and full product details.

The GROCERYchoice system requires a complex data management solution (referred to as the Feed Manager) to support the acquisition and management of this data. The Feed Manager will be responsible for accepting, processing and publishing this data. The primary activities in the Feed Manager are the performance of data Extraction, Transformation and Loading (ETL).

The GROCERYchoice project will be sourcing most of the product data through a commercial agreement with GS1 Australia which may be augmented by information provided by retailers.

3.3 Document Scope

The scope of this document is the logical architecture and processes to be implemented at Choice to support the ETL of retailer, store, product and pricing information.

3.3.1 Document Inclusions

This document will cover a detailed logical approach to system interfaces using ETL. The Focus of this document will be, but may not be limited to the ETL of data supplied by Retailers.

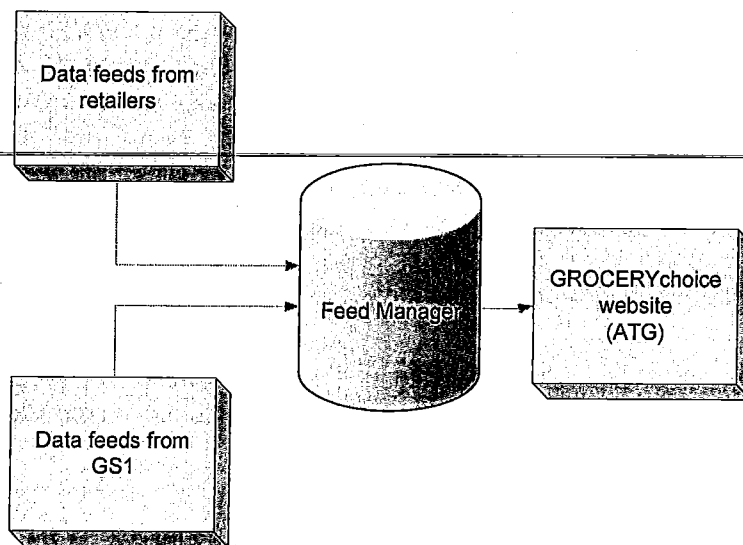
3.3.2 Document Exclusions

This document will not cover resource requirements, contractual information or business agreements of any kind, communication plans, project estimates, project scope or any business process documentation. This document will also not include detail of any particular system interfaces as these will be documented, agreed and signed off as part of the projects they are developed in.

4 ETL Logical Architecture

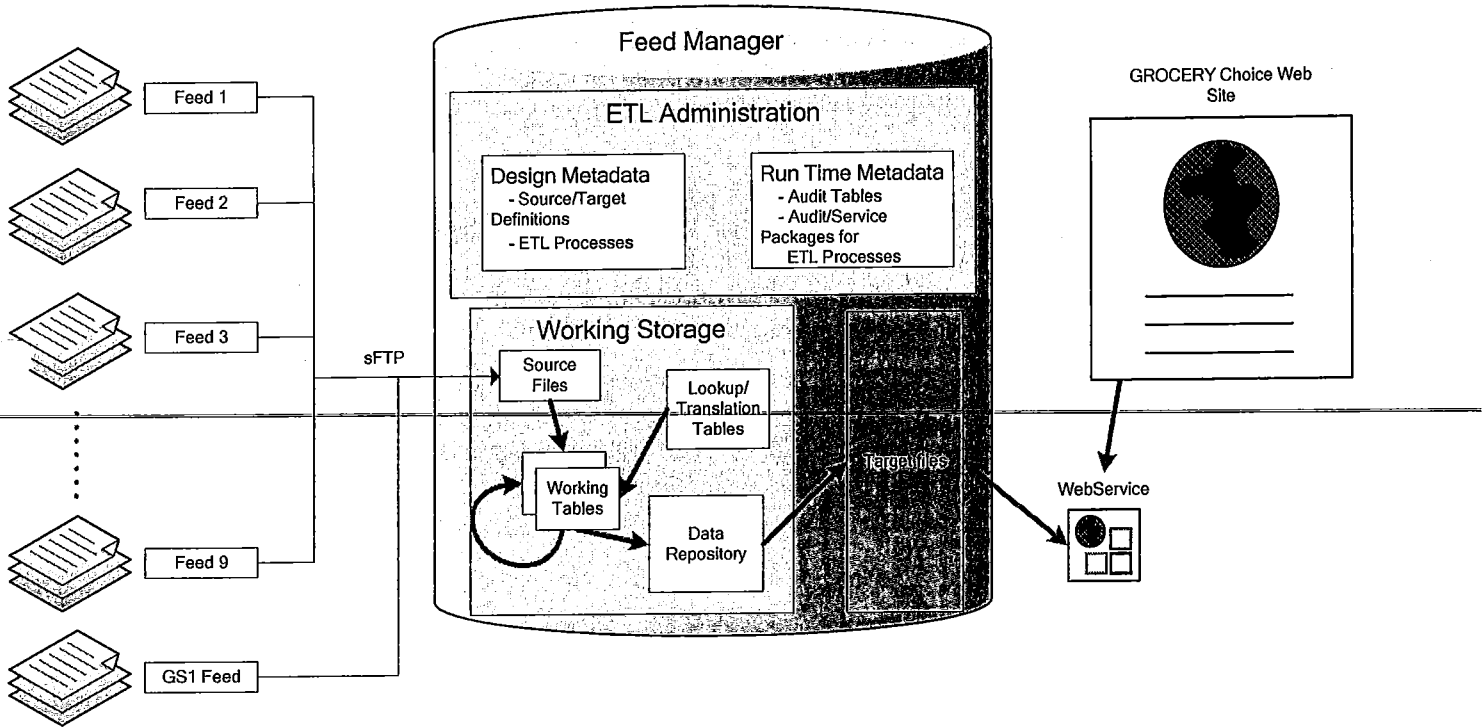
The ETL Architecture to be used at GROCERYchoice has the Feed Manager as the primary ETL component and it has four objectives to fulfil.

1. The ability to consume information from files provided in a number of different formats by retailers and GS1.
2. Accumulation of historical data.
3. Maintaining an audit trail of data processed
4. Publishing data to the web application database system for presentation on the GROCERYchoice website.



4.1 Architecture Overview

The following diagram provides a high-level logical overview of the solution architecture.



The general logical pattern for the Retailer data transfer interfaces will be:

- Retailers will send retailer, store and price updates via sFTP in flat files in agreed formats. Each data provider will have a separate logon for the sFTP server and will place their files in a directory specific to that provider. Each data provider will not have access to files sent by other data providers
- File data will be loaded into working storage and then transformed into a common format and placed into the data repository
- Target files will be generated as snapshots of the most up to date information from the data repository for loading into the web site database

As these processes occur, information about them will be written to metadata tables. These tables will be able to provide a full audit trail of the processing of each interface run.

To assist resolving any data issues the contents of the landing and target tables within the Working Storage section will be maintained for a suitable period after the batch has completed. In combination with metadata this will provide sufficient information for auditing.

The original data feed files provided by the retailers will also be retained for audit and legal purposes. These files will be moved into archive directories from the directories into which they are originally received as soon as they are successfully uploaded. Files in the archive directories will be retained in a compressed format for as long as required.

The landing tables will act as the definitive source for data item values throughout the Feed Manager. The data will be preserved for both audit and any required re-processing (eg to cater for a failure or error).

The general logical pattern for the GS1 data transfer interfaces will be:

- GS1 data will be obtained in a flat file format (with associated image files)
- The data will be transformed and used to update the core Product Reference Information that is held within the Feed Manager repository in the same manner as the store, product and pricing information.

4.1.1 Batching

Each distinct transfer of data from a source file (from either a retailer or GS1) using a defined interface will be referred to as a batch. A batch is a self contained and consistent set of data. It is unlikely that a single execution of an interface will involve more than one batch of data, but this may be possible for operational reasons.

Run Time Metadata will be recorded at the batch level. Where it is deemed necessary the ~~interface may record run-time details at a lower (i.e. job or record) level but the minimum level~~ of granularity is the batch. As each batch of data will be independent it will be possible to process multiple batches at the same time in the Feed Manager.

4.1.2 Metadata

The Feed Manager will contain two kinds of metadata, design and run time, that are described below. These two sets of information can be combined to provide a complete picture of the structure and execution history of each interface and batch.

4.1.2.1 Design Metadata

Design Metadata is information that describes the processes of an interface. This is useful for auditing, impact analysis (e.g. what happens when we rename this column?) and as the basis for documentation.

Design metadata will be stored in the Feed Manager database.

4.1.2.2 Run Time Metadata

Run Time Metadata is the recording of events as interfaces batches are processed through the system. The metadata values will be generated by the ETL processes and stored within the Feed Manager database.

4.1.3 Documentation

Each interface implemented in the Feed Manager must be described by two documents:

- An Interface specification, based on the Interface Specification Document referenced in section 1.6.
- A source to target mapping spreadsheet, based on the Interface Source to Destination Mapping spreadsheet referenced in section 1.6.

The purpose of the design documents is to document the requirements, external dependencies and non-functional aspects of the interface.

The Interface specification acts as a 'contract' between the project team and the source system owners (retailers) to agree the format, frequency and contents of the data to be provided.

The source to target mapping spreadsheet defines the requirements for the mappings that will enact the transformations required by the interface. The primary purpose of these transformations will be to modify the data into the generic format used within the Feed Manager data repository and potentially to augment the provided information (especially product data). At no time will any provided values be altered or amended.

4.1.4 Security Policies

Access to the Feed Manager will be via database user accounts. Security within the Feed Manager will be determined by database roles enforced through the standard functionality of the database. Individual users will be assigned to one or more roles as required.

Security within the sFTP server will be restricted by login. Each data provider will have a separate and unique account that will be granted access to provide data files. These accounts will only be able to see the landing directory assigned to that interface

4.1.5 Stability and Availability

The web site will be supplied with complete sets of store, product and price data when requested (i.e. not deltas). The data repository will contain a full history of all data supplied and will provide the most up to date values when requested.

4.2 Batch Control, Processing and Metadata

Within each interface a batch will describe a single, complete execution of the interface on a specific data set from source to destination via the Feed Manager.

The ETL Integration Architecture includes a number of metadata structures that will need to be populated for each batch. The minimum information to be recorded for each batch (or job within a batch) will be:

- Batch identifier
- Batch completion status (error, warning or success)
- Interface identifier
- Start time and date
- Finish time and date
- Number of records extracted from source system
- Number of records loaded into destination system
- Number of errors and/or exceptions encountered

Dates and times will be recorded as they occur in the system timezone. (All servers will be set to Australian Eastern Standard Time)

In addition to the batch control metadata the Feed Manager will provide additional metadata structures for the recording of transformations applied to data, as well as exceptions, errors and statistics for individual mappings that will provide more granular performance statistics.

4.2.1 Exceptions

The Feed Manager will not contain specific exception handling processes or policies. The detection and handling of exceptions is the responsibility of the individual interface developers. The only mandatory requirement for interfaces using the Feed Manager is that they communicate success or failure to the framework by calling the appropriate framework logging utility.

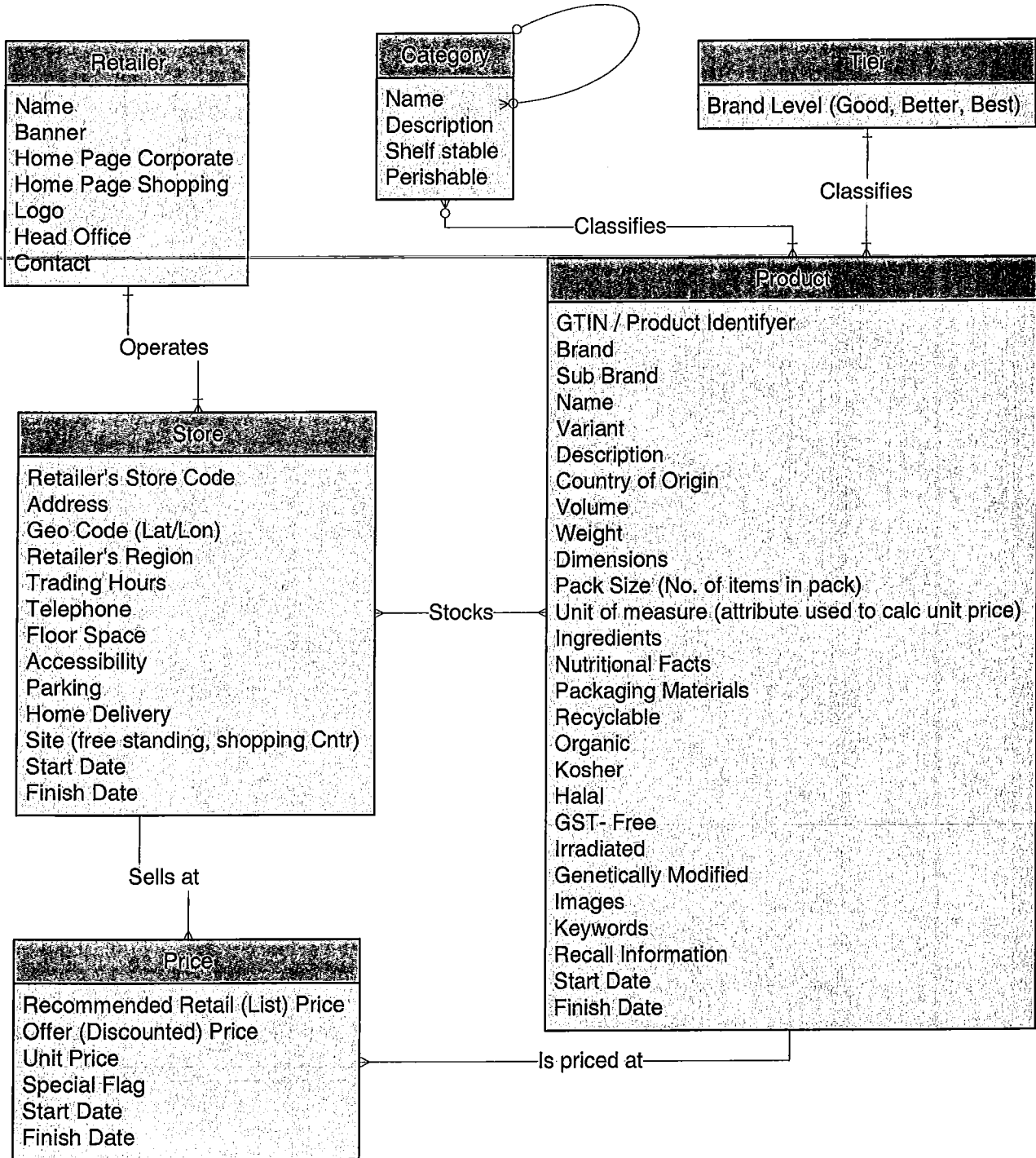
All exceptions will be handled in the same manner:

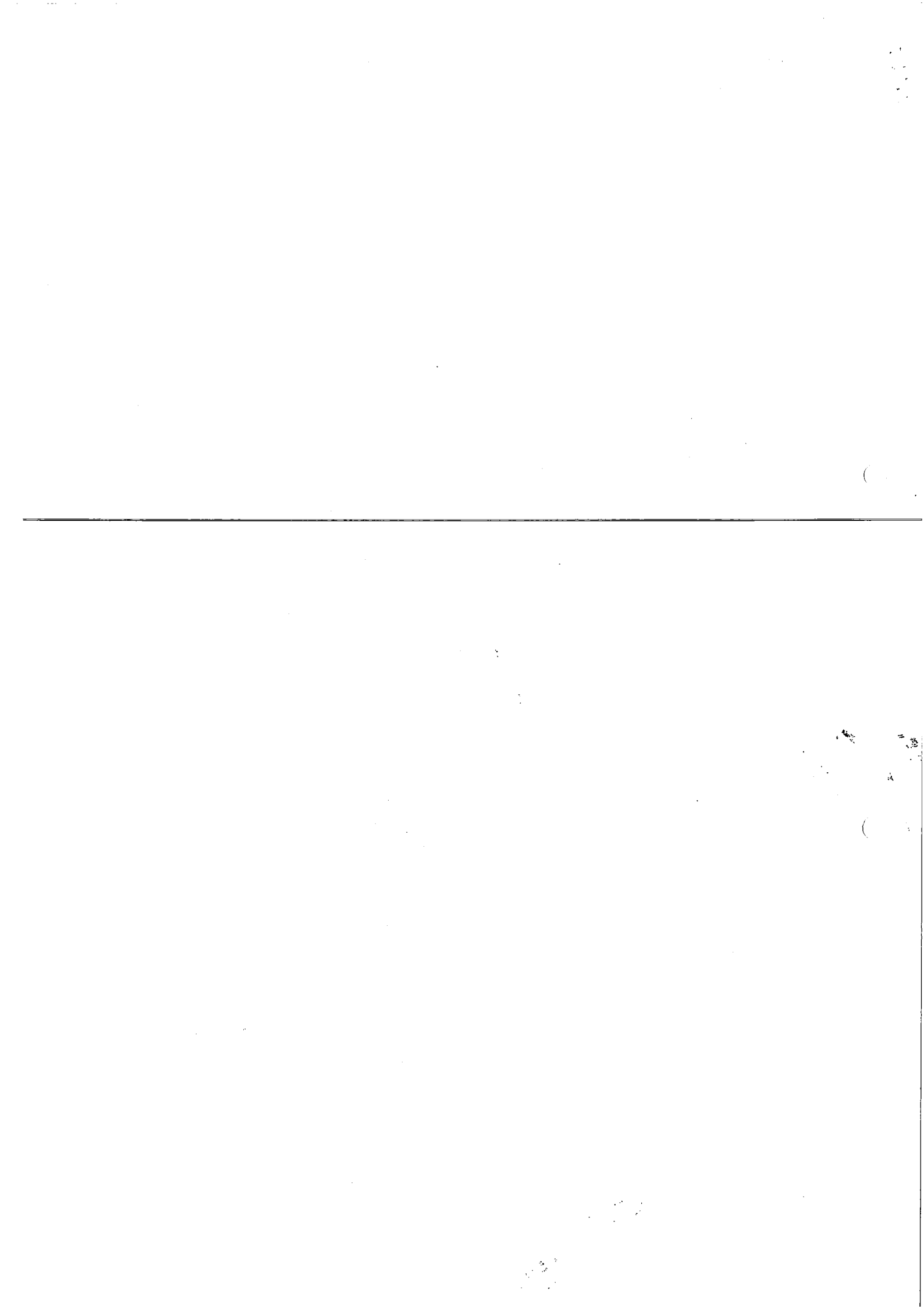
- When an exception is raised because one or more records cannot be processed. The Feed Manger will produce a report identifying the nature of the rejection and where possible, identifying the records causing the exception.
 - Write any identified exception records to a 'reject' table. This reject table should have the same name as the source table with a suffix of '_reject'. It should have additional columns to record the reason for rejection and the batch identifier that the record was processed in.
 - Notification will then be sent to the provider of the input files, advising them of the rejection.
 - The original input file will then be archived.
-

5 Data Modelling

The diagram below illustrates the logical view of the data stored within the Feed Manager repository. Detailing the information held for each of the entities as well as the relationships between the various entities. The Entity Relationship Diagram (ERD) forms the basis for the physical data model used in the data repository.

ETL Entity Relationship Diagram





CHOICE

Contingency Options Overview **GROCERYchoice**

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Document Control

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SMS Review List

Title	Name	Date
Project Manager	Andrew Todd	21 st May 2009
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Head of Online Services	Linda Magee	21 st May 2009

Client Signoff

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1. Document Information

1.1. Document Purpose

The purpose of this Contingency Options Overview is to document the known contingencies for GROCERYchoice in the absence of credible, quality source data directly from the grocery Retailers and to establish a strategic roadmap for the contingency solution. It is the formal approved authoritative reference that defines the current opportunities and how each opportunity ranks in terms of a viable, strategic and economical solution. Accordingly, as opportunities and solutions evolve the content will be maintained to form a living and current document.

Any contingency referenced within this document should be regarded as a short term solution pending resolution of Retailer commitment to providing regular data files.

1.2. Intended Audience

The GROCERYchoice Steering Group and Treasury Department.

1.3. Document Maintenance

Maintenance of the document is the responsibility of the Program Manager. For any queries or problems with this document please contact the program management office. Details are on page 21 of this document.

2. Executive Summary

CHOICE has been contracted by the Treasury to assume responsibility for the operation of the Federal Government's GROCERYchoice national grocery price comparison initiative previously under the management of the Australian Competition and Consumer Commission (ACCC). The purpose of this Contingency Options Overview is to document the known contingencies for GROCERYchoice in the absence of credible, quality source data directly from the grocery Retailers and to establish a roadmap for the contingency solution.

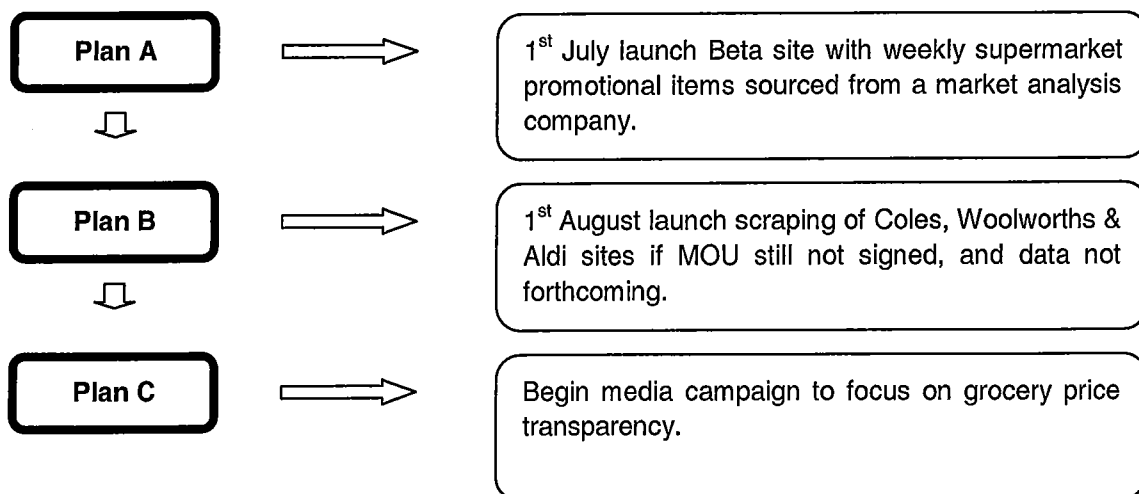
CHOICE has been liaising with grocery Retailers since January of 2009. The initial communications have been cordial with the intent to involve the Retailers at each stage of the Program, through individual Retailer meetings and the Industry Forum Workshops.

Whilst every best endeavour has been made to establish and nurture Retailer relationships, the receipt of data has not been forthcoming from the majors. Clearly, without the likes of Coles and Woolworths the ability to offer a true and comprehensive comparison diminishes and thus, the quality and credibility of the website falls short of the desired objective.

This document has recorded all options regardless of stature and viability to ensure understanding from the reader audience that all known options have been explored and considered. Each strategy option is explained and a Contingency Solutions Provider Matrix has been introduced to Section 6 as a summary to include high level scoring as an indication of potential viability from potential solution providers.

The contingency solutions have been recorded within the Contingency Solutions Provider Matrix (CSPM) and scored using key high level criteria as a filtering mechanism to establish the value of pursuing the contingency option.

1st July 2009 is an immoveable date for a soft launch because of the **CHOICE commitment to consumers and a social contract to provide price transparency**. As a result CHOICE will launch the site with the weekly supermarket promotional items and consider the scraping of Retailers sites as at 1st August 2009 as follows:



3. Background

CHOICE has been contracted by the Treasury to assume responsibility for the operation of the Federal Government's GROCERYchoice national grocery price comparison initiative from the Australian Competition and Consumer Commission (ACCC).

CHOICE is responsible for the management, editorial content, IT, data collection, publication and other operational requirements necessary to successfully operate the GROCERYchoice web site. The principal aim of the project is to successfully launch this new GROCERYchoice web site on or before 1st July 2009.

The new web site will have an expanded range of services for consumers, an amended data presentation and alternative user functionality to the GROCERYchoice web site previously administered under the ACCC.

CHOICE has a vision for transforming the GROCERYchoice capability to achieve its consumer focused objectives and at the same time foster a collaborative working association with all grocery retailers that creates a highly regarded national consumer service.

In essence GROCERYchoice will be the tool that helps consumers **'online', to shop 'offline'**.

4. Current Situation

CHOICE has been liaising with grocery Retailers since January of 2009. The initial communications have been cordial with the intent to involve the Retailers at each stage of the Program, through individual Retailer meetings and the Industry Forum Workshops.

The timeline for the Program and in particular the technical solution, have been a challenge, but the strategic approach to development and implementation has allowed for parallel development of the data process architecture, web design and build.

The objective of Retailer stakeholdership was in essence to create a working relationship with the very organisations that would provide the lifeblood of the initiative, source data. The key strategy had been to assist the Retailer as much as possible by reducing complexity and inviting each Retailer to provide the data in the format that best suited their information architecture.

For this reason the Program allowed for the design and build of a number of file/information formats and this has been made very clear to each Retailer during discussions. Each Retailer has been provided with a file format structure and most recently the Retailer Data Processing document.

However, each Retailer for strategic reasons has expressed concerns regarding the impact of the GROCERYchoice web site. As would be expected they each would like to have the site designed to favour their own product, or at least designed so that it did not disadvantage their product, their profile and ultimately their commercial position.

This is understandable, but not productive as various blocks have been presented to CHOICE regarding reasons for the web site to fail rather than reasons for the Retailer to commit and work with CHOICE to make the GROCERYchoice web site the significant 'first choice' grocery reference that it is destined to become.

In essence the Retailers have been invited on every occasion to play a larger role, and to be fair, some of these Retailers have made every professional effort to assist the Program objective despite their concerns.

However, most Retailers have seen their source data as a bargaining tool to attempt web site re-design and this has been a significant hurdle to overcome particularly as they have no statutory requirement to provide data and indeed become a material stakeholder.

5. Solution Strategy

Whilst every best endeavour has been made to establish and nurture Retailer relationships, the receipt of data has not been forthcoming from the majors. Clearly, without the likes of Coles and Woolworths the ability to offer a true and comprehensive comparison diminishes and thus, the quality and credibility of the website falls short of the desired objective.

With this in mind CHOICE along with SMS have undertaken a regular review of contingency options and have pursued approaches from companies significantly involved in the retail grocery sector. During this time knowledge has grown, although options on the whole have not been totally aligned with CHOICE objectives for various reasons.

At the time of writing (22nd May 2009) the Steering Group have approved a contingency solution strategy due to the lack of source data as follows:

- Undertake to soft launch a Beta web site for 1st July to compare weekly supermarket promotional items only.
- Meet with the Treasury on 26th May 2009 to present the options and agree the way forward.
- To continue the ongoing meetings and lobbying of Retailer Executive to agree the Memorandum Of Understanding and work with CHOICE to provide source data.

It is worthy of note that Aldi and FoodWorks have been the most proactive stakeholders. Aldi, as a gesture of goodwill have provided dummy test data files and FoodWorks are making every best endeavour to work with their franchise holders to provide data. As at 14th May 2009 the first true file format has been received from a FoodWorks store.

6. Strategic Options

This document has recorded all options regardless of stature and viability to ensure understanding from the reader audience that all known options have been explored and considered. Each strategy option is explained below and a Contingency Solutions Provider Matrix has been introduced to Section 6 as a summary to include high level scoring as an indication of potential viability from potential solution providers.

6.1. Do nothing

To do nothing would be a strategic choice although the label itself undervalues the strategy. Doing nothing fires a decision mechanism that requires a planned approach to achieving everything. For example, if the decision is made to do nothing it will require approval from the Treasury to extend the go live to another fixed date while the Retailers are given time to provide the data. During this time CHOICE would have a single focus and that would be to get the Retailers across the line to provide data. The issue in this case still remains. What is a reasonable extension date and can this still be met if the Retailers continue to drag their heels?

Advantages

Pressure is taken off the delivery timeline for 1st July. Retailers are given time to develop source data files and the web site is launched at an extended and predetermined date as the comprehensive comparison site originally envisioned.

Disadvantages

Taking pressure off does not always result in a sound deliverable. Perfection is the enemy of progress and once it is acknowledged that the pressure is off, it is possible that there will be less Retailer focus on achieving a swift result. Unless there is a firm and binding agreement to deliver, the Retailers could tactically extend any data deliverable beyond acceptable limits.

Not having a web site that is up and running in any format could deflate the initiative and take the pressure off of Retailers to provide data. One advantage of having less accurate data on the site that leaves the Retailer exposed to some degree is that it should focus their attention on actually proving up to date and localised information.

6.2. Start small

One of the features of the web site has always been to ensure a comprehensive coverage of product range. This is a complex issue as product range is growing day by day. As the product range grows the consumer demographic changes as they move between product lines. This issue is not expected to get any simpler as both the majors ramp up their home brand image and marketing, whilst Aldi are set to introduce many more lines.

However, a staple basket of goods will remove the complexity. At the end of the day there are a small number of key items that every consumer will purchase with variation based on budget, health consciousness, dietary requirements and pure indulgence.

With this in mind consideration may be appropriate to start with a very small selection of products and categories. Giving focus to making the footprint work for this strategy would hopefully achieve two objectives:

- working with consumers to identify what they actually want
- working with Retailers to build value to the web site and improve the quality of data as the site matures.

Starting small may be a default position, if say, only FoodWorks and Aldi participate in the Beta site. This is another consideration that will require strategic media coverage.

Advantages

The data is manageable in the early stages and gives focus to the staple basket items. It allows the web site to 'bed in' and create the footprint for the process. Once the site is stable more product lines can be added. The building of product lines does not need to be slow or overly incremental, however it does give strategic control over the web site to CHOICE and the decision on how to grow the site and when.

Disadvantages

Critics and users could deem the site useless given the small data size. This may result in a long run communication campaign to win users back at a later date when the site is more robust.

Having a small number of items in the initial stages may leave the pricing open to what is being called 'gaming' in the industry whereby Retailers will deliberately force down prices on high profile products to encourage consumers to visit their stores. This is another simple issue that is being made complex. If staple basket prices are lower then it follows that the average staple basket has reduced and the consumer is a winner. If other product items not in the staple basket are inappropriately priced by the Retailer then the consumer will vote with their feet and shop elsewhere. Some credit has to be given to the average consumer to be able to make an informed decision on what is a fair price. Then they either pay that price, don't buy the product or find a cheaper option. This is the power of choice that the consumer can exercise.

6.3. Manual Surveys

Manual surveys involve the physical recording of prices at every store location. For example, the Bailey Group are contracted by the ACCC to the end of May to provide data under the current charter of the existing GROCERYchoice web site. Under this process prices are manually collected at random supermarket locations throughout Australia on a monthly basis. The data is collated and used to create a price index of a staple basket of items by area and Retailer. Other providers include Strikeforce Alliance, but based on a weekly price capture proposal the cost is prohibitive mainly due to the intense labour requirement.

Advantages

A relatively easy option to implement as the process is known and would only require weekly as opposed to monthly price recording. More pricing information than is currently released will be available, so there will be an increase in service. Data can be requested in a specific format to fit in with the new database structure.

Disadvantages

This will be very costly to operate to the point of being uneconomic. The current contract the ACCC has with its supplier is in the region of \$2 million dollars a year for monthly pricing. To increase this to weekly will result in a cost nearer to \$4 million dollars. There is also the potential for political or media fallout depending on how the situation is managed from a client expectation and contractual obligations perspective. Any labour intensive solution is going to be very costly, particularly with the additional significant human resource requirement for data validation on manual systems.

6.4. On line catalogues

There are a number of companies that provide on line catalogues for groceries as a service to Retailers, although these are often limited to product lines on the weekly specials list and do not have commercial arrangements with all of the Retailers. However, even some of the largest providers are using relatively unsophisticated processes for capturing the source data, for example receiving information in catalogue form (PDF) from various retailers, and then manually data-strip this into a database for display on their website.

Advantages

These catalogues have a ready-made database of products, prices and additionally they receive pricing data from the key retail organisations.

Disadvantages

Generally the price information these organisations receive is dependant upon the specials that retailers run rather than a comprehensive list of products and pricing. At any time they might have only a few hundred grocery items available. They receive the data in a very particular way, which will require manual work to extract, translate and load into the GROCERYchoice database.

6.5. Engage the community in sending their price information

The petrol pricing websites use a similar methodology of price reporting from consumers. Whilst the initiative has provided a reasonably high profile to localised price movement, this has mainly created a novelty status as the information is somewhat unreliable and unchecked in any formal way. Another consideration is the informal method of the price capturing and presentation. GROCERYchoice is being promoted as a largely more sophisticated pricing comparison site.

Advantages

The CHOICE mission to become an essential community service would be served well by the integration of GROCERYchoice into people's lives. CHOICE could recruit its own members to support the system.

Disadvantages

The methodology for getting pricing information to the GROCERYchoice web site would be extensive and require significant set up and management costs. Options for getting people's shopping dockets and some how translating them into a database, or getting people to fill in an online form with the prices are possible. However, with the more work that a consumer has to do, the less likely they would do it. It would be difficult to adhere to 'weekly pricing' with this kind of methodology, notwithstanding the fact that the quality and coverage would be sporadic, largely relying on a voluntary team of pricing advocates. Although this is still a short term contingency solution it is possible that the initiative will fizzle out without significant monitoring and ongoing promotion.

6.6. Leveraging other technology such as 'Point Of Sale' (POS)

Within the market software is available that can be installed in the Point Of Sale system of each Retailer store. The system collects the price of each item sold, the retailer and the store location. This is real time pricing that can be sent directly to a third party.

Advantages

The data would be real time, continuous and include volume-of-sales information. This would be unequivocally ideal as a data source and would be an excellent line of solution to propose as a future endeavour / improvement of service.

Disadvantages

Significant IT and relationship management issues surrounding the risks to retailers / banks / ATM infrastructure owners of installing software, supportability, cost to install, data theft and potential interruptions of business; given the number of EFTPOS systems per store, and number of stores in the country. This is a more complex, risky and time consuming solution than the current strategy of requesting data directly from the Retailer management information systems.

6.7. Purchase data from Market Analysis companies

Some marketing analysis organisations that specialise in the retail grocery sector have strong pricing information on a survey or panel basis. In this regard they are open to selling the data and/or obtaining the specific data that GROCERYchoice requires to fulfil a minimum obligation either in the short or long term.

Advantages

Contract negotiation should include agreeing suitable data presentation allowing the file formats for the GROCERYchoice data source feed an efficient upload to the database. A single source data stream would mean a short term reduction in interface development and management while the Retailers are lobbied to provide direct data inputs. This is an excellent short term solution despite a limited product range although items on promotion in the average week include most basket staples.

Disadvantages

As a short term solution the disadvantages are minimal as the known product range issues are known and accepted.

6.8. Scraping of websites

Web Scraping is one programme or script written in any programming language that processes the html web pages of a target web site to extract information or data for converting unstructured data into structured format. Web scraping scripts and applications will simulate a person viewing a web site with a browser. With help of web scraping you can connect to a website's web pages and request information or pages, exactly as a browser would do. The web server will send back the html web page from which you can then extract specific data from that web page.

Advantages

Clearly some form of pricing data information would be available from the two major Retailers and this would also give some credibility to the site as comparisons could be made. Whilst the data may reflect 'on-line' prices as opposed to 'off the shelf' prices, this could encourage Retailers to respond quickly in the provision of more accurate data, chiefly because of the disparate nature of the comparison between inflated on line prices against the relatively less expensive off the shelf prices that other contributing Retailers could provide. Current legal advice confirms that there are no substantial issues regarding this method of data collection. Web harvesting is a common industry practice and is essentially reverse engineering of HTML pages.

Disadvantages

There is also the possibility of antagonising Retailers but any engagement issues are offset by the lack of current Retailer cooperation forcing the hand of CHOICE to deliver to the consumer.

6.9. Media Campaign

GROCERYchoice has provided CHOICE with a unique opportunity in its history to offer a service that is not only world class, but a 'first choice' option in regard to retail grocery pricing information in Australia. To achieve this milestone situation CHOICE have considered the model for defining this positioning and how future relationships with Retailers are to be formed and nurtured. The relationship is itself almost unique as Retailers are being asked to provide their key data to CHOICE as a voluntary stakeholder in the campaign to create grocery price transparency.

This has created a tendency by the Retailers to defend their position rather than embrace a new dynamic initiative. For the Retailer, under current economic conditions, this could be a significant opportunity to make a positive public statement on grocery pricing and take the mystique out of pricing in supermarket stores without sacrificing market positioning.

CHOICE exist to unlock the power of consumers and they passionately believe that Australians should be the most savvy and active consumers in the world. GROCERYchoice is core to that vision and passion to get this right for consumers. However, Retailer reluctance to fully participate may force an unprecedented national media campaign by CHOICE to highlight the issues.

Advantages

Media campaigning is not a first option consideration, but has been tabled because it is a very real option should the Retailers refuse to participate. CHOICE have a reputation for 'telling it as it is' and fighting for the right of the consumer to receive a fair deal on the price and quality of the product or service they receive. It has been the fighting spirit and continual lobbying that has made CHOICE a high profile and highly regarded consumer organisation. If the Retailers do not provide data it is therefore incumbent on CHOICE to profile this resistance and Retailer fear in the media and create support over transparency and the growing cost of the weekly shopping basket. Ultimately the choice is the Retailers to either feed data into the system or oxygen into the voice of 'Transparency'. Focus should be drawn away from GROCERYchoice as this is only the vehicle for delivering the key outcome message, '**Grocery Price Transparency**'. This national campaign could also include a passionate lobbying of all media channels to 'Convert Critics to Champions'.

This is a strategy that may force Retailers to provide data and create a groundswell of support for transparency through co-operation. It would give credence to the fact that the web site could not launch as planned with the blame squarely rooted at the feet of the Retailers.

Disadvantages

This may be a strategy that creates a level of discomfort for the retailer and not help ongoing engagement. However, it would place the retailer in defensive mode and consumer questions raised regarding the reasons for Retailer reluctance to participate by providing what is essentially public domain information

7. Contingency Solutions

The contingency solutions have been recorded within the Contingency Solutions Provider Matrix (CSPM) and scored using key high level criteria as a filtering mechanism to establish the value of pursuing the contingency option.

The CSPM provides the following information:

Solution Provider:

The name of the provider company. Further details such as key names and addresses are recorded within the Program Office files.

Solution Overview

A brief statement of the solution with any key features and/or issues.

Cost

Indicative costs as proposed by the provider.

Complexity

The extent of the infrastructure of the solution and indicative of the ease of implementation and ability to respond.

Product Scope

The product range and lines that the provider can obtain prices for, by retailer, location and frequency.

Technical Alignment

The alignment of any technical structures, files formats etc that will require interface with the current system build.

Provider Credibility

The standing of the provider in the retail grocery industry, reliability and commercial arrangements with other clients that may cause potential conflicts of interest.

Retailer Impact

The impact any provider solution may have on the Retailer or cause the Retailer to take action.

Scoring

There are six categories and the maximum score for each is 7, resulting in a maximum overall score of 42. This is a guideline only and there are no weightings. The option to weight scores can be introduced to reflect a real impact score. For example, a provider may score encouragingly on all aspects bar one critical issue, say price. Steering Group consensus and further negotiation or research will determine the eventual viability of the option.

Contingency Solutions Provider Matrix

Solution Provider	Solution Overview	Cost	Complexity	Product Scope	Technical Alignment	Provider Credibility	Retailer Impact	Total Score
Freshlogic	<p>Can deliver data for daily specials covering dry and fresh goods State-wide. Would need to do some customisation to deliver this.</p> <p>Sell data and reports.</p> <p>Home shopper panel – 1,200 household weekly food dockets collated.</p>	<p>6</p> <p>Set up \$12k 12 weeks data \$45k</p>	<p>5</p> <p>Data extract not complex. SMS to define data feed.</p>	<p>5</p> <p>Promotional Items ranging from 3500 to 4000 per week.</p>	<p>5</p> <p>Good</p>	<p>5</p> <p>Established industry provider</p>	<p>5</p> <p>Minimal</p>	<p>31 74%</p> <p>Good short term viable solution.</p>
SMS	<p>Development of a web site utility to scrape the Coles, Woolworths and Aldi sites.</p> <p>Viable solution that has minimal impact on the Retailer. Need absolute assurance on legal issues.</p> <p>Potential concerns are aggravating Retailers and damaging relationships. Possibility of site books after first scrape.</p>	<p>5</p> <p>\$120k Estimate 7 weeks development work.</p>	<p>4</p> <p>Solution to be developed</p>	<p>3</p> <p>Online availability only for Woolworths, Aldi & Coles.</p>	<p>4</p> <p>Does not impact current program</p>	<p>6</p> <p>Current solution provider</p>	<p>5</p> <p>Minimal impact on Retailer systems.</p>	<p>27 64%</p> <p>Viable solution to obtain majors online pricing.</p>

Legend: 7 = Excellent 5 = Good 3 = Average 1 = Unfavourable Maximum Score 42

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Retail Facts	<p>Offer price info, mystery shopping, audits.</p> <p>Have 980 people covering retail base.</p> <p>Had ACCC contract for GC.</p> <p>"After our reviewing the documentation (IT spec) provided we have determined that it will not be cost effective to supply the information you require." 8 May</p>	<p>0</p> <p>\$ unknown but advised very high.</p>	<p>2</p> <p>Manual intervention.</p>	<p>4</p> <p>Average</p>	<p>4</p> <p>Does not impact current program</p>	<p>4</p> <p>Known industry player</p>	<p>4</p> <p>Minimal impact on Retailer</p>	<p>18</p> <p>43%</p> <p>Good offering, but falls down on cost and product scope.</p>
Aztec	<p>Collect sales data at store level nation-wide for Coles & Woolworths weekly.</p> <p>Don't get data for fresh food, bakery or meat.</p> <p>Need retailer permission to get data –normally only release the data to suppliers and mfrs.</p> <p>Rarely release at store level, usually State.</p> <p>Potentially could run into the \$000ks but less if not by bar code or by individual store.</p>	<p>0</p> <p>Could be in the \$000ks</p>	<p>3</p> <p>Standard solution</p>	<p>2</p> <p>Fresh product not included</p>	<p>4</p> <p>Does not impact current program</p>	<p>4</p> <p>Known industry player</p>	<p>4</p> <p>Minimal impact on Retailer</p>	<p>17</p> <p>40%</p> <p>Good offering, but falls down on cost and product scope.</p>

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Lasoo	Currently provide information on supermarket specials online. Their data source methodology is that they receive information in catalogue form (PDF) from various retailers, and they then manually data-strip this into a database for display on their website.	0 Indications uneconomic.	2 Overly simple requiring significant manual intervention.	2 Fresh product not included	4 Does not impact current program	4 Known industry player	4 Minimal impact on Retailer	16 38% Good offering, but falls down on cost and product scope.
Strikeforce Alliance	They work in stores doing merchandising for manufacturers and do surveys and reports. Employ many hundreds of people and know a lot about supermarkets and retailing. They could do what Baileys do and claim they can do it much cheaper.	0 Could be in the \$\$2.9M/3.M	2 Requires set up with cost of \$435k.	2 Limited lines that would involve a price increase to record.	4 Does not impact current program	4 Known industry player	4 Minimal impact on Retailer	16 38% Good offering, but falls down on cost and product scope.

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Contingency Solutions Provider Matrix

Solution Provider	Solution Overview	Cost	Complexity	Product Scope	Technical Alignment	Provider Credibility	Retailer Impact	Total Score
Retail Information Systems	<p>A small software suite which sits on an EFTPOS terminal and can be customised to provide whatever reporting is required .</p> <p>So far installed in 1,000 IGA stores.</p> <p>It provides real time total sales data.</p> <p>This solution could solve all the problems for small retailers feeding into Grocerychoice.</p> <p>Could solve the changing prices dilemma for all stores and the fresh/meat prices for all stores.</p>	<p>0</p> <p>Software loaded to every store EFTPOS machine \$\$\$\$.</p>	<p>2</p> <p>Huge stakeholder issues.</p>	<p>6</p> <p>Excellent coverage</p>	<p>2</p> <p>Could be unknown issues in larger applications.</p>	<p>3</p> <p>Lessor known industry player, mainly I small stores.</p>	<p>2</p> <p>Significant impact on Retailer</p>	<p>15 36%</p> <p>Good offering, but falls down on cost and product scope.</p>
Informed Sources	<p>No deals with Coles & Woolworths at present</p> <p>Built the technical solution for fuel price website, reporting every 15 mins on prices being charged</p>	<p>0</p> <p>\$unknown as not pursued.</p>	<p>2</p> <p>Does not align.</p>	<p>0</p> <p>Not Coles or Woolworths</p>	<p>2</p> <p>Dopes not fully align</p>	<p>4</p> <p>Known industry player</p>	<p>4</p> <p>Minimal impact on Retailer</p>	<p>12 29%</p> <p>Good offering, but falls down on cost and product scope.</p>

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Conclusion

The vast majority of solutions fail largely on a number of key areas. In some instances such as Strikeforce Alliance, cost is far too high to be economic, even in the short term. Others have systems that are attempting to use highly labour intensive data collation systems that incorporate outsourcing to the Philippines. The remaining providers fall short on product coverage, highly integrated and/or complex software applications, such as Retail Information Systems and those providers who were unable to provide sufficient information or who are not major industry players.

The conclusion is that Freshlogic have offered the best market analysis solution in the short term and SMS are well placed with their current program knowledge to provide the web scraping development. In order to avoid a conflict of interest the SMS scoring and solution set has been reviewed independently by CHOICE.

Freshlogic

The Freshlogic proposal is about providing retail price information drawn from the retailer's promotional activity, which is referred to by some as the retailer's weekly specials. The products in this activity are the high volume products that hold dominant shares in their categories. Furthermore, because these products are being promoted their sales level will increase and their weighted contribution to the typical shopping basket will be higher.

Freshlogic have in-house systems and resources to collect and process this promotional data into information outputs that include groups, like products, resolves pack size differences and calculates unit prices. These systems will be enhanced and expanded to accommodate all categories of product advertised.

The provision of this service will require some enhancements to in-house systems and re-scheduling of resources to meet timing deadlines. A week of pilot testing activity is also required.

Freshlogic expertise can draw on their working understanding of GROCERYchoice and their understanding of the retail food sector gained through many years of food product and retail promotional activity and pricing. Freshlogic already have systems and capabilities which can be expanded with a low level of development to capture and provide promotional pricing for all products.

SMS

Web scraping (or Web harvesting, Web data extraction) is a computer software technique of extracting information from websites. Usually, such software programs simulate human exploration of the Web by either implementing low-level Hypertext Transfer Protocol (HTTP), or embedding certain full-fledged Web browsers, such as Internet Explorer (IE) or Mozilla Firefox. In this instance the purpose would be to automatically gather product and pricing data specifically from both the major Retailers, Coles (<http://www.colesonline.com.au>) and Woolworth's (<http://www.homeshop.com.au>) online stores.

This will enable the GROCERYchoice web site to display prices for those retailers until they are able to provide an automated data feed. On a regular basis robots would be triggered to read specific components of content from the website. These jobs will be configured by the administrator to run for a specific website, location (geographic area) and frequency. For instance there are likely to be a number of jobs to read product and pricing information from the Woolworth's site; each getting information for a different suburb or postal district.

SMS will develop a new Extract, Transform and Load (ETL) feed to ingest the data produced by the robot. This feed will need to cope with the situation where the names and descriptions of products used on the online stores may not match GS1 names. As such a new database table called "product synonyms" will be created, which links product names to their unique identifier. Every product name as read on the website will be looked up in this table for an exact match.

If the product name cannot be matched in the synonym table then a record is created in the unmatched products table. This will contain enough information to identify the source of the data (i.e. robot job) and the product to allow re-ingestion.

If any unmatched products are found during processing an alert will be generated for the maintenance team. This alert will contain the robot information and the names of all the unmatched products. It may also contain candidate GS1 product definitions that are close matches for the provided name and/or description.

8. Recommendation

The recommendation to move forward with a contingency plan has not been taken lightly. There are a number of considerations notwithstanding the technical issues, but also surrounding the impact on future Retailer relationships which require nurturing to build advocacy and mitigate misunderstanding.

The importance of a firm strategy cannot be underestimated. A clear vision of the path to follow must be determined so that the Program can respond in a manner appropriate to the time and resource available.

At the time of writing the data processing, data outputs and web build are well on track for delivery for a 1st July launch. The missing element is the receipt of source data to populate the database and feed the web site. Resourcing has been rescheduled to immediately release the ETL Consultant with a view to re-engaging when the Retailer source data files are received.

The current recommendation is to move forward with a strategy in a 3 phase approach to ensure the maximisation of time, resource and engagement as follows:

Plan	Action
A	<p>1st July launch Beta site with weekly supermarket promotional items sourced from a market analysis company.</p> <p>Freshlogic have been identified as the most suitable solutions provider and SMS to build the source data interface.</p>
B	<p>1st August launch scraping of Coles, Woolworths & Aldi sites if MOU still not signed, and data not forthcoming.</p> <p>SMS to develop the site scraping program to harvest the Retailer data.</p>
C	<p>Subject to the successful responses to the final MOU, CHOICE will begin a national media campaign to focus on grocery price transparency.</p>

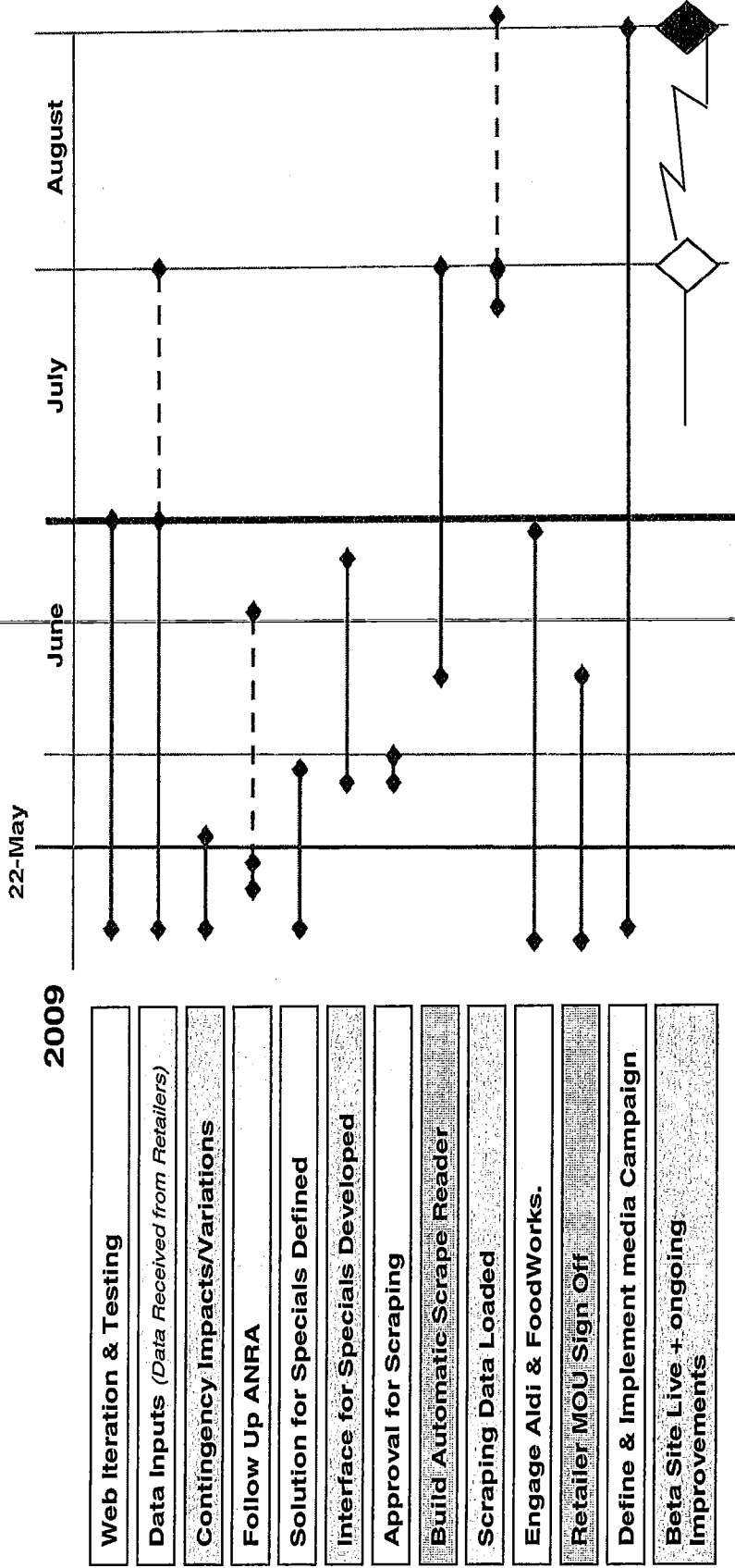
9. Next Steps

Item	Action	Target Date	Who
1.	Review proposal's from Freshlogic and Strikeforce Alliance	21-May	LM
2.	Prepare Program change variation for scraping option and advise SMS delivery management of potential resource requirements.	22-May	AT
3.	NS and CZ to meet Sydney Morning Herald.	22-May	NS / CZ
4.	Letter to Retailers explaining CHOICE are exploring every opportunity to source data and requesting their support to use information supplied to Aztec.	22-May	LM/NS
5.	New Memorandum Of Understanding (MOU) issued to ANRA/Retailers to capture and consolidate all outstanding issues.	25-May	LM / BD
6.	Confirm legal position (particular reference to Treasury position) with Barrister regarding site Scraping.	25-May	NC
7.	Meeting with Treasury to present the 3 phase contingency plan and solution.	26-May	NS / BD
8.	Follow up response to new MOU and establish final Retailer position.	27-May	NS
9.	Review the Program impact of final contingency plans and ensure variations, deliverables, commercials and milestones are aligned and fully understood by all parties.	28-May	DW
10.	Freshlogic to provide data file for SMS.	29-May	Freshlogic
11.	SMS to begin working on data feed/interface from Freshlogic.	29-May	SMS
12.	If the Treasury and Retailers agree to scraping, SMS to resource development team.	12-Jun	AT
13.	SMS to begin Scraping development work no later than 15 th June.	15-Jun	SMS

Item	Action	Target Date	Who
14.	Continue working with FoodWorks and Aldi to obtain data and buy-in.	22-Jun Ongoing	BD / LM
15.	Define media campaign to drive appropriate messages for 1 st July Beta launch and ongoing program.	22-Jun Ongoing	CZ / GR
16.	Launch GROCERYchoice with Specials.	1-Jul	CHOICE
17.	Launch GROCERYchoice with Coles/Woolworths scraped pricing.	1-Aug	CHOICE
18.	Subject to successful response to MOU, scraping and other Retailer engagement undertakings, launch a national media campaign on grocery price transparency.	1-Aug	CHOICE

10.

High Level Contingency Plan



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