Retail Book of

## HAROWATION

#### 2018

Future is a *vision*. Let's build it together.



Future is a *vision*. Let's build it together.

## Future is a *vision*. Let's build it together.



Look at the opportunities behind each obstacle. The chances of doing better, using fewer resources, and increasing the satisfaction from what you do.

Innovation is a mindset that leads us to dream but, above all, to build a wealthier, better and more sustainable world. In different areas, with different teams, generating the awarded solutions you have here. Let's live them together. Improving life.

By using **Cocoon Silk** (pages) and **Cocoon Gloss** (inside cover) instead of using non-recycled paper, the impact on the environment has been reduced in:



**335kg** of waste



**45kg** of CO2 from greenhouse gases



**13,031**L of water



**723kwh** of energy



**544kg** of wood

**Sources:** Carbon footprint data evaluated by Labelia Conseil according to the Bilan Carbone® methodology. The calculations result from a comparison between recycled paper versus virgin fiber paper depending on the latest European BREF (virgin fiber paper) data available. The results obtained are based on technical information and are subject to change.

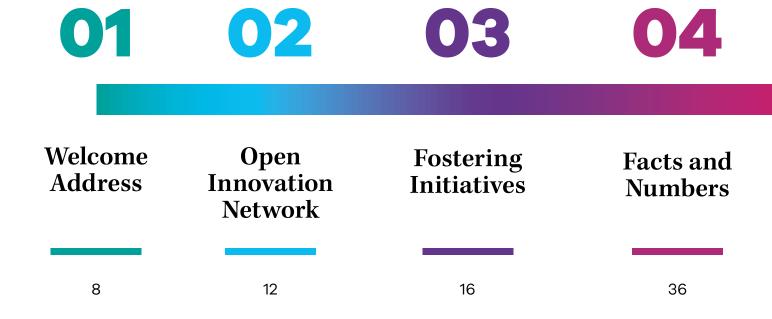


What you have in your hands is the edition of the Retail Book of Innovation that resulted from the most demanding environmental-sustainability requirements ever. From front to back.

Our cover was stripped down to its bare essentials. Using only cardboard, we avoided all superficial materials to reduce the environmental impact of this edition. The pages were printed in 100% recycled paper, certified by the FSC® – Forest Stewardship Council.

This is a way to express our commitment with a future built on the grounds of a fruitful combination of innovation and sustainability.

Future is a *vision*. Let's build it together.





06 05 Media **External** Sonae **Projects' Innovation** Clipping **Awards** Innovation **Projects** List **Awards** 40 46 50 78 114

This desire of moving forward will lead us to a *better future* in retail.

Future is a vision. Let's build it together.



01
Welcome
Address

## A vision for the future of *retail*.





## **Sonae's Open Innovation Network** keeps getting more diversified and increasingly populated.

One of the most coveted rewards of producing the content for our Retail Book of Innovation is to have the opportunity to uncover the stories that ultimately led to our most innovative achievements.

The journeys of the more than 1,000 innovation projects developed throughout Sonae's retail businesses in 2018 had their share of challenges, but is also fair, and above all gratifying, to say that in a large number of cases the internal teams relied and leveraged on priceless external collaborations with several partners that already gravitated around, or joined for that purpose, our open innovation network. This network keeps getting more diversified and increasingly populated with top-tier actors in their fields of expertise. Surely this was not strange to the fact that Startup Europe Partnership awarded us for the second year in a row, on behalf of the European Commission, for being one of the 36 most startup-friendly European corporates.

In the footsteps of previous editions, a significant part of this Book consists of portrays of the most impactful and symbolic innovation projects we concluded since

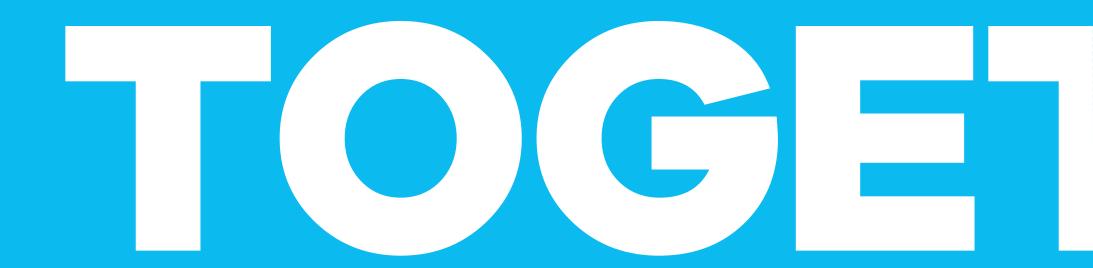
its last edition. There is also an entire section dedicated to showcasing the initiatives that we ran along the year to assure that our innovation mindset and efforts increasingly adhere to a structured and human-centered process from start to deployment. A process that makes sure that: we are attentive to early manifestations of new customer behavioral patterns; we scout, screen and understand the most promising emerging technologies; we establish a voice-of-customer perspective of the challenges to be addressed; we formulate and prioritize hypothesis of solutions; we materialize the hypothesis in prototypes, proofs of concept and minimal viable products; we test these concretizations, getting feedback from target users and iterating if necessary; we evolve the experiments and give them scale.

We hope you enjoy the reading as much as we enjoyed unfolding all these stories.

#### Luís Filipe Reis

Sponsor of FINOV (Sonae Companies' Innovation Forum)

Progress comes from great people working together with a purpose in their minds.



Future is a vision. Let's build it together.



02

Open Innovation Network

## **INNOVATION** Ecosystem

We believe that Diversity and Multidisciplinarity are the main keys for Innovation. That's why we continually address our efforts to assemble an Open Innovation Network that currently spreads across 34 countries.

In the past 2 years, the total number of partners increased almost 20% with the share of collaborations from outside Iberia growing from 32% to 36%. In the same period, the number of partners from outside the European Union increased by 30%.

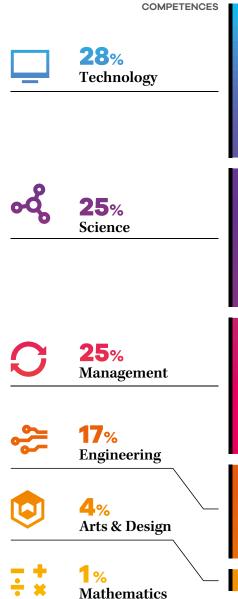
**429**Active Partners

34 Countries

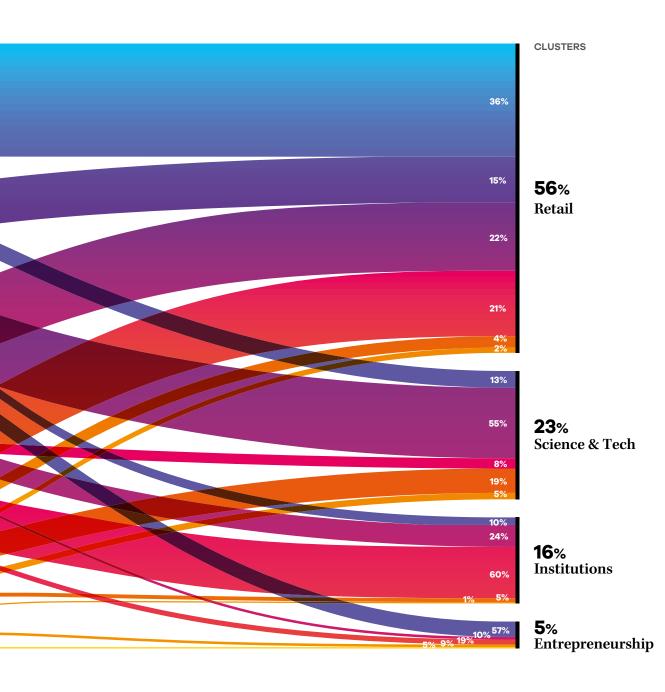


+2 Countries

than the number of national teams that attended FIFA's World Cup 2018







### An open network of **Innovation**

Average physical distance from Sonae's headquarters to its partners:



4,051 km



96 Marathons (equivalent)

#### How long would take to cross this distance?



15 Days 1903's fastest aircraft



4 Days Usain Bolt



33 Minutes 2018's fastest aircraft

The future comes closer when we stimulate discovery, experimentation and sharing.



Future is a vision. Let's build it together.



O3

Fostering Initiatives

#### **R&D** Projects

## **Blockchain Everis**Supply chain of fresh food

Project in partnership with Everis that tests the application of blockchain technology to increase the efficiency of traceability tools used to control processes along the supply chain of fresh food products.

The aim is to provide a more secure, confident and transparent historical information about the steps upstream the final point of sale, allowing both producers and consumers to trace back all the supply chain.





**Tiago Rodrigues**Technology Manager,
Everis

Our interaction with Sonae, regarding Blockchain technology and particularly within the Supply Chain use case was very fruitful and rewarding. Sonae went to our challenge on innovating with Blockchain with an open mind, adding the value inherent to their core business and bringing to the table their work culture, based on proximity, informality and commitment. We've exchanged knowledge, learned with each other and evolved in to a very defined and practical approach, resolved in an innovative way.

#### CoLab B2E

Marine resources

The Collaborative Sea Laboratory aims to research, develop and experiment new products based on marine resources, from a perspective of sustainability and innovation based on science.



#### ECO X

#### Environmental value

Project in which Sonae is an associate partner that aims to develop new ways of using food surpluses and residues, in particular from meat fats, applying circular economy concepts.

The objective is to fight food waste and generate economic, social and environmental value using often discarded food parts.



#### **EIT Manufacturing**

#### Indusytry Transformation

Overarching EU initiative that aims to promote a transformation in the European industry sector by bringing together manufacturing actors in innovative ecosystems, prompting the competitiveness and sustainability of Europe's Industry 4.0. Sonae is part of the consortium that gathers 50 partners from 17 countries.



Fight food waste and generate economic, social and environmental value.

Sonae at ECO X - Environmental value



## **GHISALLO**Urban mobility solution



Ghisallo is a project led by Sonae in partnership with CEIIA (Centre of Engineering and Product Development), University of Aveiro, VR Motors and M. Soares Gonçalves that aims to develop a new urban mobility solution based on an electric vehicle that ensures a safe, comfortable, fast, healthy, eco-sustainable, intelligent and multimodal journey.

Mobility and protection of environment were the two main reasons behind the development of this project that offers an alternative to private cars for urban commute needs and builds on an earlier solution proposed by a team of students of the Stanford ME310 Program (Product and Service Design Innovation Post-Grad) run by Porto Design Factory for a challenge posed by Sonae.



**ICONET**Transforming logistics



Co-development R&D project in which Sonae is part of the consortium alongside partners such as Procter & Gamble, IBM Ireland and eBOS Technologies.

With the aim of making the interconnected logistics arena more green and cost-effective, it is intended to research and develop Physical Internet (PI) networks to optimize cargo flows, picking and routing shipments directly to the final destinations.







John Farren
Principal Investigator
and Team Lead
Innovation Exchange Team,
IBM Treland Ltd

As a member of the IBM Ireland Innovation Exchange Team, I've been very fortunate to be involved in the area of research and innovation in a European context for several years. The EC H2020 platform provides an invaluable opportunity to connect and work with likeminded companies, organisations and individuals who are as equally committed to pushing the boundaries of research and innovation for the benefit of their customers and for society in general. One such company that epitomises this drive for continual innovation is Sonae. The Innovation Exchange team have collaborated with Sonae on several H2020 research projects to date. Most recently on ICONET, which is endeavouring to advance the state of the art for the Physical Internet concept. Sonae's consistent commitment, professionalism, creativity and energy helps greatly towards high standard project outputs which we highly value.

#### **IoKT** Internet of Kinetic Things

Project in which Sonae is an associate partner along with Voltair that aims to develop a platform with wireless communication for real-time kinematic measurement of the logistics' retail chain.



#### **PACIEC Innovation** of experiences

Co-development project between Sonae and AXIANS that aims to transform the users' shopping experience by using anonymous emotion recognition technology applied to enhance customer service and innovativeness of experiences.



#### **Enhance customer** service and innovativeness of experiences.

Sonae at PACIEC - Innovation of experiences



João Faria SmartX Business Unit Manager, Axians

When we first challenged Sonae to use Video Analytics and Machine Learning, we were surprised by the interest and proposal of several use cases from multiple retail areas. Together with Sonae's team, we combined technology, their deep knowledge of the business and true love for innovation to present an innovative solution for understanding and analyzing customers behavior. This allowed us to focus on customer needs, aligned with the objectives of the brand. Our solution offers multiple features: detecting when customers need assistance, people counting, data analytics for better understanding their customer base. Our goal is to ease Sonae on their mission to improve people's life.

#### STARTUPS & Scaleups Collaboration

#### **Insert Coin**

Startup on demand

Brightpixel's Insert Coin initiative has been calling for entrepreneurs to tackle challenges which the market hasn't managed to provide an appropriate solution yet. Tackling all the stages of a startup cycle, preliminary ideas are tested, with the help of Sonae businesses, moving forward to execution and investment when there is a market fit.

## Sonae & SME Matchmaking Corporate Day

Business acceleration event

In partnership with the European Innovation Council, Sonae held a business acceleration event in Lisbon that gathered 13 SMEs from all over Europe that demonstrated innovative approaches regarding sustainable and healthy, food and beverages production and packaging. This initiative, that aimed to promote a more sustainable future for food production, resulted in 63 one-to-one meetings between the SMEs and the more than 100 representatives from Sonae and its main partners.

#### **Open Day for Innovators**

Startups present their innovative solutions to key contacts from several units of the Group

In the last quarter of 2018, Sonae launched a meeting format in which startups are able to present their innovative solutions to key contacts from several units of the Group. This agile approach enables us to get to know, in just a few hours, the offers and collaboration intent of several potential partners. In accordance with the goal of strengthening the relationship with emerging startups, Sonae expects to extend this format throughout 2019.



#### **Startup Braga Demo Day**

Meetings and experimentation of solutions

Sonae was present at the Demo Day of the 5th acceleration program of StartUp Braga. In this event, 13 startups that were part of the acceleration program, had opportunity to make a pitch and present their ideas. Networking was a key component of the day and so there was room for individual meetings and experimentation of the solutions that ranged from different areas such as IOT, fintech, digital health, remote and customer service. A collaborative project between one of the startups and one of our retail businesses was envisaged in the following months.

#### **EIC Innovators' Summit**

Connect Europe's next generation of business leaders and the largest corporates in the world

The EIC Innovators summit was designed to deliver value for Europe's next generation of business leaders by connecting them with a set of representatives from some of the largest corporates in the world, including Roche, Samsung, Bosch and P&G. Sonae was present at the event where business opportunities with several startups were cogitated. In a couple of months, a collaboration was established between one of the companies and a member of Continente's producers club.

#### **Start & Scale Week**

#### Explore opportunities for collaboration

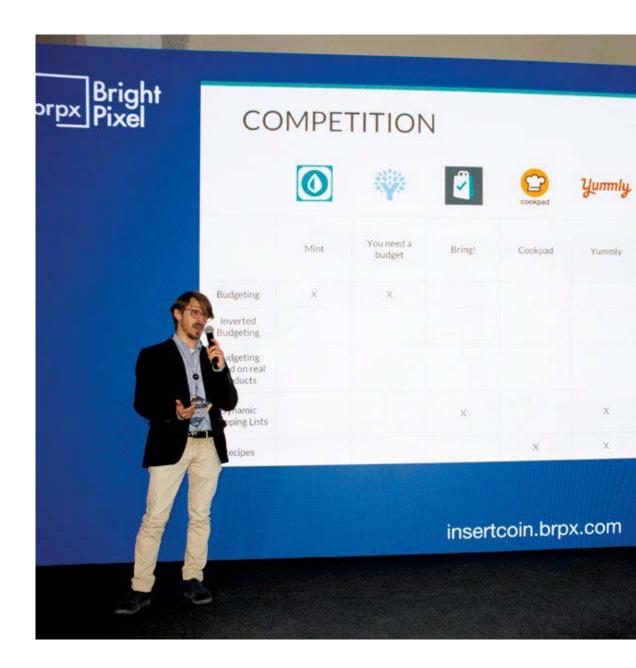
Start & Scale Week is an event organized by ScaleUp Porto dedicated to the nurturing of their community of local technological startups, with potential to scale internationally, involving the regional entrepreneurship ecosystem and corporates. Sonae was present at the "Doing Business" day having meet with 7 startups to explore opportunities for collaboration in the most diversified fields. Collaboration opportunities were explored with two of the startups present.

## **ACADEMIC** Programs

## ME310 - Product and Service Innovation Post-Graduation

Innovative solutions for businesses core problems

Students of Porto Design Factory's ME310 program were challenged, for the third year in a row, to come up with two innovative solutions for businesses core problems. Sonae MC defied students to design a solution to optimize the end-to-end shopping transportation experience in the context of food retail business. Worten dared students to think about the optimization of merchandise handling and packing in the supply chain, from the warehouse to the store shelfs, ensuring resources and lead time optimization. Over nine months, students worked on these challenges and businesses are now working on the industrialization of the functional prototypes developed.





## Students will learn how to build a startup along the way.

Pre-acceleration Program in Multimedia Communication

#### **Pre-acceleration Program** in Multimedia Communication

Adding value to the company

Seven groups of students from University of Aveiro's Master in Multimedia Communication have been participating in a 10-month pre-acceleration program with the aim of building a product that adds value to the company. While building minimum viable products in the field of retail, students will learn how to build a startup along the way. The experience will culminate with a final pitch where the winners will be chosen and announced

#### 'Industrial Engineering and Management' Doctoral Research Program

Machine learning algorithms to enhance customer lifecycle engagement

A PHD student from the Faculty of Engineering of the University of Porto joined Sonae Financial Services' customer management team, with the aim of implementing machine learning algorithms to enhance customer lifecycle engagement. During the 3-year program, algorithms that estimate the probability of a customer performing a specific behaviour and that determine the relevant variables concerning customer characteristics and historical behaviour were developed so that strong statistical propensity models could be created.

## **TALENT**Development

## Future Leaders@Retail



Develop and retain the future leaders of the modern retail

Future Leaders@Retail is a 9-months programme created by Sonae MC that aims to develop and retain the future leaders of the modern retail. The programme, that is already in its 3rd edition, prepares the participants for 4 different areas of Sonae MC's core business: marketing, operations, commercial and logistics.

The journey starts in the stores, with a focus on learning by doing, and includes theoretical training, mentoring, specialized training and essential concepts of management and leadership. At the end of the program, trainees are challenged to come up with innovative concepts to tackle some of the difficulties they identified while on the field and like this leave their mark in the business.





#### **Hackathon by BIT**

Knowledge about the digital universe

BIT Hackathon 2018 was a creative 24h marathon promoted by BIT (Business Information Technology area of Sonae) at Futebol Clube do Porto stadium, where multidisciplinary teams, made up of people from several Sonae MC areas and students from 17 different universities, worked on tech-based challenges with the aim of challenging the future of retail. The teams came up with new concepts and a minimum viable product that could then be pursued by Sonae's businesses. This event also had the mission to promote the development of competencies on agile and creativity methodologies such as SCRUM and Design Thinking.

#### **Continente Producers Club Academy**



New skills and a broader view of the market

The Continente Producers Club Academy is a training programme for members of Continente Producers Club that aims to strengthen the competitiveness of Portuguese agri-food producers. The goal is to endow the producers with new skills and a broader view of the market and its opportunities using the Design Thinking methodology to stimulate the sharing of ideas, self analyses and innovation. The programme culminated with the presentation of innovative ideas by the participants and the attribution of Continente Producers Club 2018 Innovation Award. The projects "Veggie Burgers" by Campotec and a special "Oeste's Rocha Pear" by Frutalvor were the winners of this year's edition.

#### **Sonae Shots** & Masterclasses





#### Promoting discussion sessions

Sonae's success largely stands on its capacity to constantly innovate, improve, adjust and learn. This learning capacity is a differentiating factor, critical for professional and personal growth. Bearing this in mind, Sonae promotes discussion sessions where key in-house and external speakers of recognized competence in the field are invited to address topics of great importance to Sonae's businesses. These sessions take place in Sonae's headquarters and are also available on live streaming or on demand, so people that work in other offices also have the chance to watch.



#### **EXPERIMENTATION**

# Increasing operations business unit efficiency.

**Electronic Shelf Labelling experimentation** 

#### **Electronic Shelf Labels**

## Automatic information update and easy product location

An electronic shelf labelling solution was tested in Continente Maia Jardim with the aim of studying its effects on increasing operations business unit efficiency. Both market leaders' solutions were implemented in a reduced store area so that solution benefits could be highlighted:

- Reduce operational costs;
- Improve communication towards customer;
- Reduce price changes and replenishment errors.

This solution enables automatic information update and easy product location by using label flashing capabilities.

#### **Composed Photography**

Innovation in photography technology

Sonae tested an innovative technology to shoot images without models, photographers, or hair and make-up technicians. This photo process allows the creation of a catalog of models wearing clothes without ever dressing them.



#### **Image Recognition**

Artificial vision for out-of-stock control

Sonae partnered with Vispera to run a proof of concept of their image recognition technology. Using pictures taken with mobile phones, the team was able to identify Out-of-Stocks and Shelf Share on the private label wines through the artificial vision for out-of-stock control back-office solution.

#### **Conversational Commerce** for order management

Digitalization of customer support

Nowadays, people are faced with less time and more demanding daily goals. This panorama makes an increasing number of people choose to buy online. To streamline the online purchasing and ordering management process, Sonae is testing a conversational commerce solution that, between other capabilities, allows customers to make changes to their shopping list after closing the order, without having to get in contact with the call center support team. The main aim is to test how the last mile process can be improved and simplified through digitalization, reducing friction and increasing customer satisfaction.

#### **Indoor Positioning**

Technology for in-store customer support

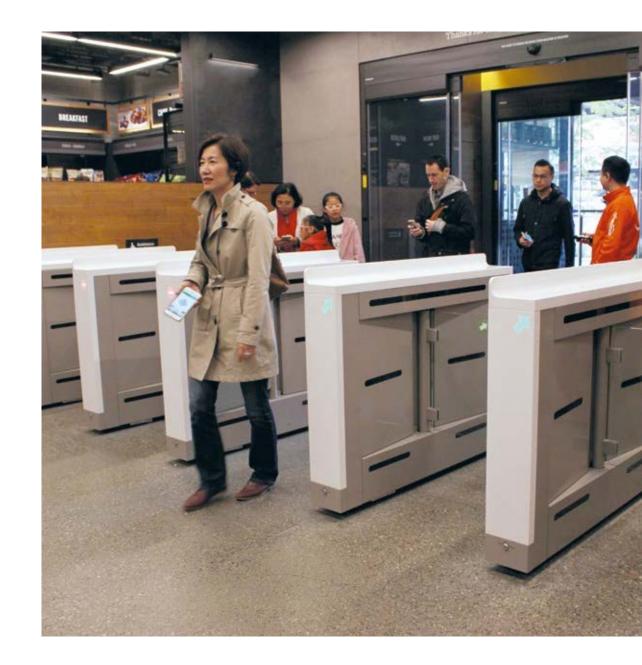
Sonae has been testing numerous solutions with the goal of developing an in-store locator that is able to support customers in the search for products. Other useful information like best deals near, finding people or requesting help are also being tested to be integrated in the solution.

#### MISSIONS & Inspiration Visits

#### **Click & Collect**

Envisioning an optimized working model of a drive-in/drive-thru hub

As a starting point, we chose to embark on an "inspiration dive" as a mean for benchmarking leading players in the e-commerce field with drive-thru models, from a consumer perspective. France was identified as the relevant market to study since it has one of the highest click & collect adoption rates worldwide and because of the food retail landscape similarities with our domestic market. The most relevant drive models - pickup, couple, standalone and lockers – were studied through the consumer journey perspective with special focus on the 3 fundamental steps: arrival, service and goodbye/engagement. The output of this benchmarking dive was a set of customer impressions and journey portraits, covering all the processes that constitute the service experience of the click&collect sites visited.





#### **Future of Commerce**

Getting insights about how customers engage with retail in one of the most future-oriented retail landscapes in the world

This "inspiration safari" aimed to observe and experience leading edge retail propositions and shopping behaviours in China and also how this market balances the e-commerce boom with the existing brick and mortar offer. In the top-tier cities, people tend to shop online for everything from groceries to kitchen appliances passing through medicines. We saw how novel technologies are enabling the response to the urge of convenience from people of all ages. At the same time, we took notice of how digital marketplaces are introducing attractive online grocery shopping experiences grounded on improved e-payment systems, better logistics, wider product selections, the availability of online information, and the existence of online personalized customer support reachable through a single click. Finally, we verified that far from being swept away by this futuristic wave, physical channels complement digital ones - spread all over dense urban areas, stores and shopping malls are crowded with people that look for shopping inspiration and social or personal enrichment experiences, such as areas where they can enjoy meals or DIY shops where they can develop their arts&crafts proficiency.

#### A sustainable future

Understanding how changing lifestyles are transforming supermarkets' offer

This "inspiration safari" uncovered more evidence that, as digitalization keeps democratizing the access to content and information, consumers are more concerned with sustainability and are calling for more transparency from both FMCG brands and retailers. As a result, we are witnessing more clear and detailed information about product packaging's recycling features, even when the packaging is not made from a recyclable or recycled material, not to mention surprising packaging solutions as it is the case of canned water. The paradigm shift also resulted in more availability of products made of ugly fruits and vegetables such as chips and juices.

On another angle, increasingly busy lifestyles are calling for more convenient solutions. Sections of ready-made meals are gaining space in supermarkets and snack availability is increasing, namely through the growth in the range of non-sweet snacks.

#### **CONFERENCES**

& Expos Participation

The plethora of different innovative solutions is certainly one of the richest in the world.

Sonae at Web Summit



#### **Web Summit**

Web Summit provides a diverse field with both corporate giants and emerging startups having a say. The opportunity to participate in discussions, presentations, one-on-ones or simply browse the plethora of different innovative solutions is certainly one of the richest in the world. No topic in tech goes uncovered, and this makes it incredibly easy to make meaningful contacts and have profitable discussions.



#### **NRF Big Show**

The NRF Big Show brings together startups and big tech players to exhibit well-known and emerging technologies that can help retailers improve customer experience while saving valuable resources. After a long path to become ready for large scale implementations, many applications powered by RFID and ESLs were showcased to more than 35,000 attendees, softening the "I'm too late" feeling among retailers about these technologies. In the emerging tech's side, it's impossible to miss how AI solutions pop-up for multiple use cases from customer intelligence to out-of-stock detection and prediction.



#### **FOOD 2030 Conference Ploydiv**

This flagship conference around EU's agri-food R&D+i policy framework gathered stakeholders from all different walks of the ecosystem: research and innovation, agriculture, food and nutrition, business, NGOs and government to discuss the common challenges that this continent is facing in future-proofing our food systems.

During two days, the participants had the chance to listen to and interact with speakers and fellow attendees on policies, R&D+i advancements, pilot initiatives and commercial solutions related with all of the FOOD 2030 four overarching priorities: Nutrition for sustainable and healthy diets; Climate-smart and environmentally sustainable food system, Circularity and resource efficiency; Innovation and empowerment of communities.



#### Rethink **Commerce Summit**

The summit provided a great context to identify and engage with a curated set of Israeli startups that have been delivering significant contributions for a brighter future for retail.

The event gathered representatives from international retailers, tech leaders and investors that had the opportunity to listen to and discuss with experts and trailblazers in subjects of paramount importance for the industry - Acquisition/Usage of Data, Supply Chain & Logistics, E-commerce, In-store Experience/Operation and Payments - putting the role of emerging technologies as prescriptive analytics, artificial vision, machine learning, robotics, 3D printing and the likes under the spotlight.



#### Seeds & Chips

Seeds & Chips is a small curated summit that consists in the exhibition of startup products and a selection of conferences starring from politic figures to startup founders. Startups are selected to build a picture of what the future reserves in terms of innovation, anticipating future trends and revolutionary changes in the food department. The easy-going atmosphere allows participants to make fruitful contacts and exchange detailed information on the way they see businesses future.

# The timing of Sonae whitepaper was found excellent in face of the existing talks.

Sonae presents the whitepaper "The Future of Food" at the European Parliament





#### **WIRED Smarter**

Google, Amazon, Facebook, GE, Slack, Deliveroo, IDEO, and more (so many more) - some of the biggest players in the game got together in London in October to discuss the future of Retail, Energy, and Money in a different kind of conference curated by WIRED's editorial team.

The main takeaways were that the future is being shaped with a human-centered approach and a big focus on sustainability.



## Sonae presents the whitepaper "The Future of Food" at the European Parliament

At the heart of the debate and as a key takeaway message was the need for stakeholders from across the food chain to collaborate, and to keep an ongoing and sustained dialogue with policymakers to deliver the best results for citizens across the EU.

It was recognized that innovation may play a significant role in tackling many of the challenges that the food system is currently facing as long as it is supported by a strong EU policy framework and counts with the crucial (though still rare) participation of retailers, due to their central position in the food supply chain.

The timing of Sonae whitepaper was found excellent in face of the existing talks on the next EU Research and Innovation Framework Programme and reassurance was given that its key recommendations would be thoroughly analysed.



### **IFA**

IFA and the IFA+ Summit provide a rich duality between the showcase of the latest and greatest consumer electronics innovations and a selection of out-of-the-box presentations/ discussions held by thought-defying innovators.

The inspiration brought back led us to drive innovation in different ways and experiment with new thought paradigms.



### **Tech Crunch Disrupt**

There were over 400 startups showcasing their proposition for the future in the Startup Alley at Tech Crunch Disrupt Berlin.

From Retail to Gaming, companies from all over the world presented their solutions powered by Artificial Intelligence, Virtual/Artificial/Augmented/Mixed Reality, Blockchain, and many more.



### **iTechStyle** Summit

iTechStyle is the evidence of the great boost that the Portuguese textile industry is experiencing.

Players from textile and clothing industry discussed the current state of the art focusing on strategies to take innovations into the market.

It is urgent to adapt and use storytelling to comprise customers' needs, available technology and the functionalities that customers are willing to pay.

The challenge to activate circular economy in this industry in a sustainable way was also in debate.

Learning from the past is key *to achieve* better results.

Future is a vision. Let's build it together.



Facts and Numbers

Retail Book of INNOVATION 2018

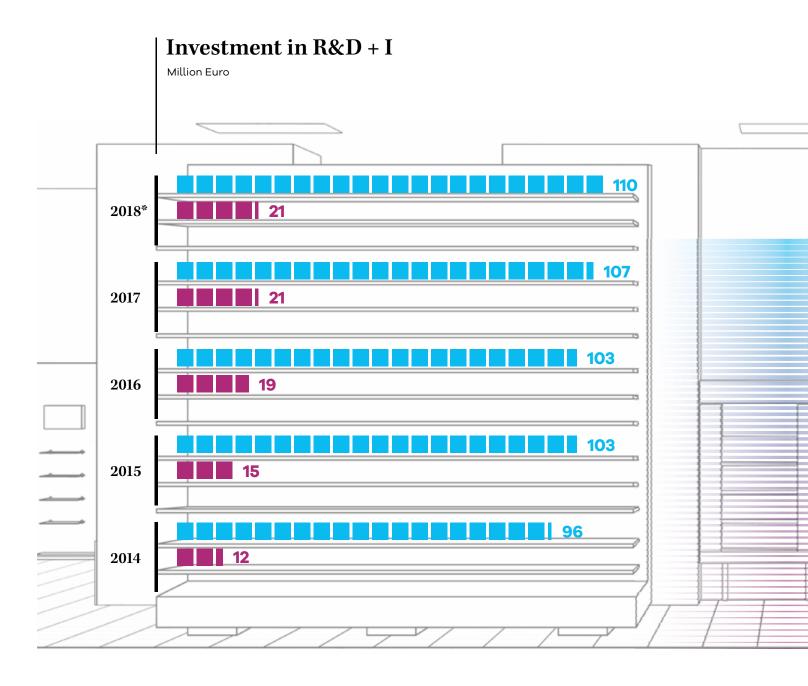
# FACTS & Numbers

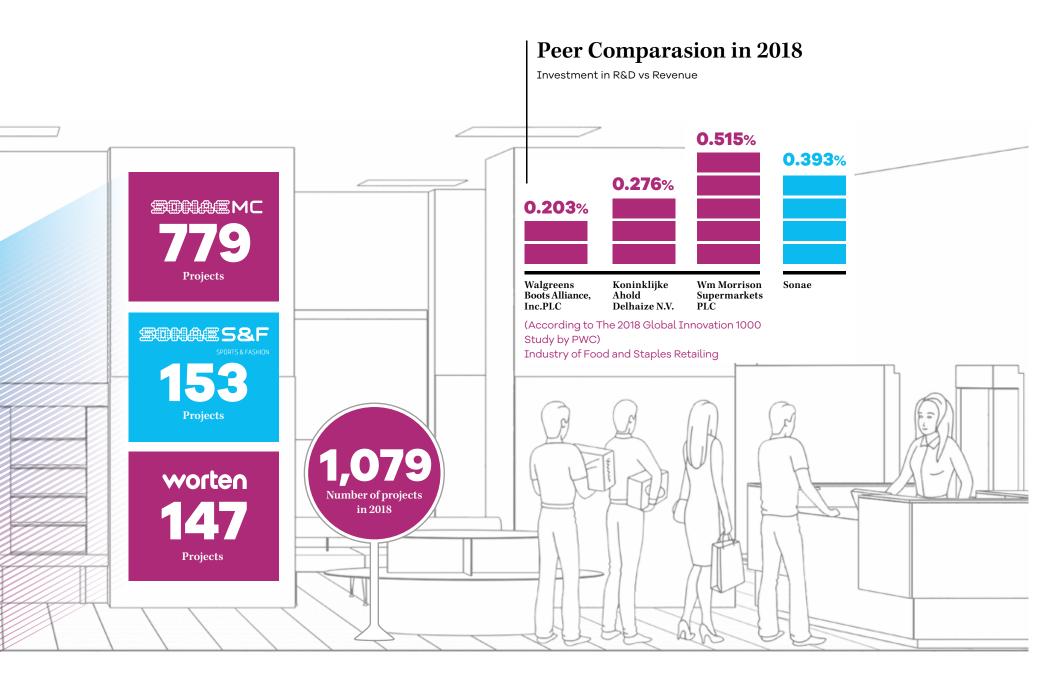
### **Inputs and Outputs**

of Sonae's retail innovation activity

Global R&D

\*Projected figure





Coverage of innovation efforts and results is both an outcome and a *catalyst of innovation openness*.



Future is a vision. Let's build it together.



O5
Media
Clipping

### Retail Book of INNOVATION 2018

# **MEDIA** Clipping



A empresa da Maia, presidida por Paulo Azevedo, explica sucesso com a forma como apoia as novas ideias e produtos, e a capacidade de as acompanhar em todas as fases

—WishingA AXPSS — Open Increases in Tabilitangem, who diversal indications que organismente au ser a facine e substitu a con atercipir assi sua difference face censivi- trai pomos ou month, incluisibile a temporare de month, i



Innovation. Sonae wins an european award for supporting good investment ideas

Dinheiro Vivo, 27/01/2018



**European Commission** distinguishes Sonae for its bet in startups

jornaleconomico.sapo.pt, 22/11/2018

quinta, 15 março 2018 15:24

Sonae reforça investimento em inovação: 105 milhões em 2017



O investimento em inovação, investigação e desenvolvimento da Sonae atingiu os 105 milhões de euros no ano de 2017, crescendo cerca de 2% face ao ano anterior e representando 0,34% das vendas dos negócios de retalho do grupo. Os dados são do "Livro de Inovação no Retalho 2017".

### Sonae reinforces investment in innovation: 105 million in 2017

No âmbile des primies Tomper's Corporate Starteg Start; a Sonae foi tambées distinguida com a primie 'Op-terovation trenustive Appraed Asserd' 'pata forma inhadors com installas com startugs, nomeadamente de fright Field, que tem inventido no capital de disense projetos a nivel auropea e municial e aportanta em iniciation disruptivas para potenciar o desenvolvimento de registros."

www.storemagazine.pt, 15/03/2018

INOVAÇÃO

### Inovação. Sonae investiu 105 milhões no retalho



O Livro de Inovação no Retalho está já na sua 9ª edição e sintetiza os principais projetos implementados na Sonae

Dinheiro Vivo 14.03.2018 15:27

A Sonae "reforçou a sua aposta estrategica" na inovação, em 2017, tendo desenvolvido mais de 660 projetos a nível mundial. O investimento do grupo em investigação e desenvolvimento ascendeu a 105 milhões de euros, um valor que representa um aumento de 2%, face ao ano anterior,

### Sonae invested 105 millions in innovation

executivedigest.sapo.pt, 14/03/2018

### **Innovation. Sonae invested** 105 million in retail

www.dinheirovivo.pt, 14/03/2018

### Sonae aumentou investimento em inovação

Março 16, 2018 Notícias 0



O investimento da Sonae na inovação, investigação e desenvolvimento terá atingido os 105 milhões de euros em 2017, crescendo em cerca de 2% face ao ano anterior e representando 0,34% das vendas.

### Sonae increased investment in innovation

hrportugal.pt, 16/03/2018



No ano passado, a Sonae investiu 105 milhões de euros em inovação. De acordo com os dados disponibilizados no Livro de Inovação no Retalho 2017 do grupo português, trata-se de um crescimento de 2% no investimento nesta área, face ao ano anterior

# Retail Book of INNOVATION 2018



## Distribution innovation: what challenges are big companies faced with?

jornaleconomico.sapo.pt, 04/03/2018



### Continente's healthy mission

marketeer.pt, 31/12/2018



### Sonae claims that the European Union "should be a facilitator of innovation" in retail

www.distribuicaohoje.com, 10/12/2018



### Combate ao desperdício alimentar rende três milhões de euros à empresa Sonae MC

Valor soma não só a receita das vendas como também os "benefícios fiscais das

Por Lusa 25.10.18

Este valor soma não só a receita das vendas, mas também os "benefícios fiscais das doações e a redução de quebra induzida pelas diversas medidas implementadas", disse esta quinta-feira Pedro Lago à agência Lusa, à margem do Prémio Gama Innovation, atribuído esta quinta-feira em Manchester na categoria Posicionamento à linha de 'chutnev' (molho de origem indiana feito com frutos ou vegetais com açúcar, vinagre e especiarias, e usado como condimento).

Este produto faz parte da primeira gama de economia circular lançada pelo Continente em 2017 e, explicou, constitui "uma inovação a nível internacional, por serem os primeiros produtos feitos a partir dos excedentes de uma cadeia

### Sonae MC app distinguished in ACEPI awards

www.store.com.pt, 07/11/2018

### Sonae apresenta recomendações em Bruxelas para inovar no sector alimentar

A retalhista defende que é "imperativo" estabelecer projetos e objetivos comuns entre diferentes entidades para desenvolver um futuro alimentar sustentável na Europa e assegurar o florescimento do setor.



Sonae e mais 65 pedem à Europa "investimento prioritário" na inovação e investigação

04.12.2018 in 12h53





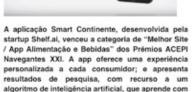
### Food waste combat yields three million euros to Sonae MC

www.cmjornal.pt, 25/10/2018

App da Sonae MC distinguida nos Prémios ACEPI



o utilizador em cada interação.



Sonae presents recommendations on how to innovate in the food sector in Brussels

jornaleconomico.sapo.pt, 26/06/2018

FLIP can be your new supermarket shopping cart

expresso.pt, 06/08/2018

Sonae and other 65 companies ask **Europe for "priority investment" in** innovation and research

expresso.pt, 04/12/2018

O Flip pode ser o seu novo carrinho para as compras no supermercado



A Sonae MC quer carrinhos mais versáteis e confortáveis para o negócio do retalho alimentar. Lançou o desafio a alunos da Porto Design Factory e já está a preparar o protótipo indústrial do novo modelo

# Deserving distinction is a privilege of only a few.

Future is a vision. Let's build it together.



06
External Awards

### Retail Book of **INNOVATION**



# **AWARDS'** Winners

### **Recognized projects** and initiatives

Sonae has consistently been recognised and awarded at national and international level, which has highlighted our best projects and initiatives in different key areas.



**Becken** 

Small appliances for breakfast

Yammi 2

Home utilities

Well's

Health and wellness stores

Continente

Hyper and supermarkets

Go Natural

Healthy eating business

Worten

Online commerce of electronics and home appliances store

**Zippy** Children's Wear



Worten's LED Content Worten Display at Colombo Shopping Center

Digital in Retail (Gold)

Store Concept (Gold)

Well's

Health and Wellness store



**Panana** 

Sustainability and social responsibility

**Continente Food Festival** 

**Events & Sponsorships** 



Worten

Non-food retail distribution stores

Zippy

Children's wear stores







100% national Portuguese custard tart Continente Seleção Bakery



Vintage Lovers Becken Innovation



**Continente Mission** Merit Award



Sonae MC Best food and drinks site/app



Continente Generalist distribution



**Continente Mission** Innovation and Circular Economy

Startup Europe Partnership

Sonae Open Innovation Challengers; Open Innovation Innovative Approach Award

Human Resources

Sonae MC People management innovation



Worten store concept Commercial premises



**Worten Academy** Best Digital Workplace



**Halloween Activation** Digital in Retail



**Wortubers** HR Digital Award We will be one step ahead with the best people making *great ideas* happen.



Future is a vision. Let's build it together.





Sonae Innovation Awards Retail Book of INNOVATION 2018

# We know that we can only grow sustainably by innovating.



# We know innovating means bringing something new to the table that improves our lives and adds value.

It's not just what drives new projects and ideas, is part of our DNA and cornerstone to our attitude.

Throughout the years we've always stated our aim to provide top quality products, diversity, competitive prices and the best customer experience. And we mean it. To do so, we fuel our day to day with ambition and wanting to go further and farther, for our clients, our partners, our suppliers, our employees and surrounding communities. And the greatest strength of our team is that our bond lies precisely in this common mindset we share, regardless of hierarchical levels.

We know innovating means bringing something new to the table that improves our lives and adds value. We do it together, so we grow collectively, from each other. As we look back to what we've accomplished so far, there's no doubt that the future will be bright. And at Sonae MC there's nothing we love more than a great challenge.

Luís Moutinho, CEO Sonae MC



### **Innovation intersects fashion** and technology, representing a powerful way to connect consumers to brands.

Operating in a decentralized model, all our people are working with an innovation mindset, questioning the status quo and the way to achieve new goals and growth avenues. We are constantly seeking to stimulate the creativity of our people, they are the main actors of innovation throughout the organization. Their creativity, proactive spirit, curiosity, and customer centricity are essential conditions for our success.

In our businesses, Innovation intersects fashion and technology, representing a powerful way to connect consumers to brands while providing distinct shopping and wearing experiences. New technologies and textile innovations are not only changing how the fashion industry functions particularly on its supply chain, but also how its products interact with the consumers.

As a forward-looking organization, we believe that only making innovation part of who we are - and do it collectively - will allow us to fulfill our mission, and bring the benefits of progress to a growing number of people.

Luís Filipe Reis, CEO Sonae Sports & Fashion



### As a forward-looking organization, Worten relies on innovation to build the future.

In fact, innovation is not only a big part of our culture, it is something deep in our essence, present in everything we do.

When facing increasingly dynamic consumer behaviors, along with multiple players and fast pacing changes, performing in both national and international markets, the only way to be highly successful and agile is by being innovative and having a disruptive thinking and mindset.

At Worten, that is what we aim to do all the time in order to reach our goals and our promise to deliver and excelling every day.

Miguel Mota Freitas, CEO Worten





Improve products and purchasing effectiveness, as well as customer satisfaction, through the incorporation of clients' feedback in a structured way.

### **Implementation**

Development of a house made app that is installed in in-store managers mobile to retrieve client's feedback. The items can be found in the app through barcode scanning or merchandising structure and the store managers can insert feedback received regarding price, fit, colour, quality, size or even general comments on the products. All the given feedback is then compiled in a structured way and incorporated in the product development teams' work.

### **Results**

**-44**%

Time invested in the process of compiling info

4,000

**Comments collected** 

80

Feedbacks incorporated into product development





The process of buying groceries online tends to be very time-consuming with few natural interfaces available and a serious lack of search engines featuring truly personalized results.

### **Implementation**

Development of an app that allows customers to shop using voice, barcode scanning or text input, with the help of a personalized assistant. Voice commands, such as "and" can be used to populate the grocery basket with multiple items simultaneously. It is also possible to manage shopping lists and see when favourite products are at a discounted price. The artificial intelligence algorithm learns the shopping preferences of each user, improving accuracy and personalization as users continue to use the service.

7,300

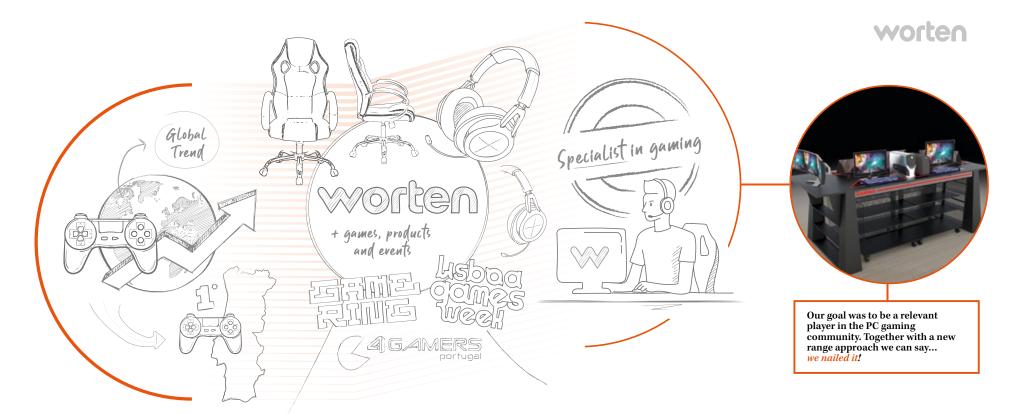
Users

**Integration with Google** Home® and Amazon Alexa® **Smart Home Systems** 

Interactions made using voice commands

**ACEPI Navegantes XXI Award** 





Gaming is a global growing trend in today's consumer society and as Portugal's consumer technology retail market leaders the mission was to drive and lead the growth of this segment. The aim was for Worten, a generalist retailer, to be recognized as a specialist in gaming, giving answer to its full ecosystem.

### **Implementation**

The first step was to realign the message and build an ecosystem that could target gamers, aspiring gamers and gaming brands. Creation of Worten Gaming brand and platform that resulted in events such as Worten Game Ring at Rock in Rio Lisboa. Present at the main events of the industry, like Lisboa Games Week and 4Gamers to stretch the relationship with the gaming ecosystem. Development of in-store and online gaming spaces as well as a pre-configured desktop assortment, with competitive configurations, promoting a faster go to market of several technologies adapted to the gamers' needs.

### **Results**

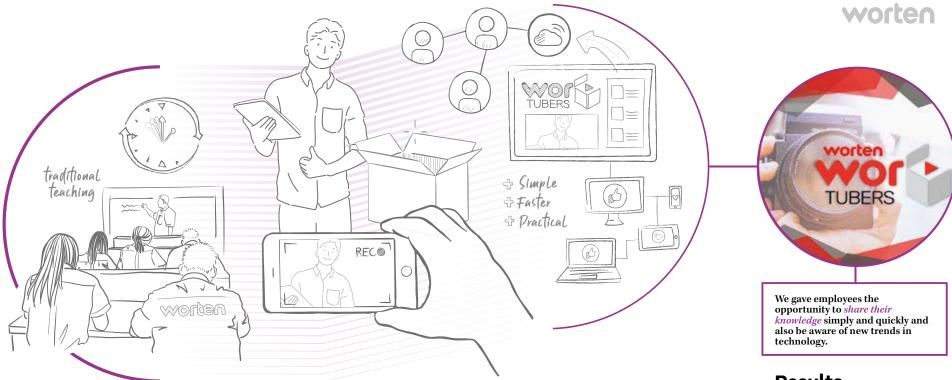
+66%

Sales

**+3**pp Retail Market Share

People at Worten Game Ring at Rock in Rio Lisboa





In-class training and e-learning are two effective learning methodologies, but in some situations, they become complex and time-consuming and at times even outdated for new generations. The paradigm of being just the trainer / training team sharing knowledge with employees was also a concern and so the aim was to promote a self-learning culture with all employees being involved in knowledge sharing.

### **Implementation**

An internal video channel was created that allows employees to upload videos of themselves talking about the most diversified themes. Initially, the channel was more oriented to the sales team, with videos about new products' special characteristics and new technologies being shared, but now it is a platform used by everyone. The goal was to encourage a culture where employees can learn from each other and promote a new way of learning, that is more simple, faster and practical.

### **Results**

3,556 **Employees involved** 

**-87**%

Average course duration

**-10**% **Training costs** 

**Winner in Prémios** RH 2018, Digital HR category





Well's is perceived by customers as an undisputed leader in terms of price and promotion. However, nowadays it is not enough to have good and innovative products, competitive prices and an adequate service. Customers increasingly value brands with emotional attributes and that was the challenge, to be perceived as a relevant brand - one that not only contributes to the well being of the customers but also to the society.

### **Implementation**

Because Portugal has one of the lowest birth rates in Europe and given the proximity of the brand to this segment, "birth" was defined as the central theme of the brand's 2018 Social Responsibility project. As such the following actions were taken:

- 1. Celebrate all babies born in 2018 by offering a kit with Baby Well's products and a surprise for the mother.
- 2. Support babies from families in need during the first year of life with hygiene, feeding and childcare products and promote the empowerment of new moms.
- 3. Debate the rate of new births in Portugal with national partners and stakeholders to raise awareness on the subject. The 1st debate revolved around the causes of the decrease in birth rate and its social implications, both in the short and long term.



This project was a success, we overcame widely the proposed goals. 50% of women who gave birth in 2018, applied for our Kit.

### **Results**

+64%

Baby Well's sales

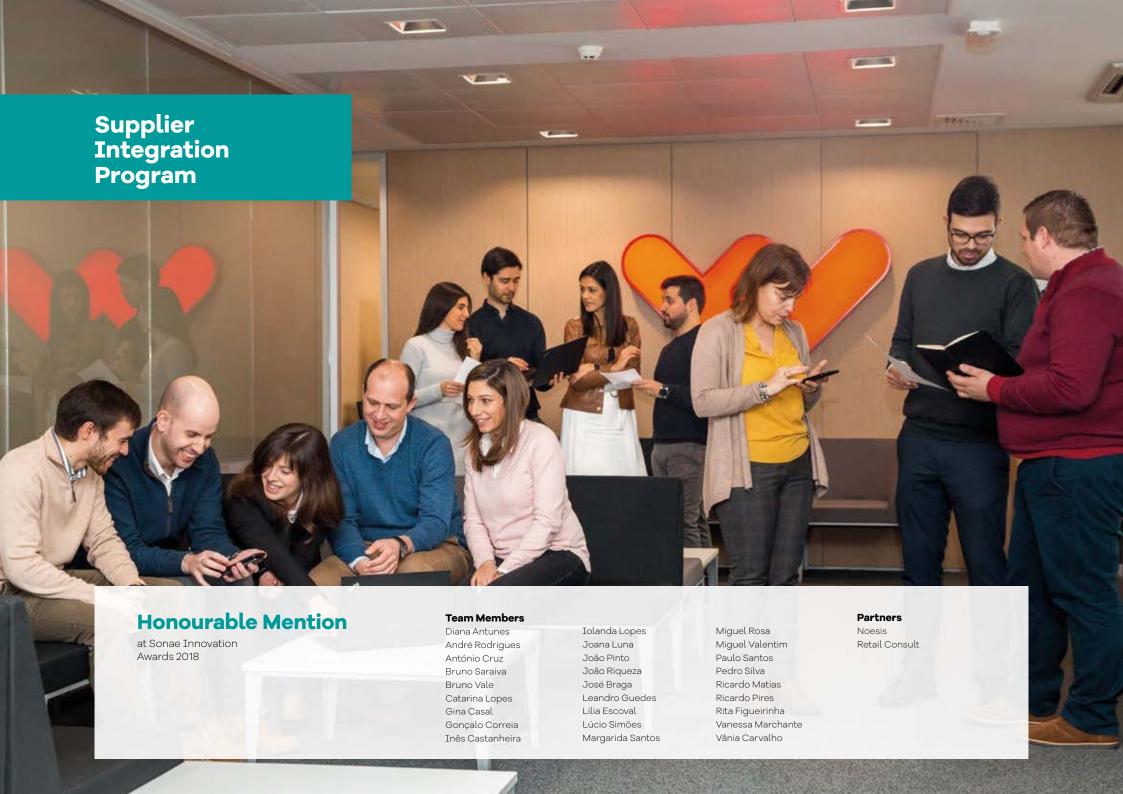
**+3**pp

"Baby & Mum" category market share

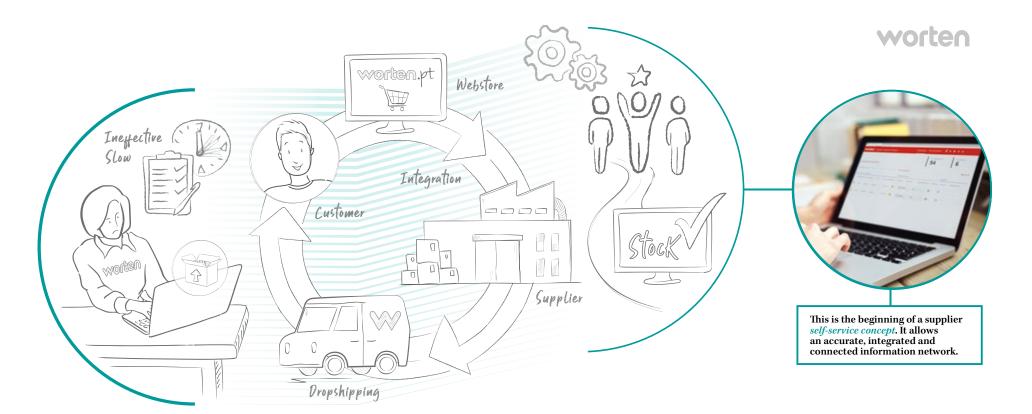
**+10pp**Net promoter score

80,000

Followers - Baby Well's Community



Category Channel **Sonae Innovation Awards** 



### Challenge

Slow and insufficiently accurate integration of stock & lead time information, since this was done manually.

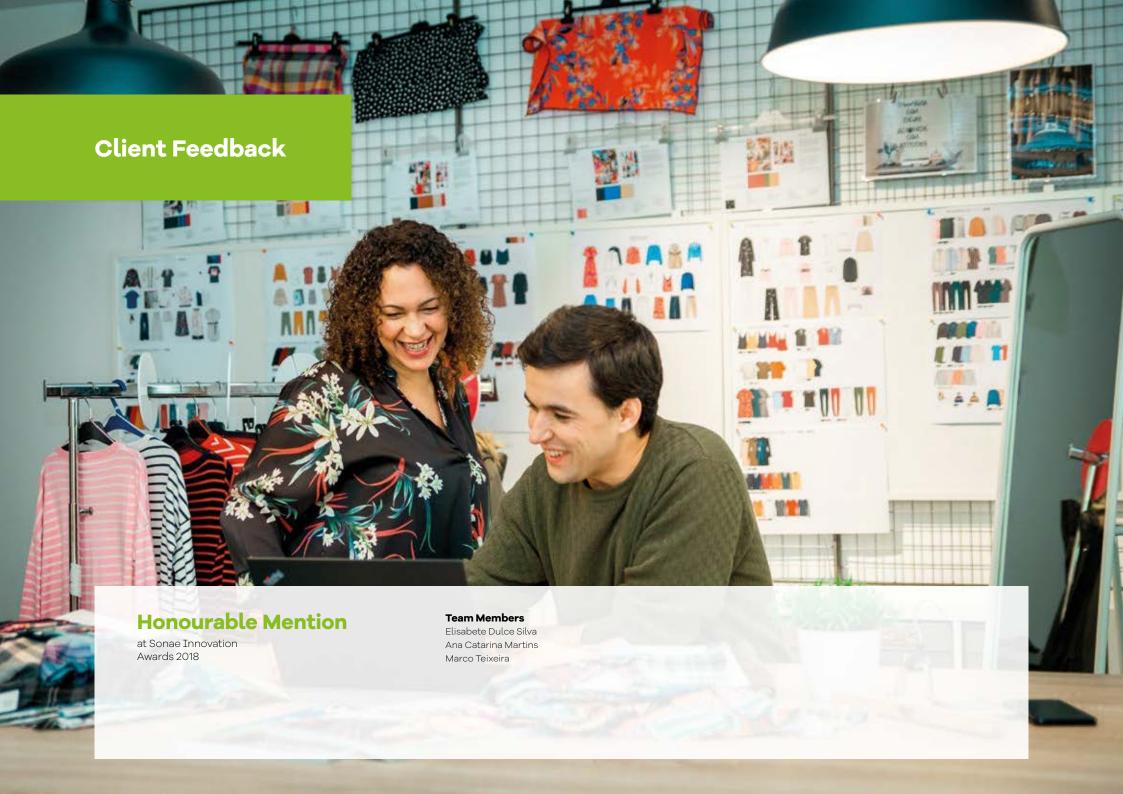
Implement new delivery models with suppliers.

### **Implementation**

Implementation of a new delivery model - dropshipping - that consists in the product being directly sent by the suppliers to the final customer, overcoming the need of stock management. Development of a platform that gives the suppliers the possibility of controlling the stocks and lead time integrations and update dropshipping orders.

### **Results**

-€1.06м Costs over a period of 3 years





Build a structured, frequent and actionable client feedback methodology, process and tool with the objective of anticipating needs and purchasing behaviours.

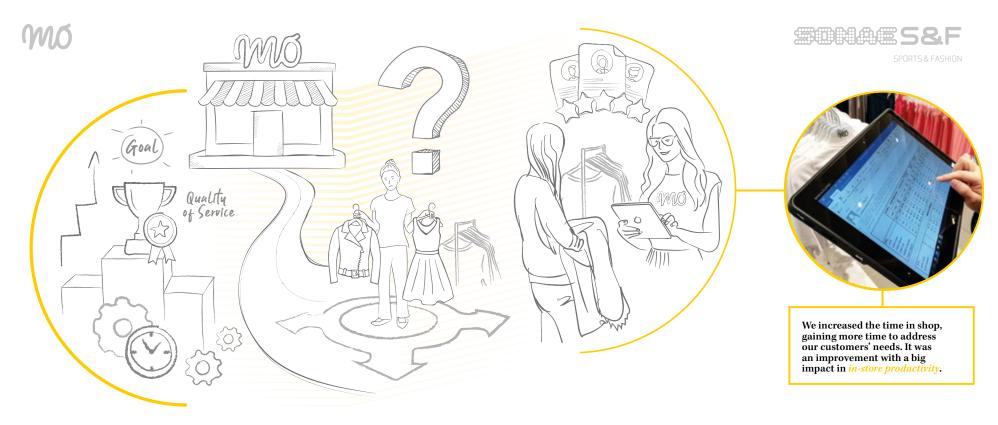
### **Implementation**

Creation of a simple and agile methodology that allows MO to receive feedback from three key product variables: product, price and promotion. Using Continente Loyalty Card's customer base, MO can directly send feedback solicitations to the clients and then receive valuable insights while creating an automatic report.

### **Results**

Product sell-out in 2018





Increase the agility and accuracy of the execution of visual merchandising indications, as well as improve customer service.

### **Implementation**

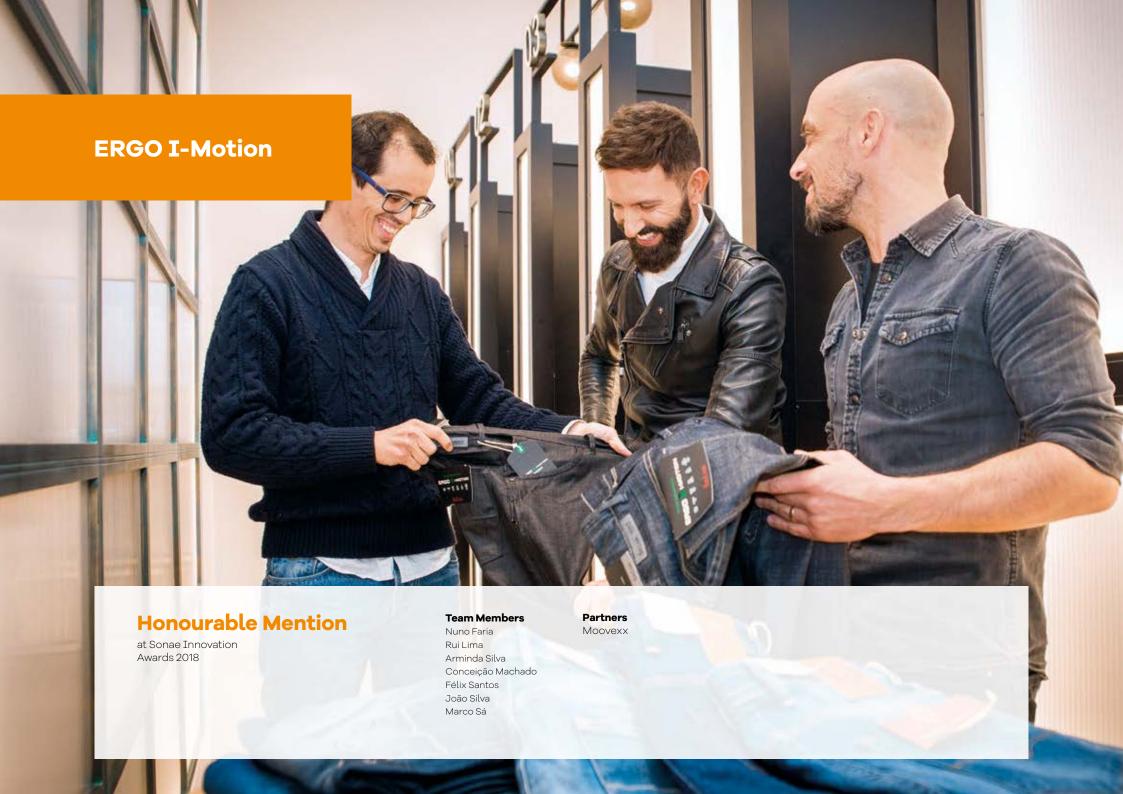
Removal of the store desktops, replacing them with tablets, allowing the seller to perform the bureaucratic tasks in store instead of in the back office and like this assist customers whenever they need help.

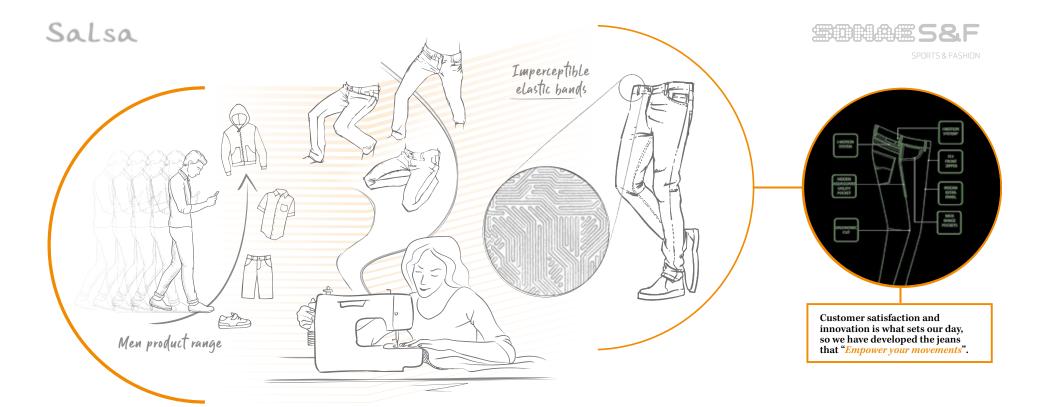
### **Results**

In-store sale

Hours/year invested in trips to the back office

**HP Innovation Award** 





Increase men's product range as well as the perception of the brand's innovative DNA.

## **Implementation**

Use of an innovative technology - imperceptible elastic bands - in both the belt and the waistband to allow greater physical ability, thus creating the perfect denim for functionality and mobility, adapted to everyday movements.

## **Results**

64.9%





After the successful launch of the solid skyr, an opportunity arose in this space since skyr wasn't available in liquid format, the one with the highest demand in the Portuguese market.

## **Implementation**

Development of a balanced recipe that keeps the main characteristics of the skyr yogurt in a liquid format. In just 4 months, strawberry and forest fruits flavours were introduced to the market. After the great success of this launch, the range was expanded with natural and vanilla flavours.

### **Results**

+4%

Yoghurt sales

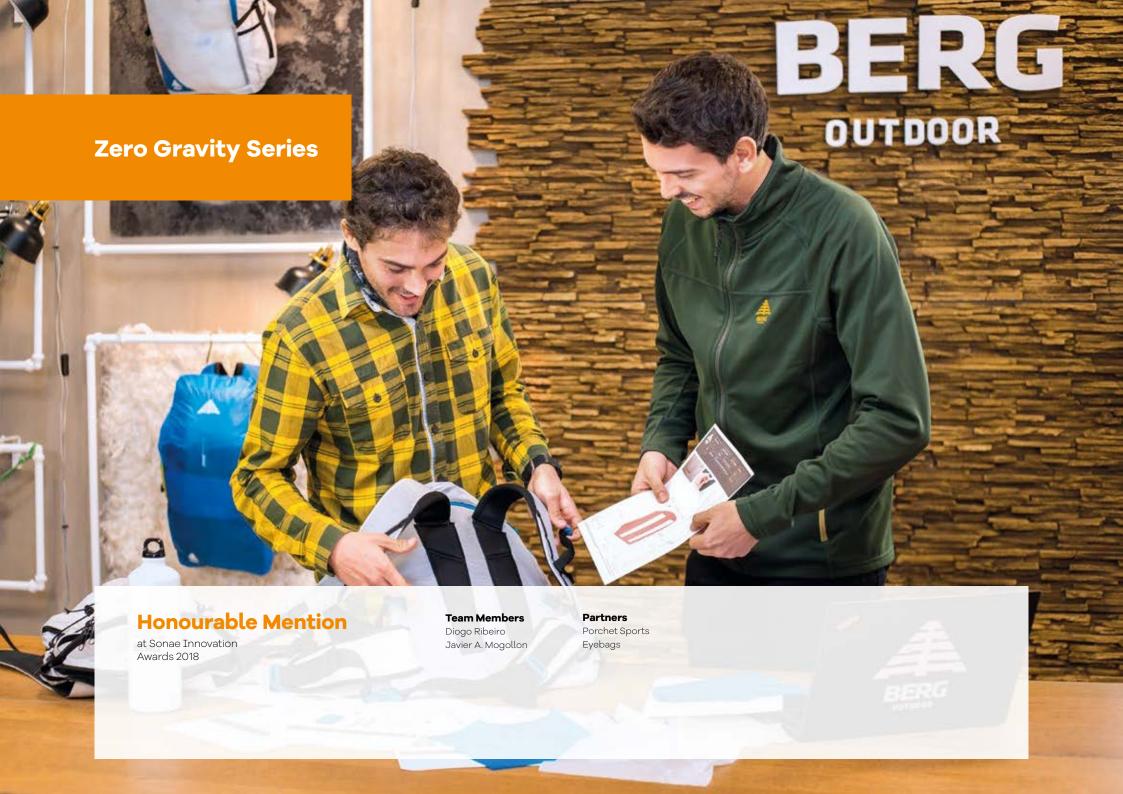
39%

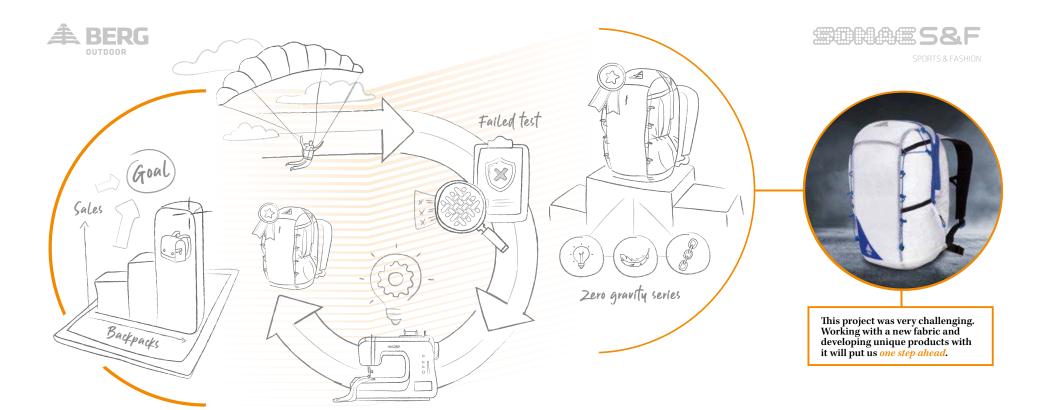
Skyr market share

**71**%

Sales from repeated clients in the first 16 weeks

4 months Time-to-market





Create a product that can mark the difference by using an innovative fabric and increase backpacks category sales.

## **Implementation**

Creation of 3 different products: 2 backpacks and 1 jacket, using B-grade fabrics from paraglides and parachutes that did not pass high-quality standards' tests. Besides being a perfect use case of circular economy, since there isn't a way of recycling these and, normally, they would just go to waste, these new products also have the advantage of having properties like fabric regeneration, lightness and resistance, what allows Berg to stand out from its competitors.

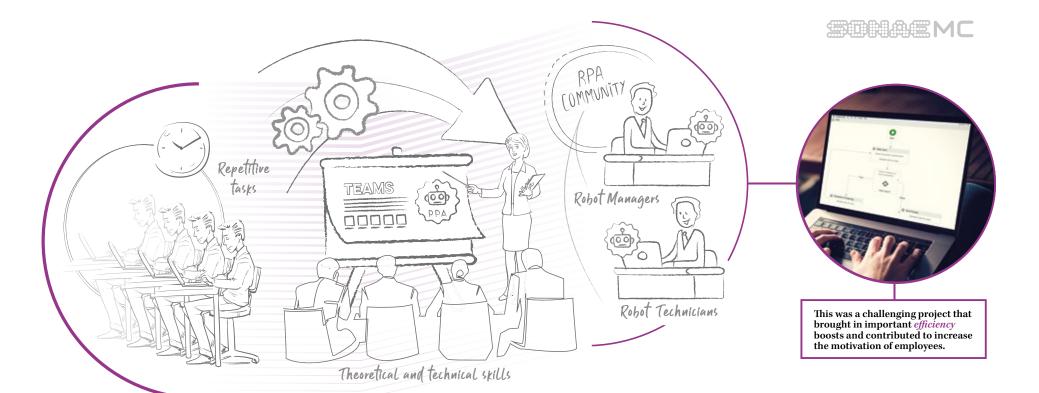
## **Results**

+250%

**Backpack category sales** (1 year period)

**ISPO Gold Award** 





Increase efficiency through processes' automation. The main concrete goals were to: improve the quality of the services; reduce lead and execution time; cut costs and increase employee motivation through the reduction of repetitive tasks.

## **Implementation**

The project was developed based on four fundamental pillars:

- 1) Strategy: assortment of activities to automate, selection of tool to use and definition of the governance and operational model;
- 2) Training and Capacitation: internal selection of employees to receive training on RPA theoretical and technical skills;
- 3) Assisted Robotization: robotization of administrative, human resources and treasury activities;
- 4) Management: development of new functions, namely 22 robotization technicians and 3 robot managers. The RPA community aims to continue to automate activities after identifying and evaluating opportunities.

### **Results**

-13,000h Time invested

in processes

26 Activities automated

**Employees with RPA** competencies

Sustainable growth through innovation is at the heart of *our business*.



Future is a vision. Let's build it together.





O8
Innovation Projects

## **Category Provider**

## 

## A *ready-to-shelf* product development unit.

#### **Team Members**

Marcos Pereira Ana Barbosa Andreia Nogueira Carla Almeida Cristina Ribas João Alves Maria Bento Miguel Ferreira Raquel Freire Ricardo Silva Rui Rodrigues

## Challenge

Grow internationally with Sonae MC non-food brands, facing issues with negotiation, brand recognition and few numbers of clients. Increase the weight of non-food brands on total sales.

## **Implementation**

Creation of a new concept, Category Provider, that is a ready-to-shelf solution which incorporates: Brand & Product Development, Sourcing & Procurement, Merchandising Solutions and Integrated Supply Chain.

The aim is to work as a partner and not as a supplier, facing partner's shops as an extension of Sonae's.

### **Results**

+218%

Non-food net sales

+52

**External stores presence** 

## 4 countries

Increasing presence of Sonae MC brands internationally



## Click & Go **Everywhere**

## 

## CONTINENTE

## Convenience

and an evergrowing pickup network.

#### **Team Members**

Luís Monteiro Alexis Fernandes Pedro Pinto Sara Teixeira

#### **Partners**

Xarevision

## Challenge

Time-slots are useful for online shoppers but are still not the perfect solution as they constrain customer's day. Additionally, one of the key detractors of online shopping is the delivery cost, tackling these two issues was crucial for the future of Continente's Online store.

## **Implementation**

Expansion of the network of online pick-up points, making the most of Sonae's store network and offering the ultimate convenience to Sonae's customers.

Consumers are now able to choose the most convenient spot, whether it is close to home or work, and are freed from having to wait for their orders to get home and pay for the delivery.

## **Results**

40% Orders delivered under 5 minutes

+23%

New online customers

+400%

Growth in pickup locations



## Marketplace

## worten

## A shared *economy* approach to sales.

#### **Team Members**

Joana Pina Pereira Rita Sousa Marques Catarina Esaguy Diogo Pereira Duarte Costa Gonçalo Sá Marta Sousa Miguel Gonçalves

#### **Partners**

Bain, Mirakl

## Challenge

Worten was experiencing a loss of potential sales since consumers were turning to other websites that presented a wider assortment and more competitive prices. Additionally, increasing omnichannel price pressure was expected to significantly impact the business.

## **Implementation**

The goal was to widen the assortment and strengthen price competitiveness for existing categories, as well as expand Worten's brand and product positioning to new categories.

The Worten Marketplace was the best business model to achieve these objectives since it has a flexible and low-risk approach.

## **Results**

**7%**Share of all sales

**+30**New categories



## **NOTE - New concept**

Rethink *store* experience for today's needs.

## Challenge

Development of a new store concept that reflects the essence of the brand Note!, but gives it a younger and more contemporary dimension.

## **Implementation**

The NOTE Trindade store reflects a new positioning of the brand with a bright, transparent front space, and clear demarcation of the product segmentation that is reflected in a better circulation and shop experience by the customers.

The introduction of more versatile equipment and emotional communication make the shopping experience more interesting with a differentiating look and feel.

## 



#### **Team Members**

Fátima Valinhas Cristina Sousa David Alves David Loureiro Eduardo Enes Filipa Garcia Francisco Morais Gustavo Correia João Sárria Paulo Azevedo Paulo Baptista Rosário Almeida Tiago Francisco

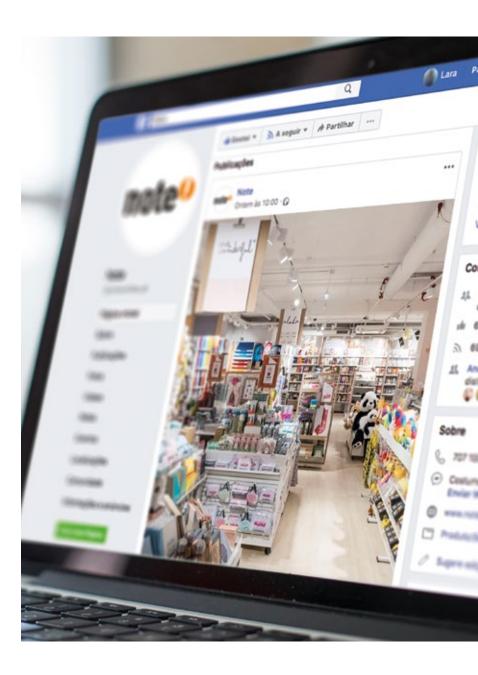
### **Results**

+19

New stores

+6%

Sales on the refurbished store



## Pop Up Store Container

## A fresh mobile retail *experience*.



Create an out of-the-box point of sale with high visibility, that was easy to transport and that could generate buzz, consumer interest, easy interaction and incremental sales. Identification of the best location for the point of sale, adapted to the selected store typology and consumer profile target.

## **Implementation**

Creation of a pop-up store container. San Sebastian was the chosen place since it is an iconic surf place in Europe making the perfect match with Deeply's international strategy.

Implementation of a light store management model that combines the outsourcing of recruitment process, financial and legal activities with inhouse strategy concept and store management.



## D> PLY

#### **Team Members**

Pedro Mota Diogo Pimenta Francisco Miranda Pedro Alves Ricardo Aragão Thomas Fabre

#### **Partners**

Go Pop Up, Container Custom and Arrabi & Ziras

### **Results**

+3pp
Website conversion rate
in San Sabastian vs avers

in San Sebastian vs average in Spain

**1**<sup>st</sup> **store** Outside of Portugal



Category Channel **Innovation Projects** 

## **Digital Universo**

## **Banking one** click away.

## Challenge

Need of channels that promote a direct relationship with the Universo client, in order to create awareness and enhance the transaction rate. Another goal was to decrease customer services costs.

## **Implementation**

Development of digital channels (app and home banking) that integrate Customer Service functionalities, MB operations (Service Payment) and Digital Payments (Wallet).

#### **Team Members**

José Luís Santos André Sampaio Francisco Marques Inês Amaral Luís Costa Sara Pinto

#### **Partners**

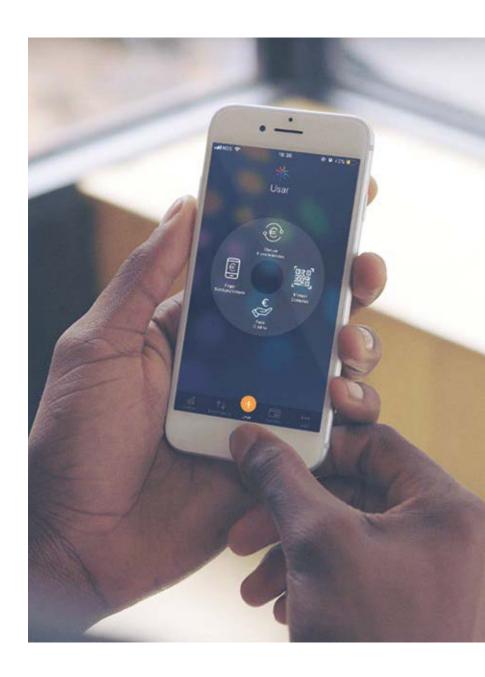
Softfinança, Mastercard

## **Results**

**107**<sub>K</sub> Clients with app

+8

Logins/month in Universo Online



## **Customer Manager**

## An in-depth *customer journey* tracker.

## Challenge

The online model allows businesses to have a more in-depth knowledge of the customer, it does not guarantee a close and human relationship. The aim was for the sales force team to build a more personal, close and trusting relationship with customers, providing them a memorable tailormade experience.

## **Implementation**

Development of a customer relationship model, that contemplates customer follow-up during all stages of interaction.

The customer manager supports this relationship by collecting and sharing information in a CRM tool.

This monitoring allows them to define strategies and solutions in a transversal way, as well as increase loyalty and grow the customer base.

## worten

#### **Team Members**

Hugo Neves Vitor Sousa André Ricardo Hugo Mendes Joana Luz Mariana Valença Patrícia Melo Pedro Antunes Pedro Gonçalves Sofia Junqueiro Vera Martins Zélia Santos

## **Results**

+15<sub>pp</sub>

Purchase frequency compared to other stores' customers

+33<sub>pp</sub>

Sales compared to other stores' customers

+28<sub>pp</sub>

Net Satisfaction Score compared to other stores



Category Customer Engagement **Innovation Projects** 

## **Shopper experience**



## CONTINENTE

Create *relations* through in-store activations.

#### **Team Members**

Jorge Manuel Nascimento Patrícia Lagarinhos Raquel Silva Santos Sónia Pereira Adão

## Challenge

Provide customers with unique in-store shopping experiences that are able to make them brand ambassadors.

## **Implementation**

Development of unexpected and differentiating in-store activations with the aim of enhancing emotions and relationships and that can be amplified and disseminated in the digital sphere.

## **Results**

**+2.3**<sub>M</sub>

**Customers impacted** 

**Activations developed** 



## **Virtual Stylist**

## MO

# A personal assistant called *bot*.

#### **Team Members**

Raquel Vasconcelos Inês Rocha

#### **Partners**

E-Life Agency

## Challenge

MO needed to find a way to help clients buy in the online world as well as present new collection pieces in a more direct way.

## **Implementation**

Implementation of a bot named Virtual Stylist, for Facebook Messenger platform. This innovative solution generates fashion tips based on specific questions. Users can select a piece of clothing and, based on that choice, the bot builds 3 whole outfits.

It also has a store locator system which allows customers to find the nearest MO store with that specific item.

## **Results**

**17**<sub>K</sub>

Interactions with the virtual stylist

3x Increase in contacts made through facebook messenger



## Partnership with Caixa Geral de Depósitos



## CONTINENTE

Retail, banking and discounts go hand in hand.

#### **Team Members**

Tomás Alvares Ribeiro Ana Rute Vilaça Rui Duarte Cardoso Rocha

#### **Partners**

Caixa Geral de Depósitos

## Challenge

Extend, for the first time, Continente Card's usage to one of the most relevant areas of customers spending the banking industry.

Foster the awareness and sales of fresh food category.

## **Implementation**

Development of a partnership with the largest player in the financial sector (Caixa Geral de Depósitos), with the following value proposition:

- •20% voucher referring to the total value of 6-months fees of Conta Caixa membership;
- 3% discount in all fresh food purchases at Continente during the first six months of Conta Caixa membership.

### Results

41.1%

Percentage of Conta Caixa members who have a Continente Card associated

**+5**%

Average spending on fresh food at Continente



## Automation of fish buying process



# A digital auction tool designed for *performance*.

#### **Team Members**

António Barros Alcinda Macedo Carla Santos Deolinda Aguiar Vera Barata

#### Partners UppOut

## Challenge

To increase the efficiency of the fish market manager decision making process, by providing real time information on all the main Portuguese fish auction market prices, quantities and availabilities.

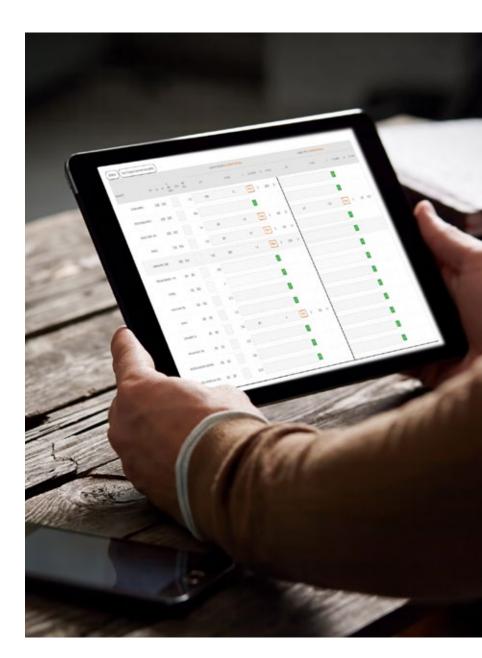
## **Implementation**

Creation of a Web-Based application to manage Fish Auction market deals. Fish market partners constantly upload available quantities and prices allowing the fish market manager to make better decisions and instantly grant authorization to proceed with the deal, avoiding unnecessary errors and delays. Dashboards are automatically produced, providing the team with crucial information like the main tendencies of supply and demand in the Portuguese Fish auction Markets.

## **Results**

-1h/day
Dedicated to fish buying process

Average price of market deals



**Category** Process **Innovation Projects** 

## **Food waste** weighting cart



A smart approach to stock management.

#### **Team Members**

António Leite Carlos Rocha Dário Faustino Ludovina Vieira

#### **Partners**

Bizerba

## Challenge

Everyday there's food waste in stores that needs to be collected, weighted and introduced in the system to update stock levels and finally sent to the proper destination. This process is very time consuming.

## **Implementation**

Creation of a multifunction weight cart, capable of weighting the food waste in loco and automatically introduce the values in the system through Wi-Fi connection.

## **Results**

Time invested in the process



## Moela

# A *new approach* to distribution management.

## Challenge

Reformulate e-commerce operation in Lisbon's distribution center to improve the results of out-of-stocks, damaged goods and operational costs.

## **Implementation**

Implementation of new picking models (Multi-order and aggregated picking) by developing new processes, equipment and IT tools.

Implementation of new productivity measurements such as KPI's dashboards and leveling tools.

Automatic integration with transportation routes.

## 

#### **Team Members**

Alípio Duarte
Carlos Sousa
Clara Cunha
Alexis Fernandes
André Jorge
Flávio Veiga
Gonçalo Oliveira
Irina Gomes
Nuno Sequeira
Paulo Rito
Pedro Correia
Rui Lourenço
Rui Veloso

## **Results**

+25%

Productivity in logistics distribution centers operation

**+21**%

Productivity in e-commerce in-store picking operations

-14%

FTEs at stores with e-commerce



**Category** Process **Innovation Projects** 

## **Online Receiving** and Returning Tool



ZIPPY

A management helper for return goods.

#### **Team Members**

Virginio Mendes Sandra Pereira

## Challenge

Automate the returning process to improve efficiency, efficacy and specially customer satisfactions levels.

## **Implementation**

Creation of a tool that allows the automation of tasks, sending e-mails to both the care team as well as the customer with all the necessary information to follow up the returning process.

It also controls the credit memos emission and stock availability by generating an excel file that is updated with the pictures of the items.

## Results

**-62**%

**Operation time** 

**-50**% **Human errors** 

Transfer preparation time



## **Orderbook**

A *decision-making* enabler for store managers.

## Challenge

Optimize the store ordering process of fruits and vegetables to promote a more assertive replenishment and provide fresher products to customers.

## **Implementation**

Creation of a platform, available in several formats (paper, pc and tablet), that aggregates the necessary replenishment information (sales, stocks, shrink, price) to support the decision-making process.

## 

## CONTINENTE

#### **Team Members**

João Melo Daniel Moreira Eugénia Esteves Joana Palmeira João Tiago Ferreira José Rocha Margarida Macedo Teresa Fernandes Tiago Marques

#### **Partners**

Oliver Wyman

### **Results**

**-50**%

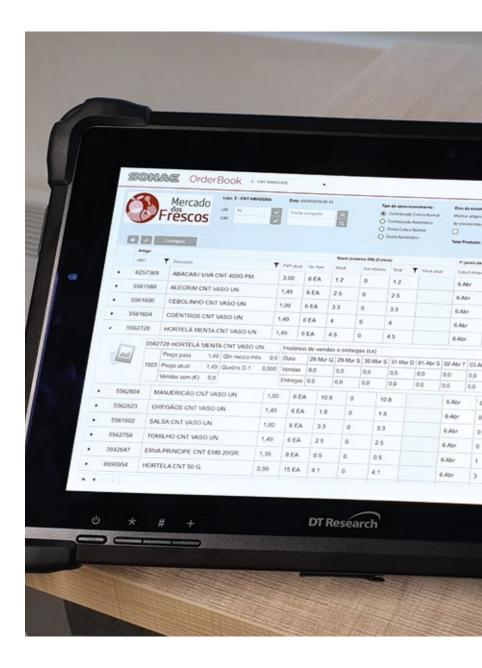
Time in store revision process

+1%

Fruits and vegetables sales

-0.3pp

Fresh products shrinkage



## RRD - Reference **Rotation Days**



A clever inventory budgeting methodology.

#### **Team Members**

Bruno Amorim João Marques Mário Estima Paulo Neves Pedro Nunes

## Challenge

Maximize the effectiveness of inventory levels and reduce the working capital costs.

## **Implementation**

Development of a zero-based inventory budgeting methodology that calculates the optimal inventory turnover for any given category, providing a target/benchmark against existing performance.

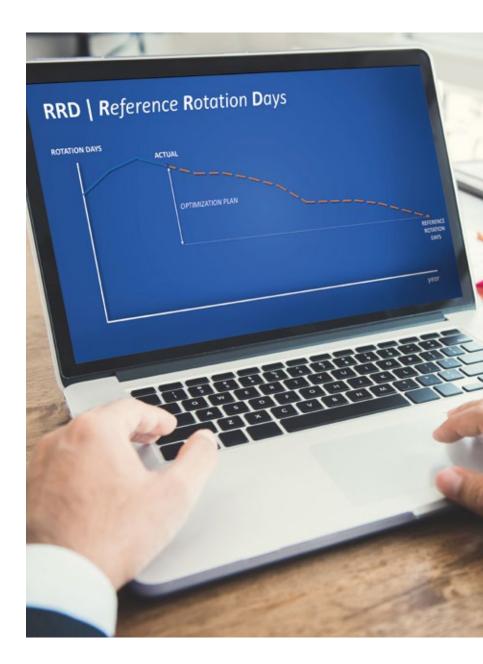
Definition of a pre-defined follow-up analysis to support the identification of different inventory reduction opportunities to match the optimal turnover.

## **Results**

**-2**%/year Non-food working capital

-5%/year

Non-food sales days of inventory



## Security & Ergonomics in Logistics



## Reducing accident rates through

innovation.

## Challenge

The warehouses' workers make different kind of repetitive risky movements such as twists and bends over the day. Consequently, the challenge was to reduce the accident rates in logistics, promoting a zero-accident culture, and implementing security and ergonomics solutions that guarantee the sustainability of the logistics activity.

## **Implementation**

Creation of a Safety and Ergonomics Governance Model in Logistics that implemented new processes and acquired new security solutions and equipments.

Innovative wearables for injury prevention solutions like Kinetic Posture Sensors and gloves with load sensors were also tested.

#### **Team Members**

José Felix, Catarina Trindade, Daniel Homem Costa, José Beça, José Fernandes, Luís Cruz, Manuela Lacerda, Márcia Paz, Marco Rabita, Natacha Quintans, Paula Silva, Pedro Lopes, Rui Magalhães, Sara Araújo, Sílvia Costa, Sónia Rito, Tânia Calçada

#### **Partners**

PLUX

## **Results**

-30%
Accident rates

**-32**%

High-risk postures performed with the use of wearables



**Category** Process **Innovation Projects** 

## **Transportation** Services



## **Distribution** made

simple and sustainable.

#### **Team Members**

Pedro Bártolo Ana Leandro Carla Alexandre Célia Dinis Fábio Soares Santos Rui Franco

## Challenge

Reduce inefficiencies on the transportation of goods from distribution centers to stores by eliminating the dead mileage and spare capacity on the return.

## **Implementation**

Provision of transportation services to suppliers, from routes that would be made with empty trucks, after proceeding to the delivery in store.

The aim is to leverage on existing costs and resources as well support supply chain improvements.

## **Results**

**-20**%

Empty mileage

**x**2 Sales



## W-Service

# An efficiency *driven data* management app.

## Challenge

The growth of Worten's utility businesses was becoming unsustainable due to the lack of availability of data management tools. This issue was particularly critical for the telecommunications business, although it also raised problems for some of the most growing units at Worten, such as home services.

## **Implementation**

Development of a data management app adapted to these business units' needs for both in-store and back-office workers use.

In addition to the telecommunications business, the app was already integrated with other services such as electricity, gas, kitchen design and there are already other services in pipeline, such as store services.

## worten

#### **Team Members**

Jason Ferreira José Henriques Sérgio Orfão André Rodrigues André Santos Elisabete Silva Francisca Abreu João Braz João Reis Rita Gil Vanessa Viegas

## **Results**

**40**<sub>K</sub>

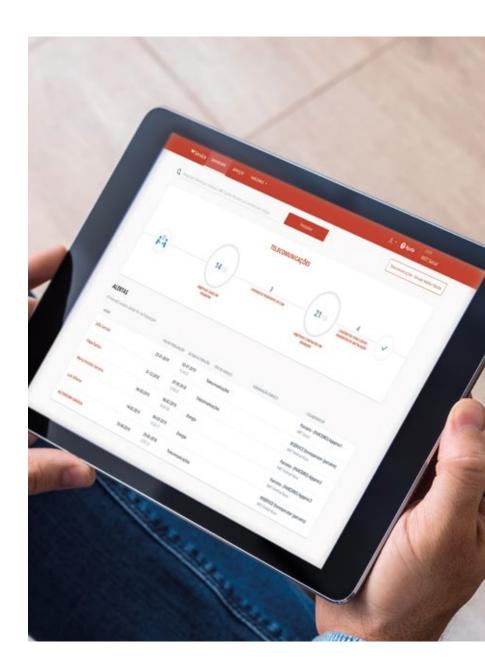
Users registered in W-Service

**-90**%

Time spent at Central Structure

**-50**%

Time spent at store operations



## **Continente Equilibrio 0%**

## CONTINENTE

A new range of health-conscious products.

#### **Team Members**

Pedro Bruno Ana Márcia Silva Cláudia Santos Diogo Gonçalves Lourenço D'Orey Luísa Serrano Rita Pereira Sofia Falcato Sofia Farinha

## Challenge

Develop a real healthy food alternative, one that doesn't have the three most harmful components for human's health sugar, fat and artificial sweeteners, taking Continente Equilíbrio brand to the next level.

## **Implementation**

Development of a new range of products that contemplate the triple zero concept, so no added sugars, fat or artificial sweeteners.

Creation of a specific branding layout for faster apprehension of the concept by customers.

## **Results**

36 SKUs launched

1st in the market Triple Zero yoghurt

of Reported Net Sales brand Continente Equilíbrio



## **ECO** wetsuit



D> PLY

# Sustainable surf gear made by nature.

#### **Team Members**

Filipe Mendes Francesco Rosa Salva Pedro Caldas

## Challenge

As an advocate for environmental sustainability, Deeply faced the challenge of developing an eco-friendly wetsuit.

## **Implementation**

Creation of a wetsuit that is made of an eco-friendly neoprene, which composition is 85% naturalprene rubber and 15% synthetic rubber.

Naturalprene is a latex rubber harvested from rubber trees and laminated using organic-solvents-free water-based glue.

## **Results**

CO<sub>2</sub> emissions in production process



Category Product System

Innovation Projects

## Renting Auto & Smartphone



When rental services go *retail*.

## Challenge

Expand the range of Worten services while creating a unique value proposition for the market.

## **Implementation**

Creation of a renting package solution, which is disruptive in retail, that aggregates car, fuel and smartphone.

#### **Team Members**

João Gonçalo Braz João Reis José Henriques Francisca Abreu

#### **Partners**

ALD Automotive PT, Fiat PT, Samsung PT

### **Results**

**+30**K€ New revenue streams

60 Clients



## Skinerie – New Dermocosmetic Brand

A cosmetic brand for the 50+.

## Challenge

Creation of a new skincare and make-up dermo cosmetic brand that is specialized in anti-aging.

## **Implementation**

Launch of SKINERIE in May 2018. Product formulas took over a year to develop and have the following characteristics:

- Clotholine Scientifically proven to improve and promote skin longevity and well-being;
- Anti-aging active ingredients;
- High UVB/UVA filters to guarantee skin protection;
- 100% Respect formulas minimise the risk of allergies, suitable for sensitive eyes and skin.



## SKINERIE

#### **Team Members**

Maria Álvares Ribeiro Adelaide Portela Carolina Matos Delgado Johanna Adelina Azevedo Mafalda Oom Montellano Manuel Macedo Rodrigues Maria Manuel Fonseca Mónica Valente

#### **Partners**

Faculty of Pharmacy, University of Lisbon

## **Results**

+100skUs High efficacy results in tests performed in independent labs.

 $\label{eq:example of survey results:} Example of survey results:$ 

100%

Women who felt their skin smoother, more hydrated, softer and rebalanced based on independent tests



## **ZU Health Box**

## 



## A healthcare plan designed for *pets*.

#### **Team Members**

Ana Cardoso Bárbara Carneiro Carolina Guardado Daniela Pereira Joana Martins José Diogo Freitas

#### **Partners**

Póvoas' Veterinary Hospital, Dogs Training Concept

## Challenge

Help cat and dog owners, or future ones, manage their pets' lifecycle across the spectrum of their needs (food and hygiene), whilst ensuring health necessities.

## **Implementation**

Development of an annual healthcare plan for cats and dogs that ensures primary veterinary services at any stage of their lives. This solution includes vaccines, veterinary appointments, deworming and check-ups, comprising all the pet's preventive medicine needs. This plan also offers additional benefits in pet food and grooming services. ZU Health Box aims to help pet owners establish a healthcare plan that covers all the essentials to keep a pet healthy and happy.

## **Results**

90%
ZU Health Boxes are sold to new ZU Vet clients

18%
Zu's veterinary clinic services were from Zu Health Box clients

+66% Cross-selling rate

+147% Client frequency rate



## Continente's vegetable garden

CONTINENTE

When retail experience goes *green*.

#### **Team Members**

António Leite Carlos Rocha Hugo Freitas Ludovina Vieira Maria João Lourenço Rita Costa Tiago Bettencourt

## Challenge

Increase the awareness of fresh products in Continente's stores.

## **Implementation**

Creation of in-store spaces dedicated to the growth of living vegetables that use a system, similar to hydroponics', for irrigation.

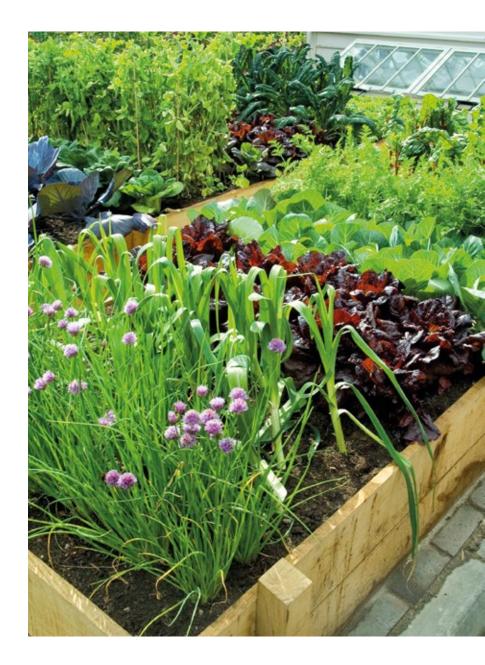
Clients are now able to cut products directly from the tray as if they were in a farm.

## **Results**

**+3** Days Product Life

+60%

Fresh products sales in the first month in covered stores



## **Worten Ads**

## worten

**Optimizing** digital space for making profit.

#### **Team Members**

Filipe Matos Joana Adelina Carvalho Nuno Flores

#### **Partners**

Arena

## Challenge

Worten.pt is the most visited e-commerce platform in Portugal, therefore, the challenge was to come up with a solution that would make the most out of this business opportunity both on a strategical and financial level.

## **Implementation**

Sale of internal space (home page, categories, subcategories, newsletter and push notifications) in the e-commerce platform to suppliers and partners. Creation of a new service that consists in the planning of digital external campaigns. This planning comprises content creation such as landings, communication pieces or concept creations, as well as monitoring, optimization and reports of what is being done or finished.

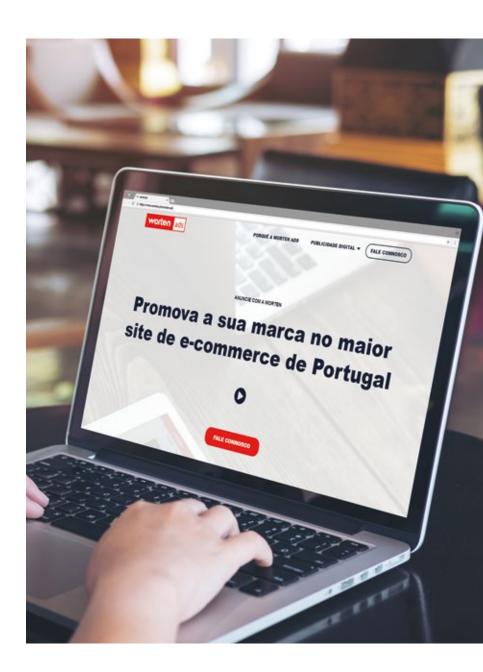
## Results

**225**k€

Sales

**23** Campaigns

Clients



## Technical Service Center – Alfragide

A new unit for *technology* support.

## Challenge

As Portugal's market leaders in the sale of household appliances and electronics, Worten had the mission to provide the best technical service in the field. The main challenge was to differentiate from the current market offer by providing a more efficient and quick technical service.

## **Implementation**

Creation of a new business unit, that counts with a specialized team that ensures compliance with the most demanding technical requirements, providing diversified technical services regarding desktops, laptops, mobiles and tablets.

The initiative leveraged on Worten's key assets and competencies, namely in-store Resolve/Soluciona Services and Customer Service Center.

## worten

#### **Team Members**

Paulo Jorge Ferreira. Alice Silva, Ana Almeida, Artur Lopes, David Branquinho, Elisabete Pinto, Esmeralda Rebelo, Fábio Oliveira, Fernando Espinhosa, Gonçalo Malheiro, João Magalhães, João Parreira, Jorge Liz, José Ascensão, José Faria, José Marques, Luís Fernandes, Luís Gomes, Luís Sousa, Maria Pereira, Mariana Fernandes, Marina Ferreira, Mário Costa, Miguel Dias, Miguel Lourenço, Miguel Moura, Miguel Pereira, Miguel Silva, Nuno Batista, Nuno Lapa, Paula Figueiredo, Paulo Cosme, Pedro Silva, Ricardo Pires, Rosa Silva, Rui Fortunato, Sílvia Matos

### **Results**

-3 Days
Turnaround time

94,000 Monthly repairs capacity

936,000

Units of electronics scrap recycled

**-29%**Complaints rate

+29.3pp



Category Structure

Innovation Projects

# **Open Sessions**

# Training employees for the *future*.

# Challenge

Democratize the access of employees to training and help them develop relevant competences for both performance improvement and inspire and share the latest trends. For this the main challenges were simplifying the training registration process and finding a way to capitalize on internal expertise and potential cooperation between different areas and partners.

### **Implementation**

Creation of a new training model called Open Sessions where employees have the chance of autonomously registering on the sessions they consider more valuable for their development.

These sessions cover themes whose competencies are considered fundamental according to the World Economic Forum's "The Future of Jobs" report.

### 

#### **Team Members**

Maria Antónia Cadilhe
Ana Almeida
Ana Lemos
Ângela Silva
Carolina Mesquita
João Marques
João Pinto
Lúcia Silva
Margarida Pereira
Mário Estima
Marta Cunha
Paula Castro
Pedro Cruz
Regina Ferreira
Rui Mota

### **Results**

+680% Penetration rate



# Perto – Customer Service

A single salesforce for a seamless experience.

# Challenge

To be recognized for having an outstanding customer service level.

# **Implementation**

Implementation of a single salesforce CRM solution across all Sonae MC brands, touchpoints and processes.

### 

### **Team Members**

Gorete Cunha, Carla Sousa, Carlos Costa, Humberto Moreira, Joana Barreiros, João Riqueza, Leonardo Andrade, Lurdes Carvalho, Mafalda Barros, Miguel Gomes, Miguel Silva, Pedro Cunha, Ricardo Fernandes, Sabina Martins

### **Partners**

Salesforce, Stepahead, Deloitte, Accenture, Bizdirect

### **Results**

\_

**-60**%

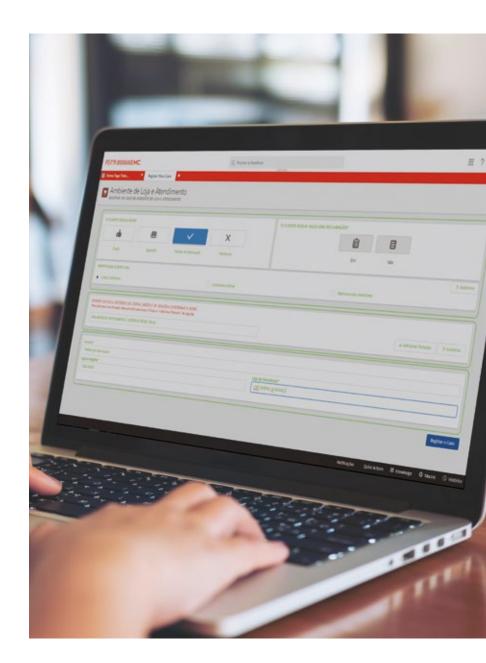
Time spent with suggestions and complaints registration and processing

**-50**%

Time spent with credits on Continente Card accounts

-10<sub>pp</sub>

Calls received by the store support service team



# PMO - Supply Chain

# A monthly meeting for strategy alignment.

### Challenge

Optimizing efficiency levels was only possible if all teams worked together. As such the main challenge was to get teams across different areas to look at the same KPIs and projects, as well as discuss how supply chain delivery could be enhanced.

### **Implementation**

Implementation of a broad management model that consisted in the creation of a discussion forum that gathers all relevant supply chain stakeholders monthly to ensure supply monitoring. The forum has a structured agenda that consists in the:

- analysis of costs and performance of KPIs:
- monitoring of the projects being developed across the supply chain;
- promotion of Gemba visits, from the supplier to the store, to understand problems and opportunities;



### **Team Members**

Pedro Nunes, Afonso Correia, Ana Fernandes, António Ferreira, António Simões, Bruno Amorim, Daniel Almeida, David Milheiro, Filipe Silva, Hugo Santos, Joana Oliveira, João Marques, João Moura, João Pedro Lopes, Luís Caetano, Luís Cruz, Luís Grilo, Luís Nunes, Maria Júlia Santos, Mário Barros, Mário Estima, Miguel Mamede, Olinda Barbosa, Pedro Côrte-Real, Pedro Oliveira, Pedro Rosário, Rafael Dias, Sérgio Lapela, Tânia Duarte, Tiago Marques

### **Results**

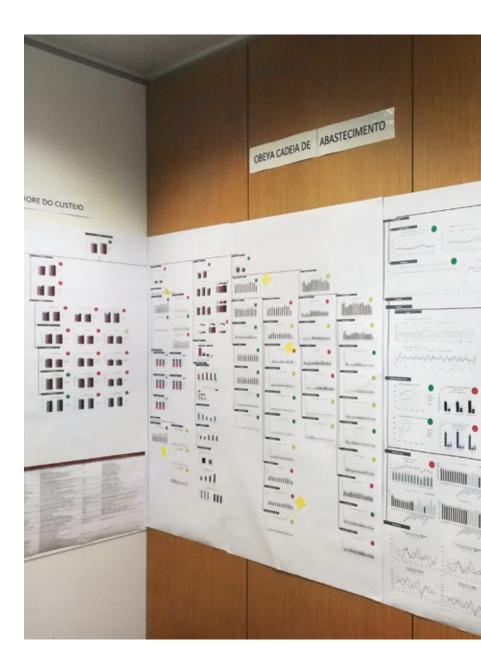
10

Areas/departments involved in the project

100<sub>KPIs</sub>

Defined

+25м from Projects being developed



## **Product Trends**

## worten

# Know what's what in real time.

Challenge

for trending topics

one single place.

relevant to the business

and systematise them in

analysis is made to assess whether

sentiment associated to that trend.

there is a positive or negative

The internet is the place Product Trends is an online tool to go when it comes to that allows Worten's teams to automatically crawl identified looking up what's new and trending. In an sources (e.g. blogs, news, social increasingly dynamic media, etc) and understand which and fast-moving world, topics, moods, products or brands Worten identified the are trending in specific categories. need to know first by These trends are ranked by automatically crawling the internet and search importance and a sentimental

### Implementation Results

Better informed teams and anticipated sourcing of specific products;

Modelled online content and value propositions

### **Team Members**

Marta Sousa Duarte Costa Joana Pina Pereira

### **Partners**

Bright Pixel



**Category** Structure **Innovation Projects** 

### **Promotool**



# A tool to help turn promos into profit.

# Challenge

There was a need to maximize the efficiency and efficacy of promotions in order to reach a balance between client satisfaction and financial investment.

## **Implementation**

Development of a tool in partnership with Oliver Wyman, that optimizes promotional processes and efficiency using advanced mathematical algorithms.

This tool besides contemplating several components like: promo analytics, planning support and automatic reports also facilitates the integration with Sonae's operational system enabling data integration between planning and operationalization.

#### **Team Members**

Alexandre Garrett, Ilda Campos, Amilcar Pereira, Carlos Gomes, Carlos Lebreiro, Helena Sameiro, Mário Santos, Nuno Silva, Priscila Ferreira, Ricardo Farinha, Tiago Antunes, Vanessa Boucinha

### **Partners**

Oliver Wyman

### **Results**

**81** categories Use promotool

-2h/category **Promotion planning** 



# Social Areas remodelation

# Caring for staff workers through *design*.

## Challenge

The refurbishment of a store is only completed if both clients and staff are satisfied with the final concept. The need to develop a singular space for the store operators was the last part of a hole intervention in Continente Braga Minho Center, with specific needs for the workers to calm down and relax and convert three spaces into a single one.

## **Implementation**

The solution that was designed reflects the staff needs for rest in periods of work break through the use of calm and warm materials and providing different spaces within the same area.

The layout reflects different areas and moments for the workers to eat, rest or have coffee.

The space was also decked with some new communications and a whole new pictographic language.

### 

### CONTINENTE

### **Team Members**

Fátima Valinhas
Carlos Silva
Cristina Sousa
Filipa Garcia
Hugo Basto
Jorge Farinha
Jorge Pontes
Luís Filipe Pereira
Miguel Albuquerque
Paulo Batista
Sofia Coutinho
Valter Freitas

### Results

+5m<sup>2</sup>

**+16**Sitting places



Category Structure Innovation Projects

# Worten Academy

# A digital *learning experience* fit for Millennials.

### Challenge

The growth in the number of millennials' employees, the fast pace of business growth and the need for talent retention were the key motivations for the development of a new platform. The main challenge was to create a solution that assisted all Worten employees' needs, considering all different geographic locations and the vast work structure (Corporate, Sales, Supply Chain & Technical Services).

### **Implementation**

Worten Academy is a digital learning management tool that gathers a wide range of knowledge channels aligned with modern learning trends, such as: democratization of video content's creation, micro-learning assets, online coaching tools, self-learning tools and contents, on-the-job training, training management, share channels, among others. Worten Academy 2.0. is based on the 70-20-10 model, which claims that social learning is fundamental in people's learning process. The goal is to build learners and not learning, through the creation of tools that enhance employee's curiosity and proactivity.

## worten

### **Team Members**

Inês de Castro Alexandra Teixeira Ana Mestrinho Diana Dias Margarida Cordeiro Pedro Pereira Sandra Duarte

### **Partners**

ISQe

### **Results**

**+29.86%** Training hours

4.3

Average score (1-5 scale) in the evaluation of training

**6,400** Employees trained

Best Digital workplace, Portugal Digital Awards 2018



Sixty different points of view but one single vision: to *improve life*.



Future is a vision. Let's build it together.



Retail Book of INNOVATION 2018



Projects List

# Retail Book of INNOVATION 2018

### 

# **PROJECTS'** List

# **Ten types of Innovation**

Brand	
Channel	
Customer engagement	
Network	
Process	
Poduct performance	
Product System	
Profit Model	
Service	
Structure	

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# Retail Book of INNOVATION 2018

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### Communication

Communication, Brand and Corporate Responsibility Department, Sonae

Concept & Design: White Way®

### Photography

Creart - pages: 54, 56, 58, 60, 62, 64, 66, 68, 70, 72, 74, 76

Print: Lidergraf

Published: 2019

