

TECHNOLOGY

How M&S pushed

The retailer has bounced back from a raft of technological ordeals. Its new chief information officer Carl Dawson tells **Rebecca Thomson** how it is moving on

Carl Dawson had a baptism of fire when he started at Marks & Spencer last September.

The chief information officer joined the bellwether retailer shortly after it shocked the City by reporting that its online sales were down 8% in its first quarter following the launch of its new website. After four years of careful planning and huge investment in the platform, the retailer watched as the site dragged its overall performance down.

If that wasn't enough, M&S was also starting to see the first indications that its new national distribution centre in Castle Donington was creaking at the seams as volumes began to rise for the peak Christmas trading period.

"It's fair to say that particularly the distribution centre struggled when we hit the peak volumes," Dawson says. "I think what we probably didn't recognise as a business was the time it would take to stabilise those things. But we have now."

Dawson points out that going live with both an entirely new web platform – everything from order management to the content management system – and a highly automated distribution centre in the same year was a fairly ambitious feat.

"Most companies build up a web platform from very low volumes, you grow and fix problems along the way. We changed our entire web platform when it was already turning over £800m a year. It was already massive. It was always going to be challenging," he says.

Back in growth

Dawson says the problems have been fixed, and a range of complex issues dealt with. Indeed in M&S's most recent trading period, online sales were back in growth, rising 13.8% in the fourth quarter.

"Whether it's systemic, operational, how we're managing stock – we've tackled all of those problems. We're in a very different place," he adds.

Since his first few fire-fighting months, Dawson has worked on developing the technology strategy at M&S. Things were already well along the digital path when former chief information officer Darrell Stein left last year, and Dawson aims to build on that.

A big focus for Dawson is better leveraging M&S's huge corporate systems and datasets.

"We've had a large amount of investment across the business over the three to four years," he says. "The way I'd describe it is laying down a foundational infrastructure. The next thing we are going to do is really maximise the use of that investment."

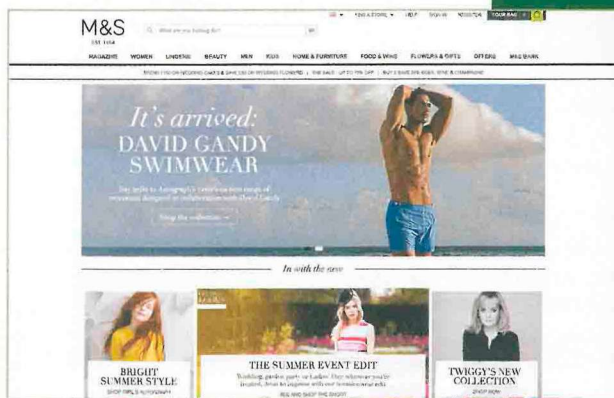
He says M&S will open up product and stock data through application programming interfaces (APIs) that will allow in-house developers and engineers to build services and applications that sit on top of these huge, building-block systems. These services could be anything from applications that help staff locate stock in the business in real time, to mobile-based services for customers.

"Our chief technology officer Matt Horwood calls it digitally enabling our ERP [enterprise resource planning] system," says Dawson.

61	94	4	72	2
64	99	76	25	37
86	49	81	80	87
27	92	42	86	11
49	70	28	2	91
42	35	31	81	11
74	75	49	25	4

“Technology is so important to a number of different parts of our business now”

Carl Dawson, M&S



M&S's approach to technology, including its website, has been overhauled

Read more about retailers' approaches to technology at Retail-week.com/technology



the reset button

Infrastructure

65	23	17	83	69
56	47	76	22	33
35	40	18	75	42
32	42	71	81	7
10	31	36	1	37
8	26	81	93	15
28	8	28	28	44
9	8	8	28	89



ABOUT CARL DAWSON

Dawson has spent 20 years in IT, starting off as a programmer and working in most areas of the IT department. He is now responsible for technology across M&S's global business.

CV

September 2014 to present

Chief information officer, Marks & Spencer
2013 to 2014

Chief information officer, internet retailing,
Tesco

2008 to 2012

Group chief information officer, Shop Direct
2002 to 2008

Group chief information officer, Thomas Cook

Alongside that, Dawson is drawing up a data strategy. At the moment, he says, a few teams across the business are using data well, and he wants to make that more cohesive.

"One of the things we've called out in the next couple of years is to be very specific about a clear data strategy," explains Dawson. "It's something we're doing a number of things with, but we wanted to make it joined-up."

To do all of this work, of course, requires a veritable army of technical experts, and Dawson is continuing to grow the size of the M&S technology team. At the moment, the internal IT team is around 600-strong, and the retailer works with about 1,500 members of staff at Tata Consulting Services and 500 people at Fujitsu. Both companies are strategic partners to M&S.

Dawson says: "I have a particular focus on making sure we've got a high level of technical capability in my team. I think technology is so important to a number of different parts of our business now, so we need to be experts at that. We're investing in more development and architecture people, and that's something that will continue for certainly the next three years."

M&S's infrastructure overhauls cost it dear in the short term, but now the fires have been put out, Dawson can set about taking full advantage of the benefits they bring.

Distribution

AT A GLANCE M&S'S TECH STRATEGY

- Much of the team's energy has been spent on sorting out the web platform and distribution centre at Castle Donington
- A big part of Dawson's plan is for M&S to start using its huge corporate systems and datasets to better effect
- The next step will be to start using APIs to build applications sitting on top of the retailer's corporate systems and databases
- Recruitment of technical skills is high on the agenda