Research Results Discussion: Adoption of 3D Digital Product Creation in Retail

by Sarah Pierson and Steve Riordan

A Little Background...

The 3D Retail Coalition (3D.RC)’s September 2017 webinar centered on a presentation from Kalypso's Consumer Practice Leader, Steve Riordan, and Tailored Brand's EVP, Chief Supply Chain Officer, Jamie Bragg. The presentation focused on results from [Kalypso's research on the adoption of leading product development practices in a digital world](https://www.indiana.edu/~kelsey/), created in partnership with the [Indiana University Kelley School of Business Center for Education and Research in Retail](https://www.indiana.edu/~kelsey/), and PI Apparel. The webinar included actual experiences from the digital transformation currently underway at Tailored Brands, the holding company for Jos. A. Bank Clothiers and The Men's Warehouse.

The Emerging Importance of 3D Digital Product Creation

There is the misconception that “digital” in retail only applies to e-commerce/omni-channel or digital marketing; but it also applies to a broader set of functions including planning, design, development, sourcing and production.

The research found that eighty percent of survey respondents believe that 3D Digital Product Creation (3D DPC) is the most important use case of the five topics surveyed (3D Digital Product Creation, Decision Making Via Advanced Analytics, Digital Products & Materials, Digital Enabled Business Models, Digital Readiness & Mobilization).

At Tailored Brands, the sentiment aligns with survey results. Bragg explained how concepts like 3D Digital Product Creation are becoming increasingly relevant especially in his role working with products from their conception all the way to the sales floor. Use cases that focus on the front end of the product lifecycle (i.e. prototyping and sampling, design, assortment visualization and sales) were viewed as most valuable to Tailored Brands - as well as most survey respondents - due to the time and cost associated with prototyping and sampling.

Bragg explained that when Tailored Brands began their digital transformation journey, 3D DPC was the obvious first choice in which opportunity to pursue. Tailored Brands has already run a proof of concept coupling 3D DPC with Voice of the Customer and is working toward an upcoming pilot.

Barriers to Adoption

Many retailers and brands have invested in 3D DPC, or plan to, but the technology is still relatively new to the industry and many await tangible results from others. According to research results, many of those who have invested in 3D DPC have yet to experience success from its use.

Riordan cites understanding and execution as the two main barriers to success. Without understanding, the value proposition cannot be communicated and sponsorship and funding are elusive. However, a solid understanding is still no guarantee of success. The successful execution of 3D DPC requires executive support, specific talent and expertise, and critical attention to change management.

Bragg stressed the importance of having senior leadership and cross-functional partnerships on board to move ideas along. For Tailored Brands, focusing on change management helped prioritize technologies by understanding the team’s core competencies and assessing the relative ease of adoption into the business. The challenge is to disrupt part of the business while keeping the sustainable part of the business running.

Key Takeaways and Practical Starting Points

Riordan suggests getting started on a digital transformation journey by casting a wide net for ideas and then narrowing the options. When identifying opportunities for disruptive change, Bragg asserts that ideas are currency and they are not always as expected. Develop a 3D roadmap with those opportunities prioritized by biggest benefit and ease of implementation, and revisit the list from time to time.

Bragg’s key takeaways are to focus on your core competencies, bring the right people along, start with use cases that you have control over and plan for early wins. Pick the right tool for the use case, focus on learning to gain expertise and prove out the use case’s theory. Make organizational changes to support the future state vision and stay aligned with the 3D roadmap strategy. Keep communication lines open with executives to continue support and with other teams to understand how digital assets can be leveraged across the company.

While there is a high level of excitement around 3D DPC, there is a gap in successful execution of the technology. The barrier to trial and entry is low as software licenses are relatively inexpensive and learning takes days and weeks, not months and years. However, success requires more than just licenses; it requires a digital strategy and vision, executive support, the right people, and change management. Leading organizations like Tailored Brands are pioneering the successful use of disruptive technologies, closing the gap and paving the way for the retail industry.
About the Authors

Sarah Pierson
sarah.pierson@kalypso.com
Sarah is a high performing project leader with deep retail and systems skills and over 20 years of experience delivering value and results.

Steve Riordan
steve.riordan@kalypso.com
Steve has dedicated his entire 30-year career to serving retailers and their suppliers, first as a retail executive and more recently as a partner and practice leader for several prominent consulting firms.