



Summary

In 2012, Spend-less Shoes engaged the experienced retail solutions specialist, OST, to help build a retail platform that manages every aspect of their operations.

Now executives, buyers, merchandisers and store staff all work with up-to-date stock and sales data. Stock is managed more efficiently and customers get the shoes they want.

In 2015, OST is assisting the retailer to leverage their digital and mobile capabilities to provide more personalised customer experiences.

With a retail system that integrates with new technologies, Spend-less Shoes have a solid foundation for the next ten years of growth.

Solution

OST Retail solution built on Microsoft Dynamics AX with added capability specific to retail: for finance, assets, merchandising, warehousing, retail back office and point-of-sale (POS).

Performance Achievements

- Single store stock-take completion cycle in 5 hours, down from 4 days.
- Single store delivery reporting times reduced from 2 days to 2 hours.
- Store sales ledgers posted daily instead of monthly.
- Customer analysis now performed internally.
- Paperless warehousing.
- Distribution accuracy now approaching 100%.

“OST delivered us one, fully integrated, end-to-end retail system that manages every aspect of retail operations – from procurement right through to store sales. With full visibility, we understand our customers better, and everyone makes smarter decisions.”

Bruce Campbell, Chief Financial Officer, Spend-less Shoes

From POS to P&L: A single, unified retail system

Founded in Adelaide in 1988, and approaching 200 national stores in 2015, Spend-less Shoes is an Australian retail icon, selling fashion footwear at highly competitive prices. To increase their 10 store per year expansion rate, executives wanted to unify merchandising and accounting systems, provide buyers with better stock data, and adapt faster to changing customer habits.

In 2012, Spend-less Shoes rigorously analysed a selection of retail management solutions to manage its head office finance, warehousing, logistics, planning and allocation and point-of-sale (POS) operations.

“We chose to work with OST based on their retail industry experience and solution delivery capability. We would not have been able to undertake this process and succeed without their expertise. They had the foresight to position us to take advantage of future opportunities,” said Bruce Campbell, Chief Financial Officer, Spend-less Shoes.

“We now have one, fully integrated, end-to-end retail system which manages every aspect of retail operations, from procurement through to store sales, and we can integrate new technologies as required,” said Campbell.

Efficient, cost-effective operations

With full visibility over stock and finance, executives and managers have the data they need to react quickly. “We understand our customers better, and everyone makes smarter decisions, right across the business,” said Campbell. “With a single version of the truth, we have eliminated manual data-transfer and reconciliation tasks, and we have excellent analytics that makes the business easier to manage,” he adds. “We can analyse product returns better, we have less unsold stock at the end of each season, and we have practically eliminated shrinkage.”

A superior experience for customers

“Now, customers are more likely to find the shoes they want and fit first time,” said Campbell. “Our team members can also provide customers with a more informed service, because they have instant access to up-to-date stock information on their POS devices.”

Merchandisers have full ‘size-by-style’ control and visibility and can proactively order stock in improved ratio packs, so the in-store stock matches customer size requirements across every location around the country.

With a retail platform that integrates seamlessly with new technologies, Spend-less Shoes can connect with digital consumers as never before, and provide more personalised customer experiences.



A smart decision for growth

While other retailers were feeling the pinch of reduced customer spending, overseas competition and omni-channel pressures, Spend-less Shoes is determined to build on its past successes.

Previously, the company's core legacy business system was manually intensive, and required a large amount of support and input from staff. Single store stock-take completion took four days. Single store delivery reporting took two days. Store sales ledgers were posted only monthly, and there were significant errors in distribution.

"We had come to the point where we had outgrown our old systems and required a platform which would set us up for the next 10 years of growth," said Bruce Campbell, Chief Financial Officer, Spend-less Shoes.

"OST has delivered an easy to use, end-to-end retail system that offered the latest technological advances and customer-centric capabilities."

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"The OST Retail solution enables us to service our valued customers at the highest level across all our shopping channels. The system provides for the seamless delivery of an exciting and contemporary retail experience to each and every one of our customers that is both personal and enjoyable as we strive to consistently exceed their expectations."

Bruce Campbell, Chief Financial Officer, Spend-less Shoes

Choosing the right retail solutions specialist

Spend-less Shoes chose OST as their trusted retail business consultant and solution provider, as they understand the consumer market trends, challenges and opportunities of fashion retailers.

"OST's Retail solution opens up endless opportunities in all areas of our business, including POS, multichannel management, store operations, merchandising and supply chain. Integrated on the one platform, we can now roll out new initiatives as required and as opportunities arise," said Campbell.

"We have extensive experience working with retailers in the fashion industry," said Glenn Nanda, Director of OST. "With our knowledge of retail operations, we delivered Spend-less Shoes a tailored retail system that not only provides the capacity and capability they currently require, but also sets them up for growth over the next decade."

A solid foundation for long-term growth

Built on Microsoft Dynamics AX, OST's Retail solution has added capability specifically for retail, and has the ability to quickly integrate with Microsoft and third-party systems. This gives Spend-less Shoes the confidence to pioneer new retail offers and ideas, and connect better with their customers through digital, mobile and social channels.

Campbell plans to integrate a mobile app, to give customers the choice of shopping in-store or buying online with a seamless, personalised experience.

"The OST Retail solution gives us the flexibility to link up our bricks and mortar business with our digital retail channels," he says. "Technology is sometimes a barrier to growth, but OST's system is an enabler — it will help us expand in Australia and internationally. We now have a solid platform for the next ten years of growth."

Discover more about OST Retail solutions
www.ost.com.au/business-solutions/retail

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