

Microsoft Business Solutions Retail Management System

World Lux, Inc.

Cutting Task Times Throughout the Enterprise Reduced Staff by Half and Gives Instant Answers

World Lux, Inc. customers expect the best in merchandise, service, and cost efficiency, but two clumsy and crash-prone retail systems cost the company data, merchandise, customers, and margin.

To buy, sell, track, and ship a full complement of men's luxury accessories, Seattle's World Lux, Inc. penned specs that required a chronograph's accuracy, split-second reliability, and elite customer service. Microsoft® Business Solutions Retail Management System speeds input, eliminates double work, never loses data, and enables "amazingly flexible reporting on every corner of the business."

The Situation

"No retailer can manage efficiently," says president Todd Craver, "when the IT system loses inventory, when you can't get the reports you want—and when you can't believe the ones you get. Customers get impatient when you don't know what's in stock and can't find their last order."

The previous system's structure was hard to fathom and its screens looked childlike. New employees required long training and still couldn't manage new tasks without coaching. Stock levels in reports rose and fell mysteriously without corresponding purchases. When physical inventories yielded an exact count, only a few employees could adjust stock levels in the system, and then only in a well-hidden section of the program.

Nate Hogle, IT director, envisioned tracking exact stock totals by SKU from purchasing through receiving to sale and eventual reorders. "But we couldn't get traction," says Hogle. "I couldn't guarantee Todd clean numbers on any SKU more than a week after month-end."

Additionally, retail's realities of returned merchandise, revised purchase orders, and off-count deliveries further confused inventory levels, delayed new POs, and jumbled customers' purchase histories. "Even if we'd had clean stock levels," adds Hogle, "the old reports wouldn't let us sort data exactly like we needed to—and there was no way to customize them."

World Lux trusted its employees, but the software didn't. Buying from 70 vendors could only be done by two people, focusing that task on employees already overloaded by other bottlenecks. "The only way to see old POs or merchandise we'd received," says Hogle, "was to write a report and print it. That was so clumsy, we kept lots of photocopies in lots of folders."

At the point of sale, it relied on a mouse-driven menu, had too few low-resolution icons and could take 20 seconds to authorize a credit purchase. Hogle says, "We had to hand-

Customer Profile

World Lux, Inc. sells a wide range of luxury men's accessories through their mail-order catalog, Web site, and downtown retail location in Seattle, Washington. www.worldlux.com

Business Situation

Two previous retail management systems either lost data or were troublesome to use. Staff had to spend too much time navigating the system and searching out how to do their tasks.

Solution

Installing Microsoft Retail Management System instantly resolved stability problems and handed staff and management instant access to needed information on-screen or in printed or e-mailed reports. A simple interface from their Microsoft partner sends Web orders into Retail Management System.

Software Used

Microsoft Windows®
2000 Professional
Microsoft Windows® 2000 Server
Microsoft Business Solutions—
Retail Management System
Store Operations
GO Software, Inc.
PCCCharge-
Intuit QuickBooks®
2003 Professional

Partners

Service Communications
Redmond, Washington
www.servicecommunications.com

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*Nate Hogle, IT Director
World Lux, Inc.*

enter our Web orders, our phone orders, and then re-enter shipping data for each package. Our accountant and I sent financial reports back and forth for days before our numbers reconciled."

The system offered no mailing list functions and then it only allowed two addresses per customer. World Lux needed a lot more than that.

"I was constantly on the phone with technical support," says Hogle, "but the system mystified them like it did us! So their promised customizations were just promises."

The Solution

Microsoft Retail Management System Store Operations has completely supplanted all other retail information systems at World Lux. Retail Management System was installed on 15 machines in two stores and corporate.

World Lux has three Dell PowerEdge Servers and 14 Dell OptiPlex small footprint workstations and a Dell laptop. It uses Lexmark laser printers.

All PCs run Retail Management System on Microsoft Windows® 2000 and the Retail Management System server runs Windows 2000 Server Edition.

Store Operations thoroughly manages both brick-and-mortar locations and the Web and phone sales. It generates broad or specific reports by store, department, or nearly any other criteria in the database. Retail Management System easily interfaces and sends financial data to QuickBooks® 2003 Professional for tax and other financials.

The Benefits

"Retail Management System shortens our tasks markedly in every department," says Hogle. "We get reports—like we want them—and we know we can take them to the bank or the stockroom with confidence."

"Retail Management System helps everyone work smarter, faster, and more economically. We hire smart people and this lets them use their intelligence where it counts—on business matters and with customers, not in system-fiddling."

"This is the system we needed for years. Retail Management System gives me the bulletproof accuracy that IT needs as a bedrock. You need simple, one-time data entry, unequivocal data retention, universal use of that data, and reporting muscle that shows the facts the way different people need them. We got it all in Retail Management System."

It starts at the point of sale. Hogle reports faster transactions—including recording customer demographics—thanks to smarter screens and cutting credit authorization from "ten or twenty seconds down to a second or two."

"Customer service is the key to our return business and reorders," says Craver. "They show off our merchandise and tell their friends. Our team can check stock, find product specs, handle returns, check past purchase history, and import orders directly into the POS system—at last!

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*Todd Craver, President
World Lux, Inc.*

We carry great merchandise but our customers can shop anywhere they choose. We like to surprise them with service."

"To smoothly accept returned or damaged items gratifies your customers but it confuses most systems," says Hogle. "Retail Management System lets us credit the customer and accurately characterize the item as available for sale, sent to repair, or back to the manufacturer. Inventory stays accurate and that defines our purchasing and helps monitor lost items and shrinkage. Our old system would never let us do that, so it lost us money."

Reports

The Retail Management System Microsoft SQL Server™ open database contains every datum recorded so it enables fast and complete reporting for different retailers' needs. "With Retail Management System, I have complete control over customized reports," Hogle says. "I create, save, and reuse sales and tax reports, vendor productivity reports, location sales reports, and more.

"I e-mail reports to our accountant with complete confidence. I can write an individual customer report at my station, then load that report onto the right sales rep's machine. If it's a tricky report, our Retail Management System partner writes it, sends it to me, and I reuse it whenever I want."

Purchasing and receiving

Hogle says, "Retail Management System helps us create purchase orders based on predetermined reorder information. Our buyers can set order criteria once, then reorder with a few clicks. It saves time and empowers anyone we set up to do purchasing. Most important is knowing we're buying what we really need to help avoid overstocks."

Retail Management System simplifies receiving purchase orders and shipments into inventory. You can change delivered counts in two separate places in the program. Those folders of POs are gone because Retail Management System can pull up a PO and compare it to a bill of lading in two seconds.

Marketing and customer contact

One of the Retail Management System reports might be a list of every customer who ordered, for instance, diving watches or men's fragrances. That becomes the basis for e-mailers, postcards, or personal letters promoting a special buy or an interesting item that exactly matches buyers' interests. Every communication, by definition, goes to a likely prospect.

Retail Management System accommodates multiple addresses per client, important when corporate customers want shipments sent to several offices.

Learning curve

"We knew from sales demos that staff could learn Retail Management System transactions literally in minutes," Craver says. He soon saw that its intuitive Windows interfaces helped bring people up to speed rapidly on stock look-ups, customer histories,

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and order status. “When anyone can do nearly any job in Retail Management System, my managers and I don’t get dragged off broader tasks. Employees teach each other since nothing is difficult.”

Time-saving interfaces

Retail Management System compliance with open standards allowed their Microsoft partner, Service Communications Inc. (SCI), to create software interfaces with the World Lux shipping system and Web site. “We just export a few fields to our shipping machine,” Hogle says, “and it makes mailing labels. Our shipping manager was glad to have it when we were surprised with 500 orders on a pen promotion. It’s saved literally hundreds of hours and cut mis-shipments to almost zero. There’s no chance for manual mistakes.”

Web and phone orders go directly into Retail Management System via the interface that Service Communications wrote. It also verifies stock levels within Retail Management System so the Web site displays correct quantities. “This avoids customer upsets and we make fewer onesy-twosy purchases,” says Hogle.

The old system needed five employees to keep up but Retail Management System does more work with just two. Every hour saved helps keep prices attractive and sends profit to the bottom line.

The right Microsoft partner

“We have a great working relationship with Service Communications,” Hogle says. “Mike Meredith is our single point of contact for everything. He handles system questions immediately, gives me Retail Management System ideas, builds the tricky reports, and personally wrote our shipping and Web interfaces.

Mike Meredith says, “I’ve been in POS systems for 25 years and nothing matches Retail Management System for ease of use and adaptability to whatever retail brings tomorrow. It is so open and so obvious to use.

“I didn’t even have to send World Lux’s Web and shipping interfaces to our software development department,” says Meredith. “I wrote them myself. I used Unix and Solaris retail systems for years and these interfaces would have taken a smart programmer literally ten times as long as I needed with Retail Management System.”

For more information about Microsoft Business Solutions Retail Management System, visit www.microsoft.com/BusinessSolutions/POS.

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