



"I'd give a 100 out of 100 for Shoper for accuracy of Intelligence and increase in operational efficiency."

Deepak Ramani, Founder

Apparel Retailer reduces Inventory holding costs using Shoper 9

SHOPER 9 KEY FEATURE:

- Gross Margin Report
- Stock Movement
- Stock Aging Report
- Top selling items report
- Discount Given Report
- Salesman-wise Sales Summary
- Slow and Non Moving items
- Walk in (conversion) Report
- Customer Off take

COMPANY BACKGROUND

Tini Mini which started almost 15 years back was a Multi Brand Children's wear retail outlet. It primarily buys merchandise from various suppliers, stocks and retails it. When they started the business no one in the family knew Retail Business, today they have 8 stores some Exclusive Brand Outlets and some Multi Brand Outlets. It employs about 65 people across the 8 retail outlets. The Company was founded by Mr. Deepak Ramani.

THE CHALLENGE

When the first store started 15 years ago it was a struggle to manage inventory. We didn't want to send customers back with out a purchase.

Stocking the right kind of Inventory was the issue, says Deepak "when we started Tini Mini, we realised that every single day there are customers who will ask for a dress for a 7 year old child or for party wear, though we had heaps of stocks, we did not have the 'right kind of merchandise' and the gaps seemed to be huge. The stocks we held did not satisfy the customer, which meant we did not have the intelligence about the merchandise that we were selling".

The need for intelligence on stocking the right kind of merchandise was obvious. The buying decision was the toughest. They would make a tabular column and mark styles with stocks in hand at the beginning of the month, and then mark the closing stocks against each style at the end of month, and this will provide them the number of pieces sold. To know which style was the best seller, they also needed to know if 6 pieces out of 30 was better or 26 out of 400. Then the next question was of 'better ROI'. Dealing with 30-40 products and 3-4 vendors meant examining more than 160 vendors and it was a Herculean task

We evaluated a couple of other products says Deepak, Retail software those days did just the basic billing and a report on the total sale for the day, at the end of day. The concept of Barcodes was unheard of. We built tremendous rapport with the Shoper team, they also wanted to learn and would go out of their way to help us. The approach was to extract 110% from Shoper.

“ Shoper boosted the profitability by keeping the inventory in control, which meant less investment. It also helped to stock the right inventory which meant no 'lost opportunity'.

Inventory management improved 100%, we were completely blind, Shoper gave 'signs to the gut that we had' ”

THE SOLUTION

Typically when the vendor came down to Mangalore with the samples, or when Deepak went to source stocks, he needed to verify the historical details of the vendors performance.

Lets say the supplier is standing in front of Deepak for a reorder, he supplied him styles 1,2 and 3 in the previous month, Deepak pulls out the stock statement of the vendor for the last month and points out to the two styles have sold out, but style 3 is lying as it is. What will the Vendor do? He will have no choice but to say, that He'll take it back. This was unheard of say 15 years back or before they started using Shoper.

Shoper reports gave us an advantage to negotiate with the vendor, says Deepak, "we've allocated you 3 feet for display, we're willing to provide 6 feet, are you willing to increase the margin?" or "Are you willing to give us monopoly and not supply your merchandise on this street?"

Shoper manages the Inventory and front end, we use Tally for Accounting, for all practical purposes Shoper is used end-to-end.

In Retail you are the king if you have the right merchandise at the right time, otherwise you are lost, says Deepak and goes on to explain that, Men started wearing slim fit shirts about 2 years back, but they started ordering for more of sizes 39 & 40 about 4 years back from a brand called Peter England. The vendor would laugh at them, saying that the normal ratio would be, 39:1, 40:2 42:2, 44:1.

Their Customer Sales Assistants would insist on ordering for more of size 39, and not to take size 44. The Shoper 'Sale & Stock' reports would also show a spike in the sale of size 39. Shoper provided the number of pieces sold of size 39, % of sales size 39 was contributing to and what is the sell through for size 39, all the 3 pointed to a spike in size 39 selling better.

The sales trend from the software indicates that a particular style has sold well, once the report is analysed and reason identified, the designer has enough insight to design his range of products. So in effect the fashion evolves depending on the demand from retail.

RESULTS

- Enhanced inventory management
- Boosted people productivity
- Improved access to information
- Reduced manual analysis
- Speeded up reporting and business intelligence