

Fulfilling demand

Clare Vella at Club 21 – Armani Exchange, tells us how K3 Retail's Microsoft Dynamics NAV-based solution has made the luxury retailer's UK business more efficient

BY REBECCA GIBSON

When Clare Vella checked the sales figures for Club 21 – Armani Exchange's UK stores at 10pm on Black Friday last November, she saw an “incredible” amount of sales at the Liverpool store. Instantly, she arranged for an emergency delivery to replenish the store before Saturday trading and put employees on standby to sort stock as the sales continued to rack up. Just six months prior, such a quick reaction would have been impossible due to the retailer's slow and inefficient ten-year-old IT system.

“Most processes had to run overnight, so it took 24 hours for replenishment and sales reports to update and for promotions or price changes to be reflected in the POS systems,” explains Vella, retail director at Club 21 – Armani Exchange. “Plus, we were bolting on new technologies for processes such as accounting, reporting and customer relationship management (CRM) as they were released, making the system clunky.”

Faced with six months to either renew its system for another three years or deploy a completely new platform, Club 21 – Armani Exchange worked with K3 Retail to deliver a Microsoft Dynamics NAV and LS Retail solution.

“K3 Retail's employees have first-hand experience of buying, merchandising and finance, so they fully understood how to solve our business challenges,” explains Vella. “Microsoft's operating system is familiar, so we knew our employees would be confident using it with minimal training – I've unexpectedly jumped on the till in a busy store and had no issues working it out!”

The solution has increased efficiency across the business. “For example, whereas it previously took five sheets of paper to move products between warehouses and stores, these processes are now essentially paperless,” Vella enthuses. “Now that we devote less time to generating and processing sales data, and more time to analysing it in real time, we can be both proactive and reactive to meet market



changes. This is particularly important as we only run bricks-and-mortar stores in the UK, so changes must be rapidly implemented at store level.”

Processing and accessing real-time data on a single system has also made employees more confident.

“Store assistants have a real-time view of inventory, so they know that if the system shows a product a customer has requested is in another store or warehouse, they can immediately set up a transfer or mail order delivery,” comments Vella. “This wasn't previously possible because sales took a day to update, but now products are immediately removed from the system when they're sold. Equally, we're confident that if a store has sold out of a product on a Thursday, the same quantity will be delivered before trade starts on Friday.”

Vella plans to extend the K3 Retail solution to other lines of business. “We can do much more in areas like CRM and new payment processes,” says Vella. “We're confident with Dynamics NAV and as our partnership with K3 has been so successful, we know the team will support us in the future.”

Club 21 – Armani Exchange operates ten luxury stores across the UK