At a glance

Customer Profile:
Founded in 1985 by George Treves and Sean Thomas—two ski buffs who first sold their 'Boys from the White Stuff' T-shirts to pay for their skiing habit. 25 years on, they now sell beautiful women's, men's, accessories and home stuff.

Website:
www.whitestuff.com

Customer Benefits:
- Fully integrated multi-channel solution
- IT platform in place to support planned business growth
- Significant improvements in stock visibility & management across all channels

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> Ian McMillan, IT Director
> White Stuff

Positioning the business for growth

Recognising the need to position the business for future expansion, both online and through additional stores, prompted White Stuff to overhaul its IT infrastructure and implement a new multi-channel solution.

Back in 2010 the company had gone through a period of rapid expansion and had more growth planned, at which point management acknowledged that a new system was needed to take the company forward across multiple channels.

Ian McMillan, IT Director at White Stuff, says: "Although robust, the old system had shortcomings and for multi-channel it was difficult to use. We had a separate website, and separate warehouses for home shopping and for the stores. The communications network with the tills was expensive."

Although initially employed via the Change Management Group to manage the project, McMillan was subsequently brought in-house at White Stuff to head up the group's IT function.

Multi-channel capability essential

The decision to select K3 Retail had been taken before his involvement but he says it was based on the multi-channel capabilities of its solution—combining the Microsoft Dynamics LS Retail platform with the additional multi-channel functionality developed by K3.

This provided White Stuff with a solution that covered all its various elements, comprising: shops (including one in Copenhagen); wholesale (including various overseas customers); and its call centre.

"It was a complete overhaul of all the systems with only the payroll remaining as a separate system, and obviously lots of Excel spreadsheets, which we still expected to use but under much greater control," says McMillan.

However, there was recognition that, when a whole ERP system is being replaced, the modular approach only goes so far and this was the scenario in June 2011 when it came to the implementation of the K3 solution across the remaining parts of the White Stuff business.

This included warehousing, the call centre, buying and merchandising, and all other central functions, as well as the interfaces into the company's website. "You want to be as modular as possible but this requires writing interfaces linking into old code, which are then thrown away. It's therefore a big jump at the end," explains McMillan.

For such an all-encompassing implementation there were inevitably some issues to overcome, but McMillan now suggests that this was as much to do with how the business was prepared for such major change as opposed to the technology and the system challenges: "We maybe did not focus enough on business change management."

Importance of business change management

McMillan cites the warehouse as one area that was hit with particularly big change: "The practices changed and we needed to keep on top of this – especially as we were bringing it into the multi-channel world. It's not just [IT] system changes but structural and reference point changes. It takes a lot of getting used to for the relevant individuals" he recalls.

He also believes the implementation would have benefited from creating a joint White Stuff/K3 project team to be based at the clothing retailer's site at a much earlier stage. "We were in London and K3 were in Oxfordshire because we'd not set up a team in the same place. We did it in the latter stages of the project but it should have been done earlier because it helped things as you need a single direction to be pulling in and a single team," he explains.

Although the preferred approach to such implementations is to demand as few modifications to the core package as possible (even for a configurable Microsoft Dynamics platform) McMillan admits that when first brought onto the project his observation was that the "planned solution had a particularly high level of changes to the base package".

This presented its challenges to the six-strong Business Change Team (BCT) that White Stuff had put together, which comprised "business people and not IT personnel, who'd been taken out of their day jobs". Headed up by McMillan, he says "they helped design, test, implement, and then train people on the system".

Modular approach where possible

It was obvious the new solution would touch all parts of the business and to help the implementation McMillan took a modular approach "as much as was possible".

This initially worked well, with the K3 finance module replacing the old Sage system in October 2010, a process he describes as "straightforward and pain-free". Likewise, with the EPoS implementation, it went very smoothly—although the roll-out plan was later recognised as too aggressive, taking two months longer to complete than originally planned.

"It was a complete replacement of hardware and software in the stores, which was a big deal. We also added in new Verifone credit card acceptance devices [from Commidea]. And it took a bit longer than planned, with completion in April 2011," McMillan says.

"The system is helping to drive the business forward as a multi-channel operation in an integrated way. It is allowing us to think more freely and to drive things on. It's providing an opportunity for us."

Ian McMillan, IT Director, White Stuff

Better stock visibility

With the project fully implemented, and extensive testing and training undertaken, McMillan says White Stuff traded through the vital Christmas period of 2012 with the capability to "significantly better manage its stock and assets" compared with last year. That ultimately delivered a better performance than that achieved in 2011.

"We've been able to manage the company as a multi-channel business, including managing the warehouse processes better, which has helped with online and store ordering. We've had the right amount of stock available and have got it into the stores in a more timely way, which has helped reduce the cost of markdowns."

McMillan says there had been an appetite in the business to offer a click and collect service for some time, but it was not until the new system was put in place that they were able to offer this to their customers.

It has provided the required single view of the stock, thereby enabling greater management of the warehouses, with the result that the company has been able to offer click & collect in 15 stores and will be rolling it out to its other stores over time.

The stock view has also led to greater control of what goods are placed on the White Stuff website—because of the visibility of the stock positions across the warehouse, the stores, and through the order fulfilment processes.

Data driving benefits

The more accurate and timely data now available within the business is also being utilised through better business analytics, which is being used throughout the organisation to improve operational performance.

Using the K3 Business Intelligence module the company runs various daily reports across the business including finance and merchandising as well as ad-hoc analysis that McMillan says is much easier to undertake than on the old system: "We're using these reports to measure the benefits of click & collect, for instance."

As well as enjoying these current benefits, McMillan foresees many more advantages to be leveraged from the solution as the business seeks to further develop its multi-channel proposition. It also provides a good platform for future growth.

Highlighting future benefits

He says there is some "brainstorming" being performed around the company with the likes of the Chief Financial Officer and Merchandise Director, with the objective of "essentially further exploiting the system's multi-channel capability by putting together plans to make it work better from a customers' point of view".

"The system is helping to drive the business forward as a multi-channel operation in an integrated way. It is allowing us to think more freely and to drive things on. It's providing an opportunity for us," he says.

For more information about how K3 Retail can help your business, please contact us at: info@k3retail.com

About K3

K3 Retail deliver Multi-Channel solutions that enable retailers to create joined up shopping experiences for their customers on-line, direct, in-store & via mobile.

Over 20 years' experience delivering award winning solutions, to more than 175 internationally recognised retail brands, has helped our experienced team of retail consultants develop the most complete range of multi-channel retail solutions available to Microsoft Dynamics users. As a Microsoft Gold Certified Partner, member of Microsoft's Partner Advisory Council for Retail and member of Microsoft's Presidents Club, we offer a clearly defined roadmap and proven products backed up by Microsoft's $2 billion investment in the Dynamics platform.

Our thought leadership and Multi-Channel experience has benefited customers including:

Agent Provocateur, American Golf, Beales, Booths Supermarkets, Boux Avenue, Clinton Cards, Dobbies, English Heritage, Evans Cycles, Fred Perry, Gieves & Hawkes, Hotters, Kiddicare, Links of London, M&Co, Oxfam, Ryman's, Smyths Toys, SpaceNK, Topps Tiles, The White Company, Weird Fish and White Stuff.

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