

NAVISION POWERS OPERATIONS OF DEBENHAMS' FIRST DEPARTMENT STORE IN MALAYSIA

Overview

Country: Malaysia

Industry: Retail

Customer Profile

Debenhams is a leading British department store with a network of franchised stores in Europe and Asia. Debenhams opened its first store in Malaysia in 2003.

Business Situation

The opening of Debenhams' store necessitated the deployment of an integrated business management system. It had to be deployed within a tight time-frame and conform to Debenhams' strict reporting requirements.

Solution

BTS selected Microsoft Business Solutions Navision running on Microsoft Windows 2000 and SQL Server 2000, with 35 POS terminals throughout the store.

Benefits

- Highly stable and reliable
- Integrated and hassle free
- Provides a wealth of information
- Automates retail processes

“Navision gives us real-time sales information revealing which products are moving, and this helps the management understand the sales cycle. It provides us with the necessary information needed for decision-making.”

CM Phang, IT manager, BTS Department Store Sdn Bhd.

Prior to the opening of Debenhams' first department store in Malaysia, Debenhams franchisee BTS Department Store Sdn Bhd faced the challenge of deploying an integrated IT system to handle the store's core business operations. The IT system had to be deployed within a very tight time-frame and conform to Debenhams' strict reporting requirements.

BTS Department Store selected Microsoft Business Solutions Navision, an integrated business management solution which enables it to run a highly efficient and productive retail operation. Navision has met BTS Department Store's demands for a highly stable and reliable IT system, automated key business processes and gives the management a wealth of information for effective decision-making.



Situation

Debenhams is a household name in Europe's retail market with 117 stores across the United Kingdom and Republic of Ireland. Debenhams' first department store was opened in the UK in 1905.

Debenhams stores sell clothes, accessories, home wares and cosmetics. Offering high quality merchandise, the stores combine leading international brands with well-defined own brands. Debenhams currently has a network of franchised stores in Europe and Asia including Denmark, Sweden, Czech Republic, Dubai, Saudi Arabia, Qatar, Indonesia and Malaysia.

Debenhams opened its first department store in Malaysia in 2003. In fact, Debenhams is the main anchor tenant for BERJAYA Times Square KL, one of Malaysia's largest shopping complexes. The store occupies 100,000 square feet of retail space.

When the franchise for Debenhams department stores in Malaysia was acquired by BTS Department Store Sdn Bhd (BTS) in 2003, it was confronted with a major challenge. BTS had to get the Debenhams Department Store up and running in time for Times Square KL's opening on November 17, 2003.

Whichever IT system selected to handle the store's core business operations would have to be deployed within a very tight time-frame. In addition, BTS wanted the system to be integrated, highly stable, scalable, flexible and capable of capturing detailed information.

Solution

After evaluating several solutions, BTS selected Microsoft Business Solutions Navision, an integrated business

management solution designed for small to medium-sized companies.

One of the key reasons BTS chose Navision was because it was a sophisticated mid-range solution which more than met its business requirements. Navision also had the advantage of being successfully implemented by various Debenhams franchisees in Europe. In Navision, the franchisees had a tested system that conformed to Debenhams reporting requirements.

BTS engaged Microsoft Certified Partner Accenovate Technology Sdn Bhd to implement the Navision system and undertake the necessary customization required. Accenovate took up the challenge to implement Navision on a fast-track basis, and successfully rolled out the system before the official launch date.

Accenovate also played a significant role in helping to design the store's operational processes and integrating it with the Navision system.

"Accenovate took just 17 weeks from the time we engaged them to the system going live. Considering the number of modules which needed to be deployed, that was quite impressive," says CM Phang, IT manager of BTS.

Accenovate Managing Director Victor Ng estimates that deploying other systems would have taken about 6 months given the scope of implementation, which essentially covers BTS' end-to-end business processes.

Accenovate also received a commendation from Debenhams UK. "The store was opened successfully and on schedule with a fully operational IT system and without any major issues or concerns," says David Taylor, Senior Merchandiser, Debenhams Retail Ltd.

The modules deployed include General Ledger, Cash Management, Sales and Receivables, Purchases and Payable, Concessionary, Item and Import, LS Retail Back Office and POS Plus. BTS' Navision system runs on Microsoft Windows 2000 and SQL Server 2000, with a total of 35 POS terminals throughout the store.

Benefits

Highly Stable and Reliable

The Navision solution has met BTS' demands for a highly stable and reliable system. BTS has been using Navision for almost two years with minimal downtime.

"In a retail business like ours, it is absolutely vital that our IT systems are highly stable so that it does not cause disruptions to our operations," says Phang.

Navision also provides the added advantage of its POS system being able to continue running even when it is offline. "Sales information will be updated once the server is up again. This ensures that our retail sales are not be disrupted at all," he explains.

Fully Integrated and Hassle Free

Navision's ability to tightly integrate a company's core business processes has been a boon to Debenhams Department Store. "Navision can handle virtually everything that our business requires," Phang says.

"There is smooth integration between the inventory, POS and financials modules. For example, data from the POS module flow straight from the tills to the back office." "By having a tightly integrated system like Navision, we avoided the complexity of connecting disparate systems. There's no need for source for third party add-ons and

experiencing the problem of integrating them," he adds.

Another advantage is that BTS does not have to face the hassle of dealing with multiple IT vendors. "If there's any problem, we just deal with one vendor. This eliminates the problem of finger-pointing that arises when you have multiple vendors," Phang explains. The Navision system also provides for an audit trail, so mistakes made can easily be traced, he adds.

Wealth of Information

In this highly competitive retail business, having the right information at the right time is crucial. Navision presents the BTS management with that capability.

"Sometimes, there may be many people at the store but they may not necessarily be buying. Navision gives us real-time sales information revealing which products are moving, and this helps the management to understand the sales cycle," says Phang.

"Navision gives us the necessary information needed for decision-making. And if we want additional information, it can also churn it out for us." At the touch of a button, the system provides comprehensive analyses with instant overview of the business and store performance.

The Navision solution also incorporates the sophisticated variant barcode system which enables the store to capture more detailed information compared to conventional barcode systems.

"Unlike normal barcode systems, we can specify additional information like color and size for a particular item. For a department store, this is very helpful as the additional information helps us to replenish the exact items sold," explains Phang.

Automates Retail Processes

Navision has enabled the store to operate very efficiently through automating key processes. For example, product information can be imported from the item master file from Debenhams UK for Navision to churn out purchase orders.

“We don’t need to re-key in the product details one by one. When you consider that we sell between 40,000 and 60,000 items in the store, this saves us from a lot of manual work,” he says.

Navision’s compatibility with other Microsoft applications also helps the store in its dealings with its suppliers. “Suppliers are requested to key in product information into Excel files which we can easily import into Navision,” Phang adds.

With Navision, regular sales and promotions are not an administrative nightmare for the store. According to Phang, discounted prices are keyed in prior to a sale and automatically activated during the sales period. At the conclusion of the sale or promotion, the system reverts to the normal pricing. Historical data of prices of all items are also captured in the system.

Navision has certainly helped BTS run a highly efficient and productive retail operation in Malaysia.

For More Information

To access information using the World Wide Web, go to:

www.microsoft.com/malaysia

For other case studies in this series, visit

www.microsoft.com/malaysia/business/casestudies

For more information about **Accenovate Technology Sdn Bhd's** products and services, call +603 7957 2600 or visit the Web site at: www.acenovate.biz

For more information about **BTS Department Store Sdn Bhd's** products and services, call +6(03) 2144 9821 or visit the Web site at: www.timessquarekl.com

© 2004 Microsoft Corporation. All rights reserved. This case study is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY. Microsoft, Example: Active Directory, Windows, the Windows logo, Windows Server, and Windows Server System are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

Document published March 2006

Software and Services

■ Products

- Microsoft Business Solutions Navision
- Microsoft Windows 2000 Server
- Microsoft SQL Server 2000

Microsoft®