

Shoon

Fancy footwork with Business Intelligence



Shoon was established in the early 1980s, originally as a footwear distributor, working with the Ecco brand from Denmark. The business now boasts 22 shoe shops - selling quality brands such as Timberland, Merrell, Birkenstock and Ecco, as well as two larger Shoon Stores; one in Bath and another in London. A new Microsoft Dynamics Business Intelligence solution from K3 is helping the company thrive in a fast-paced industry.

Shoon diversified from distribution into retail in 1993, opening its first shoe shop in Bath and continued to add more premium footwear brands to its range, later it moved into clothing. 1999 saw the launch of the first Shoon Store; a 'destination' location, where customers can select from a range of exclusive goods - from footwear and clothing to accessories and gifts. The privately owned company's headquarters are in Wells, Somerset; it employs 280 and turns over £18 million.

Managing director Steve Sanders has been involved with the business since 1989. Shoon's key period of change, he says, was in the late 1990s, when the company realised its future lay in retail. "The business had grown up as a wholesaler and our systems were designed for that type of operation. We started opening shops as an additional means of driving distribution - the market was changing and we knew the best way for us to push growth was to move to the retail model."

The company was using the original Microsoft Dynamics financials package (then known as Navision), so it was an obvious choice to call in the same supplier (K3) to discuss a more comprehensive solution which could cover all aspects of a retail business. "It quickly became clear that K3 could give us exactly what we wanted. We couldn't rely on our original bespoke system: it was designed for wholesaling, it wasn't integrated with the financials and it certainly wasn't sufficiently robust to take us forward. K3 could develop and expand the Dynamics system to run our warehouse and back office systems, along with the financials."

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Despite the new software being introduced at a time when Shoon was already undergoing significant business change, (due to its transition to retail), “the implementation went smoothly”, recalls Sanders.

While the system was running well, Shoon choose to develop the system to attain more sophistication functionality. “The problem with retail is that even in a high-value item business like ours, you still generate thousands of transactional entries every day. While the Dynamics system manages that very well, as the business grows it becomes more and more difficult to use that data in a meaningful way to develop the organisation,” says Sanders. “It got to the stage where we were spending hours producing reports. We were copying and pasting enormous chunks of data from Dynamics to Microsoft Office systems like Excel or Access, so that we could churn the data. We were spending more time creating the reports than actually looking at the resulting information and using it. It just couldn’t continue.”

Shoon considered a number of options. Sanders says the strength and simplicity of Microsoft Office led him and his colleagues to look for a way to link these with Dynamics so the data flow was automatic. “But we didn’t know how to do that. And meanwhile, both myself and the logistics manager were spending up to two days a week just crunching data, it was crazy!”

Then came the solution. “At K3’s user forum last year, they discussed how their products were all Microsoft-based and they talked about a data analysis ‘cube’, which would give instant access to subsets of data... it was like a light bulb had been switched on. We realised this was exactly what we wanted.”

Sanders and Shoon’s logistics manager, John Carroll, spent time discussing and evaluating the system with K3. Afterwards, they went to see another K3 customer using the Business Intelligence solution. “We spoke to them to find out how they use it, what sort of data they can get from it – it didn’t matter that they were in a different retail sector. In the end it comes down to the same thing: the need to use data to understand the business more effectively,” says Sanders.

The implementation was straightforward. K3 has created a Business Intelligence solution for Shoon that comprises a Microsoft SQL data warehouse and Microsoft SQL Server Analysis Services cubes. These take the data from the Dynamics system each night and present it in the required fashion.

“I had a particular driver for all this – I don’t like things being entered twice,” says Sanders. “Any form of manual intervention adds complexity to the process and there’s a greater propensity for error. What’s more, entering things twice is just waste. It adds no value to the process whatsoever.”



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Shoon still uses some Microsoft Access databases, but these are now populated directly from the data warehouse. "They are refreshed every night so they are always up to date. We also have some Excel reports, which offer good summary data for the business, and these are either updated from the Access databases (which are crunching lots of data into smaller amounts) or directly from the cube."

Within a short time frame the benefits for Shoon have become apparent. "Firstly, the time it takes to produce reports has been drastically reduced," says Sanders. "Instead of copying and pasting huge amounts of data, it's now as simple as walking in, pressing a button for a selection of reports, and a few minutes later they are complete. This means that it's far quicker and easier to produce our existing suite of reports and it's a huge saving in management time. It's not easy to quantify that time, but we know it is a real saving."

Sanders continues, "But the benefits don't stop there. Now, we've been able to start developing a new suite of reports by mixing data that previously we were unable to mix, just because of the time it took."

This, says Sanders, helps Shoon in a number of ways – particularly in terms of comparing stock availability against sales. "In a practical sense, we can now understand this more easily than we could before. Now that we have the business intelligence cube handling the initial

number crunching, it's extremely easy to understand the way those two sets of figures correspond. And that, in turn, helps us with our forecasting... there's a sense of being able to control the stock flow of the business much more effectively."

It's not always simple to put financial figures on measurable benefits, and Shoon has yet to tap into all the advantages of Business Intelligence, admits Sanders, but still, the benefits are coming thick and fast. "We are still understanding how to use this data to full effect, but certainly the information is now coming through which allows us to predict sales more effectively and plan the way that stock flows. It allows us to direct our stock to where it will be most used most effectively; we are becoming a lot more proactive and we're driving the stock harder. The decisions we make as a result of this data will undoubtedly help us to become more a more profitable business."

Shoon is a premium business, with much of its products led by fashion. Fast decisions rely on accurate data – and the Business Intelligence solution has enabled Shoon to become much more agile and flexible. "It's brought us a much more efficient way of handling our data," says Sanders, "and, importantly, it's sharpened our focus. Before we had this Business Intelligence solution, we spent far too much time number crunching – now we can spend that time making the business more efficient and, importantly, more profitable. This is vital in a fast-moving industry like ours."



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For more information about K3's software solutions please contact us on 0870 225 1390, sales@k3btg.com or visit our website www.k3btg.com



About K3

K3 has been providing business software solutions to the retail sector for 25 years and are proud to be the UK's leading supplier of Microsoft Dynamics. At the core of our achievements lies the successful provision and implementation of end to end solutions sought out by clients throughout the UK, Ireland, Europe and the Middle East.

We are renowned for our unique personalised service and our skill at really listening to our clients. As a Gold Level partner, and both a President's Club and Inner Circle member, we offer a level of expertise that allows us to deliver exactly what our customers require.

Clients that have enjoyed the benefits of a K3 software solution include: Adidas, Alliance Pharmacy, American Golf, Booths Supermarkets, Carpetright, Dobbies Garden Centres, Dreams, Fat Face, Gamestation, Gamestop, Lakeland, Leekes, National Gallery Company, Pearsons, Rugby Football Union, Shoon, SpaceNK.

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