



Case Study



The largest distributor of spare parts and accessories in the Czech Republic

Intelligent Solution for Retail Management

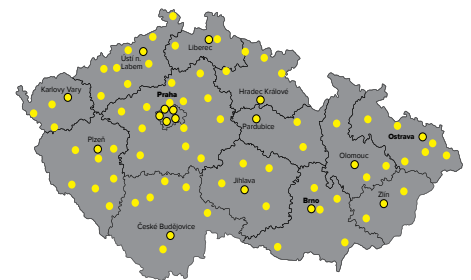
Autumn 2018

Linda Michaličková

Category & Merchandising Manager

Auto Kelly initially operated stores selling spare parts and was exclusively focused on car repair shops, which means wholesale customers. In 2000, the stores began to open for retail customers as well for the first time.

In 2014, the company decided to pay greater attention to this, as they saw business potential here. The goal was clear: create the optimal environment for new customers, standardize the offer of goods within their store sales areas and strengthen the perception of the Auto Kelly brand in the retail environment.



- A network of over 80 branches
- More than 300 contract services in the Auto Kelly Auto Service Network
- Warehouse with almost 11 million items of goods
- Car parts from more than 500 brand-name manufacturers



Gradually, new merchandising rules and planograms (diagrams for displaying goods) were created. The need to plan the placement of individual categories within the sales area arose. The first planograms were created using MS PowerPoint and MS Excel. We created everything manually for different types of displays and different sizes of stores. The complete preparation of each project (the opening, moving or rebuilding the store) was first created by “trial and error” on paper, upon which it was digitized and then distributed to the individual members of the working team.

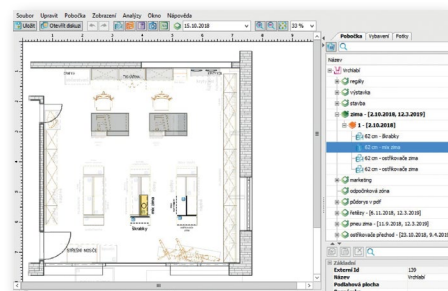
This form of work was unsuitable in terms of:

- Updating the floor plan of the store was impracticable.
- Lengthy and demanding updating of the goods on display.
- Complicated implementation of marketing events.
- Unreliability of the supply chain.
- Difficult process of managing the printing of Shelf Edge Labels.
- Lack of control over the appearance of the shop and the goods on display.

Ilona Koloničná

Retail Country Manager

“Practically immediately after the launch of the program, so-called photo feedback was created on demand to enable us to effectively visualize shop events. This photographic documentation is linked to the particular floor plan of the store and its equipment, preserves the history of photos and is available on-line for all users.”



In the spring of 2016, we first became acquainted with the Quant software. In addition to creating efficient floor plans and planograms, it also offered distribution and control over their implementation. A great benefit was the web application for internal communication with stores. The superstructure also featured the possibility of analysing Category Management, which we were preparing in the longer term horizon. Later it turned out that Quant would help us solve our Achilles’ heel — managing Shelf Edge Labels.

In the first stage, we transferred all existing variations of the planogram to Quant, and we gradually digitized the shop floor plans. We launched Quant on a go live date in January 2017 in the form of a web application, and all of the 75 outlets used Quant (at least as a communication channel) by the end of 2017.

In particular, we value the web application for:

- All information associated with the sales area is available in one place.
- The information is on-line.
- The intuitiveness of working in the web application.
- Visualising the layout and planogram provides shop assistants a perfect overview of where each product (material) should be located.
- A Blog, which contains all communications regarding the merchandising and marketing events, keeps a history of the communication and distinguishes the relevance of communications for a specific branch.
- Eliminates the large volume of data transmission by email.
- Online chat between the network and merchandising team that solves operational issues.
- Polls that allow us to discover information from the entire network or get feedback.

The main savings in work for merchandiser when creating planograms in Quant lies in the possibility of implementing them in the “branch-specific” mode. The merchandiser creates one planogram template where it places the entire product portfolio of that category, and Quant then calculates the number of products placed on the basis of the sales data of each particular store. This also has a positive effect on managing stockpiles.

Connecting Quant with the Planning Wizard system brings as the following benefits:

- Central and effective change management in planograms.
- The Planning Wizard obtains specific information from Quant about if there is and how much product is placed in the store.
- Timely reflection of the store needs (new items sent to the affected stores, and vice versa, goods that are no longer in the planogram from the stores either completely withdraw or store the stock only in the necessary quantity).

Quant provides easy access to data exports:

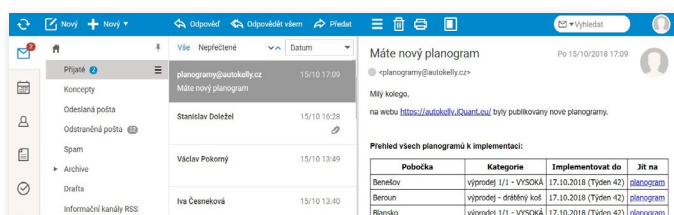
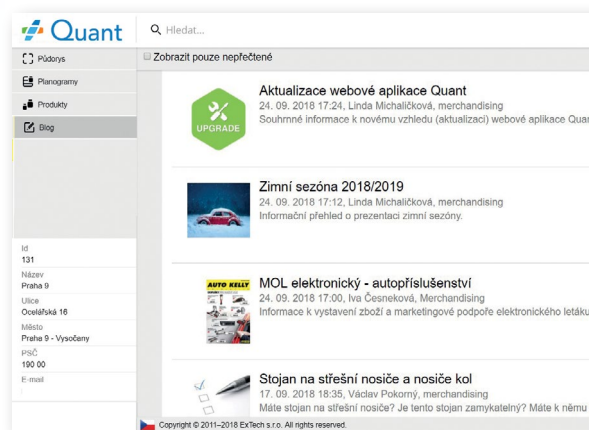
- An overview of the products located at the store, which will be appreciated by Product Management when managing the individual suppliers' product portfolios.
- An overview of shop equipment that is useful for ensuring the implementation of new store equipment or as input data to updating existing branch facilities.

The system also features very flexible management of user accounts and the possibility of sending notifications. The form and frequency of notification emails can be managed alone in accordance with our specific needs.

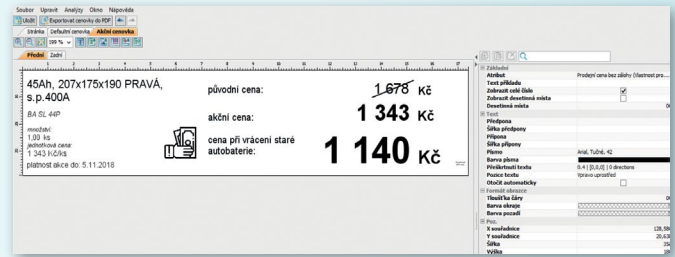
Petr Holeček

Supply Chain Director

“Connecting Quant with the Planning Wizard has made it very easy to manage stockpiles. Thanks to precisely defining exported products/items at branches, we avoid holding too much inventory. At the same time, we are able to order the goods in advance so that when the plan is updated regularly, rebuilding or opening a new store, the goods are physically in stock and at the required quantity in stores.”

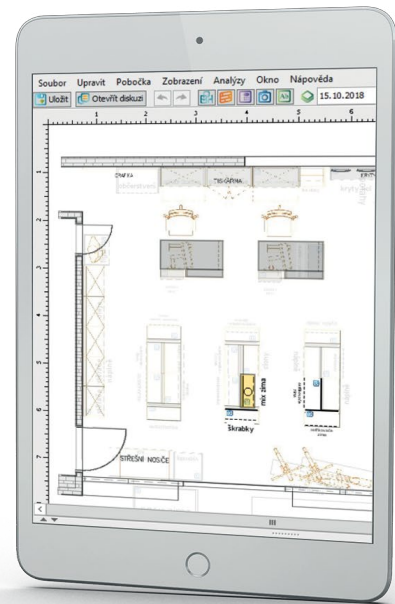


In January 2018, we launched a completely revolutionary feature for us – printing Shelf Edge Labels directly from the Quant web application. This feature is fully connected to planograms that have been published.



The key benefits are:

- Possibility of printing the Shelf Edge Labels tag directly from the planogram.
- Automatic announcement of change in the sales price.
- Notification email with information that a particular product should be reassessed.
- Automatically generate new or updated Shelf Edge Labels.
- Improving the work of shop assistants during regular over-pricing.
- Administrating Shelf Edge Labels.
- Publishing the Shelf Edge Labels before the start of a sale event (i.e. prior to the discounted prices).
- View the Registration Prices and Cash Back directly on the Shelf Edge Labels.



Introducing Quant software was particularly challenging in the area of linking Auto Kelly's internal data bases, which are primarily based on wholesale. Data management is demanding due to its volume (500,000 unique items shipped daily to the Quant system). In imported files, data is not only for the identification of goods, but also for sales data and warehouse data. Last but not least, the company had to face the fear of change and carefully access the stores to the new tool – the web application. In order to avoid complications when implementing the system into the entire network, we have always tested the function at the pilot store, evaluated the feedback, and then applied it to the entire sales network. We have always created detailed manuals that clearly explain how the new functions are meaningful and useful, as well as their practical use. We spent lots of time on internal communication, both within the sales network and between the collaborative departments at the headquarter.

In the future, we plan to use Quant's additional functionality to analyse efficient space management and store goods. Another planned step is managing marketing materials via Quant and their communication through the web interface.

Interested in a presentation?

We would be happy to give you a personal presentation of Quant with the full scope of features which might be interesting for your company.

www.quantretail.com

For further information please contact:

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