







Challenge

- Ongoing desire to establish new brands and grow through acquisition
- Need to pivot quickly to meet market demands and absorb new brands into the finance and operations infrastructure
- Need for a scalable core ERP system as aging existing in-house systems could no longer accommodate growth



Solution

- Microsoft Dynamics 365 for Finance and Operations
- Microsoft Power BI
- Implementation designed with multiple brands and regions on a single platform
- Delivery of a range of specialist retail capabilities, including merchandising and planning, allocation and replenishment



Results

- Single platform environment enables omni-channel distribution capability and sophisticated supply chain management with streamlined order fulfilment
- Improved visibility into company performance with comprehensive management reports and dashboards
- Specialist retail reports help drive business at the store level by enabling store managers to set and meet sales targets
- Greater flexibility and significant IT expenditure savings



Dynamics 365 key to growth ambitions for speciality fashion retailer

This leading Australasian specialty fashion retail group is a growing business built on a house of carefully curated brands, each chosen for a specific reason, and each delivering rich connections to their customers.

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CIO,Speciality Fashion RetailGroup

The retailer's focus is on creating exceptional experiences, whether customers choose to shop online, or at one of their uniquely designed flagship stores stretching from Sydney to Singapore.

The organisation delivers world class retail centres of excellence in areas including real estate, marketing, digital and online development, sourcing, supply chain management and talent retention.

The group uses technology and data as an enabler to not only create a smoother retail experience, but to become a better, more productive business.

Technology modernisation journey

Over the past six years, the group has undertaken a significant technology modernisation journey: driven by the company's desire to add more brands to its burgeoning fashion stable through acquisition and by establishing new ones.

"The company wanted to grow and be able to play in the market," says the CIO for the group. "To do that, it needed the ability to pivot quickly and absorb new brands into its finance and operations infrastructure."

But the retail group's existing in-house systems could no longer accommodate the predicted growth.

"We have a lot of good technical people in-house, but our underlying system was showing its age," says the CIO. "We were out of bandwidth and needed a new core ERP to initiate the growth mandated by management."



"We can accommodate different warehousing scenarios and integrate into a range of different e-commerce platforms. We can handle diverse brands running through the same warehouse, giving us the flexibility to meet real-world demands."

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Specialist retail capabilities

A leading Microsoft partner with extensive experience delivering Microsoft Business Applications in the retail industry, DXC Technology was selected to implement Microsoft Dynamics 365 for Finance and Operations and onboard the group's new premier clothing brand. The new flagship brand boasts over 270 stores in Australia, New Zealand, Hong Kong, Singapore and the USA.

"That implementation involved multiple countries with complex supply chain functionality and a new connected in-store experience," says the CIO.

DXC Practice for Microsoft delivered a range of specialist retail capabilities, including merchandising and planning, allocation and replenishment.

Building on the success of that project, the retail group then asked DXC to deliver Dynamics 365 for all its brands with multiple countries on a single platform. The solution was to provide omnichannel capacity, and sophisticated supply chain management including third-party logistics (3PL) capabilities and in-store fulfilment.

"This project was key to our growth ambitions," says the CIO. "It gave us a scalable ERP system that would allow us to launch and configure other brands without having to bear the costs of initiating individual ERP implementations each time."

According to the CIO, DXC designed the Dynamics 365 implementation with a single middleware element at its core to accommodate all necessary integrations.

"This means the existing technologies of our partners doesn't restrict us. We can accommodate different warehousing scenarios and integrate into a range of different e-commerce platforms. We can handle diverse brands running through the same warehouse, giving us the flexibility to meet real-world demands."

The project allowed the retail group to pivot its business operations during difficult market conditions. For example, it had to shut down its Hong Kong warehouse when the protests brought the city to a standstill. However, the flexibility of Dynamics 365's supply chain management meant it could quickly bring a new 3PL warehouse online in Melbourne, attach it to the underlying ERP system, and maintain order fulfilment.



Thanks to the single platform environment created by DXC and Dynamics 365, the retail group has gained omni-channel distribution capability.





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"It also gave us the ability to manage COVID trading conditions," explains the CIO. "When the malls were shut, our retail stores were closed to foot traffic. But by using our new ERP operating system, we could turn these stores into fulfilment centres. Staff went to work and shipped online orders from the stores."

Significant outcomes

The organisation ended up with around 80 retail stores acting as fulfilment centres. It allowed the brands to move stock off the shelves," says the CIO. "Fashion items don't have a long shelf life, so that was a big win in tough trading conditions."

Management reporting has also become more manageable. The retail group is extracting data from the new Dynamics 365 solution, sending it to a standalone database and using various tools, including Microsoft Power BI, to build reports and dashboards for improved visibility into company performance.

DXC has also provided the organisation with specialist retail reports that permit store managers to set and meet sales targets.

"These reports help us drive business at the store level," explains the CIO. "It allows our managers to get better visibility of budgets and chase down weekly targets. With a click of a button, we can keep them updated on how they are tracking."

Thanks to the single platform environment created by DXC and Dynamics 365, the retail group has gained omni-channel distribution capability. For example, if a customer makes an online purchase and the item cannot be fulfilled at the usual warehouse, the system automatically redirects the order to one of the organisation's other stores to fulfil.

"We can also split orders so they can be fulfilled across different stores, and a range of criteria, such as cost, guides that. All these decisions happen on the fly to ensure the customer gets what they ordered most efficiently," says the CIO. "Thanks to how we have deployed our ERP, we don't have to go back to Microsoft or our system integrator when we bring on new brands."

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The specialty retailer has been able to dispense with a centralised warehouse in New Zealand. Instead, it fulfils all online orders between its 12 retail stores. "We can also undertake wave picking at each store. This streamlines order fulfilment by allowing us to pick based on common factors such as similar items or shipping dates."

The organisation continues to move brands across to the new platform and can do so independently of external suppliers. Says the CIO: "Thanks to how we have deployed our ERP, we don't have to go back to Microsoft or our system integrator when we bring on new brands. Instead, we can do it with our own resources, which gives us flexibility and significant IT expenditure savings."

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