

Case Study: Data mining application for Electrical goods Stores

The Client:

The Client is has 17 electrical goods stores and an internet presence. They sell mid range goods aimed at the mass market.

The Challenges:

The Company sells mid range goods aimed at the mass market. Their buying team places the bulk of their replenishment orders once a week (generally on a Monday after a hectic weekend of trading).

They needed a business intelligence solution which helps them to never be out of stock on their key lines.

No such business intelligence technology existed within the company. So they turned to BIRetail to help them with their buying decisions.

The Solution:

BIRetail solution was deployed with a robust Extract-Transform-Load (ETL) interface, scheduled to auto-run post midnight every day, which uploads the MS-Access databases containing POS transactional data from each store. Subsequently, the data was loaded into a centralized data warehouse. Stock valuation calculation and profit per transaction calculation algorithms were implemented.

A demand-supply based Pricing Control mechanism was devised to prompt for dynamic price changes. An end-to-end solution provided for Price Change, including update of new prices to each store level electronically.

An inter-store Stock Leveling algorithm was implemented, to evenly distribute stocks across stores, based on historic sales patterns.

Incisive Information reports were designed to provide executive level decision making, relating to Inventory management, Store performances, Sales and Purchase Patterns.

Benefit:

- After a 3 week implementation they started to use the system in parallel with their existing systems and 2 weeks after that they had stopped using their old system.
 - The biggest benefit to them was in reduced inventory levels as inventory was managed far more efficiently.
 - They had saved the annual cost of the system within the first three months of licensing BIRetail.
 - In addition, the client was freed up to deal with more value added projects as the time taken to carry out their routine tasks was greatly reduced.
 - KPIs and dashboards aided in comparative analysis of performance, stocks, profits and growth.
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Technologies:

- Microstrategy
 - Microsoft .Net Framework 2.0
 - MS-SQL Server
 - SQL Server Integration Services
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