



MEDIA INFORMATION FROM FUTURA

HOW FUTURA'S BUSINESS INTELLIGENCE TOOLS HAVE ENABLED MENARYS TO IMPROVE PROFIT MARGINS OVERALL BY 4% AND UP TO 9.8% IN SOME DEPARTMENTS

With difficult trading conditions brought about by hot weather, increased competition from the internet and ever rising prices, independent retailers need help to fight back. Gone are the days when smart technology was too expensive. Small independent retailers can now use the latest business intelligence tools from "off the shelf" products to help them speed up every day processes and improve gross profits - by pricing right first time, containing their inventories and optimising their overheads. Leading Northern Ireland Department store chain Menarys has achieved 9.8% gross profit margin increases in a number of departments, with an overall increase of 4%, inventory reductions of 7% and like for like sales increases of 7% - despite fewer staff, after implementing Futura's BI tools.

Northern Irish department store chain Menarys has increased overall profitability since it started using Futura's business intelligence tools in its 22 main and Tempest shops, two years ago. The store chain now has more efficient staffing levels and bucks the trend by being more profitable – for example having sell through rate (% of stock sold / stock bought) improvements of 70% to 80% pre sale. Importantly, Menarys are confident this trend will continue.

- **BACKGROUND**

Menarys' management uses Futura's performance management and analytical tools to 'model' future sales, costs, cash and inventories and suggest business strategies to the management to maximise profits.

- **ACCURATE SHOP FLOOR DATA**

Buyers and managers can quickly see current stock levels, product performance and profitability in real time and, importantly, what customers are **not** buying. By comparing sales with previous years', buyers can establish when sales patterns are different to determine real price elasticity, so stock can be priced right, and mid season promotions and offers can be changed - overnight if necessary!

- **ACCURATE FORECASTING**

As the Futura system uses history to forecast future buying patterns, buyers can use "what if" functionality to see the effects of buying one range over another and thus use the tools to avoid over-ordering unpopular items including fringe sizes. Menarys uses the integrated merchandise planning function to consolidate ranges in the most appropriate stores.

- **RECOMMENDED RE-ORDERS**

The number one issue for the shopper is out-of-stock merchandise – an inconvenience that causes 47 per cent of customers to shop elsewhere as a result - according to Gartner Research.

Menarys can interrogate the system by any cut of any product, to determine future buying. Automatic suggestions of stock transfers occur before auto-replenishment or auto-reordering is considered to minimise inventory. Managers now run recommended reordering reports 3 times a day when busy and undertake live daily replenishments.

- **INCREASING EMPLOYEE EFFICIENCY - REDUCING THE WAGE PACKET**

Menarys can use the system to analyse ½ hourly sales activity, per store, to ensure correct staffing levels and ideal opening hours – giving this level of control that greatly boosts the efficiency of the organisation, despite a reduction in staffing numbers of 2%.

Slicker, accurate point of sale systems allow Menarys to redeploy staff from fire-fighting and problem/order chasing, to improving the customer experience, again a proven way of increasing sales.

ENDS

For further information, photographs, contact details for Menarys please contact :

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