



Alpha Retail



Customer:

Alpha Retail
www.alpha-group.com

Industry:

Airport retailing and catering service supplier specialising in airport shopping, restaurants, and tax & duty-free sales

Existing Challenges:

- Poor insight into sales performance, ranges, and store profiles
- Store and head office systems not integrated
- Legacy application no longer able to support systems

Implementation Highlights:

Completed in seven months

Solution Scope:

IRIS (Integrated Retail Information System) Concept:
Fully integrated ERP solution, EPoS solution, mobile computing platforms and HHT applications, full product lifecycle management

Key Benefits:

- Stocks managed centrally
- Optimised replenishment based on actual sales
- Key sales performance analysed in real-time
- Improved negotiations with suppliers and customers as a result of better insight into product sales and product availability

Background

Alpha Retail is part of Alpha Airports Group Plc, one of the world's largest independent aviation support companies.

Alpha Retail is the leading UK supplier of retailing and catering services for airports. Its principal retail outlets are Alpha Airport Shopping, which offers high quality consumer brands including fragrance, skincare and branded accessories, World News, a confectionary, tobacco and newspaper offer, and Glorious Britain, a successful destination gifts concept.

Internationally, the company has Tax & Duty Free stores as far afield as Florida and the Maldives, a network of flight kitchens in four continents, a strategic partner in Sri Lanka, a distributor in Cochin, and retail bar and restaurant outlets in Stockholm, Jersey and Jordan.

The Problem

Group IT Director, Martin Cook, explains why Alpha Retail decided to commission new IT systems.

“As a business, we were looking to develop much stronger relationships with our key business partners – both suppliers and landlords. Our knowledge and insight into our own sales performance, ranges and store profiles from our legacy solutions was poor, and was preventing Alpha from adding extra value to our partner relationships.”

“We had an ageing systems infrastructure, and store and head office systems were

not integrated. Maintenance and support costs were rising for a system that was built for a smaller business than we had become. In short, what we had in place did not allow us to expand or deliver the benefits from our new business model, which was to manage our business more centrally.”

The goal therefore was to build systems that would enable major business change and transform relationships as well as meet the demands of the changing market. Cook explains, “We are not like retailers in the high street because spending at airports is largely discretionary. We are competing for the passengers’ pound and need to swap administrative tasks in the store for more active selling, including trials, innovative merchandising and promotions.”

The Solution

CIBER Novasoft implemented a full-scale SAP Retail solution to give Alpha Retail tighter control of its retail outlets and to introduce new operational processes to the business that it could not achieve with its legacy applications.

The entire SAP Retail solution was integrated with Alpha Retail’s EPoS systems with Chip & PIN, and with mobile handheld terminal (HHT) applications for fast scanning, picking, receiving and stock taking in the stores.

IRIS also makes extensive use of SAP’s Warehouse Management, Forecasting & Replenishment, Finance, XI and Business Warehouse solutions.

“This was a major business change programme, so it was critical that we used a company we could trust, had a track record of getting things done, and that had the resources available.”

— Martin Cook
IT Director, Alpha Retail



The Choice

Alpha Retail chose CIBER Novasoft to implement SAP because of its experience at retailers including Halfords, B&Q and Direct Wines.

Cook says, "We chose CIBER Novasoft because they were able to accelerate the whole process by deploying elements of its fast-track SAP solution, novaRetail, which includes pre-configured templates of classic retail functions, saving us the time and cost of new development."

novaRetail, a ready-made software solution for small to medium-sized retailers, is based on SAP for Retail, and was used to accelerate the traditional blueprinting phase and store pilots.

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The Benefits

Alpha Retail is now managing stocks centrally with optimised replenishment and stock levels based on actual sales polled in near real-time from the stores. Before, Alpha Retail's stock levels were based upon locally generated orders from each store. Stores are now holding stock for less time.

Central category teams now have the ability to analyse key sales performance indicators in near real-time and identify problem lines. Range changes or ordering parameters can be amended quickly, helping to assure the availability of lines in the right place, at the right time and in the right quantity.

Administration in the stores has been reduced and this is clearly driving sales, with re-investment in active selling.

Cook added, "In addition, our negotiations with suppliers and customers have improved because we have better insight into what goods sell well, where and when. This gives us added value when we are competing for tenancies."

About CIBER Novasoft UK

CIBER Novasoft is a leading SAP consultancy providing world-wide support for a range of high profile clients in the retail sector. We have maintained our reputation as the world's leading SAP Retail implementation partner ever since being the first Partner to implement SAP Retail when it was first launched in 1996.

CIBER Novasoft's success in the UK has been built on the retail industry's main priority today: integration of systems, data and processes to provide a seamless retail management and customer experience across multiple channels. Our customers include numerous high profile brand names like Booker, B&Q, Direct Wines, Dunelm Mill, French Connection, Goldsmiths, and Halfords.

CIBER Novasoft is part of CIBER, Inc. (NYSE: CBR), a leading international systems integration consultancy providing clients with global delivery services on a project or strategic staffing basis, in both custom and enterprise resource planning (ERP) package environments, and across all technology platforms, operating systems and infrastructures. With offices in 17 countries, annualized revenue run rate of approximately \$950 million and approximately 8,000 employees, CIBER's IT specialists continuously build and upgrade our clients' systems to "competitive advantage status." CIBER is included in the Russell 2000 Index and the S&P Small Cap 600 Index.



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