



LS RETAIL



CASE STUDY

LILLIPUT : ENHANCING CUSTOMER SATISFACTION AND GENERATING REPEAT BUSINESS THROUGH LS RETAIL SOLUTION



With LS Retail, complex system integration issues at Lilliput, are matters of the past. LS Retail has supported the growing number of Lilliput stores by seamlessly integrating the overall business operations. This complete integrated solution has not only made it easier for the employees to track individual orders, map inventory processes and handle store operations more effectively; but has also increased productivity levels at Lilliput to a prominent high.

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The Client

Lilliput Kidswear Ltd. originally manufactured & exported world class Women & children wear. Today Lilliput has a strong presence in both domestic and international markets in Kids wear.

Lilliput entered domestic retail with the launch of the 1st Lilliput store in Delhi in August 2002. Since then there has been no looking back for Lilliput. The number of brand outlets has rapidly grown and currently stands at 135 exclusive brand outlets, over 105 large format multi brand outlets like Shopper's Stop, Lifestyle, Pantaloon, Reliance Trends, Pyramids and more than 450 point of sales.

Lilliput has its presence in Bahrain and China and will expand by opening 50 stores in the Middle East and 100 stores in China by 2010-11. There is a large set up of 8 manufacturing units in Delhi & NCR with 3,000 state-of-art machines producing 6,00,000 units per month. Lilliput have over 4000 employees working with them in over 70 cities across India.

Lilliput exports to some of the world's best retailer's fastest growing & largest children's wear chains like Gap, Wrangler, Mothercare, The Children Place. The product range consists of casual wear (for infants, toddlers, boys and girls), footwear, innerwear, nightwear, party wear, accessories, and ethnic wear for children under the age of 12.

Lilliput has been awarded:

- ❖ The Most admired brand of the year - Kidswear by Lycra Images Fashion Award in Jan, '08
- ❖ Award for 'Excellence in Retail' certified by IES in Feb, '08
- ❖ 'Reid & Taylor Retailer of the Year' (Kidswear category) by Asia Retail congress in '07
- ❖ 'Brand of the Year' Award (Kidswear category) by Clothing Manufactures Association of India (CMAI) in '07
- ❖ The Pinnacle Award from Shoppers Stop for the Best Brand in the Kids Segment.

As Lilliput continues to work towards its mission of, **"Growing to become an international brand in lieu of emerging as an exclusive fashion destination for kids"**, a mismatch on the operational front, might have been a hindrance to it's exponential growth.

Lilliput's aim was a definite solution which could allow them to manage their growing retail business more professionally and seamlessly. The means to this end was to institutionalize an end to end integrated solution which would increase stability, resilience and speed.

www.lilliput-india.com



Why the LS Retail Journey

Lilliput undertook the LS Retail journey with a vision to grow and insure high customer service levels and experience without increasing the costs. Lilliput was looking forward to a complete solution offering which was scalable, flexible, reliable and at the same time easy on maintenance. The added benefit expected were that the management at Lilliput, would take up a solution oriented approach through LS Retail and get reliable, realtime insight into critical aspect of the business and hence gain better visibility of the business performance.

The Challenge

Identifiable dissimilarity within the operational system

Lilliput acknowledged that with growing number of stores and multiple transactions, there was a need to record various business processes in a single database. Moreover this needed to be addressed efficiently and quickly.

Results in Brief

LS Retail provided a setup that could range from a single store with one POS to a complex, multi-store environment that integrated well with Lilliput's overall business operation. LS Retail NAV is built on Microsoft Dynamics NAV, therefore, the POS, back office and head office all use the same application. This made it possible for the management at Lilliput to track individual transactions from the POS to the General Ledger, hence maximizing their business value and efficiency.

- ❖ **Efficient Data synchronization, the latency factor reduced up to 50%** to update Store data in centralized database.
- ❖ **Efficiency of warehouse users increased up to 60%** in terms of time being consumed in managing warehouse processes.
- ❖ **System Maintenance effort at Stores reduced up to 40%** as most of tasks can be handled through Head Office online.

"We are delighted that the implementation of LS Retail NAV at Lilliput has been a resonant success. LS Retail has proved to be the perfect fit for our retail business expansion and has helped us in providing faster customer service and efficient inventory control in our 300 + stores. This is a prime example of excellent service provided by DVS and Tectura team, together with a world class solution. We look forward to continuing this very successful partnership."

Sanjeev Narula
Managing Director
Lilliput Kidswear Ltd.

"POS features of LS Retail were a straight fit for Lilliput. LS Retail had been localized by DVS, as per the Indian legal statutory requirements hence, complete localization in terms of sales tax, service tax etc was already taken care of. With warehouses and a large number of inventories to be managed, it was inevitable to consider a user friendly application that will be easy to understand and operate at the store level and also to be implemented faster as compared to other solutions available."

Kunwar Naresh
IT Head
Lilliput Kidswear Ltd.

Approach & Unique Features

With the core team of Lilliput and Tectura, along with the DVS team of LS Retail Certified professionals, the initiative began with the task of project definition.

Kunwar Naresh, IT Head - Lilliput states that, "Prior to the implementation of LS Retail, we were working on disparate systems, using individual solution to manage both the store and company finance. There was no integration between the two. The growing business plan needed to be supported by a robust solution and with disparate solution it was becoming complicated to manage the transitions at the store level and track it at the head office. There was an urgent need of data synchronization and an application that will integrate the POS, Back Office and Head Office."

❖ **Fast exchange of data:** The LS Data Director exchanges data very fast between different Microsoft Dynamics NAV databases and also some other databases that are not based on Microsoft Dynamics NAV. LS Retail has a built-in scheduling mechanism to run batch jobs. The scheduling mechanism is also used to schedule transfers of data between head office and store or from store to POS terminals.

❖ **Powerful POS Application:** At Lilliput, there was a need to effectively handle the store operations. Billing was an issue at the store level also a complete localization of application was required as per the statutory requirements.

The store operations needed more attention and a solution that would be easy to understand and user friendly, so that it's easier to train the staff.

LS POS is the Point of Sale/Service (POS) part of LS Retail. LS POS is a fast, dependable and powerful POS application, with a graphic user interface. Choosing LS Retail provided Lilliput with advanced features required by the store to effectively run promotions, loyalty schemes and periodic discounts. The bills were faster to generate. Usability of the product reflect in the immediate incorporation with Microsoft solutions such as MS Word, MS Excel and Outlook; making it positively easier to comprehend.

❖ **Effectively streamline inventory control:** Lilliput was managing multiple warehouses for company owned stores, MBO customers and a vast range of product portfolio. Due to the huge number of stores being added to the existing chain the need for an advanced inventory management system was recognized that would be capable enough to use advance devices such as barcode scanners and other EDI devices.

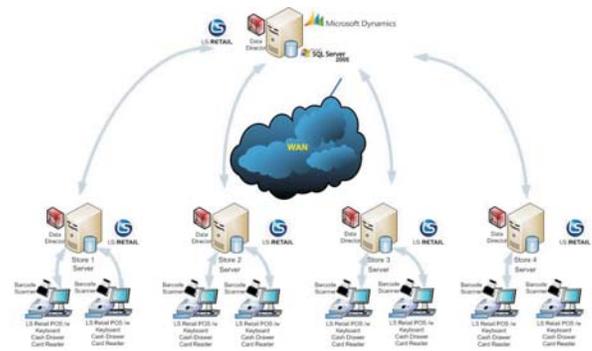
The need of the hour was an effective Inventory Management tool that provided a simple method of collecting data for stock control. The processes are designed to make the task in hand as simple as possible for the user. By creating a consistent look and feel for the user in all worksheet processes, the system should ensure process completion according to the process configuration. This produces more reliable data in the system as the user is always led through the process.

LS Retail has changed the way Lilliput stores operate. The LS Retail functionalities allow Lilliput to manage time inventory flow and maintain healthy turnover rate. The efficiency of the warehouses increased by 60%. After consultation with DVS and Tectura, Lilliput considered LS Retail to integrate its purchase order management and Item variants management with inventory management for mapping the inventory process.

Lilliput's latest project with DVS and Tectura is the implementation of LS Retail for 50 new retail outlets.

The LS Retail NAV Experience

- ❑ **REDUCE** total cost of ownership
- ❑ **READY** for a change in your business and customer behavior
- ❑ **INCREASE** efficiency
- ❑ **DYNAMIC** systems initiative
- ❑ **ALLOW** business transparency
- ❑ **MAKE** up-to-the minute decisions
- ❑ **FEWER** mistakes
- ❑ **OPTIMIZE** your purchase
- ❑ **IMPROVE** your merchandising
- ❑ **INCREASE** stability, resilience and speed



TECTURA®

Tectura is a leading global consulting and services company providing Microsoft based ERP (NAV, AX), CRM and technology solutions. We are proud to have delivered an "all in one" solution with Microsoft Dynamics® NAV via LS Retail and seamlessly integrating the entire supply chain for Lilliput across 250 stores.

"Tectura has helped Lilliput and several other retail companies to drive profitability across every aspect of the business—whether it's five stores locally or thousands of stores around the world."

Chetan Phathak
Country Manager

"Tectura's commitment and expertise made this collaboration one that will contribute to the development for companies like Lilliput within the Indian retail industry. I know we can count on their support for other expanding markets that DVS is targeting and we look forward to seeing further strength and growth for Lilliput, with support of this scalable application and dedicated support from Tectura."

Rakhee Nagpal
Managing Director
Dynamic Vertical Solutions



WHO WE ARE

Dynamic Vertical Solutions (DVS) is a leading provider of end-to-end integrated and adaptable business management applications, for organizations of various sizes across various Industry sectors. With international solutions catering to industries varying from Retail, Hospitality to Real Estate Management, DVS brings together a portfolio of internationally proven, fully integrated business solutions.

As an organization we identify focus areas based on thorough research and a deep understanding of the needs and requirements of the industry. Consequently we select a portfolio of products based on their referenceability and long term sustainability, so that our customers need not reinvest in business applications in the future, thereby allowing them to focus on their core business using IT as a key facilitator in their growth.

The solutions we provide are based on a Microsoft Dynamics NAV platform supported through a global partner network that spans across geographies.

Our range of services, categorized under the following heads, are designed to help organizations scale in size & business, reduce total cost of ownership, increase efficiency & productivity, improve data integrity, gain better control and ensure a fast exchange of data to enable quick decision making of the highest quality.

CONSULTING | TRAINING | IMPLEMENTATION | LOCALIZATION
DEVELOPMENT | OUTSOURCING | INFRASTRUCTURE | ENTERPRISE

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