

Mega Pet Warehouse

Pet Supplies Retail Chain Finds Business Systems Support with Professional Advantage

One of the biggest retail trends of recent years has been the rise of large warehouse-style outlets. Bursting with every conceivable product related to the store's expertise such outlets have quickly become a preferred destination for consumers who want the convenience of choice, the benefit of competitive pricing and the added value of expert advice. One of the most successful examples of the warehouse-style retail outlet is Mega Pet Warehouse, a chain of four pet supplies specialists located throughout the suburbs of Melbourne. The family-owned stores are recognised for their commitment to providing exceptional value for money, as well as delivering the best in service and advice.

Problems

When in 2004 the Mega Pet Warehouse changed owners, the business consisted of a single shop front. Sam Raso, the new co-owner, could see great potential for the pet supplies warehouse and was keen to quickly expand the brand through the establishment of additional warehouse-style outlets.

Before opening any new stores however, the management team first needed to put in place a system capable of supporting the business and its planned growth. Raso explains, "When we bought Mega Pet Warehouse it was using QuickBooks. It was a system that was fine for one shop but it wasn't appropriate for the growth we were after."

Solution

While researching alternatives Raso came across Microsoft Dynamics Retail Management System at a Melbourne trade show. In addition to managing Point of Sale the software offered comprehensive functionality covering inventory control and tracking, purchase order management, pricing, sales and promotions, customer management and marketing, employee management and reporting.

Raso notes: "The centralised administration that the Headquarters module offered was important to us. It meant we would be able to centrally view business updates to items, set price changes across one or more stores, see what our sales are and any movements on items."

Snap Shot

Industry

Retail / Pet Store

Business Objective

Mega Pet Warehouse needed to replace its retail management software with a package that could scale to support the company as it expanded from one to four stores.

Solution

Microsoft Dynamics Retail Management System V2.0 with Headquarters
Professional Advantage EFTPOS for RMS
Professional Advantage Customer Marketing Solution
Professional Advantage Frequent Buyer Program

Business Benefits

- Centralised management of retail operations
- New electronic frequent buyers scheme has replaced cumbersome card-based system, improving both customer service and supplier reporting
- Marketing decision-making has been through the ability to query customers and capture specified marketing data at the till
- Consistent systems and processes can be rolled out to new stores with ease

Implementation

Mega Pet Warehouse arranged for the software to be deployed. Not an organisation to shy away from a challenge, during the same period the company opened a second store and also closed its original outlet to move to a new location.

It was an exceptionally busy few months and with more than seven thousand stock items to set up, the implementation required time but according to Raso, "It certainly made managing the business easier."

Exploring the potential

The software worked well but in early 2006 the management of Mega Pet Warehouse instigated the search for a new Microsoft partner capable of helping them to develop and expand their information systems. "We didn't think we could go much further with our current supplier," Raso says. "We had ideas for loyalty software and marketing programs but our then partner didn't do development." Realising they'd outgrown the supplier, Mega Pet Warehouse turned to Professional Advantage.

Jeff Fouracre, Retail Business Manager at Professional Advantage comments, "We first met Mega Pet Warehouse management at a trade show. I think the fact that we spend every day working with the Microsoft Dynamics suite of products and that we have developed a great many software add-ons were very important to the Mega Pet team. They could see that we were capable of not only developing a solution but we could also support them and help them make the most of their IT investment over the long term."

Benefits

The first project given to Professional Advantage was the development of a frequent item buyers system; software that would support the chain's management of a pet food supplier's incentive scheme for consumers. Until now the scheme had been card-based and manual.

Professional Advantage's solution removes any reliance on cards by capturing and tracking relevant purchase data electronically and printing incentive updates on the bottom of each customer's receipt. It also prompts staff when a customer achieves the required number of points and provides a list of available gifts. The data capture has made it easier for the stores to provide monthly reports to the pet food suppliers sponsoring the incentives and it has also improved customer service.

"We wanted to keep it transparent for the customers," Raso says. "Most of the smaller pet shops are still using card based systems. We'd be one of the first to introduce such sophistication."

The Professional Advantage Customer Marketing Solution followed. Designed to capture marketing data, the software prompts staff to ask customers a predetermined question when finalising a purchase at the till.

The questions are changed every couple of months and help to identify data such as postcodes or advertisements that shoppers responded to. This data is then used to better target marketing campaigns, advertising and special promotions.

The chain has also deployed Professional Advantage EFTPOS for RMS, a software solution that complements the Microsoft Dynamics Retail Management System and speeds customer service by enabling EFTPOS transactions to be integrated directly into the Microsoft system.

In amongst these projects, in April 2007 Mega Pet Warehouse opened its fourth store. The Microsoft Headquarters module made it a relatively simple matter to roll-out the chain's systems and processes to get the store up and running. The software also ensured that management had a continual view of operations, enabling it to provide the additional nurturing necessary in the store's early days.

Future

With innovations such as a kids club, online competitions and the planned introduction of a store-wide rewards program and a Global Gift Vouchers program from Professional Advantage, Mega Pet Warehouse is continuing to add value for its customer community. Raso is confident that there is plenty of opportunity for further expansion and suggests that additional outlets are an option for the future. It's a step that will be made much easier given the company's investment in getting the right technology foundations.

"Professional Advantage has been crucial in helping us to improve and grow our systems in ways other providers couldn't." Raso notes that some of the development activity has taken a little longer than he might have liked before concluding, "In the end, Professional Advantage has always come through with what we've wanted and asked for."

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Please contact us:

Web: www.pa.com.au/microsoft
Email: microsoftinfo@pa.com.au
Phone: 1 800 126 499