

Motherswork Gains Business Peace of Mind with HP rp5700 Retail/Point of Sale System



Turning a passion into business

It is the *gung ho*, dare-to-try spirit of two mothers that transformed Mothers Work Pte Ltd (Motherswork) over the years into a lifestyle retailer that is known for its high quality, highly differentiated maternity and baby products. It started in 1998 as a passion and hobby for founder—Sharon Wong, who wanted to give expecting mothers fashionable alternatives to maternity dresses. Together with partner, Swedee Chin, Motherswork has grown and now boasts of three stores, namely Motherswork Baby, Motherswork Kids, and Motherswork Big is Beautiful.

Over the years, Motherswork has been able to maintain its competitive edge by being the first to market with unique products that address emerging parenting and lifestyle needs. And one of the success factors that has helped the company stay at the forefront of the retail market is the management's decision to leverage technology to sustain and drive the business. That is why it implemented the HP rp5700 Retail/Point of Sale System in October 2009 that not only tracks transactions on the shop floor. It also gives management the data visibility and data integrity that they need to make better business decisions, optimize inventory, and minimize overheads.

Keeping pace

"One of the biggest challenges we face is that the parent consumers of today are a very savvy and sophisticated crowd," says Wong, Managing Director for Motherswork. "A lot of them walk in to the shop already knowing what they are looking for." This means that the company will always have to stay one step ahead of consumers' trends and needs. Staff too, are always kept on their toes as well-informed shoppers expect to be served by sales assistance with in-depth product knowledge.

Its four-year-old point-of-sale (POS) system, however, had been unable to adapt and grow alongside Motherswork's rapidly changing needs. "At that time, we had a stock-keeping unit (SKU) of 8,000," says Chin, Director for Motherswork. "Now we have a SKU of 13,000, plus three shops and one soon-to-be-launched outlet to manage. Our business simply outgrew the system."





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Sharon Wong,
Managing Director,
Mothers Work Pte Ltd

As a result, stocktaking became a difficult and time-consuming task as the legacy POS system was unable to generate inventory data and reports quickly and accurately. Explains Chin: “Stocktaking was a very painful exercise. Actual merchandise count versus system count would not tally. Furthermore, variance reports took about two weeks to produce after stocktaking.”

And that was simply unacceptable in the fast-paced retail industry. “By the time we cleared up the discrepancy, our stock had moved forward. This rendered our reports obsolete, and the data we had could never catch up with existing stock. This affected our profit and loss,” adds Chin.

Data accuracy is critical

Motherswork had no way of determining if its opening stock and closing stock data were accurate as well. “When you have that many SKUs like ours to manage, you need a POS system that can give you an accurate overview of your inventory,” says Wong. This is especially critical in the retail business where margins are wafer thin, and business success depends on how well retailers optimize their inventory and minimize overheads.

“Inventory management is very important to us, and we couldn’t do that effectively with the old system. Without accurate inventory data, it’s almost like we were ordering goods blindly. And when there is a discrepancy in inventory data, we didn’t know what went wrong exactly,” adds Wong. Not only did this make it difficult for Motherswork to manage cost and prevent overstocking, they had no accurate insight to consumers’ likes and dislikes either.

Highly flexible solution

But the HP rp5700 Retail/Point of Sale System changed all that. Implemented by its valued solutions provider Integrated Retail Management Consulting (Integrated Retail), the HP system gives both Chin and Wong the data integrity they need to ensure business sustainability and profitability. Furthermore, it offers the modularity that they require in a new POS system. Explains Chin, “I take comfort in the fact that with HP’s solution, I can just add the components I need when my company’s needs grow.” Furthermore, the software—Retail Pro—that was recommended and implemented on the HP system by Integrated Retail is one of the world’s leading POS software that allows Motherswork to optimize its retail POS environment and which offers the best price/performance, adds Chin.

Applicable in various POS configurations, the HP rp5700 Retail/Point of Sale System is a flexible POS platform that can go from the front of the store to the back office with a retail-hardened design that is relevant today and beyond to help maximize business results. A retail-hardened design means a consistently reliable, high-quality product retailers can depend on with features such as gold plated connectors for longer wear and poly-fused power ports to protect against power surges.

The HP solution also offers a broad choice of fully supported client management solutions that maintain and update the POS for minimal business disruptions. Its five-year lifecycle coverage ensures that core components and key technology will be held stable and supported to ease the complexity of rollouts. Additionally, the HP rp5700 Retail/Point of Sale System is outfitted with security solutions to protect important data and information at all levels.



“When we expand overseas, we need state-of-the-art technology to handle that growth. For that, we will definitely use the HP rp5700 Retail/Point of Sale System.”

Swedee Chin, Director,
Mothers Work Pte Ltd

Perfect for SMEs

What made the HP rp5700 Retail/Point of Sale System stand out from other POS solutions that Motherswork evaluated is also the fact that HP is a trusted brand with support that the management can rely on. This is important for a small and medium enterprise (SME) like Motherswork, which does not have a big IT team to support a complex POS system or even a highly customized one like its previous system.

“HP is a well recognized brand as a major business solutions provider,” says Chin. “The HP rp5700 Retail/Point of Sale System is robust, yet user friendly enough and does not require a specialized and intensive IT savvy team in-house to maintain.” Best of all, when the time comes for business expansion overseas, Motherswork can depend on HP to provide the support they need, any where in the world.

“The HP POS solution is an exact fit to our business model and mostly importantly, it is easy for our front-end staff to manage,” adds Chin. The company installed four units of the HP rp5700 Retail/Point of Sale System, and implementation took two months to complete. To ensure a successful implementation, Integrated Retail aligned the Retail Pro solution with Motherswork’s business requirements. For instance, it localized the software to conform with local goods and services tax (GST) requirements and defined how frequently reports should be sent to the managers’ e-mail. The solutions provider also improved Motherswork’s existing workflow based on industry best practices as well as their in-depth experience working with retailers.

“What I like about Integrated Retail is the fact that they are very experienced,” says Chin. “When I tell them about our challenges, they know what I am talking about. And because of their experience, they are very forward thinking. They know the issues I will face when I expand or introduce improvements to our business, and they are able to propose solutions to address the issues.”

No more guesswork

With the HP rp5700 Retail/Point of Sale System up and running, both Chin and Wong now have an accurate bird’s eye view of their business. “The HP rp5700 Retail/Point of Sale System took the guesswork out of business planning,” says Wong. She is also able to operate more efficiently and effectively now, thanks to the accurate inventory reports she can extract instantly any time she wants. As a result, she is now ordering her goods more frequently—every two to four weeks, as opposed to four to six weeks previously.



“We would prefer to order lesser amount of goods more frequently so that we do not overstock. When you carry more goods than you need to, they can become obsolete very quickly,” adds Wong.

The HP rp5700 Retail/Point of Sale System has also reduced time taken to generate variance reports from two weeks to just one day. The system has given management greater insight to consumer trends and product sales as well, which enhances their decision-making process. Elaborates Chin: “Now I can drill down the data to see exactly how well a brand is selling or compare sales of my strollers across different brands. I can see my profit margin per product as opposed to guessing what it might be.”

Enhancing staff's productivity

Previously, staff's productivity were also affected when, due to wear and tear, its legacy POS system had to be maintained and serviced. This led to frequent system downtime, which meant that staff had to manually issue receipts to customers, which is a time-consuming process. Not only that, once the system is up and running again, staff had to re-enter the data in to the system.

“HP's POS system is a more robust and secure solution. No more machine downtime means normal business operations can go on smoothly without unnecessary interruptions, which can be very costly for us,” says Chin. Having the HP rp5700 Retail/Point of Sale System in place also means that Motherswork can expand or introduce new concepts quickly without having to worry about whether the POS system is able to adapt.

For instance, the new outlet that the company is opening by end of 2010 in the Marina Bay Sands integrated resort will be running on the HP POS solution too. Additionally, when it made a decision to introduce a café at its Motherswork Baby store in July 2010, the management found that with the help of an add-on module, it is able to use the same HP system for tracking café transactions. It is also able to use pictures to represent each item, making it easier for staff to identify and key-in the item, thereby increasing their productivity. Transaction data for the café will also be consolidated and presented together with data from the rest of the stores at the end of the day.

Peace of mind

The HP rp5700 Retail/Point of Sale System has given Motherswork the confidence to achieve even bigger goals in the future.

“When we expand overseas, we need state-of-the-art-technology to handle that growth. For that, we will definitely use the HP rp5700 Retail/Point of Sale System,” says Chin. “We are already using HP servers and HP PCs in our office, and we have been very happy with the performance and reliability of HP's products. So when we expand, we would most likely duplicate the current set-up we have.”

CHALLENGE

- Legacy point of sale (POS) system was unable to adapt quickly and cost efficiently to Mothers Work Pte Ltd's (Motherswork) constantly evolving business needs.
- Management was unable to retrieve accurate inventory data on time, which affected business decision making.
- Wear and tear over the years led to frequent system downtime, which affected staff's productivity.

SOLUTION

- HP rp5700 Retail/Point of Sale System

RESULTS

- Enhanced decision-making process as management is able to retrieve accurate inventory data and generate sales report as and when they need it.
- Reduced time taken to generate variance report from two weeks to one day.
- Improved management's ability to optimize inventory and prevent overstocking.
- Gained greater insight to consumer trends and sales performance.
- Enhanced staff's productivity by allowing them to focus on serving customers rather than troubleshooting a faulty POS system.
- Sharpened competitive edge by adding new features to the HP rp5700 Retail/Point of Sale System only when business requirements change.
- Gained peace of mind as HP is a trusted brand with support that Motherswork can rely on worldwide.

