



Creating Brighter Solutions

Case Study

Leading direct home shopping company, JD Williams, has derived a raft of bottom-line business benefits following the implementation of a supply chain management solution from Kewill in its direct despatch business.

JD Williams



Background

JD Williams & Company Limited, part of N Brown Group plc, is the UK's leading direct home shopping company, operating over 20 successful catalogue brands. JD Williams' catalogues offer a huge selection of clothing and other products for all ages and sizes.

The company was founded in 1875 by James David Williams, who in 1882, was the first to make use of the UK's parcel post service, to send his company's products direct to his customers. The formula of providing quality, fashionable, value for money clothing direct to customers proved increasingly popular towards the latter end of the 20th Century and JD Williams enjoyed significant growth. This continuing growth has ensured JD Williams is the most successful direct home shopping company in the UK today, with over 2 million customers and 4,000 employees.

Challenge

JD Williams is an extremely ambitious company and is looking to significantly grow Internet orders to become a larger proportion of its business, a plan that depends on growing its direct delivery business. The company is looking for growth in this area because direct delivery enables it to reduce stock risks and at the same time, expand the range of products its customers can buy.

However, up until three years ago, the company simply did not have the systems and processes in place to support these plans.

David Schofield, JD Williams direct despatch manager, explains, "We wanted to be an industry leader in this area and our previous systems would not have enabled this to happen. We were a long-established user of EDI but the fees were quite high, something that deterred some suppliers from doing business with us. We also recognised that new developments in EDI technology using the Internet offered us significant opportunities."

He continues, "The system was not totally automated. We lost time by having to print out documents. We also had limited visibility into transactions which created all sorts of problems in terms of claims risks and goods not received. For example, when we placed an order with a supplier we had no sight of the parcel until it was delivered, which at times, meant that it might actually not have been received by the customer in the first place.

This also meant that, we could not easily tell the difference between a lost order that was subsequently fulfilled or a received order that was delivered late. All in all, this gave us reduced control over the supply chain."

Solution

JD Williams chose Kewill Trade, an order management software solution from Kewill. Having worked with Kewill previously over a number of years, JD Williams was comfortable with their approach, which enables buyers and suppliers to work together dynamically, working on products, ranges, merchandising, pricing, fulfilment and returns.

Kewill Trade builds on JD Williams' existing IT and e-commerce investment, integrating with enterprise applications and trading partners' back-office applications. It incorporates key areas of the supply chain: order management, despatch management, delivery management, stock management and invoice management.

Schofield says, "We have a better understanding of what is happening at any moment because we are sharing the same information as our suppliers, meaning we can both improve our efficiency. We have improved control of the process more than ever before and we can now identify and alleviate issues much earlier in the process."

With our previous EDI system, suppliers were faced with relatively high start-up costs, which deterred many of them from signing up. JD Williams has been able to make the new system mandatory for suppliers because even the smallest supplier only needs a PC. Training is provided onsite and suppliers can be up and running within a matter of days. As Schofield explains, "The system allows us to add new suppliers swiftly and the ability to promptly adjust our supply chain, which means that we can take advantage of new business opportunities very quickly. We now have over 250 suppliers on the system and our supplier base has doubled over the past two years."

The system has also been used to support JD Williams' introduction of new brands, such as 'viva la diva', a high fashion ladies footwear website that has emerged as one of the leading direct despatch footwear businesses on the Internet.

Benefits

JD Williams has reported a variety of benefits in using Kewill Trade, in both additional business and lower operational costs.

Schofield says first, "We have been able to grow our direct despatch business because the system gives us the ability to facilitate range expansion." Schofield adds, "From the point of orders being placed, we have already saved 24 hours on order processing because it is all done in real time. Account data is more accurate and we have better control of work in progress. Our customers have also seen a significant increase in the speed of our service."

Claims made by customers due to non-arrival of orders, incorrect or late orders has fallen significantly, from 2% to 0.6%, a fall that has not only saved JD Williams money in having to reprocess orders, but boosted its customer service ratings. The number of returns and cancelled orders have also fallen, because more orders are right first time. JD Williams has cut its telephony costs for outbound and inbound calls because it receives proportionally less goods not received queries and these are also closed more quickly than before.

The company has also saved money because all transactions are automated. Schofield says, "Where invoices used to go through several departments, they now only need to be verified once, so less resource is required. Suppliers don't need to chase for payment and there are reduced queries on settlement discounts."

Future

Using Kewill Trade, JD Williams has already expanded the number of lines it is able to take from individual suppliers, 2,500 with one supplier in particular. Schofield adds, "In the future, we hope to grow our ranges even further as driven by customer demand. We know the Kewill system can handle it."

Because Kewill Trade is modular, JD Williams can select as many or as few modules as it requires, enabling it to implement and improve at its own pace. The company now also plans to make further improvements by adding enhanced reporting capabilities, something Kewill Trade provides because the data is instantly available.

Schofield concludes, "Over the past years we have developed a strong working relationship with Kewill. Kewill is a key partner for us and we're looking forward to further developing our business with Kewill at the heart of our processes."

More Information

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