



Case Study Mitre 10

Merchandise Planning and Scorecard Reporting

Mitre 10 was established in 1959 and is the second largest player in the Australian home improvement and hardware industry. The Mitre 10 group comprises:

- ▶ Australia's only independent home improvement and hardware wholesaler
- ▶ An iconic network of over 450 independent Mitre 10 and True Value retail stores

With a reputation as 'Mighty Helpful', Mitre 10 is committed to delivering friendly service and helpful advice. As a result, Australians have turned to Mitre 10 for assistance with home improvement and 'DIY' projects for more than 50 years.

Stock planning is critical to ensuring that Mitre 10 member stores evolve and thrive in a marketplace driven by fiercely competitive pricing. Core to the retailers' success is knowing what customers want to buy.

Rob Pistritto, Mitre10's Commercial Manager, knows exactly how diverse customers are and that his company cannot adopt a 'one-size fits all' approach to replenishing shelves. Rob states, "Mitre 10 has a unique community model with its stores. While this is a strong basis for our success, because of our local focus, it also means we need to plan more like a wholesaler than a retailer."

A fully owned network can dictate stock to its stores, while Mitre 10 needs to provide the right stock at the most competitive price to member stores. To provide this level of service, Mitre 10 requires an intelligent, multi-channel planning process. For some products on the family tree, the team breaks the planning process down by sales types such as shelf/promotional, sales channel, including retail, warehouse and trade, and the origin of the item (local/imported). Planning for many products is further broken down based on the individual supplier that the product is sourced from.

The complexity of so many interconnected variables hampered Mitre 10's ability to respond quickly to changes. "A major problem with our existing planning process was that numbers continually moved. Final reports would be printed, only

MITRE 10

Retail – Mitre 10 Pty Ltd
Melbourne Australia
www.mitre10.com.au

Challenge:

Merchandise Planning, Reporting & Analysis for 450 branded stores

Source System:

- ▶ Oracle Retek DW
- ▶ Finance One GL

Solution:

Palo BI Suite provides a single, integrated solution for financial, merchandise, channel and key item planning.

Implementation Partner:

Naked Data

Verdict:

"Palo gives our planning team the tools to plan more accurately and intelligently while giving us the flexibility to report and analyse in a more efficient manner."

Rob Pistritto,
Commercial Manager

to realise that forecast changed, which meant the whole process would need to be run again.”

Frequent changes to product family tree/hierarchy meant that the models were in a relentless state of rebuild, *“every tree change required the planning process and reports to be manually updated”*.

With Palo, Mitre10 gained flexibility around the planning process. *“Palo provides us with instant calculations, consolidations, top-down scenarios and re-forecasts so that we can spend more time getting our sales and inventory forecasts right rather than getting the spreadsheets right”* Pistritto says.

Palo empowers the business

Implementation partner Naked Data helped Mitre to move from forecasting monthly parameters for each product department to forecasting weekly parameters for each product sub-department/category. *“We can plan weekly, report monthly and analyse daily in one place. Palo combines actual daily sales and stock measures from our data warehouse so we plan and report straight from Palo. It enables the team to plan stock levels, purchases, and margins whilst recalculating key indicators such as rolling GMROI and stock-turn ‘on-the-fly’. Plus, all of that can be done at any level of the family tree and for any time period.”*

Making it real

To maximise the productivity of the merchandise planners, it was crucial to provide them with an instantly accessible interface to the new system. Palo provides secure reporting and data entry through Office and Palo Web. Palo’s seamless integration with Excel/Open Office meant that the transition from the old system to the new was smooth, swift and straight-forward.

The Naked Data implementation team focussed on empowering the users of Palo to get the most out of it with hands-on, workshop-style training and on-going support. This meant short learning curves, fast return on investment and it even reflected the ‘DIY’ attitude of the brand. Rob Pistritto says that, for Mitre 10, *“the fact that our own team can plan by family tree, build new live reports and dashboards straight from Palo gives us an incredible amount control.”*



All Rights Reserved Naked Data Pty Ltd Jedox, Palo and Worksheet-Server™ registered trademarks of Jedox AG
40 City Road Southbank VIC 3006 | 1 Market St Sydney NSW 2000 | +61 1300 406 334 | info@nakeddata.com