



Sue Ryder moving towards single view of stock across channels

Interview with Katy Faulkner | Head of retail operations and development | Sue Ryder

Charity Sue Ryder is developing into a more complex multi-channel operation and as it does so it is increasingly looking for greater visibility of stock across its business and to utilise data to generate insights.

The not-for-profit charity sells a higher proportion of new goods compared with other similar organisations – at around 10% of total turnover – and this has led to a greater need for visibility of its inventory. This has been accentuated by its desire to further develop its online business and be smarter in the way it handles the movement of new goods around the operation.

To this end Sue Ryder is implementing both Electronic Point-of-Sale (EPOS) and Warehouse Management Systems (WMS) from K3 Retail to give it both a single view of its stock and also knowledge of what goods are selling, across which channel, and within each individual store. This combined insight will have a dramatic effect on the organisation and help it deliver on its primary objective of creating more money for its charitable operations.

Katy Faulkner, head of retail operations and development at Sue Ryder, acknowledges: "The challenge is that we don't have any business intelligence. K3 will expose us to what we don't know, such as what are the best selling lines and where they are selling the best. We'll go from knowing nothing about our stock because at present it simply involves undertaking periodic stock counts to see where, say, the new dolls houses have sold well. The EPOS will be able to fully show us what's happening in the business."

The roll-out of the EPOS system is just about to begin, initially as a pilot, with a scheduled programme of installations across the group's 455 stores to then quickly follow, which will take an estimated nine months to complete.

Work on the infrastructure behind this new solution has been in progress for some time, from the Yorkshire base of Sue Ryder's IT team, and has been undertaken alongside the WMS project that is also just about to go live.

As well as the WMS giving visibility of the goods held within the stores and warehouse it will be extremely beneficial to the company in terms of the ongoing development of its multi-channel capabilities. Managing stock across the different channels has certainly been a challenge for the business.

Sue Ryder's online operations predominantly involve the sale of new goods and include a company-owned website, an online presence hosted on Amazon, and a dedicated store on eBay. Faulkner says that with the latter the company would like to sell more non-new (i.e. vintage) items on the site because such goods will invariably achieve a higher price on such a site than if sold in a single store. The WMS will provide the capability to better merchandise vintage goods alongside the new goods sold online.

It will also undoubtedly help Sue Ryder as it develops new store formats, which presently include a budget brand store such as the outlet in Doncaster that sells all goods at £2. "We're testing this type of pricing model at the moment," says Faulkner.

There are also a number of successful retail park stores that are sufficiently big – at 5,000 sq ft versus the 2,500 sq ft of a regular store – to be able to stock large items that have been donated, including bulky goods like furniture.

Faulkner says another potential benefit that could be derived from the business intelligence aspect that the new EPOS solution will deliver is a loyalty programme type of capability. Unlike at private retailers Sue Ryder could gain benefit from tailoring this to its donors rather than its regular customers.

"We could be loyal, in some way or other, to our donors. They all have a choice of which charity they donate their goods to and so we could use the data we have on what they've donated to help us build better relationships with these people," she says.



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