

LAKELAND

Case Studies



LAKELAND

Cooking perfection

Ask Sam Rayner, MD of Lakeland Limited, the secrets of their sustained growth and he will tell you that there are no secrets. Dig a little deeper and you first notice that they have totally engineered their business to please their customers at every touchpoint. This is reciprocated by customers who feel as if they belong to a club in which they are encouraged to express preferences and suggest ideas for new products.

As a major mail order and retail vendor of 'creative kitchenware' this has provided the platform for year-on-year growth of 10-20%. Forty years after the company was first founded, they employ 2000 employees, generate thousands of orders per day and have a portfolio of 4000 product lines.

This customer centric philosophy is evident across a range of measures. Currently, over 13 seasonally based catalogs are produced every year and mailed to a worldwide customer base of over one million households.

Vendors are encouraged to innovate and develop new products which are thoroughly tested by Lakeland Limited. All products have an absolute guarantee which provides for a full refund without the vendor needing to return the faulty item.

Many of their lifelong customers prefer to talk to their team of Customer Service operators who can offer friendly advice or information on all of their product range. As Sam says, "Great customer service is free".

Customers can shop from their growing network of 68 retail stores which apply the same level of 'customer first' principles.

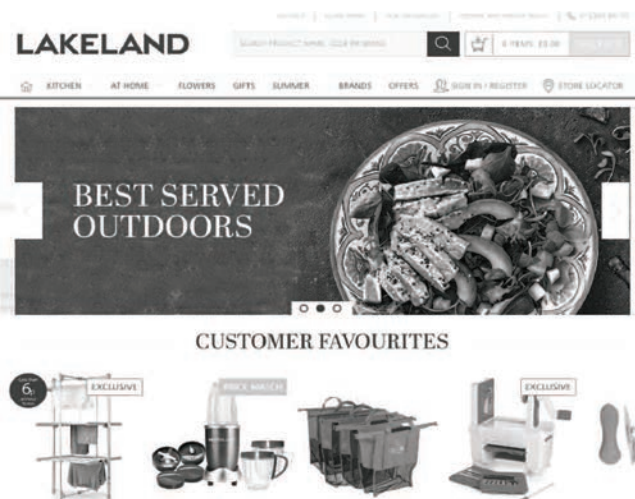
Whether by mail, web or telephone all customers are guaranteed a rapid delivery of their order – their 80,000 sq. ft. distribution centre in Kendal provides a well organized and efficient operation in which a relentless flow of orders are automatically loaded for dispatch.

At the heart of their systems they had been successfully using PROPHIT order management software. As Sam comments, "This was an exceptionally stable, scalable and reliable system which had provided us with excellent service for more than 15 years – PROPHIT owed us nothing".

What was required now was a 'best of breed' solution which had to integrate with other recently acquired warehousing, online selling and POS systems to create an omni channel retail platform. By any measure this was a complex and demanding project where both the opportunity and risk were considerable.

On top of Lakeland's list of required functionality was a system which managed in real time the whole cycle of order management and crucially linked together each sales channel. As Sam comments, "Over the past few years, our retail network and online store have grown very rapidly alongside our traditional mail order business. As a multi-channel retailer, the management of stock availability is absolutely critical in ensuring we can immediately satisfy customer orders irrespective of their source".

Lakeland Limited required a more flexible, intuitive system which enabled the customer service team to access a complete range of customer information and have a more natural interaction with the customer.



MNP the solution

Simple requirements such as e-mail addresses and multiple telephone numbers needed to be added to customer contact records. In addition, a whole new level of 'what if' customer functionality was needed to handle domestic requirements as well as the ability to cope with multi-currency, multi-language and multi-tax requirements for online selling and plans for international expansion.

The system also had to be very user friendly. "It's easy to underestimate the amount of expertise and knowledge that a business accumulates by working with a system for 15 years. When you migrate to a new system you instantly lose this comfort zone – and change is difficult to introduce unless it's easy to use and the benefits are immediate" comments Sam.

Lakeland Limited eventually chose MNP as their vendor for the project. Although cost and the existing functionality of MNP's software was important, it was MNP's fit with their business and their operational flexibility that was crucial and after a series of intensive development and testing phases, Lakeland Limited finally switched off PROPHIT and successfully went live with MNP's system.

So what are the major advantages to Lakeland from their new system? At the moment, it's far too early for them to measure the impact on their business but Pierre D'Arbost, MD of MNP provides some early clues on where they are likely to benefit.

"There are some obvious quick win benefits for Lakeland. During the testing phase, our system reduced average order taking time by about 20%. It also reduced the system training for new members of Lakeland's Customer Service team from six weeks to less than two weeks. This will have major benefits for a 24 hour operation that employs 200 staff taking an average of six product lines per order. Interestingly, many of the operators have provided good feedback on how the system provides for greater interactivity with the customer".

One of the other key areas that will represent a significant change for Lakeland Limited is how they use the new system to manage demand. Better quality customer data will feed an in-built 'RFM' tool and put them in a much better position to model and segment customer data and improve the responsiveness of their marketing. This in turn will enable them to deploy their resources more effectively by managing the optimum mix for each of their sales channels.

As Sam concludes, "Lakeland's challenge has been to retain the values of a family business while maintaining high levels of growth. This means that we have had to ensure that each of our business processes helps exceed our customers' expectation. MNP has delivered an OrderActive order management system which will provide us with an even better platform to apply our core business philosophy – look after the customer and the business looks after itself."

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