**CASE STUDY** 





# AMERICAN DISCOUNT STORE Scales Merchandizing Operations through platform Modernization





#### About the Client

The client is a US-based retailer with a chain of specialty discount stores selling products priced up to \$5 and a niche assortment of products from \$6 to \$10. The company employs over 90,000 associates and operates over 1,000 stores across 28 states in the United States. They offer a wide range of merchandise across categories like fashion, leisure, and home.

### Background

The leading discount store chain decided to expand store operations across 10 additional markets, extending their reach to 38 states and amplifying store capacity from 1,000 to 2,500. However, they soon realized that the current operational model and legacy technology platform could not scale to support the business vision. Despite having a clear business strategy of growth, the expansion plan was being derailed by the legacy merchandising system that was unable to scale, both in feature and process efficiency to meet the business requirements.

There were multiple functional gaps in the existing systems, which required significant manual effort by business users to keep the

processes operative. Performance latencies, data inconsistencies, a fragmented landscape, and architectural limitations made it critical for the client to modernize their business technology systems. To realize their expansion ambitions, they needed a robust cloud ecosystem with merchandizing model scalability and enhanced user experience.

### **Solution Objectives**

Upscaling the technology platform was one of the main transformation objectives. Another was ensuring operational scalability and harmony.

For the technology modernization initiative, the focus was on modernizing

the merchandising platform and infrastructure and enabling business process automation to facilitate easy operations.

From a scalability perspective, the new modernized platform had to be scalable enough to align with market expansion plans and meet retail merchandising needs. Moreover, the client wanted the retailing solution to be best-in-class with niche functionalities like item induction, retail trade imports, and price management. Besides increasing operational efficacy, it also had to effectively harness data for intelligent real-time operational insights.

## **Infosys Solution**

The main focus was to transform the inflexible on-premises legacy merchandising system into a modern merchandising cloud platform that could support next-gen retailing functionalities. This was critical for the specialty discount retailer to achieve their vision of wider market access.

To meet the client's business drivers, Infosys chose Oracle Retail Merchandising Cloud Service. The Oracle suite of applications implemented includes Oracle Retail Merchandising Foundation Cloud Service (including Sales Audit), Oracle Retail Pricing Cloud Service, and Oracle Retail Invoice Matching Cloud Service. To facilitate a collaborative and scalable ecosystem, Oracle Retail Cloud Integration Architecture was used along with Oracle technologies and Azure data platform.

Infosys worked towards enabling the following solution capabilities for the client:

- A modern technology platform that uses APIs and Kafka to deliver modularity, performance, and reliability
- Item induction based on vendor quote sheet, spreadsheet inputs, and purchase order induction
- A bespoke direct-to-store delivery solution for automated invoice generation

- 95% auto-matching of invoices that aligns with corporate guidance and matching parameters to meet company policies and supplier agreements
- An actual landed cost solution where expenses are apportioned across all stockholding locations through integrated workflows

The new cloud merchandising platform has enhanced product features, readily available for its users, thus paving the path for continuous improvement. Migrating from legacy to cloud has helped the client cut maintenance costs of on-premises infrastructure while supporting their expansion plans.

### **Business Benefits**

The Infosys implementation of Oracle Retail Cloud is seamlessly supporting the client's business expansion plan to grow from 1,000 to 2,500 stores. Other benefits delivered are:

- Striking improvements in scalability, cost-effectiveness, and platform reliability
- High degree of automation is built into processes, helping the retailer drive efficiency and accuracy while reducing the administrative workload of employees
- Exception-based retailing across merchandising, pricing, invoicing, and sales audit is enabling business efficiencies
- Single and accurate view of inventory, product data, and transaction details purpose-built for the analytical and experiential requirements of the modern retailer





Infosys has led multiple Oracle Retail Cloud implementations that are fully integrated with the retailer's existing enterprise applications, business processes and IT operations. This also includes the first worldwide Retail SaaS Merchandising implementation. Leveraging its flawless track record of on-time and on-budget engagements, Infosys delivered the complete Oracle Retail SaaS implementation, fully integrated with existing enterprise applications, business processes and IT operations in a record time of 10 months.

Infosys Cobalt is a set of services, solutions and platforms for enterprises to accelerate their cloud journey. It offers over 14,000 cloud assets, over 200 industry cloud solution blueprints and a thriving community of cloud business and technology practitioners to drive increased business value. With Infosys Cobalt, regulatory and security compliance, along with technical and financial governance comes baked into every solution delivered.



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