

Ironmongery Direct

Forging ahead with strategic IT partnership

Customer Case Study

Industry:

Traditional Architectural ironmonger
Mail Order, CRM, Distribution, Call Centre, Fulfilment,
Catalogue, Financials, Shops, eCommerce

IronmongeryDirect

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Based in Essex, Ironmongery Direct was established over 35 years ago as a traditional architectural ironmonger. They are now one of the oldest independent ironmongers in the UK and are a family business which embraces the values of competitive pricing backed up by standard-setting service levels.

In 2001, Ironmongery Direct selected Exact Abacus as their strategic IT partner to help the business meet ambitious plans for growth. The 3EX total software solution is hosted and managed at Exact's datacentre in Chorley, Lancashire, accessed by operators via an inexpensive Virtual Private Network. The partnership agreement eschews capital expenditure in favour of a turnover-linked monthly charge, which includes unlimited software licensing, support, upgrades and platform hosting. The 'risk-and-reward' sharing nature of the partnership particularly appealed, Ironmongery Direct Managing Director Chris Bass explains: *"Many software companies make bold claims about their products. We sought and found a partner that was willing to actively participate in our commercial strategy. We strongly believe that we have secured a competitive edge through use of advanced technologies that Exact Abacus have introduced to our business during the course of the relationship."*

Ironmongery Direct stock a wide and complex product range, from screws to complete spiral staircases, from a single lock to complete security systems. Competing in a price-sensitive marketplace, Ironmongery Direct have predominantly bulk purchasing agreements with suppliers to secure economies of scale and the lowest possible wholesale price for their customers. Customers include builders, joiners and shop fitters to schools, hospitals and DIY enthusiasts. Payments are made either on account or using all major debit/credit cards.

Ironmongery Direct publish an annual catalogue, supplemented by segment-specific product offers. In 2005, a new Exact-developed webstore was launched offering the full product catalogue and self-service functionality. Chris explains: *"We found that most of our customers are time-pressed and conducting an ever-increasing amount of business on-line, especially out of working hours. In response, much time has been invested into the design of our new webstore to ensure the quality of service and information is consistent across all routes to market 24 hours a day, 7 days a week."*

Our relationship offers Ironmongery the on-demand resources and skills of a proven IT services company within an incentivised and mutually beneficial framework. The 3EX system impacts on every department within the business and has enforced disciplines which have helped the business grow whilst controlling costs.



Administering over 5000 changing product lines across multiple catalogues and a webstore demands an efficient content management process. In response, Ironmongery Direct selected Pindar's CMS solution, which seamlessly integrates with the master product file held in 3EX and provides a WYSIWYG view of catalogue page designs and reduces the time from draft to press by over 25%. Ironmongery Direct hold a vast quantity of stock and dispatch over 200 parcels per day. The 3EX stock control module locates items within the warehouse using logical co-ordinate references which enables controlled management of put away, picking, replenishment and stock checking tasks.

All items and documents carry barcodes to ensure 100% pick/pack accuracy. Parcel consignment numbers and labels for all carrier services are automatically produced just-in-time at the pack station using the 3EX-SHIP plug-in module. Chris continues: *"The effort to implement barcode error-checking and carrier integration has been handsomely repaid in terms of cost savings and a greatly enhanced customer service over 99.5% of our dispatches are correct and can be tracked from initial capture through to proof of delivery."*

As a consequence of staff savings, redeployment and increased throughput, Ironmongery Direct approximate that their processing costs per order have been reduced by over 30% since implementing 3EX. The partnership even extends to on-demand contact centre and logistics support services. Ironmongery overflow incoming calls to Exact's 25-seat contact centre which handles orders and queries directly on their 3EX system, ensuring accuracy of information and enhanced customer service. This service is available from 08.0020.00 7 days a week and enables Ironmongery to offer extended hours and reduce 'lost' call numbers to less than 2%.

Chris concludes: *"We face a common challenge in the mail order industry ensuring that our resource is in the right places at the right time. We have grown by over 35% year-on-year since 2000, but would not have been able to achieve this without the systems and support delivered by Exact. Our relationship offers Ironmongery Direct the on-demand resources and skills of a proven IT services company within an incentivised and mutually beneficial framework. This approach to IT is not common within the industry, but I believe it provides an insight into what can be achieved if customers and vendors recognise each others objectives at the outset."*

