

Managing fulfilment at Mothercare

Mothercare provides mums-to-be and busy parents with a convenient way to shop for essentials by using mail order and the Web. Customers can also place orders at Mothercare's retail outlets for goods not available in-store.

This has resulted in £24.0 million worth of direct orders each year, which are processed using Sanderson's Mailbrain software solution. Mailbrain enables Mothercare to effectively manage fulfilment costs and increase profit margins. The ability to guarantee exceptional service levels, such as quick delivery and intelligent marketing promotions, adds further value for direct customers.

Mothercare is committed to being the leading specialist retailer in its field, by offering the widest range of clothing, hardware and toys for pre-school children. 3,162 employees handle £426.9 million annual sales through the company's 245 UK stores and 194 overseas franchises across Africa, Europe, the Far East and Middle East.

Contributing to these sales is Mothercare Direct, the mail order catalogue, and mothercare.com, the shopping and information website. Mothercare needed a system that would efficiently process orders through these channels, enable it to consistently meet its 4-day delivery promise and generate accurate statistics that could be used to develop initiatives for building relations with its direct customers. Mailbrain was chosen for the job.

Santino Akinfenwa, Mothercare's Project Manager, explains: "We originally used our central system to fulfil direct orders. However, maintaining this functionality proved cumbersome as the business grew and opportunities to expand into other direct selling channels presented themselves."

"Mailbrain offered an appropriate tool to perform these functions and, because it operates within an open systems environment, it could tie in with our existing IT infrastructure. Mailbrain was initially installed to handle incoming catalogue orders through our 60-seat call centre. Three months later, we web-enabled the direct service to create Mothercare.com."

Mailbrain integrates traditional and e-commerce channels via an end-to-end software solution that provides a single view of the customer throughout the entire distance selling process. Mailbrain can be applied locally or across wide area networks, integrating with best-in-class third party systems and providing a modular, scalable framework to accommodate change and growth while maintaining continuity in existing business processes.

Mailbrain was interfaced to Mothercare's central system, which handles retail goods - in, warehousing at a remote location and financial processes. This was simple as Mailbrain is available on Microsoft Windows NT, Windows 2000, Windows XP or several Unix platforms, so changing Mothercare's existing infrastructure was not necessary.

Mail order customers receive catalogues mailed from the central database. To place an order, customers simply contact the call centre, which is open 7 days a week, quoting their postcode. Using QAS (Quick Address Systems), Mailbrain locates the customer's file from the Mailbrain database and pops it up on the operator's screen.

Solution Summary

Customer Profile

- Specialist multi channel retailer for mums to be through to pre-school children

Challenge

- To provide a management solution for Mothercare's mail order and on-line channels

Solution

- Install Mailbrain to fulfil direct orders from catalogue and online sales and provide valuable analysis

Benefits

- Mailbrain can be installed without any need to change Mothercare's existing infrastructure
- Efficient order processing means stock is delivered to mail order and web customers on time
- Management information is used as the basis for future marketing campaigns
- Reduced costs due to elimination of sales and warehouse inefficiencies



Mailbrain has enabled Mothercare to expand and manage its mail order and on line channels



The operator then enters order details directly onto Mailbrain prompted by simple screen menus. Access to real-time information means that delivery dates can be guaranteed as Mailbrain is linked online to the remote warehouse to check stock availability. Where items are out of stock, Mailbrain prompts the operator with alternative goods as well as appropriate cross-sell opportunities to maximise sales.

Mailbrain facilitates electronic payment transactions so customers can pay for their goods at the time of the call using major credit, debit cards or store. Once completed, these transactions are uploaded to the central system so that Mothercare's financial department can carry them through the company's internal accounting processes. To simplify day-to-day accounting further, Mailbrain processes payment from Mothercare's overseas customers in sterling currency.

In the same way, Mothercare's stores can use Mailbrain to place orders and take payment via the sales tills for items that are not in stock at the store. Alternatively, customers can use the website to place orders, which is updated by Mailbrain every 10 minutes with information from Mailbrain relating to stock availability and new products on offer. For further cost savings, time spent by Mothercare's call centre staff dealing with routine enquiries is reduced, as customers can also track their accounts and delivery progress online.

However, efficient order processing is only part of good customer relations. Because Mailbrain allows customer profiles to be kept on the system, providing details of full purchase histories, Mothercare can personalise its service to individuals to add further value to customer service and improve acquisition rates.

For example, by using Mailbrain data, customer behaviour can be analysed and appropriate and timely marketing campaigns organised based on the findings. Any special promotions which the customer is eligible for are then automatically highlighted when placing an order through the call centre or via the website. Likewise, seasonal promotions can be developed around popular products and trends.

Fulfilment of Mothercare's direct orders is handled from its UK warehouse. Once a telesales, web or retail store order is entered onto the system, Mailbrain creates a picking list, confirmed to the warehouse. Items are listed in the order they are stored within the warehouse to ensure accuracy and speed of picking.

This reduces staff costs as resources are not wasted rekeying orders or looking for goods, while customer service levels are kept high as these resources can be utilised more productively to ensure agreed delivery dates are kept and the opportunity for errors in fulfilling orders is minimised.

Once an order has been fulfilled and packaged, Mailbrain produces delivery documentation for the customer stating the goods ordered, the cost and method of payment used. Mailbrain's link to Metapak's Delivery Management System is used to choose the optimum carrier which has significantly reduced overheads.

Mothercare's Santino Akinfenwa concludes:

"Efficient order processing has played a key role in Mothercare's catalogue and website business, growing steadily to a 48.8 per cent sales increase in 2001. We are confident that Mailbrain's flexibility will enable us to continue building strong relations with our direct customers, fuelling future growth and success in this area of our business."



Mailbrain automatically generates picking lists for increased efficiency



Orders are captured quickly and efficiently, improving service and productivity



Mailbrain enables analysis of customer behaviour and characteristics to define timely and appropriate marketing campaigns

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