

Customer Case Study



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Bob's Stores Keeps Customer Interests at the Forefront

Industry

Apparel and Footwear Retailer

Challenges

Bob's Stores' existing replenishment system presented limited capabilities. The company needed to ensure the availability of the right products at the right stores at the right time.

The retailer knew it could maximize its inventory investment while reducing costs and stock-outs with new technology.

Solution

- JustEnough Demand Forecasting
- JustEnough Replenishment

Results

- 16 percent reduction in average inventory ownership at the store level
- 9 percent increase in the number of apparel and footwear assortments that have met Bob's Stores' in-stock goals
- Reduced overstocks, product obsolescence and lost sales with improved forecasts that represent true customer demand
- Improved ability to maintain some safety stock in a central location, versus in the back rooms of stores

Established in 1954, Bob's Stores Corporation sells name-brand clothing, including casual and sports apparel, and footwear at discount prices for men, women and children. The regional chain operates 34 stores located throughout six northeastern U.S. states – each of which averages 45,000 square feet in size. In footwear alone, Bob's Stores carries more than 35 brands and approximately 20,000 pairs of shoes per store.

But Bob's Stores doesn't just hang its hat on its amazing product selection: the retailer's reputation lies in providing its loyal customers with a rewarding shopping experience. That means offering the

best selection of brands for a good value – all while ensuring the business carries an affordable level of inventory. When its legacy replenishment system started to challenge this philosophy, Bob's Stores knew it needed to take a stand.

"The system we had in place for more than 15 years presented limited capabilities," said Victor D'Amato, assistant vice president of planning and analysis, Bob's Stores. "We were facing significant challenges in terms of scalability and sustainability, which compelled us to seek out more advanced replenishment technology."

Looking for Quick ROI, High-Impact Solutions

Bob's Stores' business objectives were straightforward: the solutions needed to ensure that the right inventory is available at the right store location and at the right time – every time.

powerful inventory management reporting tools. JustEnough Demand Forecasting automates the production of the retailer's forecasts, accommodating everything from erratic products to seasonal variations and trends. Smarter forecasts that represent true customer demand ensure that Bob's Stores avoids overstocks, product obsolescence and lost sales.

“JustEnough's Replenishment and Demand Forecasting solutions met all of Bob's Stores business requirements – and would also provide the highest potential return on investment.”

Victor D'Amato, assistant vice president of planning and analysis, Bob's Stores

“Ultimately, in replenishment planning, it's all about enhancing the customer experience by reducing stock-outs,” D'Amato explained. “We knew that if the solutions we chose could help us accomplish this goal while also helping us maintain a sufficient level of inventory, we would achieve a high-dollar return on our technology investment. More

importantly, we'd keep our customers happy by stocking our shelves with a broad, fresh selection of apparel and footwear products.”

Bob's Stores had looked into new replenishment and forecasting solutions in the past; however, the high cost to imple-

ment and maintain them held the company back from licensing advanced technology. When the retailer could wait no longer, a highly regarded analyst firm recommended that the company look into JustEnough Software.

“As it turned out, JustEnough's Replenishment and Demand Forecasting solutions met all of Bob's Stores' business requirements – and would also provide the highest potential return on investment,” D'Amato said.

Deploying JustEnough to Enhance Inventory Management

The JustEnough solutions give Bob's Stores critical insight into its forecasting needs, along with

With JustEnough Replenishment, the retailer can leverage a forward-looking, time-phased ordering plan that considers both the demand forecast and its existing inventory plan. The JustEnough solution then suggests the most cost-effective ordering pattern to achieve the company's targeted customer service levels.

The initial rollout of the JustEnough solutions commenced in 2009. In mid September of 2010, Bob's Stores embarked on a three-month project to gain additional functionality from the JustEnough solutions. The latest rollout was completed at the end of December that same year.

“The most recent JustEnough implementation will allow us to leverage our existing infrastructure to maximize benefits,” D'Amato noted. “Since our distribution center is located within a single drive of any store within our chain, we can maintain some of our safety stock in a central location – rather than in every store's back room. Therefore, we'll be able to reduce our inventory overhead costs even more.”

This change will also ensure that the retailer's stores always have the stock on hand required to meet the needs of its customer base – all while reducing Bob's Stores' inventory spend.

Achieving Bottom-Line Benefits – Now and into the Future

Within the first year after completing the initial rollout, Bob's Stores reduced average inventory ownership by 12 percent. The following year, that figure dropped by another 4 percent. Additionally, the number of apparel and footwear assortments that have met Bob's Stores' in-stock goals increased by 9 percent during that same timeframe.



“Having much better control over how we manage our inventory levels and how much we invest in our products gives us a significant competitive advantage.”

Victor D’Amato, assistant vice president of planning and analysis, Bob’s Stores

“Inventory is one of the greatest costs in retail,” D’Amato said. “Having much better control over how we manage our inventory levels and how much we invest in our products gives us a significant competitive advantage.”

Bob’s Stores looks forward to the benefits it will achieve in the future with the added solution functionality. Currently, the retailer is finishing a month-long training project to help its users adapt to the new replenishment and forecasting processes that are now in place.

“As we wind down the final training, I can say that our users are very excited about leveraging tools that will help them do their jobs even better. They understand how powerful the information can be and

are eager to take advantage of the solutions to their full extent. We’re excited to make even bigger leaps and bounds with JustEnough in regards to ensuring we can allocate and replenish inventory to the right place and at the right time.”



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About JustEnough

Founded in 1994, JustEnough is a global leader in Demand Management solutions. JustEnough services more than 500 of the world’s leading brands including Allocation and Replenishment of inventory at **Kenneth Cole**, Merchandise and Assortment Planning at **Levi Strauss**, Sales Forecasting at **Kraft Foods**, Inventory Planning for **IDS Group (Li & Fung)** and **Nissan**, and Mobile Sales Force Automation at **SAB Miller**, **Cadbury** and **Heineken**.

OnCloud, **OnSite** and **OnMobile**, JustEnough’s Demand Management solutions help retailers, distributors and brand owners to forecast their customer demand, plan their assortments, allocations and inventory, shape their demand and then execute on those plans. JustEnough is headquartered in the United States with offices worldwide. Learn more at www.justenough.com.