



ICONIC

TRANSFORMATION



LOWES, BROTHER AND THE ONLINE ENDEAVOUR

As iconic Australian retailer, Lowes, made its foray into the realm of eCommerce, it needed a partner to help synchronise existing operations with the technology that would be the next phase in the company's rich history. This is a story of how a strong partnership became stronger through a considered approach to technological deployment.



Iconic transformation: Lowes, Brother and the online endeavour

In the world of retail outfitters, few companies have as rich a history and strong reputation for quality and value as Lowes.

While certain outfitters have invested in and been dependent on pretentious, upmarket branding to attract customers, Lowes has maintained integrity through simplicity in the way it conducts its business.

The iconic Australian brand has a 110 year history of offering quality menswear, young menswear and schoolwear at affordable prices. The family-owned business is part of a small but elite group of companies that have been in business for over a century and remain 100% Australian owned.

The company has been built on integrity, forward planning and financial success. Today, it has more than 201 stores nationwide and continues to expand steadily due to its strong reputation for offering great quality combined with excellent value across its range of menswear and business wear to offer a full range of schoolwear, young menswear, sportswear, active wear, footwear and work wear.

An Australian institution embarks on the ecommerce journey

In early 2014, Lowes made the decision to offer an online ordering system. While still very successful in its retail business, Lowes' management intended to expand into the ecommerce space to further grow the brand and serve customers who love its products but wanted the convenience of online ordering. This was a big step for the business, as it had traditionally been focussed on retail as its sole trading format.

The move to online ordering required a print solution so that physical copies of invoices could be generated as they came in to the warehouse and dispatch centre. The online world never stops and so Lowes needed a solution to cope with demand at any hour of the day, any day of the week.

At the same time, Lowes was looking to provide technological upgrades to its retail outlets. Lowes IT support manager, Danh Nguyen, explained that the outfitter had a project to deploy iPads in each of its 201 retail locations across the country.

"The iPads would be used by retail staff to help customers purchase products that were out of stock at a particular store," he said.

“The staff would be able to order a particular item that the customer wanted and either have it delivered to their home or to the store for them to pick up at a later date.”

Nguyen explained that, because the customer needed to be provided with a receipt for these purchases, the retail stores had to be able to print directly from the iPads using Apple’s AirPrint feature.

Also, because the footprint of office space in the retail locations was becoming increasingly smaller, the printers needed to have a small footprint.

To meet this need, the outfitter put out to tender a contract for deploying print solutions to assist it in this new chapter of the company’s history. The outfitter was courted by a number of vendors intent on securing the contract. In the end, only one vendor could deliver the solution Lowes was looking for - it was Brother.

The strengthening of a relationship

Lowes’ relationship with Brother spans across a number of years. The outfitter already had a few of the vendor’s fax machines in its retail stores that were approaching end of life and Lowes was looking to upgrade to newer models.

Brother Commercial Market Development Channel Manager, Luke Howard, explained how the team at Brother worked with Lowes to implement a better solution.

“The initial contact was an exercise in moving Lowes away from outdated technologies in the form of faxes to the new print solutions,” he said.

“Lowes already had a fleet of small monochrome printers in every store that were from another vendor. We were able to demonstrate considerable cost savings via the implementation of a new fleet of Brother’s HL-5470DW monochrome printers.”

Howard explained how the new network Lowes had deployed in conjunction with the tablets had caused some issues with connectivity of devices.

“The company was having network difficulties with its existing printers. It had just rolled out a fleet of new in-store wireless components and iPads but was having some major issues with the existing print infrastructure and the security settings on that particular router,” he said.

There were two problems that Brother was able to address; the upgrading of the existing fleet of printers and the more pressing connectivity issue. Brother approached both of these issues separately, ensuring they could solve the overarching connectivity issue first instead of trying to simply sell a load of merchandise and worrying about the router compatibility later.

Nguyen explained that it was this approach that really made an impact on Lowes and the trust the outfitter had in its print vendor only grew stronger as a result of the way Brother addressed the issues.

To increase efficiency

Brother worked with Lowes ahead of the deployment to make sure it was able to address these issues so that once the deployment went live, Lowes would be able to hit the ground running and have a seamless implementation.

“We had a way of modifying our machines to ensure they didn’t have any of those security conflicts,” Howard said.

The device deployment was not a simple one either. There were a number of key requirements the devices needed to meet. Printers needed to be small, easy to operate for retail staff and facilitate updates and adjustments to firmware remotely. The devices were also required to be efficient in terms of power consumption and toner usage.

It was also vital that toner cartridges and paper could be replaced easily and efficiently so that retail staff didn’t have to spend unnecessary time performing these tasks and could focus on giving customers great service and great value.

“Brother showed us how to monitor the toner usage remotely which was important with over 200 locations because doing this manually would have been a huge task for the retail employees,” said Nguyen.

Once Brother addressed all of these issues and the benefits of the new devices were proven, Lowes began a full fleet rationalisation and rolled out the new printers across its 201 locations Australia wide.

Through this deployment, Brother was able to give Lowes a 20 per cent reduction in the

total cost of ownership of the monochrome fleet. This was achieved, in part, through a 30 per cent increase in toner yield for each device and considerable discounts through switching the entire fleet to Brother devices.

Brother was able to look closely at Lowes’ needs and then address individual facets of a larger problem. Where some vendors may have looked to address every issue simultaneously, Brother took the approach of finding solutions to individual problems and thus building a complete solution from the ground up. This ensured that as soon as Lowes deployed the individual technologies, it worked from day one without any further manipulation from a Lowes or a Brother side.

“They were so happy with what we did for them at store level that they invited us back in to address the needs of their corporate headquarters and the warehouse,” Howard said.

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Keeping pace with the online world

The most important part of the new direction that Lowes was taking was the online platform. For such a well known brand to invest so much time and money in the venture, success was non-negotiable.

Moving from a completely retail business to an additional online presence formed such an important part of its plans moving forward that it placed great emphasis on its ability to handle what could potentially be a large number of orders in a seamless fashion.

Brother understood this concern and addressed the need to print orders instantly no matter the time of day. As soon as a customer placed an order, the warehouse needed to be able to produce a physical copy of it so staff could immediately begin the process of packing and shipping.

When generating such a large number of orders per day, Lowes needed a solution that could cope with high volume in an efficient and cost-effective manner.

“The printer is mainly used for online orders so that warehouse staff can pack and send to the customers,” Lowes’ Nguyen said.

“At this time we were generating 120-200 orders per day so we needed a machine that could cope with this volume at speed and not require much upkeep from warehouse staff.”

Enter the HL-S7000DN. This powerhouse of productivity is specifically designed for high volume print environments and completes the task at hand 40 per cent faster than its closest competition. The machine can print at speeds of up to 100 pages per minute and uses less than 60 per cent of the energy required for a comparable laser printer. Brother engineered a machine that is both powerful and gentle on the environment.

Nguyen explained that with the 2000 page capacity of the HL-S7000DN, warehouse staff only needed to refill paper once a week which meant that they could get on with the job of sending orders to customers as quickly as possible.

“Because we print so many orders in the warehouse, we needed a machine that had very high energy efficiency as well,” Nguyen said.

This made the HL-S7000DN perfect for the job. The machine’s low carbon footprint is due to a combination of low power consumption and high-speed printing. Brother studies have shown that it emits up to 88 per cent less carbon dioxide to comparative models. Its high-capacity ink cartridges are capable of printing up to 30,000 pages to significantly lower operating costs and cartridges can be changed in seconds to save on downtime.

Equipped with three additional paper trays, the machine is loaded up with enough paper to handle even the highest demand periods of invoice reproduction. With 2000 pages

ready to go at any time, the machine keeps up with the current capacity of the warehouse and more importantly, the solution is able to quickly and easily scale according to the needs of Lowes’ online business.

It was important to Lowes management and warehouse staff that the HL-S7000DN could handle the job 24/7 with minimal input from staff on the ground. In fact, the only maintenance required from warehouse staff was the replacement of paper and toner cartridges. Due to its extremely high toner yield, this is a process that only needs to be done once every 30,000 pages, giving peace of mind as well as efficiency and cost savings.

Corporate gets a makeover

After the great success of the retail and warehouse deployments, Lowes turned to its corporate headquarters in Arncliffe, New South Wales.

Nguyen explained that, like with the retail stores, the head office printers were reaching end of life and were due for a refresh.

Having proven its ability to solve complex business problems with well engineered technological solutions, Brother was the only vendor for the job. Lowes needed new devices that could cope with high volume, provide excellent value and reduce the carbon footprint.

Ultimately, Lowes was looking for a holistic solution that could synchronise print technologies across its retail, corporate and warehouse environments.

Brother continued its process of working with the IT team at Lowes to consolidate technology across the three arms of the business - retail, warehouse and corporate. For the company headquarters, this took the form of deploying a fleet of MFC-L9550DW colour multi-function printers.

“Brother showed us a few multi-function models based on our needs and we replaced our entire fleet of existing printers from another vendor with ten new MFC-L9550DWs,” Nguyen said.

He explained how the new printers addressed the key issue of connectivity with the rest of the environments and offered considerable reduction in the total cost of ownership through toner efficiency and power consumption.

“The address book in the printers was an important feature for us,” explained Nguyen. “With so many retail locations it is necessary for staff at head office to be able to scan a document and automatically send it to anyone on the corporate network.”

“Many of the competitor products we looked into simply could not hold enough addresses to facilitate our needs.”

Brother was able to give the retailer better prices and shifted the focus to a single, easy to manage device across

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all locations. However, what was particularly attractive to Lowes was the reduction in its carbon footprint achieved by deploying the more efficient Brother devices across all its environments.

Carbon footprint

Regardless of retail, warehouse or corporate, Lowes was concerned with many issues that reduced cost to its business, chief among which was the carbon footprint these devices had. Lowes was determined to reduce its impact on the environment and through this, its own costs.

In the retail environment, Brother's Luke Howard explained that the existing print systems had a number of inefficiencies that was leading to unnecessary cost and an increased carbon footprint.

“When you look at the way Lowes was printing before, it was getting a low toner yield. With the new Brother printers, it is able to get up to double the efficiency per toner cartridge with the HL-5470DW in retail stores. This represents a significant cost and environmental saving for Lowes,” he said.

This was no mean feat considering the size of the



deployment and the different applications the devices had to cater for. As a trusted advisor, Brother made it its mission to deploy a solution that addressed key business needs and offered value added outcomes such as improved environmental credentials, increased efficiencies and thus, cost reduction.

Nguyen spoke about the increase in sales Lowes' retail division has seen due to the iPad and printer rollout.

"Customers are happier because they have options if the item they want is not in store and the sales team are happy because now they can secure sales they would have lost otherwise," he said.

For a business very much focussed on customers, this was not something Lowes management had at the forefront of their thinking. That is why they looked to a trusted partner like Brother to solve these problems and streamline the business from an operational standpoint, so Lowes could concentrate on customers, the lifeblood of its business.

Nguyen sums it up best. "We feel safe," he said. "Having a reliable partner like Brother who understands our business and works with us to find the best solution, we can be assured that everything on that end is covered and if we do have a problem, Brother are there to help us get a solution quickly."



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