



Allen Edmonds

AN AMERICAN ORIGINAL



When you buy a pair of shoes from Allen Edmonds, you expect a perfect fit. To keep customers coming back for more, it's vital to stock the right styles and sizes in the right stores at the right time.

Results

10% lift in forecasting accuracy: results for one major event were within 3% of forecast

50% faster reporting, saving one day per week on weekly strategic planning alone

Empowers planners to support rapid growth in stores and e-commerce

Business Challenge

Customers come to men's shoe specialist Allen Edmonds when only the best will do. To ensure it can give each customer the look they want and the comfort they deserve, the company stocks approximately 100 size and width combinations for each shoe style.

Connie Walsh, Director of Retail Inventory, Planning and Analysis at Allen Edmonds, explains: "Offering customers a perfect fit is a key competitive differentiator for us, but stocking so many variations of each item results in considerable complexity. To make each sale, we need to have the right shoe in the right size in the right store at the right time for each customer. At the same time, we don't want to produce and store excess inventory, so careful planning is critical."

In the past, Allen Edmonds planned its assortments, inventory and pricing using spreadsheets—but as the business grew, these processes became increasingly time-consuming. The company's sales, inventory and margin reports were unable to provide the detailed insight that the company requires to make accurate, timely business decisions. To get its planning on a better footing, Allen Edmonds took steps to search for a better option.

Kick-Starting Business Agility

Allen Edmonds began its solution selection process by carefully considering its requirements. One of the key items on the wish-list for the new solution was to minimize the amount of time and effort that both the merchandising planning and IT teams would need to spend on system administration and maintenance. As a result, a cloud-based platform was high on the list of priorities.

Leslie Paulus, IT Developer at Allen Edmonds, comments: "Purchasing IBM Planning Analytics as a cloud offering allows us to offload routine management to IBM, so our own IT staff can focus much more closely on our business needs. Moving from a large up-front investment to a flexible monthly subscription model also helps to increase agility and reduce capital expenditure."

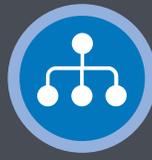
As part of the project, Allen Edmonds examined its existing set of spreadsheet reports, assessed how valuable each report was to the business, and rebuilt the relevant ones in IBM Planning Analytics. Now, users can view reports from a web interface, rather than having to compile and circulate spreadsheets. Frequently used reports such as rolling forecasts are updated automatically, and each individual can save their own subsets of the reports that are most relevant to their job role.

“ Our reporting processes are at least 50% faster now, which has a real positive impact on the way we do business. ”

Connie Walsh
 Director of Retail Inventory,
 Planning & Analysis
 Allen Edmonds



CLOUD SOLUTION



BUSINESS ANALYTICS



PERFORMANCE MANAGEMENT

Connie Walsh says: “IBM Planning Analytics gives us a single source of truth, which means we no longer suffer from the inconsistencies that inevitably arise from having multiple spreadsheets being passed around the company. The speed, the accuracy, the flexibility, and the breadth and depth of data that the solution now allows us to analyze are really helping us move to the next level.”

She continues: “We were impressed by the service from eCapital. They listened carefully to our needs and proposed a solution that matched our criteria. eCapital even showed us the value of adding functionality that we hadn’t even considered, especially around planning and forecasting. On top of that, the eCapital team were great people to work with, offering strong technical expertise, business acumen and project management skills. They were invested in our success the whole way through.”

Results

With the solution in place, Allen Edmonds has transformed its planning and reporting capabilities.

Connie Walsh remarks: “Our reporting processes are at least 50 percent faster now, and the ability to deliver results faster has a real positive impact on the way we do business.”

IBM Planning Analytics is helping us evolve into a smarter business, provide better service to customers and optimize inventory and costs.

—Connie Walsh
Director of Retail Inventory,
Planning and Analysis
Allen Edmonds

Inventory planning is one of the key areas that Allen Edmonds can now analyze in greater depth. With granular insight into the sales of each shoe by location, the company can calculate how many units of each style, size, width and color we are likely to sell, and which stores should stock which items to maximize revenues.

Armed with this insight from the merchandising planning team, Allen Edmonds’ manufacturing team can adjust their operations on-the-fly—for example, ramping up production of top-selling shoes, and halting production of items that aren’t selling as well as the company had hoped. That agility can be particularly important during busy periods in the shopping calendar or at major events that generate significant sales.

Furthermore, the company is analyzing the number of visitors (foot traffic) and conversion rates at each location—aiming to understand how to optimize the in-store environment to maximize sales. With these insights, Allen Edmonds can boost the profitability of its business, and make smarter decisions about which items to stock at each location as it expands its branch network.

Building on its success, Allen Edmonds has more exciting plans up its sleeve.

Connie Walsh comments: “We plan to start performing what-if analyses using IBM Planning Analytics, and we want to take advantage of new features like the IBM Watson Analytics visualization engine to get a better view of basket analysis. We also want to expand the solution beyond our e-commerce and retail channels, bringing in other divisions and other data-points to give us an even more comprehensive view of our business.”

She concludes: “IBM Planning Analytics is helping us evolve into a smarter business, provide better service to customers and optimize inventory and costs. We’re excited to see where the future will take us.”

About eCapital Advisors

eCapital Advisors is one of the nation’s largest performance management and business analytics firms. Since 2011, eCapital has enabled clients including Post Cereals, Bunzl Distribution, Cabela’s, Anheuser-Busch, Northwestern University and hundreds of others to make better business decisions through their high level software solutions and services.

eCapital is also one of IBM’s largest resellers of analytics software in North America. The company has been frequently recognized with numerous awards including Inc. magazine’s 5000 fastest growing companies.



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