

Midsized Business Brief



Colin's Jeans

Fashion Retailer Designs Business Management Solution to Fit Growing Global Corporation

Story at a Glance

Colin's Jeans likens its stores to a theater production, where sales staff treat the customer as the star of the show. Behind the scenes, Dr. Selçuk Aksak, Eroğlu Enterprise IT Group Coordinator, ensures the company's solutions help keep the audience enthralled. When challenged by poor communications between sales, operations, and finance, Aksak integrated the functions with a business management solution: Microsoft Dynamics® AX supported by Microsoft® SQL Server® 2005, Windows Mobile® 5.0, and Microsoft Office 2003. Today, employees access consolidated data to gain customer insight, optimize inventory, and automate processes.

A New Approach to Retail

Colin's Jeans believes that shopping is a sensual, emotional experience that goes well beyond the simple exchange of money for goods. Since opening its first store in Moscow in 1995, Colin's Jeans, a company within the Turkish conglomerate, the Eroğlu Group of Companies, has strived to understand how customers feel about its product and its stores. Colin's Jeans differentiates itself from competitors in the volatile fashion industry by getting to know its customers over time—not just by selling them products, but by inviting them to help define concepts for the stores, or by involving them in store-based activities such as personal training seminars.

This approach has won loyal customers in 32 countries. But for Dr. Selçuk Aksak, Eroğlu Enterprise IT Group Coordinator, it's difficult to develop IT strategies for Colin's Jeans that help the company address global

retail challenges such as narrowing profit margins, increasing competition, and a slump in the textile industry.

Information Gaps

His first goal was to improve the flow of information from Colin's-owned retail outlets and its franchisers to the head office so management could improve customer insight and perform sales analytics.

Secondly, he wanted to facilitate information exchange between the sales and inventory teams to improve on-time delivery of the right products to each store and to automate inventory processes. Finally, Aksak wanted to streamline the delivery of sales and inventory data to financial employees to improve reporting and forecasting, eliminate budgeting by spreadsheets, and automate the many manual processes still in use.

"My job is to ensure the business has the information and systems in place to keep the customer in focus," says Aksak. "We were hampered by communication gaps



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between sales, operations, and finance, and we couldn't consolidate customer data, or track and analyze marketing efforts. I needed a single business management solution that integrates these areas so everyone can work efficiently within the same system. I had four criteria for this solution: it must integrate with existing systems, and it must be easy to deploy, flexible, and user friendly."

Improved Customer Insight, Service

Colin's Jeans chose a Microsoft Dynamics® AX business management solution to integrate sales, inventory, and financial processes across the enterprise. The system is supported by a Microsoft® SQL Server® 2005 database that consolidates warehouse and sales data for reporting purposes.

"Microsoft Dynamics AX is more flexible than SAP and Oracle," says Aksak. "It integrates with our point-of-sale [POS] system, inventory bar code system, Windows Mobile® 5.0 software-based logistics solution in the warehouses, and the Microsoft Office programs we use every day, such as Microsoft Office Excel® and Microsoft Office Outlook®." Some 400 employees access the system over the Web, including vendors, franchisors, and financial, warehouse, and store staffs. Eventually, the solution will extend to 600 POS outlets in Turkey and Russia, and then to 3,000 POS in 44 other countries.

Instead of taking two days for customer and sales data to reach the head office, accurate data is captured each day by store staff and made available on demand through a sales analytics portal. "This industry is governed by seasonal behaviors," says Aksak. "With all our sales data in one place, we can examine the trends by store, by city, and by

region to better understand our customers. Now, we can provide our stores with the right product collections to match seasonal sales and trends. We can base our planning and production for the next season on more-accurate market trend analysis."

The integration between sales and inventory management means Colin's Jeans stores and franchisors can use the Microsoft Dynamics AX-based portal to check stores' inventories and request products from the local warehouse. Now customers never have to wait for the styles they want.

Until recently, up to 40 percent of Colin's Jeans' financial processes and most of its inventory processes were manual. Today, these processes are automated. Where month-end closing and stock inventory once took one week, now it takes only two and one-half hours, and no one manually prepares budgets using spreadsheets. Before, 15 people performed bank data reconciliation; now, only 5 people oversee this process in Microsoft Dynamics AX, taking only minutes to print and e-mail Excel-based reports.

"With Microsoft Dynamics AX, Colin's Jeans has better control over its data so we can grow our global business and keep our customers at the heart of our operations," concludes Aksak.

Lessons Learned

- Focus on the big picture.
- Help the end user understand the benefits of change.
- Treat minor technical difficulties as a challenge to overcome.



Executive Biography

At Istanbul University, Selçuk Aksak received both a bachelor of science degree and a master of business administration. From 2001 to 2004, he attended Moscow State University—Engineering and Physics Institute where he took a prerequisite degree in engineering to complete a PhD in information systems and technologies engineering.

Customer Details:

Colin's Jeans
Industry: Apparel Retail
Company size: 500 at headquarters
Web site: www.collinsjeans.com

Software & Services

Microsoft Dynamics AX 4.0
Microsoft Office 2003
Microsoft Office SharePoint® Server 2007
Microsoft Exchange Server 2003
Microsoft SQL Server 2005
Windows Server® 2003 Enterprise
Windows Mobile 5.0

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