

NetOnNet improves the retail experience with IFS



NetOnNet is one of Sweden's leading consumer electronics omni-channel retailers. Founded in 1999 as an e-commerce retailer, NetOnNet expanded into the physical retail arena in 2001. Today, NetOnNet runs operations including online outlets, Warehouse shops and dedicated B2B sales teams located in Norway and Sweden. NetOnNet's business model is based on self-service rather than personal selling. With customers doing a little bit more themselves it keeps the costs down and prices low. NetOnNet carries own brands and well-known brands, and offers the same low price regardless of who the customer is, where they live or how they prefer to shop. IFS is enabling NetOnNet to achieve unparalleled efficiencies in its business and improve the customer experience.

The retail industry is highly competitive, with revenues from e-commerce operations now eclipsing earnings on the high street, consumer expectations and their collective ability to find the lowest possible price have never been greater. Any company that hopes to compete effectively in the space must deliver not only the lowest possible price but also a premium consumer experience.

Necessary integration of IT systems

Established at the turn of the millennium, NetOnNet's retail business model, like most born-on-the-web companies, is efficient and streamlined. In 2016 one of the leading home electronics retailers in the Nordics, SIBA, merged with NetOnNet. In May 2017 all of SIBA's physical stores became NetOnNet Warehouse shops. As a consequence of the merger the company found itself using a fragmented IT landscape featuring unconnected legacy applications.

Broadly speaking, the operational systems being used by NetOnNet include supply chain management, procurement, storage warehousing, customer order and delivery, and integration into external sales points and Warehouse Management Systems (WMS), supporting business functions including finance.

About NetOnNet

The Swedish consumer electronic retailer NetOnNet opened for business as an e-tailer on March 10, 1999 in Borås, Sweden. Approximately one new Warehouse shop was opened each year between year 2001 and 2015, all located in Sweden. Between October 2016 and May 2017 a total of 18 new NetOnNet Warehouse shops were opened. Today NetOnNet has 33 Warehouse shops, 30 located in Sweden and three located in Norway.

www.netonnet.se

net on net

In online retail, much of the customer experience and efficiency is related to automation. Retailers need to satisfy consumer demands quickly and accurately, and they need the ability to fine-tune the customer experience, all the time. Prior to implementing IFS, NetOnNet was experiencing a higher demand for a more stable and future proof systems.

Understanding the retail challenge

Omni-channel retail represents a shift in dynamic, putting even more power into the hands of the customers. With a range of means to check and compare quality, availability, sizes, price, etc., customers have less inclination to be loyal to get the best value for their money. Understanding the sophisticated challenges of omni-channel retail requires a deep understanding of the industry.

The key drivers behind NetOnNet's decision to select IFS were the company's cutting-edge technology and its expertise in the retail business. "The IFS consultants have been great in this project," says Markus Anderson, CIO, NetOnNet. "They've helped us and challenged our way of thinking in many ways, and I think that what they did for us will benefit us for a long time in the future. Those insights have been extremely valuable to us. It was one of the reasons to why we chose IFS."

NetOnNet has implemented IFS across every part of its business. Not only does the new system provide a single view of the company, it has also automated numerous manual tasks such as supply chain purchasing where operatives are now presented with automatic purchase suggestions and sourcing from multiple sites.

Delivering single-screen efficiency for NetOnNet is IFS Lobby, which provides an at-a-glance, real-time view of the business—presenting the right data at the right time. It centralizes data from multiple screens, queries and data sources in a single view of the lobby page from any device at any time—meaning individuals are able to stay close to the business situation even when they are not at the office.

NetOnNet implemented IFS two weeks before Black Friday, one of retail's biggest events. At midnight on Black Friday, NetOnNet went live with its Black Friday deals. From previous experience, the company was worried about the effect the estimated amount of orders could have on its IT-infrastructure. With IFS in place though, NetOnNet navigated the order deluge without losing a single sale, smashing previous records in the process. With the constant ambition to exceed its customer expectations, NetOnNet was very pleased to see that there were no system crashes despite the heavy load of incoming orders.

It was also noted that the orders were handled more efficiently than ever before, something that it attributes to IFS.

Markus Anderson describes how the events of Black Friday unfolded: "It was the middle of the night and every manager was looking at the dashboard while we were breaking record after record. It was a great feeling for everyone. And for me, personally, it was a great feeling to see all those people getting that news, in real-time, from the new system."

With IFS, NetOnNet can make automated, intelligent, product sourcing decisions faster than ever before, which will help the company improve its service and enhance the customer experience.

Every transaction that happens in NetOnNet goes through IFS and everyone at NetOnNet uses it. IFS is absolutely vital to NetOnNet's future. There are a lot of challenges within the industry, but I feel that with IFS we are very well prepared to meet those challenges and for me, personally, I'm very excited to be part of that journey.

Markus Anderson, CIO, NetOnNet

What's next?

NetOnNet is a young, modern and entrepreneurial company and even though it has been using IFS for a relatively short period of time, employees using the system have already been active with new solutions and ideas about how they could take advantage of the platform's agility. IFS is built using flexible, open standards and is ideally suited to future development.

Omni-channel retail is set to continue its complex evolution with technologies such as drones and augmented reality in the near horizon. IFS will help the company adapt to the exciting future that lies ahead. With demand rising for same day and same hour delivery, NetOnNet aims to continuously develop its logistics options. "IFS is extremely important for NetOnNet's future," says Markus Anderson, "It's the basis upon which we build everything today."

Benefits seen using IFS

- Consolidating a fragmented IT landscape
- Highly consultative, expert support
- Automating laborious manual processes
- Providing a single view of the entire business
- Future proof solution

Find out more

Further information, e-mail info@ifs.com, contact your local IFS office or visit our web site, ifs.com

