

Simply Fashion chooses Connected Retailer Planning to build the ideal merchandise mix

Women's apparel retailer Simply Fashion moves up to an advanced planning system from NSB to keep their product offering in step with their customers' changing needs — and their performance on track.

Choosing the right merchandise and building an ideal assortment are two of today's most critical retail challenges. You must be able to clearly define the types of products that are most relevant to your markets, and the range of styles, colors, and sizes that align best with your customers' preferences, seasonal needs, and evolving fashion trends.

Managing the large number of variables involved is precisely what makes planning such a complex, high-risk exercise. Getting it right — store by store and month after month — can make the difference between seeing steady growth in your profits, brand, and market share and watching your margins shrink through markdowns while your customers move on.

That need to get it right is why Simply Fashion, a 300-store apparel chain in the Eastern United States, made the decision to implement Connected Retailer® Merchandise Planning and Assortment Planning from NSB.


Delivering value for 50 years

Since 1991, budget-conscious women have looked to the Simply Fashion banner as a great source for quality casual wear and accessories. The company's mission is to deliver the latest looks in all sizes, junior through plus, affordably — generally for less than \$30. However, for the company's owners, this focus on value has been a consistent part of a family-run business that spans five decades.

The company that began as Bargain Town in 1957, a 16,000-square-foot department store, grew to add Max 10, Simply 6, and Right Place Right Price stores before being sold to Enstar in 1987. Less than four years later, Rodney and Mark Barstein, sons of the original founder, along with Mr. Janak Shah of Miami Florida, repurchased part of the chain, and they have been expanding it ever since. With headquarters in Birmingham, Alabama, the enterprise now includes Simply Fashion and Fashion Trend stores in Chicago, Detroit, Milwaukee, St-Louis, Miami, and numerous other cities from Houston to Washington, DC. The chain has doubled in size in the past twenty years.

Outgrowing spreadsheets

To help manage the business and facilitate growth, Simply Fashion has relied on solutions from NSB for more than 30 years, including their legacy "R12" Merchandising system. Austin Englebert, Simply Fashion's Vice President of Store Operations and a 25-year veteran of the company, describes R12 as "a very stable system that served us well for many years." But as the retailer's business and merchandise mix continued to grow, so



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Simply Fashion FASHION TREND
Simply Fashion Stores, Ltd.

too did their need for a dedicated planning solution, combined with a state-of-the-art merchandising solution, that would free them from the limitations of their spreadsheet-based system.

"We had been exporting data from R12 to Excel," says Englebert. "Going outside Merchandising to generate reports was becoming very time intensive. It could take hours and sometimes days of manipulation to produce a useable analysis."

"But we also wanted more sophistication," he continues. "As the planning process began to involve more data, we needed to be able to factor in more variables to plan at a deeper level. To do that, we needed a fully automated system designed exclusively for planning that would take us to the next level."

Becoming a Connected Retailer

After reviewing several options, Simply Fashion determined that Connected Retailer Planning, together with an upgrade to Connected Retailer Merchandising, was the right technology for the job. One of six key solutions in NSB's Connected Retailer suite, Planning combines Merchandise Planning with Assortment Planning to link financial, assortment, buying, and store plans. Working together, these components enable retailers to clearly identify what's needed and to quickly build accurate inventory and assortment models.

Connected Retailer Merchandising complements this process with tools to analyze, order, price, and distribute merchandise. They integrate with Planning to ensure consistent data, efficient processing, and enterprise-wide access to information.

A well managed implementation

The Planning implementation began in the Spring of 2006 and was completed by July. Englebert praises NSB's Professional Services experts for keeping the process on track, even in the face of unexpected events.

"Implementations seldom go entirely according to clockwork," he says, "but good teamwork between NSB's field staff and their technical people at headquarters enabled us to resolve issues effectively. When you're working with deadlines and you have a lot of people anxious to get a new system in place, that's what really counts."

"We were very pleased to get the system up and running," Englebert continues. "It was almost like being a kid at Christmas, anticipating a new toy, opening up the box, then finally getting to use it. NSB made it happen."

Eliminating guesswork for fast, accurate allocations

Connected Retailer Planning and Merchandising fully modernized Simply Fashion's system by equipping them to analyze much more critical information than was previously possible. Equally important, the solutions also enabled the retailer to determine and manage merchandise according to store profiles.

Previously, Simply Fashion created store plans by portioning apparel according to three size categories: Junior, Plus Sizes, and Simple plus. But with 75 sub-classes within those three areas, spreadsheets would not allow them to create proper sub-class plans. "The manual work involved was overwhelming and would have taken an army of people to complete," Englebert says. "As a result, when a store needed 500 units of Junior jeans, jackets, and coats, they might end up being sent that

volume of shorts and short-sleeved tops. There was often real disconnect between what a store's customers wanted and what we were able to provide."

This disconnect was also manifest in the buying process. A buyer might have \$100,000 in OTB within a certain subclass, but lacked the tools to know which specific merchandise was really in demand. As a result, resources were not always being invested in a way that maximized returns.



Simply Fashion facts:

- Retail focus: Affordable, contemporary women's fashions and accessories
- Size and locations: 300 stores in 21 states (Eastern US)
- Headquarters: Birmingham, Alabama
- NSB solutions: Planning, Store, Merchandising, CRM, Sales Analytics

"With the Connected Retailer system, all these problems have been solved," Englebert says. "Because we are now able to plan by subclass, we will not only be able to monitor performance and report at this level but also to create our assortment plans in sync with store sub class numbers. That means that our shelves will



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Austin Englebert, VP Store Operations, Simply Fashion.

not only be fully stocked, they'll be stocked with merchandise that's going to sell fast. That's a huge benefit that's really going to pay off.”

Englebert also appreciates the efficiency and speed of their new Planning solution. “Even with all our subclasses, the system processes our information in just a few minutes,” he says. Being able to very quickly take a department plan, break it out by subclass, then send it right out to the stores based on their actual needs is a big, big win for our organization.”

Assortment Planning: Point, click, see...

Simply Fashion's ability to create fast, detailed assortment plans has been further enhanced by the Assortment Planning module that's built in to the Connected Retailer Planning solution. With its simple, drag-and-drop interface, this tool allows planners to see the developing merchandise mix as they build it using actual product images. Merchandise planners can then visually compare products, colors, and styles, and make refinements easily with just the click of a mouse. During this process, the system automatically updates numbers and, once completed, can generate allocations.

“We're very excited about the assortment planning tool and the visualization of reporting,” says Englebert. “If a picture is worth a thousand words, in retail it's worth at least as many numbers. Assortment

Planning simplifies the whole process. It can let us know several months in advance not only what any given store is going to offer but also what it's actually going to look like. We'll be able to see it much more clearly from the customers' point of view.”

Assortment Planning will also help Simply Fashion determine how many units of each item or each style are needed to properly supply each class of store, and allow them to use reporting and storyboard visualization functions to show the stores each new collection.

Further, consolidating pictures of all their products and assortments makes it easier for the retailer to analyze what sold, what did not, and why. “With a clear visual record we don't have to second guess, we can access the images quickly and make more accurate decisions on markdowns,” says Englebert. “We're very excited about that.”

Clearing the path ahead

The merchandise planning improvements being made with NSB's solutions are helping Simply Fashion to improve efficiency and profitability across their chain, and to meet their target of ten percent annual growth. Toward those ends, NSB looks forward to continuing its long term relationship with this retailer and working to ensure they receive maximum returns on their investment.

For more information on Simply Fashion, visit their website at www.simplyfashion.com. To learn more about NSB's Merchandise Planning and Assortment Planning solutions, log on to www.nsbgroup.com or contact Kurt Ramcharan, kramcharan@nsbgroup.com.



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