



Smeg Increase Efficiency in Sales, Logistics & Fulfilment with Maginus

Challenge

To improve the efficiency of Smeg's operations across the organisation and to increase control of complex pricing.

Summary

Smeg, the Italian manufacturer, famous for its elegant and distinctive domestic appliances, has used Maginus OMS in its UK subsidiary since August 2005. Maginus has enabled Smeg to make significant improvements across sales, logistics and fulfilment.

Smeg manufactures all of its products in Italy, with sales and distribution managed by subsidiaries across Europe. Smeg UK is the company's largest operation outside Italy. It's a business-to-business distribution company that sells through many different channels, including kitchen studios, electrical retailers, web retailers, contract house builders and department stores.

The relationship with Maginus began when Smeg set out to improve efficiency, accuracy and responsiveness throughout its order-to-delivery process. In particular, Smeg wanted to integrate its sales function more tightly with logistics, integrate its UK operations with manufacturing in Italy, and reduce administration overheads for its multichannel distribution business.

Quick Facts

www.smeguk.co.uk

Industry

High performance domestic appliances

Customer profile

B2B Distribution

Maginus solution

Maginus OMS

Customer benefits

- Increased sales flexibility and efficiency
- Improved warehousing and fulfilment processes
- Better control of pricing and customer information

We chose Maginus because of its clear focus on the requirements of our wholesale distribution business. We looked at other solutions, but only Maginus had both the functionality we required and the understanding of the distribution market” said Simon Jarvis, IT Manager at Smeg UK.

Improved Sales Visibility and Performance

Smeg UK has a 22-strong sales team that focus on its various distribution channels. Using Maginus has improved their visibility of stock levels in the main warehouse in Portsmouth, as well as in warehouses in Italy. Inventory data from Italy is imported into Maginus on a daily basis. This means that sales staff can give customers much more accurate information about the availability of products.

Efficient Order Processing

Orders generated by the sales force are processed by eight dedicated staff. Smeg have around 200 orders per day but the challenge lay in the size and complexity of the orders. Each order can have 100 or more lines and products require options and mandatory accessories. For example, a cooker may require a splash-back, which is available in two sizes.

“Before Maginus our sales order entry staff had to deal with these product configuration issues manually,” Simon Jarvis said. “With Maginus, the system manages linked products and mandatory accessories automatically.”

Increased Control of Pricing and Customer Information

Using Maginus gives Smeg full control over the pricing process. Pricing is complex, with different discounts negotiated for different distribution channels and a wide range of products and options. Maginus gives Smeg the control it needs and makes it easy to update pricing changes in the system quickly and accurately.

Maginus also gives Smeg a single source of customer information. Each customer account has one invoicing address but can have any number of delivery addresses, contact names and numbers.

“We’re extremely happy with our Maginus solution. It’s a flexible and efficient system designed around our needs as a distributor, and it’s delivered real benefits to the business.”

Simon Jarvis, IT Manager at Smeg

More Efficient Warehousing

Using Maginus has helped Smeg make dramatic improvements to its warehousing operations. “Picking accuracy has increased to 99.9 per cent using Maginus,” Simon Jarvis continued “Back to back orders are easier to manage, and orders can now be shipped complete or incomplete, which increases our flexibility and improves service for customers.”

Improved Reporting and Intelligence

Using Maginus has also given Smeg a major improvement in the quality of management information. Using the Maginus Report Writer, the company can generate a large number of reports in-house, and make them available to any Maginus user without needing to rely on expensive additional reporting software. Reports can be distributed via email, mobile phone or made available to run within the main Maginus system.

With Maginus, sales reports are run daily and emailed automatically to the sales team, who can also run the reports manually within Maginus. This gives the sales team much greater access to information and allows them to present the information in a more professional manner to customers. At the same time, Smeg’s Sales Director has access to a wide range of intelligence on sales performance, which helps the company meet revenue targets and manage the salesforce more effectively.