

# EXPERT

EXPERT RELIES ON RELEX'S FULL AUTOMATION



**Expert ASA Oy, a Finnish home electronics retailer, has been using RELEX's supply chain planning software since 2011. It provides automated replenishment tailored to the company needs and has produced remarkable results.**

## Background and Objectives

**BEFORE STARTING TO WORK WITH RELEX,** Expert's store replenishment was based partly on forecasts, partly on ordering points. Each of the 35 stores did their own ordering, so the product assortment and availability differed markedly between the stores.

Particular challenges in the home electronics sector include short product life cycles and wide variations in demand dependent on seasons and promotions. Expert's product assortment is also very varied, so there was no one way of managing every category. That meant the replenishment tools had to be flexible and easy to use.

Expert's prime objective was greater replenishment automation that would free up store-staff time for sales and customer care. The company also wanted better inventory management to improve product availability.

## Expert ASA Oy

**PART OF THE WORLD'S LARGEST** home electronics procurement network, Expert International

**35 EXPERT ASA OY STORES** and 15 franchised stores in Finland

**OVER 400 EMPLOYEES** and a turnover of over €200M

**EXPERT ASA OY IS PART OF EXPERT GROUP,** also one of Norway's and Denmark's leading home electronics retailers

**expert** 

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Jarkko Lehtismäki  
IT Manager, Expert

### Extremely Fast Implementation

**EXPERT AND RELEX BEGAN** working together in 2011. The pilot phase was simple and didn't require the customer to divert substantial resources. The cooperation continued smoothly throughout the implementation and the retailer was already using the system after just one month. All Expert ASA Oy's stores were brought onto the system remarkably quickly.

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Now 2000 to 5000 products per store are replenished using RELEX. Items from a variety of categories, for example small appliances, photo and filming devices, televisions, computers, games, washing machines and cold appliances, are all included. The system also handles replenishment of products that are ordered via click-and-collect to the stores.

### Benefits and Results

**EXPERT ASA OY IS DELIGHTED** with the operational improvements and the results that have come about from working with RELEX. Expert and RELEX's work to develop the system together has increased the degree to which replenishment is automated and much of the assortment is now replenished completely automatically. In practice, this means that RELEX's calculations transform directly to orders. It also means that staff have more time to focus on customers and sales.

The key to managing a complex product assortment has been the ability to control product categories and stores individually based on their specific needs. Smaller appliances are replenished on the basis of forecasts, but smaller stores cannot carry extra fridges or other large appliances due to lack of space. Now as soon as one large appliance has been sold, automated ordering ensures that the central warehouse picks a replacement by the next morning. This way all the available models in the assortment are on display.

The system has been continuously developed in collaboration with Expert's product managers to respond to the company's needs. The effectiveness of this approach can also be seen in personnel resources. A team of ten employees is responsible for the product management process from start to end: for instance, defining assortments, managing procurement from manufacturers and vendors, and store replenishment by categories are all handled by one specialist. When deciding on the stores' assortments the size of each store is taken into account, which has a direct impact on the way the RELEX system handles automatic replenishment.

“Because RELEX takes care of replenishment, product managers have more time than ever to focus on exploring new interesting products and planning sales promotions,” says Juha-Mikko Saviluoto, Sales Manager at Expert.

The team at Expert also likes the fact that the RELEX system recognizes trends and reacts to them fast. If demand for a single product or across a particular category suddenly increases, the solution can predict similar demand peaks further into the future.

In spring 2015, Expert introduced a new version of RELEX for its operations, which will be developed together with the product managers, in the usual RELEX way.

“Working with Expert was a great opportunity to develop our solution, and the lessons we learned during the project have proved invaluable in tackling challenges in other retail sectors,” says RELEX COO Tuomo Pesonen.



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