

MARIONNAUD PARFUMERIES: POPULAR SCENT OR SHELF- WARMER?

“The BI solution from Business Objects provides Marionnaud with a platform that offers consistent and actionable information at the touch of a button, thus supporting the decision-making processes in marketing, purchasing, and inventory management.”

Marc Berg, Member of the Executive Board, Marionnaud



Industry
Retail

Business Process
Marketing,
purchasing,
inventory
management

Business Pain
Strong growth
required the
implementation of a
BI solution to
analyze sales data
and to monitor
inventory. Reports
should no longer be
created manually
with data from
multiple operational
systems.

**Why Business
Objects?**
The BI solution from
Business Objects
provides high
quality planning,
supports all
business
processes, and
improves
merchandising as
well as inventory
management.

**Business Objects
Products and
Services**
BusinessObjects
Web Intelligence

CHALLENGE

Marionnaud's presence in Switzerland dates back to 2002 when the company acquired Alrodo and the Parfumerie Principale. Marionnaud Switzerland is part of the Marionnaud Group, one of the largest luxury perfumeries and cosmetics retailers in the world. Over the last years, Marionnaud has become the established leader in the perfumeries market in Switzerland with more than 110 stores and a market share of over 20%.

Marionnaud's philosophy manifests itself in an excellent price-performance ratio and a personal and competent customer service. This also includes a full range of products with 10,000 articles, including prestigious brands like Estée Lauder, Sisley, La Prairie, Lancôme, Guerlain, Shiseido, and Chanel. The Marionnaud store and bonus card is another special service. This card is used by about 75% of the customers and is valid in all stores in Switzerland and abroad. When shopping with this card, customers can collect bonus points that will later be converted into bonus checks, which can be used as payment for goods in all Marionnaud stores.

Due to a series of takeovers combined with a very successful marketing strategy, Marionnaud's growth has been massive during the last years. However, it did not have a business intelligence (BI) environment in which to analyze sales data and monitor inventory. All reports had to be created manually using data from various operational systems. As a result, information on the course of business was often too late and not detailed enough.

Therefore, a new BI solution should provide Marionnaud with a better insight into the stores' sales figures and allow for the simple optimization of assortment modules and inventory. Another objective was the analysis of buying behavior for customer segments. Furthermore, Marionnaud wanted easy-to-use tools with sufficient breadth and depth to access data, reports, and analytics.

APPROACH

Marionnaud was looking for a BI solution that offered high-quality planning, full support of all business processes, and capabilities to streamline merchandising and inventory management. Also, it had to be possible to utilize the solution internationally and it needed to be integrated into the existing IT environment. But above all, the first analysis had to be available within 10 weeks.

The chosen architecture from Business Objects, an SAP company, can integrate data from multiple sources. The collected data is normalized before it is loaded into a data warehouse that contains historic as well as current, up-to-date data from Navision, AS400, and the customer relationship management (CRM) system. Special data cleansing processes improve data quality and the system workload is reduced. Users access analytics with BusinessObjects™ Web Intelligence® software for Web-based query and analysis. Standard reports support recurring analyses, and ad hoc reports can be easily created using drag-and-drop functionality. Thanks to clear and well-defined key performance indicators (KPIs), all analyses are indisputable and support effective decision-making.

Business Objects partner ELCA Informatik AG managed all project phases and handled the complete technical side of the project, including implementation, testing, deployment, and end-user training. Especially, Marionnaud was able to meet its ambitious deadlines – within four weeks, first results and analyses were available and data quality was notably improved. Support at the highest management level resulted in a speedy project execution as decisions were made swiftly.

RESULTS

Today, Marionnaud has a complete BI platform. At the touch of a button, it provides consistent and actionable information that serves as the decision-making and planning foundation for marketing, purchasing, and inventory management.

As the complete stock in the distribution center in Fällanden near Zurich and in the Marionnaud stores has to be financed, accurate and fast management is of the essence. Thanks to improved campaign planning and control, inventory costs can now be kept much lower than in the past.

As mentioned before, 75% of sales with Marionnaud's bonus card can be traced back to identifiable individuals. Thanks to the new solution, marketing and CRM campaigns can now target these customers more precisely. Plus, the improved analytics continue to provide new insights into customer preferences and behaviour.

Outlook

With the new BI platform in place, a closed business process cycle can now be implemented, supporting purchasing, marketing, and inventory management from planning to execution to monitoring to optimization. In a second stage, more purchasing data and comprehensive finance information will be integrated. As part of the overall system, this data could then be used faster and more conclusively. As planned, the solution developed in Switzerland will now be rolled-out into other Marionnaud countries.

Marc Berg, member of the executive board at Marionnaud, says, "The BI solution from Business Objects provides Marionnaud with a platform that offers consistent and actionable information at the touch of a button, thus supporting the decision-making processes in marketing, purchasing, and inventory management."

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