

E2E Bridge in use at **PKZ**

Multichannel e-Commerce Integration

The leading Swiss fashion retail chain uses the E2E Bridge® as the central data hub for the transition from order processing in batch mode to a 24x7 real-time business involving all available sales channels.

Challenge

- Changing the buying behavior of consumers
- From in-store business to multichannel e-commerce
- Transition from batch mode to real-time operations

Solution

- Adaptation of existing ERP for real-time processing
- Cloud services for CRM, payment, return logistics, etc.
- Data-, service- & process integration via the E2E Bridge

Benefits

- E2E as glueware is the universal communication hub
- All stakeholders are permanently involved
- Simple quality management for sales data

“ *With E2E we have the full control over every single step during the restructuring of our sales processes.* ”

— Peter Temperli
CFO, PKZ Group



About PKZ Group

The PKZ Group with headquarters in Urdorf is one of the leading retailers Challenge in Switzerland. It consists of the fashion retail chains Burger, PKZ, Feldpausch, Blue Dog and Paul Kehl. To this date, the group operates as a family business, employs about 700 coworkers and in 2011 achieved revenues of 204 million Swiss Francs.

www.pkz.ch

PKZ

“ E2E brings technical and non-technical stakeholders to the table. This guarantees business-oriented process integration without misunderstandings.

– Peter Temperli
CFO, PKZ Group

Challenge

In the past, PKZ used a classic business model based on its own branded store network. Revenue was collected via point-of-sale systems and the business was managed using a custom-developed ERP. Transactions were processed once per day in batch mode and the corporate Website served little more than to underline the company's brand presence.

Group management saw an opportunity to implement a revenue growth strategy by restructuring sales processes in response to changing buying behavior. It was decided to pursue a 7x24 multichannel e-commerce approach to leverage synergies between its brick-and-mortar retail stores, the online shop and the customer loyalty platform, in order to drastically improve the buying experience for consumers. In the future, customers were meant to be able to order online and pick up the merchandise in the store. It would be necessary to return purchased goods in-store that were previously bought online, including the crediting of previously invested bonus points.

This transformation from batch mode to modern multichannel e-commerce was no trivial undertaking. Substantial modifications had to be implemented at the levels of business processes, the organization, as well as the underlying systems. At the same time, the modernization initiative was not to interfere with daily business; a seemingly contradicting requirement.



Fig. 1: PKZ customer portal with integrated eShop

Solution

To implement this business transformation in a timely manner, PKZ decided not to replace essential systems infrastructure, such as the existing ERP, but to reuse and adapt it for real-time operations. Business commodities were meant to be added in the form of cost-effective external Cloud services, e.g. the new CRM, payment processing, credit references or return logistics.

During the implementation of this initiative, E2E's model-based glueware approach did not only play a key role as the central data hub to connect the new services to the existing ERP. It served also as the communication basis for all stakeholders from business and IT to allow for business-oriented process integration.

With many potentially risky modifications insight, seemingly difficult changes at the technical and the organization level were tested with a business-relevant proof-of-concept. The quality management of sales data was chosen as the sample process. The goal of this process was to isolate inconsistent sales information for manual correction during the transformation from batch mode to real-time online business. The proof-of-concept implemented essential business functions up to production readiness. It took only three days to complete.

The proof-of-concept proved the technical and organizational feasibility of the modernization initiative. It laid down the foundation for (1) the introduction of a customer loyalty program and a new Cloud-based CRM, as well as (2) the launch of the new e-shop, two critical milestones of the corporate evolution, which in the meantime have been successfully completed.

Benefits

- Reduction of complexity for development and operations by using the E2E Bridge as a multi-functional tool for all use cases
- The E2E Bridge is the universal communication basis for the complete sales transformation, all stakeholders are permanently involved
- Automation and integration of manual procedures leads to simple, transparent quality management for sales related information