



Lowe's is a leading home improvement chain that operates in 3 different countries. In Mexico, the 11 stores are responsible for over \$150 million in revenue. With 25,000 active SKU's, they are committed to "help Mexicans to love the place they live in."

Franchising model operating in
11 stores

25,000 SKU's

15,000 transactions per day

Over \$150 Million in revenue

www.lowes.com.mx

POS: Changing the Customer Experience and Increasing Business IQ

The Challenge

As part of their growth strategy, Lowe's needed a robust point of sale (POS) solution that could keep up with their expansion plans. Part of their expansion plans included providing a high level of customer service for professional contractors, a growth customer segment in the Mexican market. Lowe's was experiencing customer experience issues that directly impacted this segment: POS instability in the stores with downtime and crashes due to large transactions; and information silos that prevented inventory and customer insights across multiple stores. Lastly, Lowe's was looking for an integrated technology platform that would drive greater business intelligence with store insight, loss understanding, and order brokering. Lowe's needed a solution that would support their vision for the Mexican market.

The Solution

Lowe's Mexico decided to replace their point-of-service solution with the Oracle Retail Xstore suite, in order to provide a richer, updated IT platform to support in-store operations. The solution permitted a seamless integration with the existing merchandising system while providing a structured database for future implementations of other store centric applications such as order brokering and loss prevention.

As a long-term client, Lowe's knew that they could count on Retail Consult to bring in the needed retail and technology know-how for a successful implementation. Lowe's also needed to enhance the baseline Oracle Solution to preserve specific processes that were key differentiators for their business. Retail Consult provided a highly experienced team to enhance the application combining market leading practices with Lowes specific processes to create a seamless solution.

The Benefits

The result was a significant improvement in productivity and customer experience:

- > Substantially faster training for new resources through a modern and touch-centric user interface.
- > Up to 40% quicker checkout processing.
- > Nearly 100% POS availability.
- > Perfect data consistency between merchandising and POS systems.
- > Quick access to access customer transaction history and store credit.

The Project

Retail Consult brought in a skilled team with business, solution, and technical architects to design the solution, as well as projects managers, implementation consultants, systems analysts, and developers to manage and execute the implementation.

Critical to any POS project is to deploy the solution without business disruption. The strategy was to implement one pilot store, followed by a stabilization period that brought the opportunity to fine-tune, before the sequential roll out to the rest of the chain. Using an overnight deployment plan, Lowe's experienced no impact on sales with the store opening the next morning.

“Retail Consult's flexibility and the willingness to go the extra-mile to adjust the solution made a big difference.”

- Francisco Gonzalez, Subdirector de IT y Procesos

Though parts of the projects were conducted in English, most of the project deliverables were written in Spanish. Retail Consult provided a Spanish fluent team, facilitating the involvement of the Lowe's local team

The Way To Success

These projects have great benefits but can also be very challenging. Lowe's felt that to overcome these challenges, it would be essential to be able to count on a reliable partner and with deep retail expertise like Retail Consult. Lowe's advises:

- > Involve a cross-functional team. A POS system a client facing application that has broad functional implications beyond the store such as marketing and finance. It is critical to identify and involve all stakeholders in the envision and design phases of the solution.
- > Invest in a strong functional design and review it with all stakeholders.
- > Choose the pilot store wisely.
- > Use the pilot store to create quick wins by identifying small adjustments and developing add-ons that will make a big difference to the end user.
- > Invest in change management. To involve a store operations champion in the tests, organized training and efficient communication were key to ensure a smooth transition of the different stages of the solution to the users.

“Retail Consult delivered a solution based on standardized and state of the art software, but with customizations that leveraged our market-edge differentiators. This approach was key to success.”

- Francisco Gonzalez, Subdirector de IT y Procesos