EPICOR.

Success Through Analytics

Discover how Epicor helped four lawn and garden retailers cultivate success

Every lawn and garden retailer must manage the challenges of a concentrated selling season, encroaching big-box stores, and constant margin pressures. However, they may lack the necessary control and visibility into their business—thereby leaving decision-makers uninformed, unaware, and ill-equipped to address important issues as they arise.

Look closely, and you may find that your organization lacks efficient business processes and is allocating resources to wasteful or redundant activities. These red flags could have been detected and addressed if you had the right tools, data, and analytics.

The following case studies show how Epicor® Eagle® retail management software offers lawn and garden retailers the capabilities they need to spot issues and resolve them successfully. These include advanced analytics, forecasting, and decision-making tools that can set up lawn and garden retailers for success in a changing—and often challenging—competitive landscape.

Epicor Eagle—Designed to Support Retail Success

Epicor Eagle retail management software is designed to help lawn and garden retailers thrive despite constant market pressures. Partner with technology experts that know your industry so you can focus on your business and drive superior customer service.

- ▶ Understand the keys to business growth— who your best customers are, how shopping patterns are shifting in your region, and how pricing impacts loyalty

- ▶ Deliver exceptional customer experiences at checkout and beyond with advanced point of sale (POS) and mobile technology

- ▶ Maximize margins by analyzing buying patterns to better inform merchandising, promotions, and bundling

- ▶ Cut inventory costs without sacrificing revenue or loyalty by accurately forecasting demand and performing inventory tasks more efficiently

- ▶ Improve overall business performance by making fast, informed decisions using intuitive on-screen analytics

Successful lawn and garden retailers are powered by Epicor. Read on to learn how Epicor solutions helped them overcome their challenges and achieve success.

Bountiful Acres

Robust Functionality of Epicor Solutions Drive Successful Garden Center Business

A Bucks County landmark since 1955, Bountiful Acres started as a roadside produce market that gradually transitioned into a premier garden center and nursery retail business. The business stocks quality nursery and garden plants, garden supplies, tropical and indoor foliage plants, aquatic plants, statues, furniture, fountains, bulk and bagged soils, and mulches. Additionally, the company harvests locally grown trees and offers custom arrangements, landscape design, installation, and maintenance.

Bountiful Acres' mission is to provide the community with the best selection and highest-quality products supported by a knowledgeable staff. They take great strides to keep up with growing trends and business improvements each year.

Solution to improve business efficiency

Surrounded by competition—six garden centers within a seven-mile radius—Bountiful Acres knew they needed a system to show them where their money was going and what products made or didn't make the most profits. They selected the Epicor Eagle N Series® retail business management solution because of the strong industry experience, high quality support, and robust inventory functionality.

"Before selecting the Epicor Eagle N Series solution, we had no control—no transaction history—and orders and deliveries were all managed by moving paper. We were entirely manual. Our goals for the Epicor solutions are abundant, but we are focused on improving efficiency, profits, inventory control, and customer loyalty," said Andy Eckhoff, general manager at Bountiful Acres.

Access to key analytics uncovers hidden issues

Bountiful Acres invested in the Epicor Compass analytics solution and has found tremendous value in the information the tool provides—managing margins more effectively, evaluating vendor performance, analyzing sales performance, and more. "We are a retail garden center, and Epicor Eagle solutions work wonderfully for inventory management and sales forecasting," said Eckhoff. "With the Epicor Compass application, we have been able to turn old inventory, identify items with low margins, and figure out what we should be selling. We have also created vendor report cards that show which vendor products sell best and attained margins. Having key information is beneficial when negotiating discounts and terms with vendors."

"Now that we have accurate inventory, we have started running some interesting reports with the Compass tool. The problems that were hidden before are now at the forefront, and we are able to take action," Eckhoff continued.

"The margin report within Compass gives us insight into all low-margin items that we have. Every aspect of the Eagle N Series system tracks sales, but I have the margin report set to generate automatically. On Monday morning, there is a report sitting in my inbox that compares the past weekend to different weekends in previous years. It takes our temperature to let us know how we are doing and enables us to ask the right questions—are we up or are we down? If we are down, are we coming towards the end of the season so we need to stop buying inventory? It keeps the pulse on where we are compared to previous years, which is really important in a seasonal business like ours," said Eckhoff.

Tools for growth

Bountiful Acres has seen significant improvements in their pottery department's product sales. "One area that we really started looking at with the Epicor solution was sales in our pottery department. The sales kept increasing—it was crazy how much they would increase every month. Because of the data we were able to pull with Eagle N Series, we decided to double the size of our pottery department, and the sales kept increasing exponentially. That department was up 40 percent in the last year alone," said Eckhoff.

Reducing overstock and saving dollars

Bountiful Acres reduced overstocking with Eagle N Series. "In the past, we would pull invoices from previous years and decide if we wanted to reorder the same quantity or something different. All the ordering was done on 'feelings' and not actual results," recalled Eckhoff. "Without a purchase history, we would end up with too much leftover stock and a lot of wasted dollars. The Eagle N Series system has specifically made my job easier by being able to track the inventory that we actually sell and—in turn—saving dollars from being spent on unnecessary products."

Boosting competitive edge

By utilizing the features of the Eagle system's reports and analytics, Bountiful Acres is poised to compete in their market. "Implementing the Epicor system has really brought to light the deficiencies in the business and will provide us with the tools to remain competitive and grow," concluded Eckhoff.

Petitti Garden Centers

Garden Center Retailer Boosts Profitability and Sales With Epicor Eagle Software

Located in northeast Ohio, Petitti Garden Centers sets itself apart from other lawn and garden retailers by exceeding the needs of customers and offering the highest quality plant materials, products, and services. Petitti Garden Centers grows 98 percent of their plants and guarantees the best value for their products. They have taken giant steps to deliver this guarantee by implementing processes and strategies in their day-to-day operations that are both cost effective and environmentally friendly. Part of its success is attributed to having Epicor Eagle N Series as its retail business management solution. "Epicor Eagle software has been one of the best investments we've ever made and has helped us achieve nearly a 6 percent increase in earnings and approximately 25 percent increase in sales," said AJ Petitti, president of Petitti Garden Centers.

Inventory accuracy increases performance
After years of using Eagle software to run the business, Petitti Garden Centers continues to see improved profits with the Eagle N Series solution—their inventory accuracy is above 90 percent. "It's clear to us that the inventory accuracy we're achieving through process management and using Eagle software is dramatically improving our performance. Eagle analytics allow us to track a lot more accurately," said Petitti.

"Years ago, we used too many SKUs, and we overproduced, which is costly for perishable goods like plants. Now, we barcode our plant material by item and item level in a way that allows us to measure what we're producing, selling, and wasting. We reduced our production by 20 percent the first year with this process, because we started producing what was selling."

Increasing traffic and sales

Petitti's relies on the Eagle Performance Manager and Eagle Loyalty Manager solutions to assess performance and generate sales. "We run a lot of promotions and look at customer data and market basket analytics to see what the customer bought and assess the profitability of each promotion," said Petitti. "Our Eagle Loyalty program allows us to keep contact with our customers, reward them for their business, and generally promote traffic to our garden centers. About 80 percent of our customers participate in our loyalty program—earning certificates for dollars off a purchase. We find that—on average—a customer redeems their certificate toward an $80–$85 purchase."

Maximize seasonal sales with analytics

Epicor Compass provides the data and reports to evaluate year over year inventory levels and sales to prepare for the coming selling season. "We're a seasonal business, which means that our success depends on how well prepared we are. Epicor benchmarking capabilities enable us to align inventory with anticipated sales," said Petitti. "With Eagle software analytics, we went back and looked at years that more closely correlate to this season, so that we could better forecast sales."

Drive sales and serve customers where they shop

Eagle Mobile Manager gives Petitti Garden Centers the capability to drive sales by serving customers while on the sales floor. "The Mobile Manager application is awesome at helping us serve customers while we are walking around the store. We can find stock quantities and quickly look up inventory at another store and arrange a transfer for that customer. Instead of losing a sale, we make it happen. It's a layer of convenience and performance for our customers. We can run a pace report to project and track sales," said Petitti. "Mobile Manager also gives us the ability to track our performance in real time. Wherever I am, I can check the pace of sales. When we have a million-dollar day to make, I track hour-by-hour to ensure that we are on pace. I couldn't even dream of hitting those kinds of sales numbers in a single day before we had Eagle software."

Epicor is a partner in retail success

"I understand the importance of our software partners in our success. Epicor stands out with its commitment to constantly reinvest. "Epicor listens to its customers and implements what we need. Not all software companies are as engaged with their customers in such an open exchange, and it's a huge asset for the retailer. We see the return on our monthly investment in the system, as opposed to just having a software provider charge a monthly fee," concluded Petitti.

Ellis Home and Garden

Gardening and Home Decor Retailer Gains Significant Dollar Savings With Epicor

Ellis Home and Garden has served communities in Louisiana and Texas for more than 30 years. With five retail locations, three seasonal retail sites, an online store, and impressive greenhouse operations, the company is proud of its unique product selection. Without accessible data for quick reactions, Ellis Home and Garden outgrew its proprietary retail software system and manual business management processes and has been utilizing the Epicor Eagle N Series retail business management solution to strengthen business operations.

"We chose Epicor Eagle N Series software to help us conduct better business practices," said Derek Ellis, CEO of Ellis Home and Garden. "Prior to implementing Epicor, we were using Excel spreadsheets to track our inventory, and we had a difficult time anticipating sales of our seasonal products. When a business doesn't have a system in

place that lends to operational improvements and efficiency, it really misses out on a lot of beneficial information. The more information accessible to a business, the quicker it can react. Epicor Eagle N Series is that powerful business tool we were missing, and with it, we have experienced tremendous savings for the company—especially in regards to time, margins, and overall inventory. It has laid the foundation for a much healthier and stronger future for our company."

Reliable data improves business results

Ellis Home and Garden implemented the Epicor Compass and Epicor Eagle Performance Manager tools to easily access key business data. "Epicor Compass and Epicor Eagle Performance Manager have been major tools for us because they give us the detailed data we need in regards to revenues," said Ellis. "For example, we have a report automatically generated for managers every Monday that provides the revenues by department with gross margins, profit margins, and averages—with comparisons to that time last year. It shows us quickly where we're really successful and where we're struggling."

"Another report that's key for us is the 'Top 25 Items' report," continued Ellis. "The Market Basket analysis tool shows us every top unit sold in each department for the previous week. We can see which department has what's in stock and can spot quickly if a store is understocked or overstocked—I feel confident we have reduced stock outs because of this tool. It allows us to be more efficient with our money and helps us focus on topline growth and revenues. Now with Compass, reporting is real time, and we can really see how actions at the business owner level and the buyer level impact our bottom line—it's black and white."

Focus on margins and gross profits

"We can clearly see that since implementing Epicor solutions, our margins have improved significantly. We've increased our year-to-date gross profit by 2.2 percent," said Ellis. "In addition, our inventory value has been reduced by about 15 percent—which freed up over $500,000 in cash flow. We can more accurately target top-selling items, focus on maintaining stock with those items, and minimize or eliminate slow sellers altogether. The Epicor solutions have allowed us to focus on the margins and gross profits and easily monitor and stay on top of inventory levels."

Instant answers with mobile

Ellis Home and Garden uses the Epicor Eagle Mobile Manager app to see what's happening in the business directly on a mobile device. "Eagle Mobile Manager is definitely my favorite tool and the one that gets the most attention from my managers," said Ellis. "It has changed the ability of my store managers to monitor the sales of their stores—all the way to the top 100 items of the day or the month. They can quickly look at how they're going to merchandise their stores based on what's really moving and generating profit."

"It has also changed the buying habits of our buyers," Ellis added. "We have been stopped countless times at buying shows with people asking, 'What is that?' They see us scanning barcodes right on a mobile device. When we scan products we can see the cost, stock levels, our gross profit, and outstanding orders—you name it. Eagle Mobile Manager really prevents us from spending money where we don't need to and puts the money where we do."

More effective promotions

Ellis Home and Garden is aware that it's important to keep careful control of promotions or they can get out of hand. "Promotions are huge in our industry. The Epicor Dynamic Promotions tool gives us the ability to track promotion performance down to each specific item. We can look at how different promotions can impact not only units sold, but also gross profit within that category," said Ellis. "This knowledge has significantly impacted how we promote items to better conserve margin while maintaining optimal units sold. We've been able to flip promotions entirely with the data we now have—offering more compelling sales, not wasting valued margins, and better engaging customers."

Armstrong Garden Centers

Independent Retail Nursery Relies on Epicor Eagle to Help Increase Profitability

Armstrong Garden Centers is the largest independent garden retail company in the U.S. with two centers of operation—Armstrong Garden Centers in California and Pike Nurseries in Georgia. Armstrong's expansion into garden lifestyle retailing includes a comprehensive landscape and consultation/installation division and outdoor living category that features outdoor furniture, barbecues, and outdoor kitchens. Armstrong's tagline is "Gardening without Guesswork." To deliver on that commitment, the company relies on knowledgeable staff and Epicor Eagle as its retail business management solution.

Inventory dashboards help reduce inventory

The power of the Eagle solution to capture and analyze all aspects of inventory management positively affects all 48 locations. "The Eagle system allows us to manage against key inventory metrics. Our inventory dashboards empower store managers to see inventory levels and turns by category, class, and SKU. Managers can easily see sales, margins, and what hasn't sold and may become literally 'dead stock'—or 'dumps,' as we call them," said David Weisman, CFO of Armstrong Garden Centers. "We reduced inventory by 10 percent since we implemented inventory dashboards about a year ago."

Higher margin focus on seasonal inventory

Managing seasonal inventory like Christmas trees requires more analytics to improve margins. "We have about a month between Thanksgiving and Christmas to maximize profitability of Christmas tree sales. We run reports that show current stocking levels compared to actual sales-to-date and estimate daily sales until the end of the season. We can then see if we will have excess stock to sell by sending reminder emails to customers that bought trees the previous year or by discounting," said Weisman. "The goals are to have as few dumps as possible and to have higher margin. Our Eagle software dashboards and reports certainly help us achieve those goals."

Customer loyalty programs increased revenue

Armstrong Garden Centers relies on the Epicor Eagle Loyalty and In-Store Gift Card solutions and designs marketing initiatives around these programs. About 75 percent of their customers are loyalty program members that receive special offers, coupons, and rewards. Their reward points are issued as gift cards, and they've seen positive redemption trends.

They have found that the average loyalty member purchases about 20 percent more than a non-loyalty customer. They've also done promotions with gift cards. Before they implemented the Eagle solutions, they didn't have the data to measure and understand the power of these programs. Today, they can measure the impact and successfully design loyalty and gift card promotions that increase their revenue.

Measurable impact on business using Epicor Compass

An important metric that Armstrong uses to assess overall business health is items per cart (IPC). External conditions and uncontrollable weather factors may affect how many customers visit Armstrong Nurseries, but once they are inside the nursery, the business can influence how many items each customer buys. Their average sale and IPC have been trending up over the past five years. Before implementing the Epicor Compass application, they didn't look at IPC. Now, with visibility into IPC metrics, they can work toward specific goals. For example, if they see that a store's IPC number is down, they can call the store to ask if a certain area isn't staffed or recommend increasing employee training for suggestive selling and customer service.

"We know that there are key drivers in this business that create sales and increase profitability. Compass dashboards allow us to supply employees with information that highlight potential issues, sales, and margin opportunities. The data helps them see how their actions and decisions affect profits. The measurable impact on our business due to Eagle data and dashboards is what makes Eagle software standout above other solutions," concluded Weisman.

Why Retail Businesses Choose Epicor Eagle Analytics

No matter how large or small your business is, you'll need to make solid, timely decisions based on clear, meaningful, and reliable information to optimize business results. The Epicor Eagle retail management solution provides the vital insights to help you achieve your business goals.

Epicor Eagle Analytics—Real Business Intelligence for Better Decisions
The Eagle system constantly collects precise data about your business and gives you instant access to visual, real-time, and in-context analytics. A wide range of standard reporting options keep you informed and help you make timely decisions that can dramatically improve business results.

Epicor Compass analytics software provides you with up-to-the-minute insights into the dynamics of your business—presenting information your way through its powerful reporting features. Advanced drilldown capabilities can quickly take you from distilled summaries to the raw, underlying data.

Epicor Performance Manager gives you answers to your important business questions and provides a snapshot of how you're measuring up through a series of customized "dashboards" that you can design for specific users and business needs.

Eagle Inventory Planner brings more precision to a number of key planning elements—lead times, usage computation, order points, and more. It can even give different weights to specific time periods to reflect seasonal or other market fluctuations or promotions that may have impacted sales.

Eagle Pricing Planner streamlines the process of gathering competitive prices. The mobile app enables you to use mobile devices to scan items in your competitors' aisles and store the data for later analysis. Retailers can then slice and dice this competitive information and fine-tune margins.

Epicor Mobile Manager allows you to access critical data from your smartphone or tablet. You can monitor for alerts, view Compass Analytics and reports, and take your business's pulse—when and where you want.

Dynamic Promotions give you an opportunity to sell more by offering your customers the same enticements used by big-box retailers. Build a list of items you want to promote together, designate the rules, schedule when it begins and ends, and watch your store traffic and revenues increase.

In-Store Gift Card offers a valuable business strategy that allows you to gain and retain a higher level of customers who will purchase more—more often. Gift cards mean more purchases, more revenue, and more customers. On average, customers who use gift cards spend 20 percent more than the card value.

Eagle Loyalty is fully integrated with the Eagle system, so there's no monthly or transaction-based fees, and it provides the same features and flexibility of rewards programs used by large retail chains. Retailers can enjoy increased store traffic, higher sales, and greater profits by offering a loyalty program.

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software designed to fit the precise needs of our manufacturing, distribution, retail, and service industry customers. More than 45 years of experience with our customers' unique business processes and operational requirements are built into every solution in the cloud or on premises. With this deep understanding of your industry, Epicor solutions dramatically improve performance and profitability while easing complexity so you can focus on growth. For more information, connect with Epicor or visit www.epicor.com

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