



## Successful Retailer Meets Demands of Growth with Integrated, Automated Solution

### Overview

**Country or Region:** Serbia

**Industry:** Retail

### Customer Profile

Based in Belgrade, Serbia, N Sport is a leading retailer of name-brand sports equipment, apparel, and footwear. The company has 150 employees and 50 computers.

### Business Situation

To maintain its leadership position and to best serve customers, N Sport needed to address challenges of rapid growth with respect to information access, decision making, and supply-chain monitoring.

### Solution

With the help of Microsoft® Gold Certified Partner Adacta Execom, N Sport deployed a fully integrated and automated information infrastructure based on Microsoft Windows® and Microsoft Dynamics™ NAV.

### Benefits

- Savings in training and implementation
- Streamlined collaboration and decision making
- Costs down by 8%, errors down by 30%, productivity up by 40%
- Ability to maintain innovation and competitiveness

“Finally, managers and employees at all levels of the company have a complete view of the business ... to support efficient processes and rapid and accurate decision making.”

Borislav Simeunović, Director, N Sport

By opening and operating a series of successful stores, Belgrade-based N Sport grew in just 11 years to become one of Serbia's leading retailers of name-brand sports equipment, apparel, and footwear. However, the challenges of such rapid growth threatened the company's success. A growing and increasingly distributed workforce found it difficult to communicate and collaborate. Executives struggled to make timely and effective strategic decisions. Other employees found it difficult to track goods through the supply chain, to perform cogent business analyses, and to provide the highest level of customer service. To address such challenges, N Sport deployed a new solution based on the Microsoft® server product portfolio and Microsoft Dynamics™ NAV (formerly Microsoft Business Solutions–Navision®). N Sport is now positioned to remain a major player in its market well into the future.

“At the user level, a familiar solution would provide savings in training and, more importantly, would maximize the talents, productivity, and effectiveness of all N Sport employees.”

Bogdan Obradović, Managing Director, Adacta Execom

## Situation

Founded in 1995 as a sports-equipment wholesaler, Belgrade-based N Sport has grown to become a major retailer of sports equipment, apparel, and footwear from Puma, Northland Professional, and other leading manufacturers. Since 2000, N Sport has opened stores across Serbia, Bosnia, and Herzegovina; today it has more than 20 multiple-brand stores, one Puma Store, and two outlet stores. The multiple-brand stores offer products from Puma and Northland as well as Asics, Grisport, Killer Loop, Nike, Playlife, Skechers, Tommy Hilfiger, Umbro, and others. The outlet stores offer thousands of discounted last-season apparel and footwear items as well as exercise equipment.

With the opening and operation of these retail stores, N Sport enjoyed a period of impressive growth between 2001 and 2006: 60 percent yearly, on average. But with such success came the recognition, in early 2006, of the downside of rapid growth: the challenges of maintaining effective communications and information exchange among a workforce distributed among eight offices in 2006, up from just three, in 2001.

Having diverse solutions in place for financial accounting and inventory, and only one individual to address IT challenges, N Sport was unable to effectively integrate business processes throughout the enterprise. The company also lacked the data transparency—specifically on item quantities, warehouse inventories, and their current values—that is essential for a rapidly growing player in a competitive market.

“Buyers couldn’t rely on the accuracy or timeliness of information they received on vital components of the business; so they struggled to make strategic planning and ordering decisions,” says Borislav Simeunović, Director, N Sport. “This is a

critical problem in an industry where all items must be purchased over a period of just 20 to 30 days up to a year before they will appear in the retail stores.”

N Sport also faced challenges in tracking the movement of goods, in performing strategic analyses of business processes, and in maintaining inbound and outbound control and comparison with internal quality standards. “Just to learn specifics about current sales by price or quantity, managers, purchase officers, and sales officers might wait 10 days,” Simeunović points out

## Solution

Working with Belgrade-based Microsoft® Gold Certified Partner Adacta Execom, N Sport executives specified the technology for a new IT solution. According to Bogdan Obradović, Managing Director, Adacta Execom, the executives wanted a fully integrated solution that would enable employees throughout the organization to communicate more effectively and enjoy access to timely, accurate, and comprehensive information.

They also wanted innovative products to support the needs of employees as the company continued to grow, and they wanted flexible licensing options and the ability to be supported by a single partner, for savings in upgrades, service, and support. And they wanted a solution that was based on widely used technologies and thereby familiar to the people who would be working with it.

“At the IT level, a familiar solution would provide savings in deployment, development, and enhancement costs,” Obradović says. “At the user level, a familiar solution would provide savings in training and, more important, would maximize the talents, productivity, and effectiveness of all N Sport employees.”

“Now, executives in finance, accounting, and sales and marketing receive the information they need .... to perform high-quality analyses, to manage relationships with our business partners, and to execute direct distribution of products to selected locations.”

Borislav Simeunović, Director, N Sport

To meet such specifications, the executives decided to develop and deploy a solution based on the Microsoft server product portfolio, including Microsoft Windows Server™ 2003, and Microsoft Dynamics™ NAV (formerly Microsoft Business Solutions – Navision®) to provide financial management, marketing and sales, and purchasing and inventory functionality.

In mid-2006, under the leadership of Adacta Execom, N Sport implemented phase 1 of the solution, which included the Pebblestone Fashion enterprise resource planning add-on for Microsoft Dynamics NAV, the Windows® XP Professional Edition operating system, and Microsoft Office Standard Edition 2003. Developers also began work on phase 2 of the solution, which will incorporate LS Retail for Microsoft Dynamics NAV.

### Benefits

Today, N Sport analysts, buyers, accountants, and other employees across the company have a stable and reliable foundation for accessing, processing, and exchanging the information they need. As a result, they are better able to make speedy and effective strategic decisions, to collaborate efficiently, and to serve the company’s partners, customers, and suppliers. They also are better positioned to help N Sport retain its leadership position in a highly competitive marketplace.

### More Effective Decision Making

With the new solution in place, N Sport has fully integrated its business processes and systems, from point-of-sale terminals to the general ledger.

“This level of integration stands in stark contrast to that of our prior environment,” Simeunović says. “Finally, managers and employees at all levels of the company have a complete view of the business, from the big picture to minute details, at any time of day

or night, to support efficient processes and rapid and accurate decision making.”

For example, using the Microsoft Dynamics NAV analytical tools that form the centerpiece of the solution, users can access a large volume of data on everything from production orders and inventory levels to customer status and marketing campaigns.

“Buyers and analysts can easily track the movement and location of more than 10,000 different products by model, size, and color between warehouses and stores,” Simeunović reports. “This has helped the company to implement direct distribution by location, which is essential for the accurate disposition of goods.”

This unique data archive helps buyers process orders with all necessary variants, follow trends, and project future needs. “The process is largely automated, relieving buyers and their staff of having to manually import data and check item parameters,” Simeunović says. “As a result, the solution simplifies order planning as well as tracking of deviations, confirmations, and deliveries.”

The data archive also provides executives with timely and comprehensive information on quantities per location, value of inventory, companywide transactions by quantity, item availability, substitutes, prices, and discounts—all accessible through a single window view.

“Now, executives in finance, accounting, and sales and marketing receive the information they need in a single day instead of two or three,” Simeunović says. “As a result, they are better able to perform high-quality analyses, to manage relationships with our business partners, and to execute direct distribution of products to selected locations.”

“N Sport employees are using the solution to help them apply their time and talents to creative work instead of paperwork.”

Borislav Simeunović, Director, N Sport

#### **Comprehensive Automation for Savings, Productivity**

To help streamline processes ranging from routine accounting tasks to monitoring of the supply chain, the solution automates numerous activities that in the past were performed by hand, enabling such processes to be accomplished in just half the time or even less.

For example, the solution automatically creates and distributes data on intercompany transactions, including sales and purchase documents and general-ledger entries, with support for multiple charts of accounts, databases, currencies, and languages. The solution also provides automated reversals of journal postings, application of partial payments, and alerts and notifications.

In sum, Simeunović figures that with advanced automation and simplified access to vital documentation provided by the solution, the company has achieved an 8 percent reduction in costs, a 30 percent reduction in errors, and a 40 percent increase in employee productivity.

“From accounting executives to warehouse personnel, N Sport employees are using the solution to help them apply their time and talents to creative work instead of paperwork,” Simeunović explains.

“Consequently, employees are far more likely to work at their full potential, which helps the company pursue innovation and profitability.”

#### **Enhanced Customer Service, Competitiveness**

It's not only N Sport employees but also the company's customers, partners, and suppliers that benefit from the integration, access to information, and automation provided by the new solution.

“Managers and staff now enjoy immediate access to customer contracts, warranties,

preferences regarding service and billing, and more,” Simeunović reports. “This helps them process orders and track deliveries quickly, make intelligent, last-minute exceptions and changes, and respond knowledgeably to queries.”

This in turn helps N Sport employees provide exceptional service to customers, partners, and suppliers. “And that is key to maintaining the exceptional growth we have enjoyed in recent years and remaining competitive in a turbulent market,” Simeunović adds.

## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: [www.microsoft.com](http://www.microsoft.com)

For more information about N Sport products and services, the Web site at: [www.n-sport.net](http://www.n-sport.net)

For more information about Adacta Execom products and services, visit the Web site at: [www.adacta-execom.net](http://www.adacta-execom.net)

## Microsoft Solutions for the Retail Industry

Large retailers, hoteliers, and restaurateurs are facing strong challenges in virtually all areas of their business, from ever-changing customers and increasing competition to shifting models and emerging technology. Through the Smarter Retailing Initiative, Microsoft and its partners are working together to meet these challenges and empower the retail and hospitality industry with a competitive edge. By providing powerful integrated solutions, we enable improved shopping for the customer, a more effective sales staff, and enhanced operations at store and corporate levels.

For more information about Microsoft solutions for the retail industry, go to: [www.microsoft.com/resources/retail](http://www.microsoft.com/resources/retail)

### Software and Services

- Products
  - Microsoft Dynamics NAV
  - Microsoft Office 2003 Standard Edition
  - Microsoft Windows Server 2003 Standard Edition
  - Microsoft Windows XP Professional

### Partner

- Adacta Execom

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