

Hampering Around

MYOB Exonet assembles Hampering Around's business management needs.



Business profile

- Hampering Around designs and provides contemporary, stylish gourmet food and wine gift concepts. It was developed from a dream to provide companies with something more than "your average wicker gift basket". This recipe has been the key to becoming recognised as the national market leader in the gift and hamper industry.
- Established in 1998, founder and director Sarah Cross saw an opportunity to promote unique gift ideas to the corporate market. She calls it 'Marketing with Food' and so do her satisfied clients.
- The company has experienced incredible growth and repeat business and now provides the gift service nationally. Many large Australian corporations and national reward companies are valued clients.

Key challenge

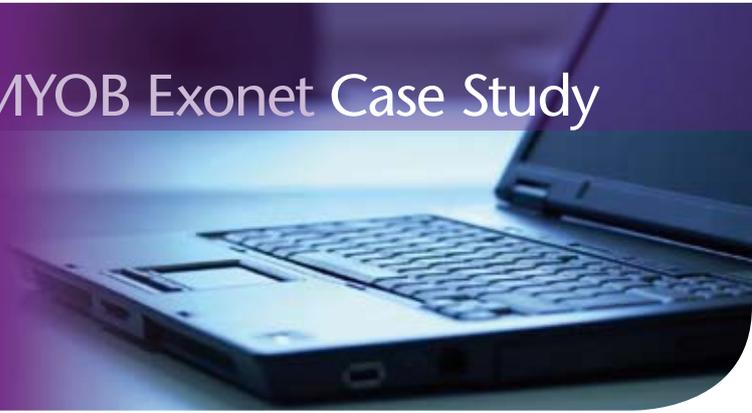
- Christmas is an extraordinarily busy period for Hampering Around as the company churns out 200-300 orders a day, with up to 10 people working long days to ensure each and every client order is met with a "gift of joy".
- Invariably, such a busy and growing operation was having difficulty managing its stock levels as clients orders mounted, supplies pounded through the door and then left just as quickly after being carefully assembled.
- Often a hamper item would run out and have to be substituted with another, which would then also run out before people realised. Manual stock takes were very time-consuming and couldn't be done often enough. Not even spreadsheets and constant monitoring was the most efficient use of resources.
- MYOB Premier had been a very effective product for Hampering Around, but with more sophisticated inventory and assembly requirements, the growing company knew there had to be a better way to account for its inventory to ensure stock levels were being monitored on a minute-by-minute basis.
- Innovative management at Hampering Around includes having a 'High Season Debrief' where all employees contribute their experiences and ideas to improve operations.
- The company debrief that followed Christmas 2004 provided a simple message, Hampering Around had to change their software to support the companies high season operations or the company would be unable to cope with the expected increase in business volume.

Solution

Following an extensive search for a solution involving several business software systems, Sarah decided to upgrade to MYOB Exonet for a number of key reasons:

- its more sophisticated inventory capabilities that allowed a bill of materials and works order (hamper assembly order in Hampering Around's terms), which essentially meant stock levels could be monitored constantly
- provision of management information to judge how the business was progressing throughout the month
- automation of tasks such as reordering of stock items and creation of works orders based on a clients order or web order
- its ability to integrate with their existing web store
- ease of use and ease of data conversion from MYOB Premier.

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Inventory management process succeeds with MYOB Exonet

Working closely with MYOB Exonet implementation partner Exoserv; the software has been configured for Hampering Around's specific needs to address and alleviate the stock control issues of the past.

Essentially this means the team at Hampering Around follows this simple process to ensure stock control is at best practice:

- Step 1. Minimum stock levels are monitored by MYOB Exonet and a purchase order is raised when goods are ordered
- Step 2. The goods are received and immediately entered in to MYOB Exonet.
- Step 3. When a sales order is received, it automatically creates a works order or what is known as a Hamper Assembly Order
- Step 4. Each hamper order is checked for stock item shortages by using a custom report selected by a 'button' on the order screen and substitutions are made where required
- Step 5. The hamper is assembled, stock items used confirmed, invoiced and dispatched via the carrier most suitable for the delivery address

The stock control report ensures constant up-to-date stock levels and highlights any errors and possible substitutions by stock item. It also prevents a costly problem that Hampering Around had in the past of reordering stock they already had.

"The inventory valuation aspect of this report also ensures the company is not carrying too much stock particularly at the end of Christmas period when there is the potential to be left with a considerable amount of stock that may go out of date, not to mention the cash flow issue it could create," said Sarah.

"Dashboard" delivers critical KPIs and targets

MYOB Exonet also produced a management report or "dashboard" for Hampering Around that outlines a range of critical KPIs and information collected from all transactions. It outlines such key information as:

- what has been sold today, month-to-date and year to-date
- gross margin on all sales
- how financial targets are being achieved on a day to day basis
- aged creditors and debtors
- stock held at multiple locations

The bank reconciliation capability was described by Hampering Around's Office Manager Andrea Harris as "fantastic", citing its ease of use as the key to fast reconciliation.

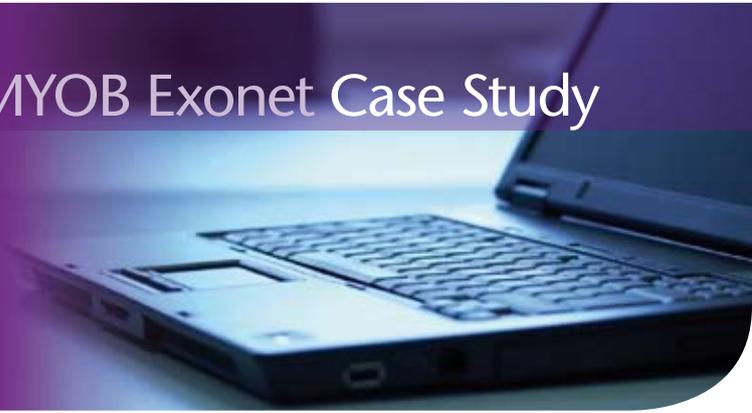
They company is now able to process a high number of orders and account for a range of payment methods including cheques and credit card payments over the internet and by phone.

Customer profiling is also beginning to play a part in Hampering Around's marketing efforts and clearly identifying those valuable customers and market segments to focus on.

MYOB Exonet includes a CRM capability that is being used by sales consultants to ascertain information such as:

- when a client is likely to purchase
- when a client last purchased
- when their industry type is likely to purchase
- who does a client's purchasing.

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Implementation, training and support all highly rated

The staff at Hampering Around are very happy with the implementation, support and training provided by MYOB Exonet partner Exoserv.

“Good people have helped us through an adjustment period and the remote connection to the server between Exoserv and Hampering Around has made support very easy-to-use and responsive, particularly for loading new reports,” said Sarah.

Training from MYOB Exonet’s implementation partner Exoserv has also been well received:

“One-on-one training meant it was tailored towards the needs of the business. Training has also been consistent with maintenance updates and, best of all, it was done using real-life, practical Hampering Around.”

Advice

Sarah strongly believes the MYOB Exonet system is well worth considering if your business is looking to purchase a more sophisticated business management software system and offers the following advice: “Be clear with what you want out of the system, consult with your supplier about how they can help your business, clean up your data and allow time to learn and train employees.”

Sarah concluded with the following summary: “Overall, the system is simple to use, flexible, highly configurable and certainly met our needs. We also haven’t had to hire any additional people to help us with the new system.”

