

# Digital Channel Solutions

## IT Accessory Distribution

### Company Profile

Digital Channel Solutions (Pty) Ltd (DCS) is a focused, niche distributor of IT accessories and peripherals into the South African retail and dealer markets. Currently DCS distributes world-leading brands such as Logitech, Labtec, Verbatim, Memorex, Dysan, Fellowes, Belkin, ADS Tech, Ulead, Nero and HP calculators. These products are distributed throughout South Africa from branches in Johannesburg and Cape Town.

### The Situation

DCS was previously running Solomon IV by Great Plains Software. Local support for this product became difficult and the system was not handling the volumes of transactions being processed efficiently so a new system was required. Reporting directly from Solomon was cumbersome, often requiring time-consuming manipulation of data using Excel or Brio. "The existing system was out of date, and would clearly not be able to supply our business requirements going forward," says Richard Radue, Managing Director of DCS.

### The Requirements

A fully integrated software was required. The system had to be flexible, able to handle unique requirements related to servicing retail chain stores, and yet be cost-effective. Requirements included real-time financial accounting down to branch level, flexible pricing and rebate structures, multi-currency purchasing, advanced stock control, and simple, fast remote access capabilities. Also, it was important to be able to import existing accounting data into the new system easily and accurately.

The new software had to provide a fully integrated financial solution where DCS could have access to real-time financial and logistics information.

The ability to handle multi-currency purchasing and a simple, efficient method to allocate extra costs, such as customs, and freight, to the cost of the imported items was also a pre-requisite. Handling of back orders and delivery bookings and deadlines needed to be simple and easy to administer. DCS was also looking for a flexible reporting system that would enable them to supply vendors with real-time, accurate reports.



"The system had to be able to grow with requirements, be fast and reliable, especially when being used by remote sites, and be able to support the value proposition that sets us apart from our competitors. This competitive edge was most important due to the fact that 'anybody can move a box.' The value-add in distribution comes from the way this is done efficiently and effectively. HansaWorld is an integral part of the process and value-add that we offer," Radue explains.

A number of systems were looked at before HansaWorld was discovered. HansaWorld was chosen following a meeting with HansaWorld SAF, which was originally set up to discuss selling Logitech headsets as an add-on sale for HansaWorld's Skype capabilities. However, following the meeting, DCS were so impressed with the software and its functionality that they made the decision to use the software in-house.

## ***The Implementation Process***

The decision to purchase and implement HansaWorld was made about six weeks before the end of DCS's financial year. It was decided that the ideal would be to set the go-live target as the first day of the new financial year.

Once the go-ahead was given, HansaWorld, together with the DCS team, developed a schedule according to the HansaWorld Implementation Methodology, which made the implementation process relatively pain-free. Key data was extracted from the old system and tested before go-live, with the process being refined until the correct data was extracted.

All staff were trained prior to the implementation. The simple interface and software design ensured that staff found the system easy to use. All staff were very positive towards the new system, and this, together with the systematic implementation methodology, ensured a highly successful go-live.

DCS runs Microsoft Small Business Server Premium Edition on Twin Zeon CPU's with a wired network in Johannesburg, and via ADSL wireless network in Cape Town. All workstations use Windows XP Professional.

## ***Benefits and Results***

The immediate benefit to DCS was that the new system is much faster than the old one, and the use of the "Duplicate" function ensured that the capture of repetitive orders for certain customers – chain stores – was more efficient. Both internal and external sales staff have access to more detailed stock information which enables them to give their customers a more rewarding purchasing experience.

"The system has been in operation for 7 months, and we are now starting to see the full strategic benefits for management in terms of statistics, business analysis and planning. Immediate access to real-time data is essential for the day-to-day running of the business," comments Radue.

## ***Future Plans***

Due to the success of the implementation, DCS will expand the use of HansaWorld – there will be a more detailed use of the stock control module, bar code scanning and serial number tracking, and logistics management.

