

Thangamayil Jewellery saves 55% on store costs with QlikView

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– Yadeentha Nathan SK, *Executive Information Officer, Thangamayil Jewellery Limited*



Overview

Thangamayil Jewellery Limited is among the fastest growing companies in India with a chain of jewellery retail stores across several districts of Tamil Nadu—the state with the largest share of India’s total gold consumption. In the past year, four new outlets opened bringing the total number of showrooms to 31. The Madurai-based company with 1,200 staff deals in gold, silver, diamonds and platinum with the majority of the ornaments bought from dealers in other states.

Jewellery business lacked near real-time information on inventory management

Until recently, inventory and re-order levels were a major challenge for every store at Thangamayil Jewellery which had manual systems using Excel spreadsheets for business intelligence (BI). Yadeentha Nathan, Executive Information Officer, Thangamayil Jewellery, explains: “There was no near real time access to inventory and in-store detailed information which was easily available at the close of business

each day. Dependency on store resources was high. In reality, actual store inventory could only be seen the following morning. Re-order levels and item needs were too complex to satisfy customer demands resulting in loss of sales. We needed a solution.”

QlikView delivers full ROI in just one year

Thangamayil Jewellery considered a local BI vendor using Microsoft SQL Server tools but with help from Qlik Partner R Systems, formerly aka. IBIZCS India, unearthed the power of QlikView 11 business discovery software. The company assisted with sales, training, deployment, and knowledge transfer.

Yadeentha says: “R Systems helped us with the initial applications which were about getting high visibility of inventory. Previously, we had no real insight and could only see three to five showrooms at a time and our business was suffering. The complete return on investment in just one year with QlikView is amazing. We’ve also reduced our costs at our stores by 55 per cent with near real time sales seen by all stores in one place. This was achieved by using budget management dashboards in QlikView to cut costs in each store.

Stock levels reduce by 50 per cent

The IT team has created multiple applications for its employees ranging from senior management to operations, inventory control, sales and purchasing.

Solution overview

Customer Name: Thangamayil Jewellery Limited

Industry: Retail

Function: Executive, Finance, Human Resources, Operations, Sales

Geography: India

Challenges:

- Gain visibility over inventory in 30 stores
- Reduce stock levels to improve profitability
- Improve stock availability and reduce margins to provide better customer satisfaction

Solution: Thangamayil Jewellery deployed QlikView 11 to monitor inventory management of all its stores accessing 40 million records and then extended the use of QlikView within the organisation.

Benefits:

- Delivered 50 per cent stock level reduction
- Reduced expenses per store front by 55 per cent
- Improved inventory management and performance of sales
- Helped boost employee performance

Data Source Systems Database:

Applications: SAP B1

Database: Microsoft SQL Server, Excel

Qlik Partner: R Systems Services India



Return on investment

12 months

to achieve full ROI

Time to value

3 days

to deploy new dashboards

The key here is that QlikView provides details of sales growth year on year helping the team to provide the right stock at the correct showroom.

Yadeenthra says: "Once we have got the parameters it takes around three days to build a new dashboard. We can see what's moving in our stock and what isn't and where customer preferences lie. This has enabled us to reduce our stock levels by around 50 per cent—so some of the stock isn't just sitting there collecting dust anymore."

Sales analysis and margins improve with QlikView

The business is now far more agile with QlikView and in future the company will introduce QlikView on mobile devices.

Says Yadeenthra: "Let's look at visibility of inventory. Before QlikView actual store inventory could only be seen the next day. Reorder level and item needs were not clear enough to satisfy customer needs. With QlikView we can now see inventory in near real time which results in timely replenishment based on actual product sales. We now have accurate budget forecasting and QlikView helps us to take decisions on objective information."

QlikView has also helped the company improve its margins. Nathan says: "We have come down from five to seven per cent margins before QlikView to something more like three to five per cent on ornaments, for example, which is where we want to be to ensure customer satisfaction. This has been especially important in a year when trade of gold



has been dropping due to government restrictions in India. As a result we are able to transfer these savings into reduced prices for our customers."

QlikView app matches employees to the right task

QlikView has helped Thangamayil Jewellery to improve the usage of its human resources as well as to boost profitability and productivity. "Employee performance analysis has provided the insight into the employees who do their jobs perfectly. Our HR application is perfect for selecting the right person for the correct job in the organisation," concludes Yadeenthra Nathan.

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