

Dynamics AX 2012 R3 Reimplementation Increases Sales Through Demand Prediction



Customer: Fantasy World Toys, retail division of Safari House General Trading Co. (SHGT) **Industry:** Retail / Wholesale

Size: 201-500 employees

Profile: Fantasy World Toys is a retail chain of children's toy stores.

Region: Kuwait

Services: Microsoft Dynamics AX 2012 R3 implementation

Business Need

Fantasy World is an upscale retailer of children's toys specializing in imports from the United States, Europe, and East Asia. They have multiple stores across Kuwait, as well as several warehouse and distribution centers. Fantasy World was the first store of its kind in the region and has grown to become a well-known and well-loved brand to parents and children alike. Fantasy World Toys is the retail division of Safari House General Trading Co (SHGT) which also has wholesale divisions.

While Fantasy World already had Microsoft Dynamics AX 2012 R2 implemented, they wanted to reimplement Microsoft Dynamics AX using the upgraded version, AX 2012 R3, in order to customize and enhance their business processes with the help of extensive new features available in R3.

As a business, there was a need to change the organization model and manage intercompany transactions. The company has multiple units,

including retail and wholesale. When they previously used a single company R2 ERP, it was difficult to segregate data and processes into multiple units.

As a result, it was impossible to measure individual companies and understand the scenario with sales and inventory. With R3's multicompany ERP functionalities, they hoped to separate retail and wholesale and gain a clearer picture of the entire business.

The issues arising due to the architecture and network changes necessitated by the Retail R3 version needed to be addressed. It was absolutely essential that the shift from R2 to R3 happened in real time, without disrupting operations or any downtime. With the aim of maintaining their reputation as the leading toy store and supplier in Kuwait, they needed to ensure seamless operations – and that their business units were operating at their full potential. Fantasy World/SHGT had several goals, including better centralized product management, business unit specific product catalogs, better retail and wholesale sales handling, auto replenishment functions for their

"Indusa (now Synoptek) really has experts in Dynamics AX ERP. I've led SAP, AX, and many other implementations. This one was so smooth – everything went perfectly. Indusa experts knew exactly what needed to be done, and how to do it – on time and within budget! Our business heads – finance, supply chain, retail operations, and warehouse management – were happy and thought the Indusa team was very knowledgeable."

Bharat Patel, Head of IT, Fantasy World Toys

stores, and purchase management – including budgeting, procurement, and sales forecast functions.

By meeting these goals, Fantasy World/SHGT hoped to increase their overall customer satisfaction and sales by reducing stock outages, as well as giving management better insight into supply chain operations, while simplifying numerous business processes.

Solution and Approach

Throughout the course of the implementation, Synoptek (formerly Indusa) worked closely with Fantasy World/SHGT in order to ensure their business goals were met. Synoptek studied their existing customization and recommended which ones could be eliminated and replaced by standard functionalities in R3. Synoptek effectively handled the issues that came up due to the architecture/network changes necessitated by the Retail R3 version, which had extensive new features compared to Retail in the previous version R2. Essential changes to the organizational model were implemented to manage intercompany transactions.

Accounts payable, accounts receivable, general ledger, inventory and warehouse management, procurement and sourcing, product information and management, retail, sales, and marketing all received different customizations during the implementation in order to better align their functions with Fantasy World/SHGT's overall business strategy. These customizations allowed the retail process, wholesale process, inventory process, and finance process of the existing system to be streamlined and enhanced.

Synoptek leveraged the Sure Step Methodology in addition to Microsoft Dynamics accelerators (Best Practice Configuration Accelerator and Implementation Accelerator) to execute the project.

With the use of the Sure Step methodology, Fantasy World/SHGT received improved quality of services, along with a cost-effective approach to Dynamics AX implementation. Microsoft Dynamics ERP Best Practice Configuration Accelerator services allowed a fast and easy way to configure and deploy Microsoft Dynamics AX business processes and scenarios. The implementation accelerator provided a cloud-based collaborative workspace that was used to manage the project.

Business Results

These solutions were integrated within budget and in a span of four months with Fantasy World/SHGT's business strategies, in order to make the most of their Dynamics AX investment. Through their new customizations and Dynamics AX R3 implementation, Fantasy World/SHGT now has better management across all their retail channels through efficient workflows in complex scenarios, and sustainable future-ready omnichannel business.

As Bharat Patel, Head of IT, Fantasy World Toys, said, *"Synoptek was able to quickly understand our business objectives and priorities, and make positive, quality contributions to the design, configuration, and testing processes. The quality of their work was recognized and appreciated by functional team members and technical staff alike."*

Fantasy World/SHGT also gained **better insight** into their global supply chain operations and inventory management through customer analytics for high value segments, targeted promotions and business analytics for merchandising, a shelving strategy, and campaign monitoring. These solutions further **increased their sales** by allowing them to **better predict demand** and significantly **reduce their number of stock outages**.

About Synoptek

Synoptek is a Global Systems Integrator and Managed IT Services Provider offering Comprehensive IT Management and Consultancy Services to organizations worldwide. Our focus is to provide maximum "business value" to our clients enabling them to grow their businesses, manage their risk/compliance, and increase their competitive position by delivering improved business results.