CASE STUDY: SYLVAN FURNITURE AND SYLVAN'S MATTRESS 1ST

Sylvan Furniture and Sylvan's Mattress 1st Drastically Increased Efficiency and Profit Margins in Under One Year





COMPANY NAME: Sylvan Furniture Sylvan's Mattress 1st

HEADQUARTERS: Lewiston, ID

HighJump[™] SOLUTION: RETAIL*vantage*



BACKGROUND

Founded in 1945, Sylvan Furniture and Sylvan's Mattress 1st operate under shared management out of a single 27,000 square-foot, four-story showroom, in Lewiston, ID. The goals of each distinct business are entirely different. Sylvan Furniture offers general home furnishings while Sylvan's Mattress 1st provides high-quality mattresses at lower costs to communities. Owner Karen Shaul and General Manager Rachel Rinard run the stores as one however, servicing an exceptionally wide range of needs throughout the Lewiston area.

DETERMINING THE NEED

Sylvan Furniture was driven to research a new software solution after their current system proved increasingly incapable of handling their operational expansion and development. "We were doing reports by hand, we were keeping numbers by hand, and as we grew, our information just got messier and messier" Rinard recalled. A period of particularly heavy growth between 2015 and 2016 made their need for a supportive system exceptionally clear, and they switched their focus to making a change.

At the time, Rinard and Shaul were only using roughly 30% of their system's features and capabilities. "We decided it was time to really utilize the system we were on and invest in both more training and cleaning up our numbers." However, upon price shopping additional training options and a full data cleanup, they realized the cost would be comparable to that of switching software providers altogether.

"Because it was going to be an investment regardless, we decided that would be the time to look into some other systems to see if who we were with was the right place for us to stay."

SELECTING RETAILVANTAGE

When initially trying to determine how to move forward, Sylvan Furniture attempted to work with their current provider in an effort to find a solution to their issues without canceling their contract entirely.

"We'd been with our current provider for over 20-years, so we were hoping they'd take that into consideration and cut us a deal on the training and data cleanup we needed for a reasonable price".

That didn't wind up happening, however, driving Shaul and Rinard to explore other providers and systems. To begin their investigation, they turned to their members-only performance group with Furniture 1st.



"Over three quarters of the other members used RETAIL*vantage* and had reporting and numbers that we didn't have access to" said Rinard, "So that's probably the main reason we looked at RETAIL*vantage* at Las Vegas Market. We just really liked some of the things it had to offer."

In evaluating the system during their software demonstration, there were three features and capabilities that were non-negotiable for Sylvan Furniture:

1. Receivables

Though not common in today's day and age, Sylvan Furniture carries and funds their own customer contracts. The amount of money they have tied up in receivables is substantial, making their requirement to support this aspect of their business immovable.

With how critical receivables are to their long-term success, Rinard discussed their simultaneous elation and relief upon learning the capabilities of RETAIL*vantage* in this area. "RETAIL*vantage* is able to calculate and apply every finance charge or late fee to the account. We're able to print monthly customer statements and it has all the aging reports to show if a customer is behind on payments. It really just has everything we need to deal with those revolving accounts."

2. Integration with DispatchTrack®

Having spent 20-years running a system that lacked this capability, the integration with DispatchTrack[®] "was huge for us in our deliberation" according to Rinard.

3. Financial Reports

Financial reporting was something Rinard and Shaul knew they absolutely needed, but the breadth and depth of the integrated financial reports found within RETAIL*vantage* surpassed their expectations.

"The fact there's such a vast amount of general ledger reports is crazy," Rinard explained. "They thought of everything that a small business might need as far as general ledger accounts, profit and loss statements, financial statements, you name it. And it's all in just one easy click at your fingertips whenever you want to look at them."

While it didn't take long for Rinard and Shaul to come to their final decision, their experience with PROFIT*systems* sales representatives really sealed the deal.

"They were very inviting and thorough and gave us all the attention we needed for as long as we needed," Rinard explained. "They took us through all of the aspects of RETAIL*vantage* and made sure all of our questions were answered." Rinard also added that while the demo itself was extremely positive "it was the personal touch and follow-up that made all the difference."

With the features they needed and the level of service they'd always wanted, Sylvan Furniture & Sylvan's Mattress 1st decided to switch to RETAIL*vantage*.

THE IMPLEMENTATION

Shaul and Rinard felt the usual apprehension that comes with switching to a new system but were pleasantly surprised with how easy the implementation process actually was. Becky Kittinger, PROFIT*systems*' implementation consultant, made the process even more painless by traveling onsite to ensure everything went smoothly.

"Having Becky onsite to train us was so important," Rinard explained. "We closed down for one whole day to go live and the fact that she was there for all of it was awesome." Kittinger also helped to train sales reps as well as the whole operations crew in the distribution center. "She made sure everyone knew how to use the system effectively," Rinard continued. "To have her there sitting with us doing these things was absolutely invaluable."

After setting everything up, their first impressions of the system were nothing but positive. As Rinard recalled "the simplicity of how it works was the most shocking thing for us – it's so simplistic it's crazy! Everything is right there on one screen, which makes it clean and very easy to navigate." As far as specific features go, Rinard said the ability to sell and return things on the same screen was a complete game changer, as was the ability to copy and paste.

"One seemingly insignificant thing that I rave about all the time is the ability to copy and paste within the system. That wasn't an option for us previously, so one error meant erasing everything. It sounds like such a small capability, but it makes such a huge difference for us, especially when it comes to saving time."

Rinard also noted the efforts of the PROFIT*systems* support team. "They were right there with us from the beginning and they've been awesome ever since," she recalled. "When you call with a question, they instantly know exactly what you're asking and give you the easiest step-by-step instructions to resolve it. They make sure you're comfortable and have all your questions answered before they get off the phone, and just really go above and beyond."

THE RESULTS

It's been eighteen months since Sylvan Furniture & Sylvan's Mattress 1st switched to RETAIL*vantage*, and the results speak for themselves.

EFFICIENCY & ACCURACY

Sylvan Furniture increased delivery times 10 times over by integrating with DispatchTrack[®]. Thanks to barcoding, they're now also able to pull merchandise for deliveries with more accuracy, decreasing inaccurate deliveries and cutting down on time spent re-packaging and re-shelving wrong items.

INVENTORY MANAGEMENT

By maximizing their use of several different reports within RETAIL*vantage*, Sylvan Furniture managed to significantly reduce on-hand inventory dollars. Barcoding also helps them track the movement of individual pieces either received in or going out to a specific location, making inventory management far less difficult overall.

PROFITABILITY

Through the use of the "Average Cost" calculator provided by RETAIL*vantage*, Sylvan Furniture has been able to increase their margins by pricing merchandise more appropriately and consistently. The automatic finalization of sales after deliveries are made enables them to also create more consistent and profitable delivery schedules.





ABOUT PROFITSYSTEMS, A HIGHJUMP PRODUCT

PROFIT systems is a complete software solution for the modern home goods retailer. Key components of their solutions for retailers include enterprise software, consulting, performance groups, advanced education, eCommerce and business intelligence. PROFIT systems features real-time inventory management, customer relations management, point-of-sale, and accounting systems.

For additional information on PROFIT*systems*, a HighJump product, please visit their website at: www.profitsystems.com.



BUSINESS DECSIONS

With the full suite of RETAIL*vantage* reporting and analytics tools, Sylvan Furniture is now able to make more informed business decisions that save time, money, and headaches. They have cut their time spent reconciling bank statements by a third thanks to the generalized financial reporting, and have used both the turns report and ordering report to significantly reduce on-hand inventory dollars. Given their decision to carry and fund customer contracts, the receivables and delinquency reports have proven to be significantly useful as well, helping them to stay informed on the standing of each customer.

FINAL THOUGHTS

When asked whether or not they would recommend PROFIT*systems* to other furniture retailers, Rinard's response was clear and deliberate:

"PROFIT*systems* is a great company to work with. They take the guess work out of it for their retailers. They care about you after the sale, the support is unbelievable and the system itself is awesome. If you want to save time and money, make the switch."

THE PROFIT*systems* TEAM IS HERE TO HELP!

If you have any questions regarding PROFIT*systems* or how our products can improve your business, our passionate team is here for you.

Call us today at 800.888.5565 or email info@profitsystems.com.



