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Retail KPIs Efficiency Planning | Case Study



## H & M

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**H & M Hennes & Mauritz AB (H&M) is a Swedish multinational retail-clothing company,**

known for its fast-fashion clothing for men, women, teenagers and children.

H&M exists in 55 countries with 3,500 stores and as of 2013 employed around 116,000 people.

The first store was opened on the high street of Västerås, Sweden in 1947.

It had 2,325 stores at the end of 2011, 2,629 stores at the end of August 2012 and opened its 3,000th store in September 2013 in Chengdu, China.

It is ranked the second largest global clothing retailer, just behind Spain-based Inditex (parent company of ZARA), and leads over third largest global clothing retailer, United States based GAP Inc.



## Project Background

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### **Support managers in stores/warehouses**

to plan hours for sales (for the stores) and pieces (for logistics) and serve as a tool to run the stores/warehouses as efficient as possible.

This is measured in TAKT 1 and TAKT 2 which are KPIs used within H&M (sales/hours and pieces/hours).

## Issues and Requirements

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- Application must handle linguistic differences (between countries as well as domestic differences). Therefore the solution shall support configuration on different levels (country, brand, area, sales channel, store/warehouse).



- Application must import data on a daily, level actuals data (e.g.: sales, effective hours, ineffective hours, and pieces) from external system or entered manually. It shall be possible to manually trigger an export of planned sales and planned hours to an external solution.



- Application must be available for 24/7/365 usage.



- Application shall be user friendly, self-explanatory and easy to use.

## Solutions

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- Support process actual, budget, plan for store manager and group leader warehouse (around 4500 user).
- Support budget guidelines start up criteria on a country/area level (budget process can be available for store user in 1 day).
- Support real time reporting for country and global controller.
- Create a unique “point of truth” for business data dictionary.

## Results

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HM's insight knowledge on business process as well on technology framework (from a pre-packed solution to toolkit approach flexible for future enhancements based on organization's changes).

Worldwide roll out delivery within 16 months.

## Team

- H & M | Group Controlling & IT department
- SDG IT-DE | BU Fashion Luxury & Retail | Board International Support



Acqua di Parma, Armani, Benetton, Champion, Clarins, Compar Bata, CrisConf, De Rigo, Dolce & Gabbana, Etro, Fendi, Geox, Grupo Hevige, Golf'Us, Gucci, H&M, Hurley, L'Oreal, Loro Piana, Luxottica, Original Marines, Prada, Pronovias, Puig, Puma, Ferragamo, Stroili Oro, Teddy, Tod's, Valentino Fashion Group, Areas, Condis, Euronics, Metro, Nuance, Rexel.

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