

IT Helps A Silk Trader Transform Into A Major Menswear Brand



From a modest silk trading operation, technology has empowered this firm to first enter the home furnishing export market and then branch out into retailing menswear.

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Bangalore-based Kabadi Shankarsa & Sons began operations in the silk trading business back in 1946. Owned by Kabadi Om Prakash and Kabadi Sahajanand, the company now manufactures ready made garments for men and retails under the brand name, Blend Arches.

The parent group made a foray into the Indian retail market with Kabadi Shankarsa Clothing Company (KSCC) to promote its own brand of executive menswear covering formal shirts, trousers, denims, ties and belts. KSCC has an exclusive showroom in Bangalore and 60 multi-brand retail outlets spread across Karnataka, Tamil Nadu, Andhra Pradesh and Kerala.

While the company started out in the 1940s as a silk trader, it soon went into the manufacture of silk and cotton products like cushion covers, scarves and home furnishings, exporting to the US and European markets. With a current annual turnover of Rs 100 crore, the Kabadi Shankarsa Group aims to be the leading player in the domestic market within the next five years. And this confidence is backed by its faith in IT.

"We need technology in our day-to-day activities... Being in the garment business, it was crucial for us to manage and identify clothes based on colour, design and other parameters. Tracking what goods were coming in and what were going out would have been impossible without a complete retail software solution," says Narasimha Swamy, CEO, Kabadi Shankarsa Clothing Company.

The first step towards technology

As Kabadi Shankarsa's order book swelled, its IT infrastructure couldn't handle the increasing volume of business. The company realised the need for a single solution that could manage its accounts, stores and inventory. And thus, it opted for GoFrugal's retail ERP solution a year back and has been reaping its benefits ever since.



"Despite having a strong infrastructure in production, our in-house IT team was unable to fulfil the requirements of a growing retail environment. We wanted a standalone system that would help us integrate all our operations and give us more control. We were looking for a convenient and cost-effective tool that was easy to understand. We consulted many people, searched several sites and finally settled for GoFrugal's RayMedi solutions," says Swamy.

The company deployed the RayMedi HQ Web-based application to get centralised control over sales management, stocks, purchases, bill reports, etc.

Kabadi Shankarsa also implemented RayMedi's RPOS7 desktop application at its warehouse to manage purchase entries, selling rates, fixing the MRP and bar-coding for finished garments, etc. Raymedi NetTrade enabled the firm to control

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GoFrugal Technologies

its online transactions and the data interchange among trade partners and customers across its different stores.

The transition

Kabadi Shankarsa's exclusive showroom and all five of its warehouses are now automated. But for a workforce of 800-1,000 people, the transition to ERP was not easy. "The biggest challenge was to acquaint the non-technical staff with basic computer skills, besides the ERP training. With its team being small, Kabadi Shankarsa wanted a solution that would fit its business needs and was easy to implement," says D Venkatraman, spokesperson, GoFrugal Technologies (www.gofrugal.com).

"Before running the live implementation, we deployed a pilot run to check user-level acceptance. After the standard procedure of mapping products for bar-coding and all the required checks, we finally implemented the solution in 15 days," he adds.

With the level of in-house technical talent being limited, the Kabadi Shankarsa Group found the perfect match in GoFrugal. "We were looking for a solution that would be flexible and grow with our growing business needs. And we found RayMedi's solutions the perfect fit for us," says Swamy.

Training

Acknowledging the importance of technology for its long term growth, the company has opted to regularly train its IT staff.

Kabadi Shankarsa's in-house IT team has about half a dozen people – each of whom are handled by one GoFrugal employee. "The entire staff of Kabadi Shankarsa undertakes training periodically to get well acquainted with the new system," says Swamy.

The investment paid off

Getting things done faster and in the most convenient way was the priority for Kabadi Shankarsa, but achieving this with the legacy IT infrastructure wasn't possible. "The company invested Rs 3 lakhs on the ERP implementation and we feel the investments have paid off. We find a drastic change in the way we manage our operations now, compared to a year back," says Swamy.

Centralised control: "We are able to check each and every thing on our computer without having to look for files lying around. The solution has given us full control. We are very happy and content with it," Swamy adds.

Better stock management: Since each and every detail about the business is now on record, the company is able to manage its inventory in a more organised manner. "We can actually identify which stock is moving fast and what can be used in a better way. All this has been possible due to technology," says Swamy.

Cost savings and improved efficiency: The staff members are now more skilled, technically. And so the efficiency levels have soared. Identifying negative stock has also helped the company in cutting costs in a big way.

Better time and manpower management: The company witnessed a huge change in manpower management. "We have

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Kabadi Shankarsa Clothing
Company

seen a drastic reduction in our manpower requirements. Earlier, we deployed at least four to five people for a single department, but with IT, we have only one or two people in charge of the same functions. It certainly saves time and has proved effective," he adds.

Tracking consumer behaviour: Being in the clothing industry, Kabadi Shankarsa takes full advantage of festivals by offering discounts on several occasions through the year. Since it can now track the sales of a particular product during a particular season, the company is able to understand consumer behaviour better and plan promotional schemes in advance.

The technology network

Kabadi Shankarsa has an intercom (intercommunication device) installed in its office for faster communication. In addition, its exclusive showroom and factories are equipped with a closed-

circuit television (CCTV) system to monitor everything that's happening in real-time.

The management uses instant messengers like Google Talk to keep in touch about daily business activities. The company also uses bulk SMS campaigns for brand promotion, besides print and television advertisements. "We book about a lakh of SMSs for festive campaigns like Ganesh Chaturthi, Diwali, etc. These are effective and target consumers directly," says Swamy.

Planning ahead

The company has a corporate website (www.kabadishankarsa.net) which it wants to upgrade to make it a useful resource for generating sales leads in the future.

"We want to make full use of the online medium. We want to track potential customers who may visit our website. We have many plans and have already hired a website designer for this purpose," says Swamy.

It also has a dedicated website for its brand of men's clothing (www.blendarches.com) which has a Google Maps application embedded in it to help visitors locate the company showroom. The website also caters to distributor enquiries from across India.

As Kabadi Shankarsa Group grows further, it aims to connect all its multi-brand outlets to its head office in Bangalore. ■

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