



IFS APPLICATIONS™ ENABLES SWEDISH RETAILER, RUSTA, TO EXPAND

To support its future international expansion, retailer Rusta made a strategic choice and turned to IFS Applications™. After a speedy implementation, only 8-9 months after the initial analysis, IFS Applications was deployed in 81 Nordic stores as well as in Rusta's Asian offices, replacing 50 percent of existing systems. Rusta now has a solid platform that supports growth and internationalization, where the key is its new ability to make rapid decisions based on reliable data, measure supplier quality, and to handle larger volumes and multiple currencies.

When Swedish retailer Rusta, which specializes in home and leisure products, entered an expansive phase, several questions were raised. How would the organization handle more employees, an increased number of stores and the establishment of a centralized warehouse—while at the same time explicitly focusing on quality and sustainability? Rusta's growth target was also high: the company sought to double its revenue over the next five years.

“Our ambitions required more structured processes and the possibility to measure the results,” says Päivi Redig, CIO in Rusta. “Besides, we wanted to become a faster and more adaptable company that could make quick decisions.”

INTEGRATED PLATFORM KEY

Rusta identified a new, integrated business platform as a key element in its strategic growth plan. At the time, Rusta used multiple systems and manual processes, including a legacy system developed in-house and Excel spreadsheets. This made Rusta dependent on specific individuals for competence, limiting its capacity for growth.

To support progress, Rusta wanted a cohesive, interconnected and agile system that could manage full sourcing of manufacturers and suppliers, handle campaigns based on client insight, make well-grounded prognoses, ensure effective procurement and logistics, and handle customs. The system also had to support multiple currencies as Rusta was about to launch its first international stores in Norway as a first step in its strategy of increased internationalization.

THE CHOICE OF IFS

Rusta started searching and made a deep analysis for an ERP supplier that offered a comprehensive solution, providing both software and implementation as part of the core business. Closely followed by the ability to handle Rusta's

ABOUT RUSTA

Swedish retailer Rusta operates 81 stores across Sweden and Norway. The company's home and leisure products attract approximately 55,000 customers on a daily basis. In addition to its Scandinavian stores and warehouses, Rusta also operates a number of offices and logistics hubs in China, India, and Thailand, employing about 1,100 members of staff in total.

“IFS Applications was a prerequisite to expand abroad as the old solution couldn't handle multiple currencies.”

Päivi Redig, CIO in Rusta



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complex business needs in connection to its expansion, the company also wanted a partner with an extensive ecosystem of alliances that were able to simplify and eliminate a number of applications and redundant data sources.

“IFS proved superior in its ability to translate business needs rapidly into our new wall-to-wall application strategy. It offered competent and experienced consultants which weighed heavily in our decision-making process.”

SPEEDY INTERNATIONAL ROLL-OUT

The implementation of the IFS Applications Retail suite, including purchasing, delivery monitoring, finance, forecasting, BI, sourcing in Asia, and connections to cash systems and warehouse, replaced 50 percent of existing best-of-breed systems. After a prompt implementation process, only eight to nine months after the initial analysis, IFS Applications was deployed across Rusta’s international operations, comprising headquarters, stores, warehousing facilities and its extensive network of Asian sourcing offices. Overall, the solution has been well received among Rusta’s users.

According to Päivi Redig the project pace was a success factor, “I believe project speed is necessary today; everything changes so quickly. It’s better to go for a standard solution and adjust and customize afterwards. We now continue to work on process simplification and fine-tuning of the solution to realize more benefits.

GREATER VISIBILITY, FEWER ERRORS

So far the company has achieved some major milestones. Rusta has now realized standardized processes across the whole company and a platform that helps it handle larger volumes with greater precision, which is necessary for continued growth. The solution’s multi-currency capability has enabled Rusta’s international expansion with the opening of stores in Norway and will also facilitate future geographical expansion.

Further, the solution has helped Rusta reach quality-related goals associated with improved control and overview. Previously, Rusta’s Asian offices and hubs lacked an integrated solution, relying heavily on e-mail and Excel sheets. Now the purchasing and sourcing process is handled in IFS Applications, facilitating full traceability and cohesiveness across all vendors and geographies.

“This makes the whole chain visible and everything runs much smoother. The manual input is reduced, resulting in fewer errors and less time spent entering and controlling data. A continuous chain with higher data quality now makes it possible to measure the quality of suppliers,” says Päivi Redig.

BENEFITS

- Standardized processes with reduced manual input
- Higher data quality with coherent data
- A reduction of redundant data sources
- Capability to handle various currencies for future geographical expansion
- Increased visibility in the sourcing and purchasing chain
- Improved capability to measure supplier quality



“A continuous chain with higher data quality now makes it possible to measure the quality of suppliers.”

Päivi Redig, CIO in Rusta



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