



Microsoft Dynamics Customer Solution Case Study



Customer: Arzum

Web Site: www.arzum.com.tr

Number of Employees: 140
Country or Region: Turkey

Industry: Wholesale distributor

Partner: ETG

Customer Profile

Arzum, founded in 1953, is one of the leading electrical household appliance distributors in Turkey, selling a range of more than 200 products throughout the country, with plans to expand into export markets.

Software and Services

- Microsoft Dynamics
 - Microsoft Dynamics AX 2009
- Microsoft Server Product Portfolio
 - Windows Server 2003
 - Windows CE version 3.0
 - Microsoft SQL Server 2005 Reporting Services
 - Microsoft SQL Server 2005

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Appliances Firm Gains Control of Its Business with Accurate Data and Greater Flexibility

“The Microsoft Dynamics technology is helping Arzum to maintain market share and sustain its strong market position achieved over the past four years.”

Yusuf Candemir, Finance Director, Arzum

Arzum, a leading Turkish electrical household appliances distributor, wanted to modernise its business management software to improve profits and remain competitive. Its previous open source system lacked support and no new version was available. Arzum chose Microsoft Dynamics® AX 2009, which gives the company better controls over critical sales data, accurate reporting, and improved business processes—invoices are produced 50 per cent faster than before.

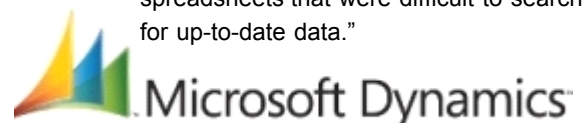
Business Needs

Arzum is the fourth largest brand in the household appliances industry in Turkey through its electrical goods subsidiary. Founded in 1953, the company sells around 200 products under two brand names, including the Felix trademark. With 350 service points in Turkey, Arzum has a long standing emphasis on customer satisfaction and is developing export markets in Germany, the United Kingdom, and the Middle East.

The 60 users of the previous open source business management software at Arzum found it difficult to collect accurate sales information, especially detailed profit and loss reports. By 2008, the company was urgently seeking a modernised system to accommodate expansion into new export markets, but the company also needed to work smarter in monitoring costs, controlling its discount structures, and ensuring better credit risk management.

Ismail Özcan, IT Manager at Arzum, says: “On the sales side in particular, we were dependent on manual controls in areas such as credit limits. We needed a system that could help manage sales campaigns and automate pricing structures for special promotions or discounts. We also saw the need to build in customer relationship management (CRM) features to any new technology and improve dispatch of invoices and delivery and shipping of our products.”

Faced with growing competition given the current economic climate, Arzum wanted to enhance its reputation for after-sales service through developing better management information. Yusuf Candemir, Finance Director, Arzum, says: “To remain competitive, we needed better controls over management information, accurate data, and the flexibility to respond quickly to rapidly changing markets. Until recently, we held a great deal of our reporting and analysis information in disparate spreadsheets that were difficult to search for up-to-date data.”



Solution

Having rejected alternatives from SAP and Oracle, Arzum worked with ETG, a Microsoft® Gold Certified Partner in Turkey, to implement Microsoft Dynamics AX 2009 business management software. Arzum chose Microsoft SQL Server® 2005 Reporting Services for management information analysis running on the Windows Server® 2003 operating system with a user interface in the Turkish language. Arzum is also using Microsoft Exchange Server 2003 communication and collaboration technology and Windows® CE version 3.0 operating system for portable devices.

Özcan says: "Microsoft was our preferred choice because it offered a good return on investment over five years. The support service from Microsoft is really strong and it is far more cost effective to maintain in Turkey than open source technologies."

Onur Bekmezci, Project Manager at ETG, which provides training and consultancy on Microsoft Dynamics AX, says: "In addition to the standard features we were able to put Arzum one step ahead of its rivals with customised modules—for example, for the credit intelligence department. We also developed a module for imports and exports, integrating information about trade agreements, and introduced a new system for delivery and shipping."

With dedicated support from ETG and Microsoft, the first phase of the solution went live in January 2009 after just five months. By mid-2009, in a second phase of the deployment of Microsoft Dynamics AX 2009, Arzum will benefit from the CRM features in the technology and examine the potential for empowering sales executives to access the system through mobile devices. In a later phase, Arzum, which operates from two sites in Turkey, may consider extending the system to its Hong Kong office.

Benefits

With an integrated business management tool, Arzum has an end-to-end system that joins up suppliers, the

service centres. Candemir says: "We are now much more in control of our business in Turkey, data is accurate, and we have greater flexibility. For example, we generate around 500 invoices a day. With Microsoft Dynamics AX 2009, we can run our daily invoices 50 per cent faster than with the previous system. The Microsoft Dynamics technology is helping Arzum to maintain market share and sustain its strong market position achieved over the past four years."

- Up-to-date profit and loss information. The software remedies the inadequacy of the previous business management system by providing accurate automated financial reporting. "Through this project we can monitor our costs faster and respond quickly to the market," says Candemir.

Improved credit controls.. Arzum can now check customer

credit limits for each brand automatically without making manual checks, thereby reducing operational risk.

- Customer specific products The company can match actual production to the specific needs of customers through a specially developed module in Microsoft Dynamics AX 2009.
- More effective marketing campaigns. With the sales campaigns module, Arzum can target the needs of specific sectors of the market and monitor the outcome of promotions more effectively.
- Improved integration and stability.. The ability to integrate the technology with external systems such as service and warranty software means Arzum will improve its service offering to customers.
- Technology upgrade support new The technology is helping Arzum to maintain market share and sustain its strong market position achieved over the past four years. "We have a long-standing culture that is focused on customer satisfaction and these innovative tools support our vision," says Candemir.

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