

NEW TECHNOLOGY PUTS CUSTOMERS FIRST AT FREEMANS MAIL ORDER



Stratton... "Already the system has saved us time which means we are able to offer a better customer service."

Ensuring that the customer comes first lies at the heart of Freemans PLC's company philosophy. Turning this ethos into reality, and maintaining its leading position in the mail order business, is the result of continuous development of its product lines and its quality of customer service. Processing orders and accounts quickly is an important aspect of service quality. On-line computer systems provide a rapid and efficient method of processing telephone orders, whilst batch data

capture systems from ROCC Computers provide the same level of service for postal orders. The mail order business accounts for 3.5 per cent of all business in the retail industry. Freemans is the third largest mail order company in the UK, holding 14 per cent of the market. Its 1987 turnover was more than £0.5 billion, employing a workforce of over 5000. In February, Freemans was bought by the Sears group, which owns over 3000 high street retail outlets, such as Olympus Sport, Dolcis and Selfridges.

"Freemans intends to grow in two ways," said Ian Hillan, information systems and marketing director. "The first is to offer the home shopper even more products from well-known quality brands, such as those within the Sears group. Alternative products from these famous brands will be included in the Freemans catalogue. Our mail order shopping will complement Sears' high street operations."

"The second way is to compete directly with high street retailers outside of the Sears group, both in terms of the quality of our product and service we offer the customer – and so increase the proportion of retail business conducted by mail order," said Hillan. The current Freemans catalogue contains over 5000 products, offering 29,000 items in total. Continuous revision of products by analysing sales data will ensure Freemans continues to offer customers products they want.

"Freemans will maintain its position as a market leader and innovator by continuously developing the quality of its customer service," Hillan added. "This quality of customer service is maintained by the use of sophisticated computer-based ordering and query systems."

Freemans has over two million customers, under the control of over 700,000 appointed agents. Orders can be placed by the agents with Freemans either by post or telephone (see Figure 1). Currently between 70-80 per cent of orders are taken by telephone. 200,000 telephone orders per week are taken by Freemans. Using an on-line system of IBM and Amdahl mainframes, called 'Orderline', the orders are immediately processed by the computer and the stock reserved for despatch.

"Orders taken in the morning could be despatched from our Peterborough distribution centre that afternoon," said Hillan. "Agents can query an order, or the status of their account by tele-

phoning 'Answerline', our on-line query system. Our operators take many thousands of calls per week."

The remaining 20-30 percent of postal orders to Freemans are entered onto the ordering system using data capture systems of ROCC Computers Ltd of Crawley, West Sussex. Batches of data are transferred to the masterfiles held on the mainframes using magnetic tape. Any errors in this data are printed out by the mainframes and sent to a queries department. Some of the queries can be easily resolved, and the amendments are made directly to the mainframes master files. Others require the data to be re-keyed, in which case it is sent back to the ROCC data capture teams.

"Although there is a time delay to correct errors found in a batch file, the data capture operators are able to enter data at higher rates than is possible with on-line systems," said Alan Stratton, systems support manager.

As well as being used to process all postal ordering - 60,000 per week - the ROCC system is used for all data capture for recording the sales and payments made to each account, an additional 500,000 documents a week.

"This type of batch data capture system has been used by Freemans for a number of years, using a key to disk system," said Stratton. "However, the previous data capture system was ageing, support was offered only until 1989 and it failed to offer the flexibility needed for the system to evolve as required.

"We needed a data capture system which would allow us 32 operators per processor, offer flexibility of application development, allow us to download the complete agent list of 700,000 records and be able to link directly to our mainframes," Stratton explained.

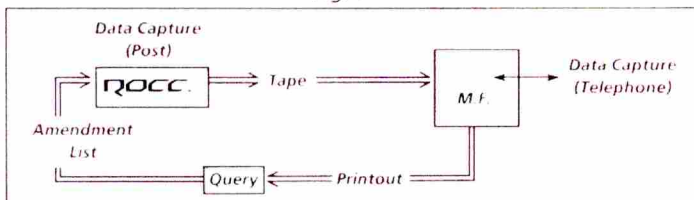
Freemans has installed five ROCC 2840s, two in Sheffield and three in London. Each has 32 operators and is used for high-speed numerical data entry. A sixth ROCC 2840 has also been added, in London, for more complex alphanumeric data capture, using 25 operators - a systems total of 185 workstations. A further four workstations are used for development and training.

"Already the system has saved us time, which means we are able to offer a better customer service," said Stratton. (See Figure 2). "By taking from the mainframe,



Two of the latest fashions featured in Freemans' autumn winter '88 catalogue.

Current Use of Data Capture
Fig. 1



Future Uses of Data Capture
Fig. 2

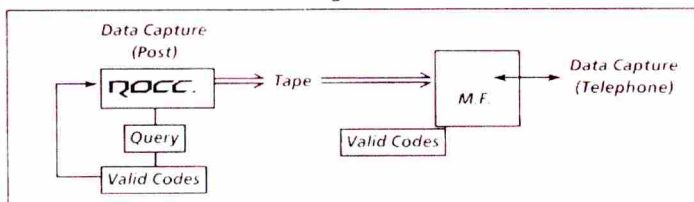
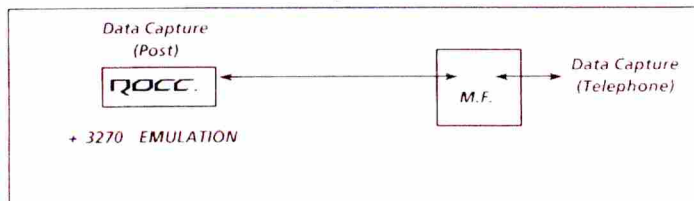
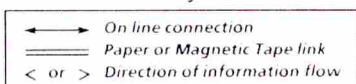


Fig. 3



Key





A staggering 1.2 million sq ft, equivalent to 34 Wembley Stadium football pitches forms part of Freemans' warehouse and distribution centre at Peterborough.

parameters of what constitutes a valid product code, the ROCC computers are immediately able to recognise and reject erroneous product codes. This reduces the amount of work that has to be queried – and the amount which has to be re-keyed."

"By increasing the complexity of files copied from the mainframes onto the ROCC, we will soon be able to know (when data is entered) not just whether the code is valid, but also whether it is in the present catalogue. At this point the mainframes will receive completely clean data from the batch system," Stratton continued.

"This leaves us with one further problem, the item requested may still be unavailable, which won't be known until the request is submitted to the mainframes stock files. By using 3270 emulation (see Figure 3), the ROCC computers will be effectively on-line," said Stratton. "We will be able to enter data off-line, have the batch processed immediately by the mainframes which flag problems. The supervisor can then examine the problem data, and resolve it by referring directly to mainframe data.

"This hybrid approach will give Freemans the speed of data capture offered by off-line systems and the speed of processing offered by on-line systems," said Stratton.

"The customer is the fulcrum of Freemans' business. Our computer systems help to further develop a customer support service which maintains Freemans' position," Hillan concluded.

This commitment to the customer, quality products and efficient, flexible systems help Freemans to provide the customer with the products and services expected of a leading retailer. ■



In charge of the day to day running of the four ROCC 2840s installed at Freemans' London headquarters, is data preparation manager Barbara Lambert.

Hillan.... "Freemans will maintain its position as market leader."



As one of the largest users of the Post Office's parcel service, the recent postal dispute put Freemans to the ultimate test. Only the flexibility of its computer systems enabled it to operate its contingency plans for distribution.

By using some of Sears' 3000 retail outlets, Freemans was able to continue distribution of goods to agents and collect payments and orders.

Within 48 hours of the start of the strike, an on-line screen messaging system, using the enquirer's postcode, enabled the Answerline and Orderline staff to tell the caller where he/she needed to go to collect goods or make payments.