

Cygnett selects hosted SAP Business One with CRM from BalloonOne

Cygnett describes itself as a manufacturer of gear for social animals living in a digital world. It makes considered objects that enhance the mobile experience, whether that's protective or connective. The company imagines and develops accessories that combine style and substance. Cygnett is detail-orientated about delivering functionality and aesthetic for the tech-connected. The company launched in Australia in 2003 and Cygnett's now very well-travelled. You can find its Android and Apple accessories, sound, power, stands and bags across four continents.

Seven years ago it set up its UK operation to help meet the demand for its cutting edge designs. Originally working mainly through distribution partners, the company is now managing and driving its own sales from its UK warehouse through various channels, including direct sales to retailers such as O2 and Tesco and consumers by its website.

Its product range comprises around 350 different product lines covering cases for mobile phones and tablet PCs, to headphones and electrical chargers. Originally, concentrating on accessories for Apple devices, the company's portfolio has grown to include Samsung, HTC and Blackberry products.

At the core of the UK operation is a hosted SAP Business One enterprise resource planning (ERP) system with data storage from supply chain IT specialist BalloonOne. This complements the legacy SAP system used by the company's Australian headquarters.

In addition, to the fully managed ERP system, Cygnett's UK-based operation will use SAP CRM (customer relationship management), enabling the sales team to interact with its business system even when out on sales calls. The system will run on iPads using a special Apple iOS app that will allow real-time transactions between the field sales representatives and the office.



An evolving business

Cygnett manufactures in China, with the majority of products coming from dedicated factories and contract manufacturers in Shenzhen.

Manufactured stock is consolidated centrally at its China distribution centre from where the stock shipped.

Faced with several challenges in the UK and Europe, the company decided to restructure how it operates in the UK to improve customer service.

Mark Rogers, General Manager UK and Europe for Cygnett says: "We needed to address four key areas. The first was to provide better support to our Distributors by being able to bring stock into the UK and cut lead times.

"We also have aspirations to grow our European business. This region has slightly different requirements in terms of stock movements, and shipments are generally smaller. Also, it is more difficult for our European customers who can't handle direct shipments from China so we needed a way to make it easy for them to do business with us.

"We soon recognised the best option for us was a 3PL warehouse and the thing that binds us together is the SAP Business One system." says Mark Rogers, General Manager UK and Europe for Cygnett.

"We are also building an e-tail business globally and the service we offered UK customers needed improving as we were expecting them to wait for their goods to be shipped from China and without any means to track orders.

"Our direct sales are growing too. We're increasingly engaging with customers directly. These are retailers such as Tesco, and at the moment we are selling to them through our office in Hong Kong from where have to import the goods themselves, which is both complicated and incurs additional costs."

Revolutionising the UK operation

To address the company's concerns, Cygnett contracted a third party logistics (3PL) to look after its UK warehousing needs. Its chosen 3PL partner is Expeditors International in Braintree, Essex.

"We soon recognised the best option for us was a 3PL warehouse and the thing that binds us together is the SAP Business One system. It's what we use in Australia and it's what addresses our business requirements in the UK for automating our processes and connecting to the warehouse," says Mark Rogers.

Cygnett is also moving its UK base from Hemel Hempstead to high-tech offices in St Albans.

Why choose Balloon One?

With the Australian HQ an established SAP user, it was natural for the company to use the system in the UK too. All it needed was a good IT partner to help smooth the implementation and help ensure project success.

"Balloon One was recommended by our SAP provider in Australia. The Balloon One team have all been very useful and they've helped us a lot. We have experience of using the system in Australia but we needed a good understanding of what the software can do for us in the UK too. Balloon One has helped us gain that knowledge and the team has worked hard to understand our business and how the software will assist us to drive it forward," says Mark Rogers.

"It took us a while to get to where we are today and thanks to Balloon One's help we are well on the way. We are nearing completion of our user acceptance testing and everything appears



to be going well. When we've finished and are happy with the set up we'll be ready to roll out and use it."

The next stage

Once the system is live, Balloon One will assist Cygnett with interfacing its ERP with the 3PL warehouse system using EDI (electronic data interchange). This will automate the ordering process and help ship products quicker. The company is also looking at developing a customer portal that will enable EDI communications with those customers who want to place orders electronically.

Cygnett is also replacing its separate CRM software with an integrated module that will communicate directly with its ERP system. This has the added benefit of a mobile app that will allow field sales reps to take and process orders electronically from customer sites.

"There is a lot of potential for various integrations with the ERP software. Not only with our warehouse but also with our customers, many of whom want to interact with us electronically. We're also excited about using a CRM system that talks directly to the ERP system. We'll be able to compile orders in real-time and use live stock information when we are out and about with customers, which is a first for this industry. Our investment in the software will help us defend our position in the market and ensure we maintain our lead in providing competitively priced, high quality products backed by the best available customer service," says Mark Rogers.

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