

Where physical meets digital

How 99 Cents Only Store's ERP migration powers its e-commerce ambitions



Sandeep Chalwa, CIO at 99 Cents Only Stores, explains how enterprise resource planning (ERP) migration is a central pillar of the business's digital transformation.

What benefits are you beginning to see from the ERP migration process?

We've really seen benefits around sourcing: now, we're able to use several marketplaces to discover suppliers. In addition, our migration has given us much better availability, less downtime, and better performance. It's had a huge impact on productivity. We are virtually 24/7 in terms of sales and operations, so we can't be down for longer than 30 minutes. Moving assets to the cloud or a high-availability environment has been a huge benefit to us.

What motivated your ERP migration strategy, and how does it form part of your wider digital transformation efforts?

We are traditionally a bricks-and-mortar retailer, but now we're adding e-commerce capabilities to our retail offering. We're in the middle of picking out the solutions that work best with the ERP in terms of order intake and order processing. We have also developed a mobile app

that will integrate with the ERP in terms of giving our items exposure and generating a pricing framework. And then there's the work we're doing with delivery services; that also requires integration with the ERP. Overall, we're trying to create an omnichannel presence, and we need to update our core ERP to enable that.

What are the major challenges in migrating your ERP systems?

The first major challenge is a lack of skilled resources. It is very difficult to get the resource you need for this level of migration. Second, the cost of migrating our ERP systems has been very high. Third, the time to achieve our goals.

You mentioned the skills gap as being a big challenge. How are you looking to overcome that?

It's a huge challenge. Generally, for migrations like this, the communications team starts working on an awareness campaign about six months before we go live. But in our environment, the average worker is low-skilled when it comes to technology and to get them trained up on complex software takes time. On top of that, we have almost 100% turnover in our stores, with new staff being taken on all the time, so we have to keep on offering training. It doesn't ever stop.