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"The Dynamic and Cool" Business That Took a Chance on Topaz Which Paid Off....

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Brian Aitken, Group Financial Director, Salon Services

Chances are more than likely that your local hairdressing salon buys its supplies from Salon Services - Europe's fastest growing wholesale distributor of the leading brands of hair and beauty products such as Wella. After all, everyone else seems too . . .

Such is the diversity and market penetration of company's products that end users range from Premier Division football stars to the wives of Dubai Sheikhs - even the prisoners in British jails are likely to have their haircuts courtesy of Salon Services.

In the 30 years since it was founded, the company has grown from a single shop in Glasgow to an organisation with 70 showrooms in the UK and Ireland and franchises in Germany, Spain and Norway - each carrying some 5,000 product lines.

At the same time, Salon Services has set up a myriad of subsidiaries to service the sector under such high profile titles as "Straight, Sexy Hair".

The company is also heavily involved in providing equipment and furnishings to salons, hairdressing colleges, leading stores, cruise liners, hotels and hospitals - many in overseas locations as far apart as Bermuda, India and Dubai.

An Ideal Solution

Some 15 years ago - when Topaz Software itself was starting out - Salon Services decided that the then fledgling developer had something special to offer and took what was then arguably a "chance" by becoming one of the first clients.

That "chance" paid off and Topaz has helped underpin the increasingly successful and complex hair and beauty business ever since.

Today, Salon Services employs more than 400 people and turnover currently exceeds £45 million a year, positioning it prominently in the ranks of Scotland's top 500 companies.



Company

- Salon Services

Business

- Retail and Wholesale

Software solution

- Topaz Financials

Modules Installed

- System Administration
- Sales, Purchase and Nominal Ledger
- Credit Control
- Sales and Purchase Order Processing
- Stock Control
- Interface
- Fixed Assets
- e-commerce
- Data Warehouse

Benefits

- Superior management reporting
- Enhanced purchasing control
- Reduced costs
- Seamless integration

"Our first premises were tiny," recalls Gerry Hegarty, chairman of Salon Services Group. "We only had a limited range of stock, but from the day we started we never looked back."

From a time when all its operations were based 'north of the border', a series of acquisitions, mergers, new Greenfield site developments and franchise-led growth over the past 20 years has led to two-thirds of its operations being located outside Scotland today.

And Topaz has been playing a significant role in the company's ongoing success story. Brian Aitken, Group Financial Director commented,

"The Topaz financial suite has proven to improve efficiency and provide excellent management reporting. Our long standing relationship is evidence of the quality support and service Topaz provide"

Salon Services opted for Topaz Financials back in 1989 for a number of reasons which are even more valid today because of the supplier's ongoing commitment to enhancing its products. Key amongst these were –

- Superior management reporting – reducing projects that take days to hours.
- Enhanced control – with the purchase ledger in particular offering a stringent grip on outpayments and purchase order processing putting the squeeze on expenditure against budgets.
- Reduced costs via the ability to retain all historical transactions and retrospectively generate reports.
- Seamless integration with third party products. e.g. EPOS

The original Credit Control functionality acquired by Salon Services – though highly effective in itself – has since been enhanced to make it proactive, so ensuring that it is now viewed as "best of breed" on the market.

Salon Service's latest implementation from Topaz is Fixed Assets which enables the company to control, analyse and manage all its fixed assets from capitalisation to retirement.

The fact that Topaz Financials has been developed from

day one with third party integration in mind resulted in a perfect "marriage" with Salon Services' EPOS system - Orcus Retail 2000. This enables daily sales reports from each branch to be transmitted to head office overnight and automatically posted to the sales ledger.

"As well as sales information, the same procedure applies to payments, invoices, credit notes and so forth," commented Brian Aitken,

"This means that there are no bits of paper floating around between the branches and head office and it fulfils the important central administration function which is to obtain up-to-date and accurate financial management reports as and when we need them."

As part of its drive to increase the volume of sales to professional beauticians and hairdressers across a broader spectrum, Salon Services decided to construct an e-commerce web site, and called in Topaz to undertake the project.

This leading edge site - www.salon-services.com - today offers thousands of products ranging from a 50p comb to a £2000 pair of scissors.

An accolade came from the hairdressing trade magazine Creative Head which described the site as "dynamic and cool" with navigation around its many sections being "clear and easy". Brian Aitken added,

"If it hadn't been for Topaz we wouldn't have an e-commerce site - they created and built it."

"We realised that we needed to have a presence on the internet as an additional source of sales revenue and our brief to Topaz was for something that was as easy as possible for our potential customers to deal with."

"This aim has been achieved, the site looks very professional and our customers tell us that it's easy to use. Business transacted on the site has been steady rather than massive, but we are confident that it will help us to grow our business." ■