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Stuart Astbury, Retail Systems Manager, Ethel Austin



In the last decade, the pre-eminence of high street stores has been challenged by the rapid growth of discount retailers such as Matalan and Ethel Austin. For shoppers, value for money has become an increasingly important factor influencing purchasing decisions in new and established stores alike; for retailers, this change in consumer spending patterns has forced a reappraisal in business strategy.



First established in 1934, after Ethel and George Austin opened a tiny wool shop in Liverpool, there are now over 234 Ethel Austin stores, mainly in the North-West of England, North Wales and Scotland. The company is a growing presence within the discount retail sector, selling children's, women's and men's fashion at competitive prices.

Today Ethel Austin has over 1,500 staff and sells more than 10,000 lines from over 400,000 square feet of trading space. In addition, the company's head office and distribution centre, which maintains next day delivery for all the stores, occupies 330,000 square feet on Merseyside.

Ongoing investment by Ethel Austin in expanding business operations and strengthening its clothing brand, means the company is ideally placed to expand into new geographic areas. Indeed the company's approach has been so successful in the 1990s that a large proportion of its stores have actually been opened in the last five years, including outlets in London and the South-East.

The background

While price is still undoubtedly the most powerful weapon at the disposal of the clothing discounters, there are signs they are not going to have it all their own way, as middle-market retailers have also adopted competitive pricing strategies to hold onto market share, while the major supermarkets have introduced or expanded their budget clothing ranges. Indeed, research by Verdict shows that in February 2000, for a representative basket of women's clothes, discounters were 50% cheaper than the high street. By 2001, this had narrowed to 38%.

With competition in the clothing sector growing fiercer, attracting customers has increasingly become a matter of brand differentiation. The result is that discount retailers have had to strengthen their proposition by concentrating on basics such as a broad product range; enhanced product quality; and service. And obviously, retailers need to finance this, without passing the costs onto the customer.

One discount retailer, which already has a 60-year record in providing quality fashion at competitive prices, is Ethel Austin. And it was this experience which led the company to recognise the challenges ahead and invest in advanced EPoS software, running on Epson's touchscreen Intelligent Register (IR).



Ethel Austin

Case study

The challenge

From the outset, Ethel Austin's success has depended on selling the highest possible volumes of clothes from the available trading space, while keeping transaction times to a minimum. Margins have been kept as tight as possible and a variety of promotions and offers are constantly on display to offer customers maximum value for money.

This policy has underpinned Ethel Austin's aggressive expansion plans in the last five years. However, it quickly emerged that the company's old DOS-based tills were not sufficiently powerful to help it maintain its high standards of customer service and fast transaction times.

Any new solution would have to be fast and easy to use, in order to support Ethel Austin's future growth; it would need to provide more detailed sales information about successful lines; and it would need to include Electronic Funds Transfer (EFT) so that the average 20% of customers who paid by card could be processed more efficiently. "Most of all, the solution had to be quick and easy to install," explained Ethel Austin's Retail Systems Manager, Stuart Astbury. "In our fast-moving sales environment, we wanted something compact and easy to use, which we could carry into any store, connect-up and start using almost straight away."

The solution

Given this need for simplicity, the company wisely opted for an intuitive touchscreen solution - the Epson Intelligent Register (IR) - running Windows-based Power for Retail software from Bolton-based Anker Systems. Power for Retail has now been rolled out to all Ethel Austin's 234 stores.

The compact system supports enhanced and more efficient customer service. For example, because each terminal acts as a standalone PC, holding a real-time copy of the store's stock and pricing database, staff can easily call up product and stock details to answer any customer queries. In addition, the in-built EFT, printer and scanner minimise the amount of valuable space occupied at the Point of Sale.

To support head office requirements, stores can be polled nightly by the company's system, giving its management team access to sales information, including details of best-selling lines and promotions analysis.

The result

The combination of easy-to-use Windows-based software and intuitive touchscreen offers Ethel Austin the functionality and flexibility essential to adapt to its expansion plans.

In addition, it has helped the company reduce training times for its staff, and make transactions more efficient. For example, the solution automatically processes promotions and discounts when triggered by a qualifying purchase, rather than requiring staff to calculate them manually.

"And this is not all," added Stuart Astbury. "Most of all, the IR's small footprint and in-built cable management has meant that our store design team has actually been able to improve the design of our counters to give us even more floorspace to display our products."

The solution provider

Anker Systems provides dedicated solutions for retail, hospitality and wholesale environments, with over 900,000 systems installed across Europe. The Netherlands-based company operates in 11 European countries and has distributors in 35 countries worldwide.

Power for Retail is a totally integrated 32-bit solution with multiple PoS functionality, such as promotions and full retail management capabilities, including stock control and performance management. The system can handle multiple stores and includes a powerful inter-store communications package, which operates across PSTN, ISDN and LAN connections.

Anker Systems also offers Power for Convenience Stores, an easy-to-use interface for local stores with multi-branch management information, and Power Ultra, which is aimed at larger retail and department stores and is based around MS ActiveStore.