Gray Matter
Empowering Intuition

Case Study

CUSTOMER
BPCL *(In & Out Stores)*, India

TITLE
Strategic Delivery of Software, Services and Maintenance Support

CUSTOMER SPEAK
"In our Retail SBU – In & Out stores business thrives on the software, services and maintenance support provided by GrayMatter Software Services Pvt. Ltd. It is a complete solution that they provide, which helps us take business decisions with no lag time and with accuracy. This comprehensive Retail Stores Management solution gives us the flexibility to be ahead of times and competition. We are also glad that we implemented the suggested dashboards and reporting tools based on GrayMatter's expertise in Pentaho, which has resulted in capabilities like drill-down, slice and dice enabling a comprehensive analysis on the latest Enterprise data that is received through GrayMatter's Retail store management solution."

Dr. U.V. Girish Kumar, GM –IT&BI, BPCL

Company Overview:

Bharat Petroleum Corporation Limited (BPCL) is a leading, Indian energy company with a global presence, headquartered in Mumbai, India. First choice of customers, BPCL is a single digit Indian representative in the Fortune 500 & Forbes 2000 listings. In addition to the energy business, they have several thousand retail outlets across the country providing automotive fuels. BPCL has a chain of 200+ convenience stores across the country today, under the brand name of "**In & Out**". The stores operate on a COFO model i.e. Company owned, Franchisee operated. Besides convenience goods sales, some of these stores also provide other services like Western Union Money Transfer, Online ticketing etc. These stores operate out of or next to the BPCL petrol outlets.

Key Challenges:

At the store-level:
- Needed a flexible, user-friendly and common Point of Sale software for store (retail outlet) operations, across the country
- Incorporation of various statutory and informative reporting
- Migration of historical data from legacy POS software to a common platform and integration to accounting applications, like Tally
- Fitment for BPCL's COFO model of operations for the stores

At the Overall business-level (SBU):
- Centralized repository of data from across the country
- Managing the entire network of In & Out stores with respect to requisite corporate processes
- Managing the entire network of In & Out stores with respect to complete operations
- **All levels of support, maintenance and enhancements of:**
  - Store-level POS solution
  - Corporate POS solution, including store corporate data flow and masters' data management
  - Business Analytics / Reporting solution at corporate-level for assisting in easy and fast business decision making
- Getting a centralized view of the performance of the stores and optimizing the margins / profits.
- Ability to evaluate Key Performance Indicators (KPIs), including costs, sales, profits etc. at a corporate-level, which would give a holistic picture of the entire operations of the stores across geographies in India
- Ad hoc analysis / reporting requirements at corporate or store-level for various marketers / categories / departments etc., to fuel further growth of the stores

GrayMatter Solution:

BPCL identified GrayMatter in 2007 as a vendor who would implement the 'customized for BPCL' Point of Sale (POS) 'IT Retail' solution. Comprehensive support on their end-to-end

requirements in integrating and consolidation of store-level data with information across the country. The single view dashboard assisting BPCL in monitoring and ensuring store profitability and fuel informed growth plans was implemented.

- Starting from the first pilot store implementation in 2007, the solution has been implemented at the 200+ stores by GrayMatter currently as on 2013.
- Store-level POS software, including regular upgrades and releases based on varied requirements, meeting the prime requirement of India-specific features.
- Enterprise data hosting and management (including masters' based on BPCL's business rules)
- GrayMatter team provides the following support, maintenance and enhancements for the In & Out business:
  o Centralized, constant voice and remote support to stores at level 1 during the operating hours of the stores
  o On-site support whenever required and for software upgrades / rollouts / training, including visits to remote locations
  o Level 2 support remotely / through onsite engineers, for advanced resolutions / responses
  o Level 3 support for feature upgrades, across levels of software provided, including store-level, Enterprise-level and reporting and analytics
  o Developing migrators for data migration from other legacy software
  o Managing the entire Enterprise data, bi-directional communications between stores and Enterprise
  o Regular reporting and analysis of and sharing of learning's from top performing stores vis-à-vis overall network
  o Assisting BPCL team in network consolidation of In & Out through key metrics like Sales per square feet trend etc. through BI
  o Assisting BPCL team with regular category / marketer reporting for negotiating deals, increasing product-wise profitability through ORC.
  o Ensuring high-level of knowledge of software / solution offering within team members, to provide consistently high quality of services
- In addition to the above, BI solution / reporting provides the following:
  o For BPCL's management, corporate and regional teams, providing several KPIs / dashboards / trend analysis / heat maps etc. at overall-level with drill-downs to lower levels
  o KPIs include: sales, sales per square feet, Average Ticket Size, Average Ticket Value, total footfalls, data availability at Enterprise down to the store-level and date-level

It is a complete package of automation; centralized management and administration; centralized reporting / dashboarding / analytics; software support and maintenance; all other vendor coordination that BPCL gets from GrayMatter. Starting with a 4-member team, GrayMatter has consistently delivered quality service over 5 years for the In & Out business; to become a 15-member strong team distributed across the country.

Results:

- BPCL is now able to smoothly run their day-to-day operations of the In & Out stores with speedy resolution of issues with the GrayMatter support team and various tools developed by GrayMatter
- Today, with the help of daily stores data sent report, BPCL can not only identify the reason for any drop in sales for any given day, but also, follow up with stores to sort out internet connection issues. This also ensures that data is received at the Enterprise, automatically and regularly.
- BPCL has been able to determine and streamline their recovery model from franchisees.
- BPCL have been able to identify and categorize stores based on sales per square feet and profits and accordingly take business decisions for these stores. Thus, they are now able to continuously optimize their profits and the resultant ROI.
- BPCL can now, using the various dashboards and reports built by GrayMatter, identify the top performing stores, manufacturers, departments, sections and decide their business strategy as to which part of their business needs focus, drive or investments.
- With category-level information, they can make deals with various manufacturers / marketers, optimizing revenue and profitability through special ORC deals.
- They can also observe the trend of sales / sales per square feet for various stores and identify strategies for further growing the top lines for these stores

"Changing statutory requirements and diversity of users across the country resulted in customizations to the base product making it robust and adaptable to the local Indian scenarios across multiple regions. Thanks to BPCL top management's support over the years, GrayMatter was successful in shifting to proactive approach of support, based on data mining and insights gathered over a period of time.
Lokesh Narasimha, Director – Operations, GrayMatter Software Services P Ltd.