Revving up customer satisfaction — and growth

Fast-growing Australian specialty chain Burson Auto Parts serves 30,000 auto mechanics and do-it-yourselfers every day. To maintain customer satisfaction while also adding stores, it needs scalable inventory and financial systems.
CHALLENGE

Smart Expansion

Burson Auto Parts and its parent company, Bapcor, operate an extensive auto parts distribution network with an inventory mix that is both large and unique — Burson's inventory includes 500,000 SKUs from over 1,000 suppliers.

The breadth of Burson’s inventory is difficult to replicate, giving the company an important competitive edge. The enterprise is also pursuing an aggressive growth strategy: Burson aims to add over 44 new stores by 2021 — a 28% increase in its retail footprint in only 5 years.

But growth can cause headaches, and as Burson began to add stores its legacy ERP and financial systems sputtered. Employees found themselves stalled as they waited for computer queries to complete. Overnight batch processing reached 8-9 hours, raising the possibility that inventory data might not be updated in a timely fashion.

This was a serious problem. Burson’s promise to its customers is founded on having an extensive inventory of car parts in stock. Its employees must be equipped to respond quickly and accurately to customer requests, whether that customer is a mechanic calling to have a part delivered or a consumer walking the aisles in a Burson retail store.

The company realized that if it didn't tune up its IT engine, it would start experiencing customer-facing issues that would threaten its reputation — and give competitors an opportunity to take business away.

“Since it was founded in 1971, Burson has continually expanded. Recently, this growth has accelerated, requiring the company’s IT systems to scale in response.”

Leon Rawlins, Business Systems Manager, Burson Automotive

AT A GLANCE

Australia's largest trade-focused supplier of automotive aftermarket parts

Australians who fix cars — whether they are professional mechanics or do-it-yourselfers, trust Burson Auto Parts to have the parts they need, when they need them.

Burson Auto Parts is Australia's leading trade-focused distributor of aftermarket auto parts. Through its growing network of retail locations, plus a fleet of delivery trucks, Burson supports over 30,000 customers daily, including do-it-yourself vehicle owners as well as professional auto mechanics, with routine service items such as filters, brake pads, oil, spark and plugs, and breakdown parts like water pumps, starter motors, and alternators.

This complex business requires Burson to maintain an inventory of a half million SKUs from over 1,000 suppliers.

Burson is also growing, with plans to expand its current retail footprint of 156 by 28% to 200 locations, by 2021.

1971 156 1,200

founded stores employees
Scalability on demand

One of the first requirements Burson set for its ERP system upgrade was a change to its operating system. Burson was running its primary business software, the MomentumPro Enterprise Resource Planning (ERP) system, on Windows. The company wanted to retain that ERP system because switching to a different platform would introduce an unacceptable level of risk to the project. But it also wanted to move to UNIX to take advantage of that platform’s stability and enterprise-grade scalability.

Burson also wanted hardware that would be scalable as well as compact and cost-efficient, to enable it to pursue its growth strategy without adding excessive IT overhead. Burson selected HPE BladeSystem server blades and HPE 3PAR Storage Systems as its new hardware platform.

Because Markinson did not have a UNIX version of its ERP software, Burson turned to HPE Technology Services to configure a MomentumPro instance that would run on HPE-UX, architect the hardware, and perform the migration. HPE Technology Services conducted requirements and design workshops and produced documentation to facilitate the project, project scheduling, and change management processes and approvals. These capabilities helped ensure the project met Burson’s technical requirements, that Burson had full visibility into project status as it progressed, and that the implementation met Burson’s budget and scheduling expectations.

“Had we upgraded, we would have had perhaps just a year before we had to upgrade again. Also, with an upgrade, maintenance costs are increasing each year – but the replacement system included support, so we are ahead on operating expenditure. When we did a comparison, the replacement was lower in cost than the upgrade, with a fifteen-month payback period on the hardware.”

Leon Rawlins, Business Systems Manager, Burson Automotive
Steering a flawless expansion

Customer satisfaction and more efficient operations protect competitive differentiation — despite aggressive growth

With its new ERP architecture in place, Burson is positioned to fulfill its business strategy.

The auto parts supplier is free to pursue its aggressive growth strategy, because it has the scalable IT horsepower needed to support new stores as they open. It is protected from the risk of business disruption as it grows, because its new platform delivers enterprise-grade reliability.

The new platform’s performance helps ensure that Burson employees have up-to-date inventory data when they arrive at work in the morning. As a result, if a mechanic calls to order an auto part, Burson staff can provide the precise, accurate answers its customers expect: whether the part is in stock, for example, and how soon it can be delivered to the mechanic’s shop.

Employees no longer experience lag as they switch screens or enter inventory queries, because the performance of Burson’s ERP systems has quadrupled in speed. This enables Burson staff to be more effective in their jobs — including customer-facing tasks like helping mechanics locate parts and processing orders.

The new platform also virtually eliminates the risk that inventory data might not be updated when employees open shop in the morning, by cutting overnight batch processing times from 8-9 hours to 2.

The new platform delivered from a cost perspective. Burson went from 8 racks to 2 — a big jump in server cost-efficiency — and avoided the maintenance costs that would have mounted if it had kept its legacy hardware. Because of these cost savings, the new platform will pay for itself in 15 months.

USEFUL TIP

“It may be tempting to make incremental upgrades, but consider the full cost of continual upgrades, support, downtime, and other factors when making a full digital transformation.”

Leon Rawlins, Business Systems Manager, Burson Automotive