Orlansoft
Systemize. Integrate. Optimize.

THE COMPANY

LotteMart, a global retail operation based in South Korea, opened its first outlet, the Gangbyeon store, inGuui-dong, Gwangjin-gu, Seoulin April 1998. Lotte Mart is part of the Lotte conglomerate. In December 2006, it opened the 50th branch in Bupyeong, a company record in setting-up a store in the shortest time.

In this fast-growing environment, Lotte Marts have been operating as of January 2008. By 2013, around 110 stores in Korea will open to reach the target of W 10 trillion in sales. Amid aggressive market expansion in Korea, the company has also actively pursued growth in overseas market.

In Indonesia, it acquired PT Makro Indonesia from a Dutch-based retail group that controlled 19 stores throughout Indonesia in October 2008. Initially it operated the chain as a domestic distribution business. To boost revenue, Lotte Mart is planning to open 100 stores in Indonesia by 2018.

On top of such achievement, Lotte Mart is working toward multi-dimensional efforts to discover a new and dynamic growth engine to prepare for the eventual business saturation in domestic discount stores that will occur in 4-5 years.

Today, Lotte Mart is exerting efforts to spring to a new challenge.

It's not just a redevelopment of B2B System.

A new B2B system with the same "look and feel" to all users has been successfully deployed in concert with the migration of Lotte Core System—to thousands of suppliers as the end users.

Joanito Iwan Tamsil
IT Director - South East Asia IT

THE CHALLENGES

The first challenge is to integrate the B2B System for PT Lotte Shopping Indonesia (Lotte Wholesale) and PT Lotte Mart Indonesia (Lotte Retail) into a single system in a single database. The B2B system provides purchase-to-pay transaction services to thousands of Lotte Mart suppliers, who log into the system to check new purchase orders, prepare shipments, and queries payment.

The B2B System in use by Lotte Wholesale was connected to Legacy Core System, while the one for Lotte Retail was connected to a New Core System. Both these two B2B systems issued inconsistent information and therefore unnecessarily put extra burden to users—the suppliers—whenever they needed to search for a piece of information.

The new B2B system was required to integrate both into Legacy Core System (although it would be phased out in a few months) and the New Core System to form a single system that made it easy for the suppliers to obtain a single-view information about transactions from both Lotte Retail and Lotte Wholesale.

The **second challenge** was to integrate with auto fax system and to issue XML for suppliers. Purchase Orders from the B2B System would be sent automatically to the suppliers via (1) an auto fax system with preset schedules, number redial, and time-limit from fax servers in each city, or (2) by sending XML files via FTP, or (3) emails in PDF format.

Purchase Orders that failed to be sent through auto fax after a preset time limit would be emailed to person-in-charge in every store that serves as coordinator to the suppliers.
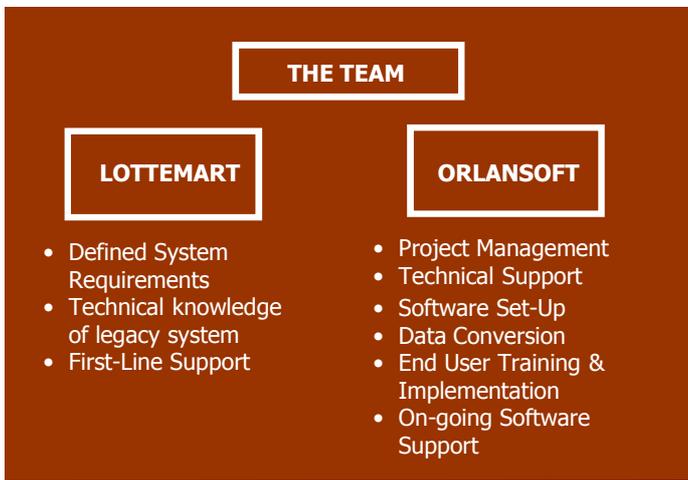
The third challenge is to provide a new B2B System with a similar "look and feel" to the previous B2B system and with new additional features.

A very tight time frame—less than one month—for program dissemination necessitates the development of a user interface that closely mimics the previous system's to make it easy for users to migrate.

The last challenge was to smoothly deliver the New B2B System to thousands of suppliers in Indonesia and abroad within 3 months time. The dissemination program to each and every users of the B2B system, from announcements, end-user documentation delivery, reservation of end-user training, end-user training and forum discussion, call centers for helpdesk support, would all be provided by the B2B vendor.

Not only Orlansoft provided a B2B System that integrated Lotte Retail and Lotte Wholesale into a single system, they also brought the expertise in retail and wholesale industry know-how that was extremely useful for the dissemination program, end-user training, and call-center support to all suppliers.

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IT Director - South East Asia IT

THE TEAM

LOTTEMART
- Defined System Requirements
- Technical knowledge of legacy system
- First-Line Support

ORLANSOFT
- Project Management
- Technical Support
- Software Set-Up
- Data Conversion
- End User Training & Implementation
- On-going Software Support

ORLANSOFT SOLUTIONS

The **web-edition of Orlansoft** made it easy for end-users to access information using internet and Firefox™ browser.

Orlansoft Procurement and Account Payable Module support multiple entities to accommodate all information of Lotte Retail and Lotte Wholesale in a single screen. Orlansoft Multiple Sites features made it possible to combine information from each store into a single system to facilitate users when they want to query on which purchase orders would be sent to which store, track goods receipt in a particular store, find out whether their invoices had been received by Lotte, and which payment went to which invoices.

Each supplier were allocated an administrator account which allowed them to create up to 5 UserIDs to cover their staff in sales, warehouse, and finance with all the necessary setting for privileges according to each company's policy. If a supplier was a group of companies with many subsidiaries, the administrator could also assign settings to determine which subsidiaries would be accessible and displayable on a single screen. Privilege settings would also be useful for product principals to manage their distributors to service certain Lotte stores only.

Orlansoft Procurement module provided autosent purchase orders via emails or FTP, either in PDF or XML formats.

Fax monitoring application was used to monitor Fax Server activities, including the number of purchase orders (POs) in queue, sent POs, failed-to-send POs after certain number of redials, or unsent POs after a certain time. Failed-to-send POs would be automatically emailed to persons-in-charge in each store to enable them coordinate with the respective suppliers.

Data from Lotte Core System were synchronized every 30 minutes so urgent POs are immediately sent to suppliers.

Customization were performed to the presentation layer of Orlansoft Procurement and Account Payable Module to give a look and feel consistent with the previous B2B system.

The New B2B System project began mid April 2011. Finalization of business process requirements and synchronization protocols took 1.5 months. Announcements were made to users of previous system via a link that lead to the "Introduction to New B2B System" page. The page also contained step-by-step documentation to familiarize users to the new system. There was also a link to hotline to call-center support which was managed by PT Orlansoft Data System and an online reservation system to allow users to sign up for training schedules, which were spread over two months to enable as many suppliers as possible to join.

Orlansoft expertise and experience in the retail and wholesale industry was a great help to successfully run the dissemination program, a responsive hotline support, and interactive and easy-to-understand training sessions to end users.

THE RESULTS

B2B System has been fully implemented with the excellent support from a team of consultants.

No-down time of B2B System Migration, smooth transition to end-users. A new, unified B2B System for both Lotte Retail and Lotte Wholesale was delivered to thousand of suppliers in Indonesia and overseas within three months.

Story prepared by PT. LOTTE SHOPPING INDONESIA, PT. LOTTE MART INDONESIA, in cooperation with PT. ORLANSOFT DATA SYSTEM