Brooks Brothers combats disruption, finds 'The Holy Grail of endless aisle'

The oldest apparel brand in the U.S thrives in the midst of a 65% digital increase in ecommerce sales overnight with Manhattan, ultimately opening the door for more supply chain and omnichannel possibilities.

Manhattan Active® Omni



Brooks Brothers

Maximizing available inventory to increase margins

Brooks Brothers is the oldest American apparel brand dating back to 1818. Today, the retailer provides stylish modern clothing and fresh takes on heritage designs for men, women and children. Its retail footprint consists of 170 store locations in the U.S., with 100 of those in factory and outlet settings and another 70 full-price retail stores. The retailer also operates a vast ecommerce network and serves more than 20 countries around the world through license agreements with retail partners.

Brooks Brothers' supply chain network looked quite different in 2018 when the original decision was made to go with <u>Manhattan Active Omni</u> (as did virtually every other supply chain network pre-pandemic and before the drastic increase in ecommerce customer purchases).





Before implementing Manhattan Active Omni, Brooks Brothers had only one east coast-based distribution center that served all ecommerce customer orders nationwide.

At the time, its in-store inventory that was not being sold faced numerous price markdowns. By the end of the season, the store inventory that was still not sold would be called back to the lone DC serving ecommerce orders. It was then sold at a fraction of the price through ecommerce promotions.

The brain trust that managed Brooks Brothers' supply chain operations knew that they were not getting the most out of the inventory sitting in stores that were subject to being marked down. The retailer wanted to put themselves in a position to sell that same inventory to an ecommerce shopper directly from a retail store's physical location at full price. And, by being able to sell and send product to a local ecommerce customer via a local store, they could get ecommerce orders to their desired location much faster, reducing transportation costs in the process. They just needed the right technology to get it done.



"We understood that there was a major opportunity to not only serve customers in the local markets better by cutting down the amount of time it took to deliver a package to them but also increase margins by selling product at the current selling price out of the stores for ecommerce demand, versus waiting for that item to take a future markdown."

Todd Treonze, Senior Vice President and Chief Information Officer at Brooks Brothers





Unprecedented times call for unprecedented capabilities

The selection of the right supply chain software solution that would meet the retailer's desired goals was an easy one, according to Treonze.

"I had a long experience working with Manhattan Associates and the nonactive version of order management dating back to 2011," said Treonze. "So, although they were very high on my list, as a part of an executive team with many different opinions, I had to go through the proper due diligence. Manhattan easily won out in that process. We then began a very slow deployment of the system to make sure that we weren't risking the business as we rolled out the new capability."

However, just as Manhattan Active Omni was ready to commence rollout, the Covid-19 Pandemic began to take its toll on retailers worldwide.



"When COVID hit in 2020, it was a very interesting situation for us because we were on the verge of rolling out the Manhattan capabilities. We had all of our stores close on March 17 of 2020. And at that point, our entire business became a digital business. **We went from 35% digital to 100% digital overnight.**"



7 Brooks Brothers CASE STUDY

Manhattan Active Omni's scalable and adaptable order management fulfillment capabilities — such as **ship-from-store** and **pickup in-store** — not only allowed Brooks Brothers to thrive during the pandemic and get through the holidays, but it helped transform its omnichannel capabilities moving forward to allow new avenues of customer fulfillment, ultimately making life easier for the retailer and customer.

"If Manhattan Active Omni wasn't in place, we were not going to have a system that was going to support the holiday volumes that year, knowing that people were still afraid to go to stores," said Treonze.



"Without having the scalability of the Manhattan Order Management System to be able to keep up with these large volumes that were coming in, not just for Cyber Monday, not just for Black Friday, but for an extended period of time, we never would've made it through that holiday season."



The right technology to get the job done, now and always

By choosing to entrust Manhattan Active Omni to drive and optimize its omnichannel capabilities, Brooks Brothers ensures it will have access to the latest and greatest technology, with automatic upgrades that occur seamlessly and without disruption.

Manhattan Active Omni's suite of solutions is the first of its kind, engineered for an omnichannel world, and built to deliver on the customer experience promise. Born in the cloud, it is a comprehensive portfolio of solutions and services that is always current and fully extensible.

The Manhattan Active Platform's ability to integrate seamlessly with existing solutions and add new features quarterly without disruption, for Treonze and his team, was too good to pass up.

"The nature of how quickly the product was being infused with new features and functions quarterly really excited us because in the old days if you wanted to put something new into the product, you had to get on a list and have conversations with the software provider about getting your functionality added versus another customer's functionality," said Treonze. "We felt like we had a voice. We were able to submit requests that made sense for us."



And as the partnership continued, Brooks Brothers chose to take on the added solution capabilities that were right for them, including order management. With Manhattan's order management system capabilities, Brooks Brothers has complete command and control of customer transactions, visibility, availability of inventory, and orchestration of orders across the enterprise, all thanks to real-time data provided via machine learning. The retailer also selected Manhattan's promotion tools and contact center to further cater to its customer's needs.

"When we rolled out the system from Manhattan, we not only did the store order management capabilities from a fulfillment and inventory perspective, but we also rolled out Manhattan's cross-channel promotion engine as our promotion tool to be able to allow our internal associates the ability to set up promotions, enabling them to be used in both our ecommerce and store environments," said Treonze. "And we also used Manhattan's contact center tool to be able to support our customers for any interaction after an order had been placed."



Looking to build even more supply chain possibilities

After a few years with Manhattan Active Omni as the driving force in its omnichannel network, the goal is now to keep building upon and taking advantage of the best-in-class, modern capabilities Brook Brothers now has available at its fingertips, including unifying all platforms in a cloud-based environment, with an eye on **Point of Sale** and **Warehouse Management**.

"My team works very closely with our business partners to understand needs and continues to evolve our roadmap in alignment with what's coming from Manhattan, from a new feature and function perspective," said Treonze. "Currently we're rolling out, buy online, pickup in-store. There are a lot of new things that we're looking forward to doing with the platform, eventually integrating with Manhattan Active Warehouse Management as well on the warehouse side and rolling out Manhattan Active Point of Sale in 2023."

Adding Manhattan Active Point of Sale to work in unison with existing Manhattan solutions in a cloud environment will only make Brooks Brothers that much more dynamic in terms of providing the ultimate omnichannel customer experience.





"What we love about Manhattan Active Point of Sale is that it has all of the richness and features that you'd expect of a point of sale," said Treonze. "But it also comes in a digital native environment so that we can run it on any device we choose and be able to get quick adoption from our store users on the pointof-sale side. As we roll out that capability, we'll have a unique situation where we have Manhattan Active OMS, Promotion, Store Inventory Management and Point of Sale, all connected. From an endless aisle perspective, I like to call it The Holy Grail."

Lastly, for Brooks Brothers, in the end, the partnership with Manhattan began at the most opportune time.

"We've picked a partner who is empathetic and willing to listen to us," said Treonze. "Manhattan worked with us through some very difficult times. We came out the other side and not only survived but improved our retail business and Manhattan was there with us 100% of the way. We're very excited for what that future looks like for both us and Manhattan."



/// Manhattan

