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NAY was able to implement software robots so quickly thanks to agile approach of its employees and the new customer demand for online shopping.

"Nowadays, to automate is no longer the question, but when and how fast. In addition, if the customer and the supplier form one team, the results will come quickly."

Viktória Bracjunová SOITRON, s.r.o. Business & New Technologies Products Development Manager

1. REQUIREMENTS

- Streamline administrative processes and eliminate bottlenecks
- Improve customer satisfaction and loyalty
- Eliminate the error rate, inherent in manual administrative processes
- Reduce business risks
- Increase employee job satisfaction

2. SOLUTION

- **Selection of suitable processes** for RPA in tandem with an integrator who provided know-how and best practices from other retail companies
- Deployment of the UiPath software platform
- Automation of selected processes
- Training of the customer's key user acting as an internal consultant

3. RESULTS AND BENEFITS

- Ensuring smooth processing in the event of sudden increases in online sales, such as during seasonal promotions or lockdowns
- Elimination of bottlenecks, that could otherwise lead to unnecessary delays, such as when refunding customers, handling claims, or checking availability of goods
- Improving customer service by speeding up processes
- Freeing employees from repetitive monotonous tasks, thus increasing their job satisfaction
- Saving costs of part-time labour hired to help out with seasonal sales fluctuations

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Software robots in the service of Nay

In the past, the business of the Nay retail chain was built almost exclusively on revenues from their large brick-and-mortar retail stores. Back in 2010, online sales accounted for less than one per cent of the company's total revenue. A decade later, online sales exceeded the €100 million mark.

Nay's online sales grew more or less linearly in the past few years (with the exception of the ac-quisition of the Electro World retail chain), and the management continuously adjusted the pro-cesses and staffing accordingly. Over time, they started



to connect their brick-and-mortar stores with their online business as part of their omnichannel concept.

An old idea matured overnight

If nothing dramatic had happened, the management would have continued with their planned strategy. But then the pandemic struck in March. Brick-andmortar stores closed down, and people's lives, including shopping, moved online. All of a sudden, Nay's online revenues grew five times year-on-year, i.e., to a level approximately 50 per cent higher than in the peak seasons.

Naturally, Nay immediately responded to the new situation.

For example, they strengthened the call centre and quickly reorganized and retrained their staff. However, Nay's head of the omnichannel, Martin Derňar, realized that this alone would not be enough, because some processes had intensified by up to 20 times.

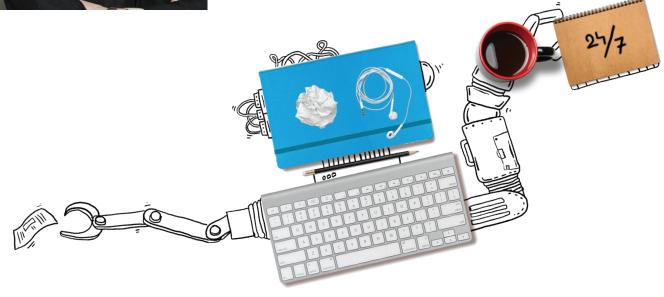
That was why Nay started to more seriously contemplate the idea of automating some administrative processes. It was not an entirely new idea. The company had been using robots in logistics for quite some time, and Derňar had also considered automating some administration processes before. He says that they would have come to it in a year or two, but, as in other companies, the pandemic accelerated many intended technological projects.

"We were reaching the capacity limits, risking that we would not be able to meet some of our customers' requests, such as the refunding of cancelled prepaid orders, within a reasonable time. Looking into the more distant future, with the threat of new pandemic waves and lockdowns looming on the horizon, we realized that we would not be able to handle such peak loads without some process automation."

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Martin Derňar

NAY a.s., Chief Omnichannel Officer



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Quick supplier selection and deployment

When Nay eventually made the decision to quickly "employ" a software robot, Derňar contacted UiPath, who he had long perceived as one of the leading suppliers of robotic process automation (RPA) solutions. As UiPath does not do integrations, they recommended he contact Soitron, who was their integration partner for the Slovak and Czech markets.

Even though Nay managers had several processes selected for robotization from the very beginning, they chose only two processes for the initial pilot. The first was the process of refunds for orders paid in advance and later cancelled. And the second was checking the availability of goods to order.

The criterion for selecting the processes for the pilot was achieving "quick wins", such as freeing people from routine tasks and allowing them to concentrate on higher added-value work or by improving customer service. Utilizing its know-how from process automation for other retail customers, Soitron also assisted with the selection.

"We were under time pressure from the beginning, as the quarantine measures came unexpectedly and caught everyone by surprise. We needed to achieve results quickly, with no long preparations, and that is what we did. It took about one and a half months from the moment we contacted Soitron to achieving the first tangible results," says Derňar. He also adds that Nay is used to agile work and that they demand the same from their suppliers.

Having successfully automated the first two processes, Nay decided to deploy the software robot to another six processes as well. The expectations for all of them are the same: to eliminate bottlenecks, increase efficiency and people's satisfaction, and improve customer service. These processes



included reporting automation and virtual robot deployment for the checking and handling of extended guarantee claims by the call centre and accounting and HRrelated back-office processes.

Maintenance and operations in their own hands

The first load tests for Nay software robots took place in the autumn and winter of 2020 in both the Czech Republic and Slovakia. Be it during lockdowns, when sales moved online, or during pre-Christmas campaigns such as Black Friday and New Year's sales, when demand was peaking sharply.

"If we had not prepared for such online sales fluctuations and peak loads, including through process robotization, we would have had to attenuate the supply by reducing our online marketing investments in order to be able to meet the demand," explains Derňar.

Martin Derňar. NAY a.s., Chief Omnichannel Officer

The accurate evaluation of the rate of return on investment by Nay management is yet to come, but the experience so far and preliminary results suggest that the plan to achieve a return on the investment within three years will be met. For example, by automating the process of checking availability of goods the company will save the equivalent of the working time of eight full-time employees per month. The investment in this process should therefore return within a single year.

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Other robotized processes are oriented at reducing business risks and improving employee or customer satisfaction. For these processes, the ROI quantification may not be so unambiguous. In addition to saving working time, robotization has also been shown to reduce error rates, eliminate risks arising from administrative errors, and streamline processes directly impacting customer satisfaction.

"If we refund customers more quickly, if we eliminate the risk of errors during return handling so that customers do not have to ask for a refund repeatedly, and if we speed up claim handling for extended warranties, we increase customer satisfaction and thus the chance that they would buy from us again," says Derňar.

Last but not least, we should also not forget about the initially overlooked but extremely

important benefit of having more satisfied employees, because the robot frees them of routine manual tasks. "Perhaps the most valuable thing for me was the realization that we give people space for more creative work, which is especially important for millennials and the future generations of young people, for whom it is important not to have a monotonous and boring job," adds Nay's head of the omnichannel.

The question for Nay today is not whether it will robotize other processes but rather which ones and how fast. Derňar believes that robotization of the first processes will also inspire people from the company's various departments. "We wanted them to see that this approach makes sense, so that in the future they proactively come up with proposals for what else could be automated, thus helping the company and themselves," he concludes.

Martin Derňar.

Chief Omnichannel Officer NAY a.s.



NAY a.s.

The company is the largest specialized retailer of electronics in the Slovak Republic with a market share of approximately 25%. It has been operating on the market since the early 1990s. Its history is interesting especially from the point of view that it originated without the heritage of a developed market, from which it could draw experience. Due to this, it had a lion's share in the creation of today's form of retail not only in Slovakia, but in the entire Central European region. Currently, NAY a.s. in Slovakia, 38 NAY stores and 19 Electro World stores in the Czech Republic.

www.nay.sk

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Soitron is a Central European integrator operating in the IT market since 1991. The company's philosophy is to constantly move forward, and that is why it is a leader in implementing unique technologies and innovative solutions. It offers its clients products and services in the field of robotization and process automation, artificial intelligence, the Internet of Things (IoT), IT infrastructure, communication and cloud solutions, IT security, IT services and outsourcing, IT advisory and applications, and IT department digitalization. Its product portfolio includes smart police car solutions – Mosy and cyber security services – Void Security Operations Center. Soitron, s.r.o. is a part of the Soitron Group and employs more than 800 international experts. The group brings together professional teams in Slovakia, the Czech Republic, Romania, Turkey, Bulgaria, Poland, and the UK.

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