



## Case Study

# Growing a Better Food Business with Automation from SAP

Like certain fruits and vegetables, some businesses grow faster than others. Thanks to their hardiness, a few can thrive in almost any climate, including COVID-19. The independent Canadian grocer, Avril, is one such company.

Launched in Granby, Quebec in 1994, Avril specializes in superior customer service and organic foods.

Customers cannot get enough, which keeps Avril growing. In the last decade, Avril relocated its flagship store, opened new branches and built an 110,000 sq ft warehouse.

Success, however, has brought challenges, particularly automation ones. So, in 2017, Avril deployed SAP software with help from Syntax.

## 6,300

The number of invoices/credits/payments that Avril can process per month since deploying SAP software. This is more than double what the company could process before.

## 6-7

The number of days it takes Avril to close and then release its monthly financial statements since deploying SAP software, which is down from the 19-20 days that it took before.

Discover how technology upgrades and investments help Avril thrive.

## Customer Profile

Location:  
Granby, Quebec, Canada

Industry:  
Retail

Products and services:  
Natural and organic foods, supplements, vitamins, and cosmetics.

Employees  
1,000+

Featured solutions:  
SAP ECC 6 HANA, SAP Omnichannel Point-of-Sale by GK, Syntax's Retail Accelerator, SAP Business Intelligence Suite



*"After we launched our fifth store, we knew we had to upgrade our IT. We looked at various companies but decided on SAP. At the time, we believed SAP would future-proof us better than anyone else. And it sure has."*

Jean-Francois Tanguay  
Director, Technology Information  
Avril

Overview

# A Grocer with a Vision and Tech Partner with a Platform

## Fast Growth Creates New Business Challenges

- Founded in 1994, Avril debuted in a 1,000 sq.-ft. facility selling natural foods and supplements
- Over time, Avril opened new branches, expanded its offerings to include cosmetics and bistro-quality fresh foods, and opened a massive 110,000-sq.-ft. warehouse
- With growth came big business challenges, especially with its heavily customized POS technology
- Simply put, Avril needed better automation to manage inventory, suppliers, finances and more across its entire growing grocery empire

## Defining a Solution for All

- After a comprehensive search, Avril chose SAP ERP for Retail

- The technology was priced right, and the feature set was perfect for a company of its size
- The software enables greater overall integration between inventory and promotion management
- It also provides an end-to-end integrated management solution specific to the retail industry

## Prepped for Challenges and Opportunities Alike

- SAP ERP for Retail handles Avril's current operational complexity while paving the ground for future omnichannel retail needs
- During COVID-19, Avril accelerated IT development, especially around a new "click-and-collect" service that will serve customers long after the pandemic
- With judicious investments into digital transformation, Avril is poised for its best decade yet



*“Avril is proof that you don’t have to be big to enjoy the best that SAP offers. With the right partner and software, you can compete with anyone.”*

Syntax

## Objectives

# Avril Timed the Market for Natural Goods Exquisitely Only to Discover that Rapid Growth Has Challenges

In the 1990s, the founders behind Avril, one of Canada's fastest-growing grocers, rode the wave of heightened interest in natural foods and new consumer experiences. Then in 2007, Avril launched an ambitious expansion plan that would lead to the creation of new hybrid stores that were part traditional grocer, part specialty foods store and part natural healthcare shop. Customers loved the concept.

In the decade that followed, Avril more than doubled its sales and expanded to eight stores in Quebec.

## Success Brings Challenges

After the opening of store no. 5, Avril IT leaders recognized that they couldn't push their over-taxed point-of-sales (POS) system further. It was heavily customized and beyond the point of updating.

Without new software, however, Avril couldn't process orders, pay bills, adjust prices and oversee promotions efficiently. Something had to be done to keep pace with growth.

## A Big Bang Moment

After review, Avril concluded that it had to start over with a new technology supplier—a move Avril IT leaders likened to a “big bang” moment. Avril investigated a number of options and even considered one popular ERP solution tailored to mid-sized companies.

After assessing its needs, Avril realized it needed software that could help with the following:

- **Simplify current and future operational complexity with an omnichannel strategy**
- **Enable greater overall strategic thinking with inventory and promotion management**
- **Provide an end-to-end integrated management solution tailored to retailers**

In May 2017, Avril deployed a complete and integrated SAP ERP solution, leveraging Syntax's agile deployment methodologies.



## Solution

# After Studying the Market for Options, Avril Makes a Commitment to the SAP Platform

With SAP ERP, the grocer was able to deploy a robust and fully integrated ERP solution like its large competitors, but at a fraction of the cost. Almost instantly, Avril decision-makers had access to a complete and real-time portrait of the company's data—and in a centralized way.

But the sudden clarity shined a light on shadows elsewhere, particularly those clouding Avril's point-of-sale (POS) capabilities. Avril's POS software faced limitations due to:

- **Data on products, prices, and promotions being entered in two different systems**
- **Long and tedious updates and fixes**
- **An obsolete and unfriendly user interface Syntax helped rapidly implement a new POS system in early 2018. By June, the system was live in all Avril stores**

## The Syntax Difference

Given its fast growth and number of industry awards, Avril attracted a great deal of attention. It was a company many others wanted to do business with. But after considering large tech consultancies, Avril decided to go with Syntax.

In addition to its quick implementation methodology, comprehensive understanding of the grocery industry, and high level of expertise with its proprietary Retail Accelerator, Syntax shared a similar culture as Avril. Both companies were small compared to their competitors, but hungry and ambitious in their aspirations.

The partnership has proven successful despite the challenges brought on by COVID-19 and by rapidly shifting market dynamics.



## Results

# Better Software, Better Business Outcomes

In one week in early 2020, daily ecommerce orders at Avril jumped from 30 per day to nearly 300. Within a week, the company had a backlog of 2,000 orders. But Avril didn't panic despite growing concerns over what impact COVID-19 would have on its business.

With its decision to deploy SAP software, Avril was able to fast-track new customer services including its new click-and-collect service. Without a modern system for payments, inventory, pricing, authentication and more, the company would have floundered when demand spiked. But with Syntax' help, Avril ramped up quickly.

Thanks to its original commitment to SAP and subsequent upgrades and enhancements, Avril now

enjoys better inventory management, more efficient promotions, streamlined pricing, better internal reporting and even improved employee engagement.

Because of SAP software, Avril can more easily manage its more than 50,000 SKUs and the estimated \$15 million worth of inventory that it maintains. Avril doesn't sweat turning that over on a regular basis, including perishable items that must be sold in mere days.

With SAP, Avril knows the status, location, age, price and promotions of every item in its stores. It also knows which channels its customers prefer and at which times they like to shop. Whether for its organic produce, bistro-style meals or nature-friendly cosmetics, Avril runs better on SAP.



### Since deploying SAP software, Avril improved in key areas:

- Less time to process and approve payments
- Higher product turnover
- Faster close and release of monthly financials
- Fewer manual processes in accounting and inventory
- Tighter integration between inventory and finances
- Reduced errors throughout

## Future Plans

# After Four Recessions and a Pandemic, Avril Understands How to Handle Growth and Challenges

Automated vertical agriculture. Sounds farfetched?

Not to Avril and other cutting-edge grocers.

To make sustainable, hyper-localized growing a reality, however, grocers will need more than advances in botany. They will also need plenty of new information technology—the kind that produces better business outcomes and better environmental ones, too.

Consider: In Canada, one study shows nearly **2.2 million tons of food is thrown out annually. The cost to Canadians is an estimated \$17 billion.** Another study

reveals that half of what Canadian farmers produce is lost or wasted each year.

Smart grocers can help reduce waste. With advanced automation, they can prevent yogurt from spoiling in hot weather and bananas from freezing in the cold. There's more.

With smart automation, Avril and companies like it will be able to better reward loyalty, extend benefits and promotions more efficiently, and even reduce congestion in parking lots and check-out lines alike.

## Possibilities Are Endless

More stores. More bistro-style customer experiences. More organic products and new services. All of these and more are under development at Avril.

As it grows, so does its software capabilities, helping the company be a better employer, community neighbor and business partner.

That's the difference SAP is making at Avril—not just today, but tomorrow and in the future, too.

With SAP, Avril can easily manage more than **50,000 SKUs** and an estimated **\$15 million** worth of inventory, including perishable items.



## About Syntax

Syntax provides comprehensive technology solutions and trusted professional, advisory, and application management services to power businesses' mission-critical applications in the cloud. With 50+ years of experience, 900+ customers, and 2,700 employees around the world, Syntax has deep expertise in implementing and managing multi-ERP deployments in secure private, public, or hybrid environments. Syntax partners with SAP®, Oracle, AWS, Microsoft, and other global technology leaders to ensure customers' applications are seamless, secure, and at the forefront of enterprise technology innovation.

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