APOTHECARY RETAILER USES AMAZON MARKETPLACE INTEGRATION TO MAKE MILLIONS

Merz Apothecary is the oldest pharmacy in Chicago and one of the oldest pharmacies in the United States at 142 years old. The company does not specialize in traditional pharmacy products or prescriptions, but what differentiates them from other apothecary stores are their natural and unique personal care products from around the world.

"We love finding things that you wouldn't find in other places and we are proud to be known as the place you would go for hard to find items," says Anthony Qaiyum, president, Merz Apothecary.

With two stores in Chicago, a web business, a catalog business, and on Amazon integration. Merz Apothecary employs 58 people and will finish this year between $15 and $20 million in revenue.

Reaching that point would not have been possible without a robust retail management system. But that was not always the case. Eight years ago, Qaiyum began looking for a POS solution that could integrate Merz with the web, catalog sales, and Amazon's marketplace.

"That was pretty rare to find and especially rare to find something that was robust enough to meet our demands from a technology standpoint, and affordable enough for a small business," he explains.

CHALLENGES

- No integration between stores, E-Commerce & Marketplaces
- Manual management of inventory
- Disparities between in-store and E-Commerce pricing and promos
- Manual management of marketplace integrations

SOLUTION: CELERANT COMMAND RETAIL

- All-In-ONE retail management solution
- Cross-channel pricing, promotions, gift cards, inventory and fulfillment with ONE system
- Seamless integration to both Amazon Fulfillment by Merchant (FBM) and Fulfillment by Amazon (FBA)

OUTCOME

- Elimination of all homegrown retail management systems
- Real-time visibility across stores, E-Commerce & Marketplaces
- Complete inventory control
- Automated Fulfillment by Amazon & Merchant
- Sales through Amazon near $7.5 million- equating to half of Merz's business

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Anthony Qaium,President, Merz Apothecary

Merz had been using a homegrown E-Commerce platform, a self-developed Amazon integration tool, self-built analysis tools, and a POS system that was a few generations behind, says Qaiyum. He says the old POS system required a nightly update via modem. And, even though the system was web-based, there was no real-time inventory data at the store level or online.

"That was tough for the two stores, but livable," he says. "But when you add in a website that's constantly selling and then we added Amazon, we were faced with difficult challenges in terms of overselling merchandise, underselling merchandise, inaccuracies, and customer service follow-up problems. We were selling products we didn't actually have. It's the worst kind of situation you can have in an omnichannel environment. We were at the forefront of omnichannel retailing in the late 1990s but we were starting to feel the pain pretty dramatically."

That is what led Merz Apothecary to Celerant Technology. Qaiyum says that other retail technology companies offered web-only platforms or a POS-only system, it was challenging to find a company that offered both, and even more challenging to find a company that offered both utilizing a single database.

"Celerant Technology was the only software vendor that had all the items on my checklist," he says. "I was able to eliminate all of our homegrown systems and the outdated POS and use just one system across all our retail channels."

He adds that now Merz Apothecary stores have near real-time insight to when an item sells online or through Amazon. "We are no longer overselling or underselling or having strange discrepancies between what we think we have in stock and what is actually in stock."

FOCUS ON BEING A RETAILER

While it appears that Qayium has taken advantage of all the Celerant solution has to offer, he admits that there is still one more feature he plans to implement: a customer loyalty program. He says this will incentivize customers to continue shopping with the company.

"It seems like a no-brainer, but when you've been growing like we are, you sometimes find yourself hanging onto the reins a bit," he explains. Merz and Celerant are currently determining the plan for the new loyalty program and will integrate this feature in the next few months.

Qayium points out that much of Merz Apothecary's success can be attributed to the Celerant retail solution, which he says is a hub of information from a customer inventory, vendor, and reporting standpoint.

Additionally, he says the solution allows him to focus on being a retailer and not spend his time worrying if all the technical parts and channels are talking to each other. "I am not as good a software developer as I am a retailer so I should focus on retailing and let someone else handle the technical part. Celerant has done that quite successfully for me."

> " I think it is pretty impressive to achieve such high sales with Amazon through an integration with our Celerant point of sale system, and not have to use a lot of other tools and manpower to get that done. We are no longer overselling or underselling or having strange discrepancies between what we think we have in stock and is actually in stock."
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> **Anthony Qaium, President, Merz Apothecary**