

Success Story

Sage delivers platform for business agility

Lykki.com brings a nimble approach to the office supplies market, powered by Sage X3



Vancouver-based Lykki.com offers a unique approach to consolidate customers' office supply vendors. Rather than deal with 20 vendors, deal with one: Lykki.com. Next-day delivery, no minimum order, a just-in-time (JIT) inventory of 60,000 products, and a generous returns policy. Consolidating multiple office supply vendors may seem like a straightforward market opportunity, but the technology, logistics, and scale required make it a daunting task. For Lykki.com, Sage X3 allows it to compete and win against the industry giants.

Calvin Johnson remembers exactly where he was when the idea for his latest business venture came to him: stood on an office loading dock in Downtown Vancouver, watching endless delivery vans fighting for parking space. Why can't companies just order from one place, he thought, and then only one truck would turn up? And so Lykki.com was born.

Four years on, and the business is a triumph of logistics, technology, and infrastructure. It runs 24 hours a day, and every order is made online, supplying everything an office may need—from bananas, binders, candy, and copy paper, to toner cartridges and shredding machines. More importantly, Lykki.com has created a unique position in the market and a distinct workplace culture.

The Sage logo, consisting of the word "Sage" in a bold, sans-serif font.

Company
Lykki.com

Location
Vancouver, Canada

Industry
Office Supplies Retailer

Sage Products
Sage X3 Version 11

Partner
The Answer Company

The Lykki.com logo, featuring the word "Lykki.com" in a blue, sans-serif font with a blue smiley face under the "i"s.

About Lykki.com

Vancouver-based Lykki.com offers a unique approach to consolidate customers' office supply vendors.



Sage X3 offers Lykki.com a complete solution.

The challenge

“We’re completely different from our competitors. They don’t have the deep relationships and tailored services for clients that Lykki.com offers,” says Calvin.

But Calvin is also a realist. As an independent local—funded with a \$5,000 loan from Calvin’s grandmother—competing with industry giants is a never-ending fight: “We have to be nimble. We have to keep reinventing ourselves. We want to become leaner, and we want to continue to find unique service offerings.

“Our vision is one order, one delivery, one invoice,” declares Calvin. To underpin this simplicity, and enable agility, Lykki.com needed a scalable, robust platform on which to run its core services: inventory, sales, customer services, and finance.

The solution

Sage X3 offers Lykki.com everything for managing accounting, payroll, payments, and its people. It also provides the service flexibility needed for a growing business; Lykki.com can pick the features it needs for today and tomorrow.

“Sage really stood out. It’s been very successful for us. A really stable platform,” says Calvin. “We’ve done hundreds of thousands of orders through the system. The orders come in through our website, and once a customer hits ‘submit’ it appears directly in Sage.”

Sage X3 is fully integrated with Lykki.com’s e-commerce platform. “Electronic Data Interchange (EDI), Sage Enterprise Intelligence (SEI), accounting, and purchasing run through Sage X3,” Calvin continues, “and then it integrates with our CRM on the other side.”

The Sage solution was planned and implemented by The Answer Company, a local Sage partner. “They spent a great deal of time learning about our business, our people, and our process,” says Calvin. “For the implementation, our aim was to avoid losing one day of sales. In the end, we didn’t lose one order.”

Lykki.com has a 99.6% fill rate—drawing from its own warehouse inventory and an additional two million square feet of JIT partner inventory within four hours. Handheld scanners on the Lykki.com warehouse floor are also integrated with Sage X3.

“Our systems are automated and instantaneously show supplier inventory. Having a real-time inventory displayed on our website is something none of our competitors offer,” says Calvin. “Sage systems enable us to accept web orders, separate JIT from in-stock, handshake information with EDI scripts, and place purchase orders.”



“I will continue to recommend Sage because of the reasonable costs, high level of functionality, strong support network, and dealer resource base.”

Calvin Johnson
CEO, Lykki.com

The bottom line

At such a complex, integrated JIT operation, data is king. Sage X3 provides Lykki.com with a historical overview and future trends to stay ahead. “Our suite of Sage products, and how they integrate with our other e-commerce and CRM software, has been key,” Calvin explains. “We’re able to pull any data needed, set-up automated reporting and processes, and reduce workflow processes. This helps our partners to be more efficient and focus on their strengths.”

“We’ve been much better at forecasting our internal inventory. We’ve reduced our inventory on-hand values by 50% while increasing fill rate and inventory turns.” Calvin continues: “Since installing Sage X3 we’ve flowed over \$29.6 million in orders through the system without a single day of missed orders.”

The future

Workforce automation has helped Lykki.com to be leaner and smarter with its distribution and management. “We’re able to offer tens of thousands more products for next day delivery. This has strengthened our position in the market.” Calvin recalls his company’s transition into a catalogue retailer of office supplies. “It was pretty scary when we had this big vision to start again, but it has created an environment to now move forward and grow. “As we grow, Sage and its supporting tools are right there for us. That is reassuring. I will continue to recommend Sage because of the reasonable costs, high level of functionality, strong support network, and dealer resource base.”



Sage

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