# Cross-Functional Supply Management in Fashion Retail

How Streamline helped reduce the ordering cycle, create a new S&OP system, and make huge cost savings for a fashion retailer with over $15M in revenue.

**Case Study**

| Industry: | Business model: | Region: |
|---|---|---|
| Fashion | Retail (e-commerce) | Thailand, Asia |

**Solution:** S&OP work system (instead of Excel), SAP integration, optimization Point of Sale (POS) orders.

### Authentic Thai brand sneakers

**Goldcity** is a family business with over 70 years of experience producing sneakers, sports shoes, and sandals to sell under its brand. And the brand of OEM customers sells domestically and abroad via B2B B2G B2C E-commerce channels. The company has 500 employees, more than 30,000 products, more than 2,000 large regular customers, and more than $15M in revenue.

## Challenge

**Before using Streamline, the Goldcity team faced the challenges are described below:**

- The trend of wearing sports shoes has increased dramatically over the last few years and has grown. However, short trends as "fast fashion" have short product life cycles. Moreover, "fast fashion" fluctuate from one to another, so it is hard to predict them and build a manufacturing plan accordingly.

- Some trends have short product life cycles, some long and inconsistent, and have a large depth of product class, i.e., model, color, size, and have high seasonal market demand during the production process has many different steps. Moreover, adapting sales strategy and supply chain capacity is challenging, so there is a high chance of over or underestimated production volume.

- Forecasting sales with Excel doesn't have accurate math.

- It was thought to extract raw data from ERP, clean it, make calculations, and forecast adjustments. Such an approach didn't allow a team to work together; it lacked credibility inside, so the overall process failed.

- Frequent situations when overstock or out-of-stock took place.

**The software selection process had been started by defining the problem and its cause. Then the Goldcity team determined the desired solution and features.**
**The main criteria for the company were:**

| | |
|---|---|
| 01 | Product quality was necessary from the software development side. |
| 02 | Ease of Implementation and ease of use and customization. |
| 03 | The cost of using the program in the long-term perspective. |
| 04 | After-sales support and the expected saving. |

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> Streamline is a comprehensive program that covers the entire S&OP process, yet it comes with a straightforward and easy-to-use program that can be customized to fit any number of issues and can also be easily connected to the ERP system
>
> **Surasak Jinapun**
> Director GoldCity Foottech Co., Ltd.

## Project

**Goldcity team went through the following steps to implement Streamline:**

| | | | | |
|---|---|---|---|---|
| 01 | Determining current challenges. | | 05 | Testing Pilot Project. |
| 02 | Determining the desired results To Be. | | 06 | Program customization. |
| 03 | Solution implementation. | | 07 | Roll Out. |
| 04 | Team building + training. | | 08 | Scaling Our, Scaling Across. |

The implementation processing speed was extensive. Streamline's flexibility to customize the program to the nature of product/customer/sales channel demand surprised the customer's team.

## Outcomes

- Since its implementation, Streamline has helped reduce the time for each forecast and replenishment and increased the frequency of administration/tracking. It adapts very quickly when limiting conditions arise. The quality of work in the team has grown.

- They've created a Single Number in the organization, reducing redundancy and confusion, reducing various allowances, **helping to reduce stock and respond to changes faster,** seeing further demand, and giving all departments time to prepare.

- Overall, **the company has achieved trust in the team** and an open environment where all departments move at the same pace, speed, and language harmoniously.

- As a result, **the team created a new S&OP work system** instead of Excel, and a cross-functional team was born. We are aware of the organization's problems. There is evidence and acceptance that it is consistent, which **resulted in huge savings shortly.**

- After two months of use, the customer's team has canceled some POs that can be canceled in time because they have enough in stock.

- The Goldcity team can pull Actual Sales from SAP directly every day, **reduce the Ordering Cycle from 30 days to 1-7 days,** and reduce their buffer stock. Currently, they see clearly where the stock can drop from any point.

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> I would definitely recommend other SMEs use Streamline.
>
> **Surasak Jinapun**
> Director GoldCity Foottech Co., Ltd.