

# From Lipstick to Logistics:

## GAINS Gives L'ORÉAL a Supply Chain Glow-Up

### The Challenge

#### L'Oréal's Spreadsheet-Based Supply Chain Couldn't Keep Pace With Trends

As the world's largest beauty company, L'Oréal operates a massive global network—manufacturing, sourcing, and distributing products for 36 international brands across more than 150 countries. This scale introduced substantial complexity into their supply chain operations, especially around inventory.

L'Oréal's previous inventory planning system was a homegrown, Excel-based tool requiring quarterly updates and relying on manual input from planners.

**While it had served them well, it was time for a makeover due to:**

- Lack of real-time insights
- Heavy reliance on manual adjustments
- Limited optimization capabilities
- Inflexibility in the face of global demand shifts and supply disruptions

In a dynamic and competitive beauty market, the acclaimed global brand needed a more intelligent, scalable approach to stock management—one that could move beyond estimation and toward precision.

### The Solution

#### The Beauty of AI-Driven Inventory Optimization

To modernize their supply chain and unlock new value from their data, in partnership with GAINS, L'Oréal launched **Project MEIO (Multi-Echelon Inventory Optimization)**. This wasn't a system upgrade, but a strategic transformation. Together, with GAINS, they deployed an AI-powered, glass-box MEIO solution delivering real-time, actionable insights across all inventory layers—from raw materials to finished goods on retail shelves.

*"Project MEIO is not just a gamechanger: it's a paradigm shift in how we approach inventory management. We're moving from estimate to precision, and the results on improving service to our customers and managing our inventory will be transformative."*

— **Michael Wachtel, VP of Supply Chain Data & Analytics, L'Oréal**

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*"Embracing MEIO has been a bold step into the future. It's not solely about improving our results: it also enables our teams to focus on setting the strategy and to optimize the detailed planning."*

**Vanessa Clemendot, VP NA Chief Supply Chain Officer, L'Oréal**

## Key Features of GAINS MEIO

**AI-Driven Forecasting:** Machine learning replaces rough estimates with precision lead time and demand predictions.

**End-to-End Visibility:** Our solution optimizes inventory across multiple echelons—including components, raw materials, semi-finished, and finished goods—improving service levels without excess inventory.

**Real-Time Decision Support:** GAINS enables dynamic, scenario-based planning, reducing the need for hard overrides and manual fixes.

**Data Cleansing + Automation:** Reduces human error and enhances decision accuracy by calculating planning inputs like supply variance and forecast error automatically.

## What's Next for L'Oréal and GAINS?

### Building on Momentum for a More Beautiful Agile Future

Following the success of the initial deployment, L'Oréal is expanding its MEIO program:

- Across more countries and business units
- Into new materials: raw and packaging components
- With advanced features like "Nearest Neighbor" AI for smarter new product launches

As L'Oréal continues to grow in both volume and value, GAINS is helping ensure their supply chain stays optimized, sustainable, and agile.

## Results

**Faster Rollout. Smarter Stock. Happier Customers.**

### **Rolled out to 4 divisions:**

L'Oréal successfully scaled the MEIO solution across multiple global teams, ensuring broad adoption and impact across its complex network.

### **Full implementation in under a year**

From kickoff to rollout and hypercare exit, the project was executed with remarkable speed, demonstrating agile execution on a global scale. That's how GAINS helps companies like L'Oréal move forward, faster.

### **Improved service while optimizing inventory levels**

Enhanced availability of products to customers without overstocking—striking the right balance between service and efficiency.

### **Reduced expired, excess, and obsolete inventory**

By moving from estimates to precise forecasts, L'Oréal minimized waste and improved sustainability in its supply chain.

### **Empowered teams to focus on strategic planning**

The reduction in manual inputs allowed teams to shift their focus toward higher-value activities like scenario planning and long-term strategy.

