

Supply Chain Network Re-structuring for an apparel retail giant

About the company

The client is one of India's most premium Apparel brands, with multiple flagship brands. The customers are served from two warehouses in the country. Due to non-uniform customer distribution there was a need to evaluate different supply chain networks.

Business Objectives

To identify the optimal Supply Chain Network structure that reduces Supply Chain Costs while maintaining the service levels offered to the customers

Business Situation

- High Logistics costs
- High Warehousing Costs
- No synergy between vendor and customer spread

The solution

- Six different scenarios were evaluated for the following supply chain costs:
 - Transportation logistics
 - Warehousing costs
 - Fiscal Costs
- Intermediate nodes between the warehouse and the end customer were eliminated and cost analysis was done in six scenarios

Business Benefits

- 4% reduction in the overall supply chain costs
- Marginal improvement in the customer service level