

# ERA Finds 25% Savings in Packaging for Fashion Retailer

## Project Information

Industry - Fashion Retail Chain

Category - Packaging

Savings - 25%

## The Company

One of Australia's leading fashion retail chains with over 300 stores in Australia and New Zealand requested ERA's help to review a number of expense categories. The company had a number of iconic brands and as with many others in the fashion industry had grown their online business dramatically.

## The Challenge

With a widely dispersed store network, fashion labels in the midst of rebranding and increasing pressure on sales, the focus on in-store customer packaging was low.

For many years the company had utilised the services of a single provider for in-store packaging to manufacture, warehouse and deliver. The supplier also needed to ensure that there was sufficient stock on hand to provide a continuous supply.

The review identified the need to provide over 800,000 bags, 1 million tissues and over 500,000 stickers each year.

The monitoring system to manage and ensure continuous supply needed to be as 'labour neutral' as possible.

The focus on cost was critical, due to market pressure at the time. ERA was engaged to meet all these needs.



## The Solution

ERA consultants conducted a thorough review of suppliers who possessed the capabilities to meet the company's requirements.

Following supplier offers and presentations, the company decided that a change of supplier was required. ERA facilitated the transition to the new supplier, which required that there was no interruption in the supplies to stores.

The company selected a new supplier who met all of the requirements and ERA assisted in the transition to the new arrangements.

## The Outcome

Improvement to online ordering, warehousing, delivery, establishing minimum stock alerts to trigger re-ordering, new carry bag designs and the introduction of new online order packaging were delivered. In addition, prices were maintained over a two-year period, and the company also achieved significant cost savings.

ERA monitored and audited the supply for two years to assist in resolving any supply issues and ensuring that pricing was maintained.