

“New system functionality provided by Manhattan Associates’ Warehouse Management solution, combined with Manhattan Associates’ expertise in the apparel retail sector, has allowed us to optimise our processes and improve the performance of our Distribution Centres.”

Béatrice Régnier, Logistics Organisation Manager, Kiabi



KIABI.com

Headquarters: Hem, France

Distribution centres: 5

Platform: Open Systems

Manhattan solution: Warehouse Management for Open Systems

Other technologies: RF equipment Motorola, Conveyor (Savoie), Put-to-Light (L4Logistics)

Challenge:

Growth had pushed Kiabi’s proprietary warehouse management system to its limits in terms of throughput capacity, optimisation potential and flexibility.

Goal:

Kiabi wanted to improve efficiency while reducing costs and cycle time with a solution robust enough to support rapid international growth.

Solution:

Manhattan’s Warehouse Management offers deep functionality and flexibility.

Results:

Kiabi gained flexibility, visibility and accuracy even as volumes grew. Implementation was so streamlined that the solution was deployed in just 10 days.

Kiabi growth story underpinned by Manhattan’s supply chain solutions



Proprietary Warehouse Management System Had Reached Its Limit

Kiabi is one of France’s leading, value-clothing fashion retailers, offering an extensive range of womenswear, menswear, childrenswear and baby clothing. The company employs 6,000 staff and fulfils more than 40,000 store orders each year. These orders amount to 100 million individual items and are bought by customers in Kiabi’s 188 stores in France, 42 stores in Spain, 6 stores in Italy, and its first stores in China and Russia. The company also sells goods through its website at www.kiabi.com.

Following a review of the business several years ago, Kiabi’s management team determined that the company’s supply chain systems infrastructure would not be robust enough to support the future expansion of the business. Kiabi’s proprietary warehouse management system had reached its limit in terms of throughput capacity, optimisation potential and flexibility. Picking waves could not be modified once they were underway, and the system did not offer the required flexibility for customs clearance.

Kiabi reviewed the solutions available on the market with a view to helping the rapidly growing company achieve the following goals:

- Cost reduction and logistics performance improvement
- Reduction in order-to-delivery cycle time
- Support for Kiabi’s global expansion plans
- Centralised execution and better control over the fulfilment of store orders
- Optimisation of operational processes
- Reliability and scalability of supply chain execution system

Kiabi Selects Manhattan for Deep Functionality and Experience

Operating in a seasonal market where back-to-school or sales periods generate strong peaks in activity levels, and also in the context of continued rapid growth, Kiabi needed a Warehouse Management solution that would increase supply chain efficiency and agility to help it stay one step ahead of the competition.

Because operations at every site were organised into functional silos, each functional area relied on its own independent system and database. This decentralised IT infrastructure prevented the company from achieving a global view of its supply chain operations. The new solution needed to solve these issues and offer Kiabi ways to continually optimise its supply chain operations.



Manhattan's Warehouse Management comfortably handled a volume growth in excess of 25% in two years while improving Kiabi's accuracy and accommodating order changes up until goods despatch.



Kiabi's primary objective was to achieve an optimised supply chain execution capability that would allow it to replenish each day the hundreds of thousands of items it sells across its retail operations. Working in collaboration with leading French analyst firm CXP, Kiabi conducted a thorough review and evaluation of the different offers available on the market.

The company selected Manhattan's Warehouse Management solution because it offered a wide and deep functionality that required few custom enhancements. In addition, its technical architecture was consistent with Kiabi's standards and the company's broad experience in the fashion industry enabled it to understand Kiabi's challenges quickly.

With Replication Model, Kiabi Deploys Warehouse Management in 10 Days

The multi-site solution roll-out began with the Mâcon warehouse in South-East France. Following completion of the design phase, the Kiabi and Manhattan teams integrated Warehouse Management with the company's internally developed sales system. As Kiabi's activities are based on seasons and include a very large number of products, the company conducted a rigorous scenario testing phase before going live.

Based on the Mâcon implementation, the Kiabi and Manhattan teams designed a deployment replication model to facilitate installations at other sites. Subsequently, Kiabi implemented Warehouse Management at the Villeneuve d'Ascq warehouse in Northern France. As the Villeneuve d'Ascq facility runs exactly

like the Mâcon site, the same level of 'stress' testing was not required and this second site went 'live' successfully in under a month. Kiabi then deployed the Manhattan solution in Dourges in Northern France and Madrid. The replication model enabled Kiabi to implement the solution in just 10 days at these sites.

With Replication Model, Kiabi Deploys Warehouse Management in 10 Days

Manhattan Associates' Warehouse Management solution enabled Kiabi to optimise its warehouse operations by providing much more flexibility and accuracy:

- Picking waves which couldn't be amended by the old system once they had been prepared and launched can now be modified at any time. This helps Kiabi accommodate order changes right up to the time of goods despatch.
- The system has comfortably handled a volume growth in excess of 25% in the last two years.
- The solution also provided Kiabi with much clearer visibility into its global supply chain operations.
- Finally, the approach jointly developed by Kiabi and Manhattan Associates allows Kiabi to rapidly open new sites and effectively support Kiabi's fast growth.

"New system functionality provided by Manhattan Associates' Warehouse Management solution, combined with Manhattan Associates' expertise in the apparel retail sector, has allowed us to optimise our processes and improve the performance of our distribution centres," comments Béatrice Régner, logistics organisation manager at Kiabi.

"The technical architecture on which Manhattan Associates' Warehouse Management is based corresponds to the operating environment preference of our IT department. This aspect, associated with the solution's evolution capabilities, offers us a solid foundation on which to build our logistics function to support the business's future expansion", added Régner.