

PT MULTITREND INDO SELECTS MANHATTAN ASSOCIATES

To Optimise Warehouse Operations
and Support Rapid Growth

OPERATIONS

Warehouses/stores: 1 warehouse –
Bogor, Jakarta / 33 retail stores

MANHATTAN SOLUTION

Manhattan SCALE™



MULTITREND



CHALLENGE

PT Multitrend Indo needed greater control of its critical warehouse management processes including receiving, put-away, picking and replenishment to support continued company growth.

SOLUTION

Manhattan Associates' solutions were selected for flexible nature, integration strength and the ability to support the company's longer-term multi-channel retail strategy.

PROGRESS & RESULT

Increased stock visibility and control; faster handling of goods throughout the warehouse; improved inventory accuracy; development of a paperless warehouse facility.

"Manhattan's Warehouse Management solution was a natural fit for our business because of its flexible nature and core integration strength. Given how much we value our partnership with Mothercare, it made sense to implement a proven solution like Manhattan's, which we knew would fulfil our specific requirements and grow with us into the future."

HITESH BHARWANI, DIRECTOR & CUSTOMER SERVICE REPRESENTATIVE, PT MULTITREND INDO

MANHATTAN IS A NATURAL FIT

for PT Multitrend Indo

PT MULTITREND INDO LOOKS FOR WORLD-CLASS WMS TO SUPPORT RETAIL DIVISION

Traditionally known for its manufacturing and real estate development capabilities, over recent years PT Multitrend Indo has become one of the fastest growing retail franchises in Indonesia. Predominantly focusing on the fashion and supermarket sectors of the retail industry, PT Multitrend Indo has undergone rapid expansion in the last six years, growing the number of stores it operates to 33 since launching its retail offering in 2005. In addition to Mothercare, one of the world's leading providers of merchandise for expectant mothers and children (up to 8 years old), PT Multitrend Indo now also works with some of the world's leading retail brands including Karen Millen, as well as some of the top brands in Asia and the U.S.

To facilitate the company's unprecedented growth in the retail sector, PT Multitrend Indo developed a purpose-built warehouse facility employing 45 staff members, comprising a total floor area of 50,000 sq. ft. Given the growing number of brands the company supports, as well as the broad catalogue of products offered by each, the company quickly recognised the need to invest in a technology solution that could support its extensive warehouse operations.

"Mothercare is our pioneer client in the retail space. It is an exceptional brand to work with, and has an infallible reputation as one of the world's leading providers of maternity and children's merchandise. The scope of products offered by the company, however, is vast and ranges from pacifiers, nappies and baby grows, to maternity wear, nursery furniture and car seats," explained Hitesh Bharwani, director and customer service representative at PT Multitrend Indo.



"The results speak for themselves. Our inventory accuracy has increased from 88% to 99.8% since implementing Manhattan SCALE. Not only has this directly impacted productivity levels, it also ensures we respond to customer demands in real time. We can react quickly to in-store promotions, as well as to broader seasonal fluctuations that inevitably impact the retail sector across every country around the world."

"Each product has different variations, models and sizes. As a result, we currently have 15,000 active SKUs in our warehouse across all brands we carry. In order to manage this volume effectively, it was imperative we implement the right technology.

Having previously operated a manual-based warehouse management system using Excel spreadsheets and an Access database, PT Multitrend Indo wanted to introduce a best-of-breed warehouse management system (WMS) to help the company address some fundamental challenges created by such a rapidly expanding business, including increased product volumes, tighter inventory management, and improved stock visibility and replenishment. Similarly, the company also wanted to achieve a fully paperless warehouse facility.

"Although we were tremendously happy with the unprecedented level of growth we were enjoying in the retail sector, we knew we needed to enhance a number of fundamental warehouse processes in order to sustain and support continued growth. We needed to make improvements in the areas of picking and packing for example, as well as inventory management and stock replenishment for our stores."

“We will rely heavily on the Manhattan solution when we launch our e-commerce proposition later this year. Manhattan has a strong legacy in supporting multi-channel retail strategies across the globe so we are confident the transition and extension to online orders will be as seamless as our existing operations.”

PT MULTITREND INDO SELECTS MANHATTAN WMS FOR FLEXIBILITY AND INTEGRATION STRENGTH

PT Multitrend Indo selected Manhattan SCALE™ primarily because of the flexible nature of the solution, as well as its proven capability in supporting the retail industry. In addition, the company was also particularly impressed by the solution's integration strength with third-party solutions including its retail management system, Retail Pro. PT Multitrend Indo also wanted a solution that could easily interface with its customers' systems including those of Mothercare, which currently runs Manhattan Associates' Warehouse Management solution for its UK retail operations.

“Manhattan SCALE™ was a natural fit for our business because of its flexibility and core integration strength. Given how much we value our partnership with Mothercare, it made sense to implement a proven solution like Manhattan SCALE, which we knew would fulfil our specific requirements and grow with us into the future,” explained Bharwani. “In order to optimise our user experience, we worked together with Manhattan to create a specialised interface between the Manhattan SCALE solution and Retail Pro, which we use for merchandising, distribution and purchase order management.”

With an ambitious growth strategy, including plans to launch a multi-channel retail offering with an e-commerce operation later in the year, PT Multitrend Indo made the decision to work with Manhattan Associates based on the company's reputation as one of the world's leading supply chain solution providers, as well as its proven track record in delivering WMS implementations throughout Indonesia and the broader Asia Pacific region.

“Making the decision to work with Manhattan was an easy one. It feels like we have a business partner who is here to support us as we continue to grow and strive for ongoing success. Knowing we now have a WMS that can help us meet the very unique needs of a wide range of customers with multiple brands gives us a great deal of confidence that we can succeed in the short, medium and long term,” remarked Bharwani.



PT Multitrend Indo worked with a local Manhattan Associates' partner—PT Integrated Logistics—to support the implementation of Manhattan SCALE. Integrated Logistics is a leading supply chain, logistics, industrial and IT solutions partner in Indonesia.

MANHATTAN SCALE USED TO OPTIMISE STOCK PUTAWAY AND PICKING PROCESSES

PT Multitrend Indo currently leverages Manhattan SCALE to support several key processes at its warehouse facility including receiving, put-away and picking.

Not only does it use the solution to help with the receipt of stock, it also relies on it to help manage the physical storage (e.g., racking) of cartons to make sure warehouse space is optimised effectively and fast-moving goods are easily accessible. Given that storage on-site at each of its retail stores is limited, it is very important for PT Multitrend Indo to have location-based tracking of stock within its warehouse.

“Before bringing the Manhattan solution onboard, tracking stock in the warehouse was difficult. Not only did we have to accommodate variations in shelf dimensions, we also needed to manually ensure stock was being put away in the most

optimal location in the warehouse. Given the nature of the products we manage, we also required a more efficient system that could help us put away product by category, making it easier to track. For example, ensuring all baby jump suits of a certain style are located together," explained Bharwani.

PT Multitrend Indo also needed to implement a much more efficient picking process to support the demands of its retail stores in real time. The nature of PT Multitrend's business dictates that they must facilitate 'per piece picking', as well as carton picking. Before implementing Manhattan SCALE, the company struggled to fulfil this type of picking requirement.

"We really struggled to control, track and pick stock effectively before implementing Manhattan. Now stock picks are much less time consuming and labour intensive. We have improved many critical processes throughout our warehouse environment and, most importantly, we have improved inventory control and stock visibility. All of this has been achieved without using any paper-based systems. Everything is now managed and controlled centrally using the Manhattan SCALE solution."

INCREASED OPERATIONAL EFFICIENCY KEY BENEFIT FOR PT MULTITREND INDO

PT Multitrend Indo has enjoyed innumerable benefits since implementing Manhattan SCALE. Not only has it addressed some key challenges in terms of its warehouse management procedures, it has also significantly increased productivity and positively impacted the bottom line.

"The results speak for themselves. Our inventory accuracy has increased from 88% to 99.8% since implementing Manhattan SCALE. Not only has this directly impacted productivity levels, it also ensures we respond to customer demands in real time. We can react quickly to in-store promotions, as well as to broader seasonal fluctuations that inevitably impact the retail sector across every country around the world." PT Multitrend Indo has replaced the manual paper-based environment it used to operate at its warehouse facility and now runs a completely paperless warehouse system since bringing Manhattan SCALE onboard. The solution's integration capabilities means it works seamlessly with other warehousebased technology systems including voice picking technologies and radio-frequency (RF) enabled barcode scanning. Moving to a paperless environment also significantly reduces the margin for human error. Similarly, it has driven increased efficiencies and generated considerable time-saving benefits for the business.

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"Time to market is a critical success factor in the retail space and Manhattan Associates plays an important role in making sure we're delivering our goods in store, on time. By having a paperless warehouse facility, we have cut out laborious and time-consuming tasks. We have also dramatically improved our reporting capability so we have complete visibility across all warehouse-related documentation in one central place. We can now more effectively report on warehouse performance, which is critical to our ongoing success. By investing in the right technology and choosing the right vendor, we are confident our projected forecasts for growth will be fulfilled," commented Bharwani.

PT Multitrend Indo will leverage Manhattan SCALE to support its plans to become one of Indonesia's first online retailers later this year.

"We will rely heavily on the Manhattan solution when we launch our e-commerce proposition later this year. Manhattan has a strong legacy in supporting multi-channel retail strategies across the globe so we are confident the transition and extension to online orders will be as seamless as our existing operations," concluded Bharwani.

