

## Footwear Brand's Procurement Process Redesign Improves Order Fulfillment

### Client Challenge

The client is a global, retail/wholesale footwear brand based in North America, operating multiple channels and varied distribution points. The company had recently implemented a new ERP solution, enabling several significant changes across product/SKU definition, pooled inventory management, and global procurement.

The client now issues purchase orders based on aggregated demand, as opposed to customer or channel-specific purchase orders. Despite these improvements, the company struggled with a lack of governance on delivery dates and mismatched supply and demand, resulting in difficulty in procuring and fulfilling orders.

### Parker Avery Solution

After working with the brands' key stakeholders to determine the root causes of the issues, Parker Avery guided the client in developing a new approach to the entire procurement process. Through a series of workshops, Parker Avery facilitated the procurement process redesign and drove stronger collaboration across the company's channels.

The procurement process redesign establishes a baseline financial plan for each region and channel, which is then translated into a unit demand plan and ultimately a line plan with placeholders. These placeholders contain enough attributes to allow each channel to conceptualize a merchandise assortment for each month of the season. A key difference included in the line plan is the notion of product availability/timing.

The Parker Avery team worked closely with the client's product development team, who provided guidance while ensuring all markets could create robust assortments to satisfy customer demand.

### RESULTS



PROCUREMENT  
PROCESS REDESIGN  
IMPLEMENTED



POTENTIAL  
CAPACITY ISSUES  
IDENTIFIED



ORDER  
FULFILLMENT  
IMPROVED

With product development now establishing the baseline assortment (line plan), the channels can select from a common 'menu' using the guidelines of their demand plan to ensure the assortment is complete. This selection allows the supply planning team to work with sourcing to identify potential capacity issues with enough time to react and still meet delivery dates. The client's procurement process redesign will greatly improve order fulfillment metrics and adherence to expected delivery dates.