NiceLabel®

International retailer transforms ticketing operations for a faster time-to-market

Case Study

Industry: Retail
Solution: NiceLabel LMS Cloud

Challenges:
- Lack of agility in their pricing and ticketing process
- Long processing time when moving garments between markets
- Outsourced supply chain made it difficult to detect ticket errors

Solution:
- Cloud-based, high availability label management solution
- Web printing client deployed via web browser, no administration rights required
- Print preview of all tags in a print job for increased accuracy

Results:
- Processing time reduced from 4-6 weeks to 1
- $48 million in additional annual profits
- Standardized tag printing solution
- Distribution centers can print tickets on-demand

Background

This international apparel and garment retailer operates in over 70 markets worldwide, with a combination of physical stores and localized online webshops. They utilize a vast network of product suppliers, most of which are based in Asia.

The retailer's entire supply chain is outsourced. The retailer deals with two main groups of suppliers: garment manufacturers and printing suppliers, who handle the printing of price and information tags. Once the price and information tags are received, they are sent to an internal Logistics department. From there, the tags are distributed to the retailer's almost 50 distribution centers located across the globe.

Challenges

Moving merchandise between markets a challenge

To move garments between markets, the retailer has to send them from the stores back to the distribution center. Before the garment can be sold in another market, the price tags need to be replaced. Prior to NiceLabel, the retailer had to go all the way back to the external printing company to get the new price tags. This process took anywhere from 4 to 6 weeks. By the time the new tags were received, the garment would be out of season.

Changing prices lead to lots of reworking

Another challenge was the fact that the price information for the garments kept changing, many times after the production order was already generated. So the printing suppliers were printing tags based on outdated pricing information. The fact that the first accuracy check took place in the internal Logistics department didn't help matters any. Quality assurance was simply too far down the supply chain to be able to make a difference in terms of reacting quickly and timely to correct errors.

Goal: from 4-6 weeks to 1

It was clear that the retailer's ticketing and tagging process needed to be more agile. They needed to be able to move products more quickly between markets. To be competitive, the retailer needed to reduce the lead time for this process and give the distribution centers the ability to print on-demand. Their goal was to have a process time of 1 week.

Solution

To help this retailer transform their ticketing and tagging process, they needed to implement a tag printing solution that could be rolled out to their 50 distribution centers. The solution needed to be easy-to-use, and create an efficient tag printing operation on a local level.

NiceLabel solution helps cut processing time to 1 week

Once the NiceLabel solution was implemented in the distribution centers, the retailer was able to achieve the goal of the 1-week processing time. A major factor for this was the system's usability. "One of the most important aspects of this implementation was that the distribution centers got a solution that was easy-to-use," comments Janez Sodja, Key Account Manager at NiceLabel.

> *Printing tags was a job normally done by the retailer's external printing suppliers, so their distribution center staff had no knowledge of how to print tags. Thus, it was important that the system be intuitive and user-friendly, so the retailer wouldn't lose valuable time by printing tags directly in the distribution center.*
>
> Janez Sodja, Key Account Manager at NiceLabel.

Price changes no longer a problem

With the NiceLabel solution, the print operator is only a few clicks away from printing accurate tags. They can easily see what's in the purchase order, along with the most updated price information, either by entering the product order number into the web-based system, or by scanning a barcode. Operators can review all tags in a print job before printing, which allows for an additional quality check before the actual tags are produced. Once they're sure all the information is correct, they just enter the print quantity and then hit print.

An agile, scalable solution

The retailer has deployed a Cloud-based, high-availability version of NiceLabel's Label Management System, which allows the retailer to centrally manage everything from tag design to price changes. They are also able to easily expand the solution by adding new web printing users to the existing infrastructure when needed. This gives them a set, predictable cost for expansion without the extensive upfront investment. It's a scalable setup that enables them to print tags on-demand from any distribution center printer, and it can easily be extended to external suppliers.

The web printing client is deployed via a browser and no administration rights are needed. Operators can print from any Internet-connected computer, with minimal training and no IT assistance. The web printing system utilizes client-side processing and client-side printer management. Instead of generating print streams and previews from the remote server, a method that can be slow due to time lag and network traffic, client-side processing generates print streams and print previews using the local PC. Client-side printer management allows local users to use any Microsoft Windows printer driver, including ones not supported by the server, and control the settings locally. Users get the best of both worlds, the benefits of a centralized web printing and the performance of a local desktop application.

> *After the initial implementation, the retailer now has self-sufficient distribution centers that can print accurate tags with updated pricing information as soon as they receive the garments. The software also makes sure that the print process they now have in place on a DC-level is efficient, giving them the speed-to-market that they require.*
>
> Janez Sodja, Key Account Manager at NiceLabel.

The Results

This system is currently being rolled out across all of the retailer's distribution centers. Once the rollout is completed, they expect to print almost 60 million tags per month.

As a result of processing product returns faster and moving inventory more quickly between markets, this retailer has already achieved $48 million in additional annual profits .

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A solution with room for expansion

Not only does the NiceLabel solution give the retailer the ability to extend the tag printing process to all of its 50+ distribution centers, it also supports printing bag tags for online orders, meaning the retailer can use the same system for all of its sales channels. Work is currently underway to extend the tagging solution to the physical stores, so employees can replace damaged or lost tags in the store.

To learn more about NiceLabel's enterprise solutions, visit

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