

## Decorland Retail



- Overcame major inventory shortages and fluctuations
- Dramatically improved service levels and inventory turn ratio
- Created a culture of measurement

### Project and Objectives

With major inventory levels fluctuations and only 70% of orders being filled, Decorland's Managing Director Allan Solomon approached ToolsGroup South Africa to assist with improvements to their supply chain using ToolsGroup's Business Process Outsourcing (BPO) model. The objectives for the project were:

- Improve service levels to customers
- Reduce working capital requirements
- Improve business processes that manage inventory
- Improve production planning, productivity and efficiencies
- Improve collaboration between suppliers, Decorland and business partners
- Ensure a sustainable supply chain to manage anticipated growth

### ...Day to Day

Decorland implemented the ToolsGroup BPO model utilizing Service Optimizer 99+ (SO99+) from ToolsGroup to plan and optimize its supply chain. The software calculates sales forecasts and optimizes inventory. Based on consolidated sales forecasts, it generates job proposals for production planning and procurement proposals for managing replenishment.



The first Decorland store opened in Durban South Africa In 1972, selling only wallpaper and curtain fabrics.

After opening new stores, Decorland was approached by Game, a subsidiary of Massmart Holdings, to form a strategic partnership where Decorland exclusively sells its products as a store within Game stores.

Today with 137 stores across Sub-Saharan Africa, manufacturing plants in South Africa, international procurement and 800 active product ranges, Decorland has a turnover of R250million.

*"None of our opposition are in the same league as us, thanks to our forecasting and warehouse management"*

**- Allan Solomon,  
Managing Director,  
Decorland**

The implementation also includes Demand Collaboration Hub (DCH), a web-based consensus forecasting platform that brings together demand and forecast data from multiple internal and external sources. SO99+ provides the baseline forecast to DCH to ensure forecast accuracy.

Through the BPO process, ToolsGroup assists Decorland in reviewing their business processes, ensuring best practises are adopted. A custom designed Business Intelligence (BI) dashboard and continuous improvement programme helps Decorland achieve relevant KPIs.

### Results and Benefits

With SO99+, despite the number of stores almost doubling in four years, Decorland managed to **reduce their inventory value from R74million to R46million.**

At the start of the project only 70% of orders were filled, translating into vast amount of lost sales. Now **distribution centres are achieving very close to 100% on-time and in-full order fulfilment.**

By using the demand forecasting and service level optimization capabilities of SO99+, Decorland has been able to **improve their product mixes** at store level. By having the right products at the right time in the right place, Decorland more than doubled their in-store **stock turns** in their South African stores.

In addition, with the help of ToolsGroup, Decorland has changed the culture of the business into a **culture of measurement.** The right measurements have been put in place to support the growth strategy and the right tools have been implemented to ensure that the measurements are understood and visible.

### About ToolsGroup

ToolsGroup is an innovation partner for companies who want to achieve highly accurate forecasts, outstanding customer-service levels and less global inventory. An expert in “Powerfully Simple” supply chain planning, we offer software that analyses demand history across multiple dimensions so you can achieve the most reliable forecast and inventory targets for mastering demand volatility and delivering service level excellence.

Our innovative and advanced technologies enable you to improve and automate your planning processes. Our solutions span key supply chain planning areas such as Demand Planning, Demand Sensing, Promotion Forecasting and Inventory Optimization.

We have more than 250 customers worldwide and one of the highest customer retention rates in our industry. Our experience includes manufacturers, wholesale distributors and retailers in a wide range of demand and inventory driven industries.

Please visit our website at [www.toolsgroup.com](http://www.toolsgroup.com) and click on “About Us” for a list of our offices throughout the world.

