



## Makro - innovation in action

Working together to keep getting better

Advanced seeks to work with its customers to continually improve performance. We believe that our expertise can provide benefits for our customers' businesses if they are willing to work alongside us in the spirit of partnership. Our relationship with Makro is a great example of this.

*"Makro has a complex fashion supply chain. We began operations with APL in April 04 and from the outset they proved to be innovative, flexible and reactive. We have been provided with a totally visible and accurate service which has helped to improve the efficient running of our business."*

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Non Food Buying Director,  
Makro.

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# Supply chain not delivering? Get some Advanced advice

## The Customer

Makro is one of the leading cash and carry networks in the UK and prides itself on choice, value and service. Makro Fashion Department has a throughput of more than 4 million hanging garments and 400,000 cartons from approximately 70 different suppliers.



## The Problems

Makro were faced with a number of supply issues and some of the main problems identified were:

- Purchase orders issued inconsistently, resulting in picking delays.
- Loss of visibility of purchase orders in the supply chain.
- 14-day average lead-time from purchase order to store.
- Delivery issues at store with 70 suppliers booking in.
- 33 PoDs and invoices required for each purchase order, resulting in short delivery claims and resulting invoice issues.
- Inconsistent product presentation and labelling.

## The Solutions

Advanced were tasked with devising a solution and we advised:

- Suppliers to warehouse their Makro contracted stocks.
- Makro to issue bulk purchase orders on same day each week.
- Bulk orders delivered to Advanced.
- Suppliers to raise one invoice only for the total received at Advanced.

- Advanced to conduct store pick allocation and labelling.
- Product barcode scanned on to vehicles.
- Advanced deliver on fixed booking slots to each store twice per week with product scanned off vehicles.

## The Results

The proposed solution met all of Makro's needs and more:

- Lead-time from purchase order to delivery reduced by seven working days.
- Pre-retail and distribution costs reduced by 10p per item.
- Consistent and improved product presentation.
- 99.95% store pick accuracy achieved.
- Store delivery claims eliminated.
- Supplier invoice queries eliminated.
- Wholesaler has total visibility of all outstanding purchase orders in the supply chain
- 99.95% stock file accuracy.

... and the changes also had a positive impact on sales, as a result of improved product presentation and availability in stores.