

Case Study

Alta Moda

Fashion chain gains operational efficiency from EPPS ERP

About the company

Alta Moda is Indonesia's leading retailer of fabrics with boutiques located in major cities across the country. The company has nine stores that cater to an ever growing fashion scene in Indonesia with unparalleled range of luxurious fabrics of the best quality. Starting out as a small wholesale outfit in the early days, Alta Moda has grown into a major fashion hub. Its Singapore boutique was featured on High-Life, a documentary on Channel News Asia. Alta Moda is also the fashion resource for Indonesia's growing number of acclaimed designers who rely on the company to bring them the latest trends in fabric designs and colors.

The Pre-ERP Situation

Alta Moda managed operations at its nine stores via excel spreadsheets. This caused a number of issues with accounting, inventory management, fraud detection, customer experience and most importantly it would take weeks for management to get a consolidated overview of operations across their chain of stores. The specific problems Alta Moda faced included -

- » **Inventory management:** With nine stores and a warehouse spread across Indonesia, Alta Moda had a problem keeping track of inventory at various locations in real-time. Being in the fashion business, it would frequently get orders for large quantities of a particular fabric or design. However, the full stock might not be available at that particular store. This led to a lot of order cancellations. Another problem Alta Moda faced was in managing inventory across its many locations. While a particular fabric would be a fast moving product in one store, it would be dead stock in another location. Since stock reports across its stores and warehouses would take weeks to consolidate, the company was not in a position to move stock around to locations where demand was more. This was not acceptable in the fast moving fashion fabric business.

- » **Accounting was disorganized:** The biggest problem Alta Moda faced was debtor management. Since designers were their frequent clients, they would issue materials on credit. However, keeping track of each individual account was complicated, especially if the individual picked up products from different Alta Moda stores. Bad debt became a serious problem for the company. The process of sending spreadsheets and consolidating sales back in headquarters would also delay commissions to its sales team and designers.
- » **Real-time visibility of business:** The top management did not have a real-time visibility on the latest developments across departments, the stores and the warehouse. It would take weeks for accounts to consolidate the various reports from individual stores to give management a company-wide perspective.

The Solution

EPPS centralized operations via its cloud-based ERP solution. EPPS' solution integrated the following systems onto one platform



Sales & Distribution Management System



Finance & Accounting Management System



Material Management System

Now stores would input sales into the centralized sales module. Similarly inventory positions across all the stores and warehouse was available at the push of a button. The finance module consolidated the debtors across stores leading to better bad debt management.



Implementing an ERP and its positive impact

Implementing a centralized ERP solution and consolidated reports across stores gave Alta Moda several key benefits stated below -

- » Stock reports that used to take weeks to consolidate are now available in less than a minute. This is particularly helpful to the sales teams at the individual outlets. They are in a better position to offer their customers product, even if stock is not available in their store.
- » Inventory management has resulted in Alta Moda being able to move slow moving items from one store to a location where they are needed more. There is no need for a consolidated inventory report to move stock. It happens in real-time.
- » Debtor management has been streamlined and centralized. As a result, bad debts have fallen significantly while VIP customers are able to take advantage of their good credit rating by taking stock from any of the Alta Moda stores.
- » Thanks to the centralized ERP solution, Alta Moda has been able to roll out a customer loyalty program. This is integrated with the billing system.
- » Alta Moda has cut its promotional costs significantly. Since customer data is centralized, it is easier to send out invites for new collections, sales promotions etc from a single source. Earlier each store would manage its promotional activity, leading to duplication of effort and customers being flooded by the same invite from different stores.
- » Discount management is another area where Alta Moda benefitted with the integrated ERP solution. Earlier they would print booklets detailing the discounts offered and ship them to the various stores. This was a costly and time consuming affair. Now, discounts are entered into the centralized sales module and information is available at the stores in real-time.
- » The problem of delayed sales commission has been solved. It is now available at the click of a button.

Part of the EPPS ERP solution also included a mobile application that provided complete visibility over the business anytime, anywhere. From top management, to a salesperson at the store, to an accountant dealing with clients' accounts receivables the mobile app provided instant information and helped manage all aspects of the business.

By switching to EPPS' cloud-based modular ERP system, Alta Moda has not only solved the existing problems in its operations, it has also ensured the business is ready to handle future growth easily. It is now able to plan its expansion across the region and secure in the knowledge that its systems are geared up to handle the extra load of a growing business.