

## CASE STUDY

# Rejuvenating the Cosmetic Supply Chain – Making it Wrinkle-Free

The beauty industry is blowing up like no other. What used to be dominated by a few conglomerates of companies is now filled with indie brands that are setting the pace of the entire market, thanks to social media and e-commerce platforms. From Jordanian dead sea salt to nature in Arctic Lapland and hemp oils from Northern Ireland, beauty and personal care companies are looking for more exotic and unique ways to capture the market. The cosmetics industry is no longer just multicolored lipsticks and chromatic perfume bottles. With an annual growth rate of 4.75% globally, the industry is only getting stronger, predicted to be worth over \$784.6 billion by 2027.

However, as invincible as the industry portrays itself, the cosmetics brands are faced with many challenges that are directly related to their supply chain. Quality control and achieving time-to-market are underlying factors behind meeting the supply and demand.

Cosmetics companies that do not engage in innovative supply chain solutions to ensure products' quality often fail to capture the market, ultimately leading to loss in revenue and market share. Due to its fragile nature, cosmetics are often susceptible to damage during the production stage. Minor changes in temperature or pressure can easily cause product spoilage. Between heightened consumer demands and spiking competition, this became the major challenge for one of the biggest cosmetics companies. The company was managing thousands of molds, which were produced and updated every year. Consequently, it saw the need for a new solution that would provide mold management, time-to-market, and most importantly, real-time visibility for consistent quality management.

## Client Challenges

- Quality Management
- Achieving time-to-market

## eMoldino Solution

- Agile Supply Network
- Total Quality Manager

## Client Benefits

- Improvement in Production Quality
- Time-to-market

Like other multinational corporations (MNCs), the company outsourced its manufacturing operations to over 50 different suppliers, with each of them being set up with various tiers of suppliers.

This put the company in a situation where they did not have real-time visibility over the supply chain, putting them at risk of disruptions. In times of obscurity and shortages like the status quo, a failed batch of parts or a 2-day delivery holdup can be inflated into a 2-month delay down the supply chain. Because of this, the cosmetic giant found it extremely difficult to maintain high quality as well as get to the market faster than its competitors.

## eMoldino Solution – Agile Supply Network

eMoldino's Agile Supply Network equipped the company with end-to-end visibility over production patterns across the entire supply chain.



This not only enabled the company to oversee the entire production operation to the finest detail, but also identify delivery risks and assign adequate resources from early on, allowing the company to achieve 15% acceleration in time-to-market. Our team of supply chain experts conducted production output analysis, which rectified pain points of production management and delivered predictive analysis that forecasted future production rate for each tooling and manufacturing plant. Furthermore, by performing purchase order assessments, the company could calculate the probability of late-parts delivery for each purchase order. eMoldino's solution automatically provided prescriptive measurement which recommended appropriate actions that would maintain agility in the supply chain.

## **eMoldino Solution**

### **- Total Quality Manager**

As mentioned previously, an efficient supply chain is an absolute necessity to capture the market and have a competitive advantage. Because high quality products were expected from consumers, the company had to establish and maintain quality of its products, which involved consistent monitoring of the product journey, such as temperature, cycle time, injection time and mold location. The company had to make sure that the production process ran smoothly without any disturbance and was sustained within optimal parameters.

With data that are collected through IoT sensors, eMoldino's Total Quality Manager performed process anomaly detection that alerted the company with any changes or disturbances in the production behavior. This allowed them to consistently monitor and modify process conditions through the dashboard. By combining data analysis and artificial intelligence, the company could perfect the quality management and forecast quality of parts before production.

For the beauty and cosmetics industry, securing the market and cultivating quality control are the key components behind staying on top of the game. Fast-paced trend cycles, changing customer expectations and elusive brand loyalty put immense pressure on companies to navigate their supply chains, and this was the case for the client company.

The company gained full visibility immediately after implementing eMoldino's solution. Gaining data on production patterns allowed the company to optimize their production performance and consistently ensure high quality parts.

Sensors and counters also demonstrated whether the company's multiple tiers of suppliers were aligned with the recommended cycle time parameters to reduce production deviation patterns. Through the solutions provided by eMoldino, the company was able to achieve peak business performance, and improve overall supply chain resiliency.

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