

## **Case Study: Striking the Balance - Supply Chain - Transformation for AeroSports Inc.**

### **Client Context:**

AeroSports Inc. is a leading global sportswear and athleisure brand competing with top global brands.

- Headquarters: Amsterdam
- Products: Sports shoes, athleisure apparel, and accessories
- Operations: Outsourced suppliers across globe, 3 global DCs, 15 regional warehouses
- Channels of sale: D2C, e-commerce, wholesale
- Financials: €15B revenue, but declining margins due to supply chain inefficiencies

### **Key actions required:**

You are consultants hired to transform AeroSports' supply chain. Diagnose the root causes of poor supply chain performance.

1. Layout a supply chain map of the current setup at the client with key callouts.
  2. Evaluate the forecast performance in the past year, to identify if there are issues in forecasting. Use relevant metrics to substantiate the findings.
  3. Evaluate potential issues of inventory management leading to higher working capital consumption. Evaluate the current state of inventory and share findings of current position and propose additional measures for optimizing inventory, back hypothesis with analytical findings. What can be the improvement in working capital achieved?
  4. Logistics: Evaluate the logistics spend and identify areas of improvement. Identify regions of higher logistics spending, evaluate impact of modes of shipment.
- Are there any other innovative ideas for improving supply chain performance across demand, inventory and logistics?
  - Make an executive presentation for the CEO of Aerosports Inc with your findings and recommendations, clearly articulating applicability in short term and long-term horizon.

***Refer to the Excel file for all the data required.*** Make necessary assumptions and state them clearly with rationale.

<https://docs.google.com/spreadsheets/d/10RVJaviZiA4ltvsbnsQYg9EPx5zTwQlO/edit?gid=894886333#gid=894886333>