



La Chapelle: Dressing for Success and Increasing Sales with SAP HANA®

Dressing women with the best, trendiest casual wear is the core business of Shanghai La Chapelle Fashion Company Ltd. It strives to offer customers the latest fashions at competitive prices through a wide range of apparel products under nine brand names. The company sells to consumers online, as well as through approximately 7,147 retail points across 31 provinces, autonomous regions, and municipalities in China – all of which are controlled and operated by La Chapelle.

La Chapelle needed to transform the systems for all of its divisions to meet the demands of a rapidly growing business. The company needed analysis that was based on business operations and live data in order to drive innovation throughout the business. La Chapelle deployed the SAP HANA® platform to enable a retail distribution plan and store balance. With the predictive analytics capabilities of SAP HANA, the company has made significant cost reductions, greatly improved sales volumes, and optimized its supply chain, providing a better experience for its customers across China.



La Chapelle

La Chapelle directs inventory with predictive analytics

Company

Shanghai La Chapelle Fashion Co. Ltd.

Headquarters

Shanghai, China

Industry

Retail

Products and Services

Apparel design, marketing, and sales

Employees

39,290

Revenue

HK\$11.5 billion
(US\$1.4 billion)

Web Site

www.lachapelle.cn

Objectives

- Support distribution and circulation rules for each division, according to its own brand and channel characteristics
- Improve the overall performance by driving efficiencies of the workforce, system, and business operations
- Support business growth across its nine brands
- Eliminate manual process for product transfer decisions

Why SAP

- Reduced hardware memory space, previously shared by the SAP® ERP and SAP Business Warehouse applications, with the SAP HANA® database
- Support for predictive analysis capabilities with R engine and SAP HANA
- Improved performance and reduce costs with dynamic tiering to choose the appropriate data storage option for different types of data

Resolution

- Increased the frequencies of distribution and transfers to 48 distributions per year, one transfer in the region per week
- Completed the transfer allocation plan in six hours – from generating and verifying data to manual confirmation, publishing to the system, and generating transfer orders
- Enabled the company to consistently support the distribution and transfers between the nine brand divisions based on customized requirements per division

Future plans

Deploy Big Data analysis, based on the SAP HANA platform, to support digital marketing, supply chain optimization, and demand analysis

5%

Increase in sales

30%

Reduction in logistics costs

20 million

Records managed

1600x

Faster query results

“In the past, we has 15% sales loss due to out-of-stock merchandise at the storefronts. Now, thanks to SAP HANA, the fashion enterprises have the ability to quickly response to market demand changes, which is leading to sales improvement, supply chain optimization, and precision marketing.”

Song Sheng, I.T. General Manager, La Chapelle Fashion Co. Ltd.

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