

Case Study



Traidcraft chooses Maginus to support significant growth

Traidcraft plc is the largest supplier of 'fair trade' products in the UK – food and drink, fashion and crafts, paper and jewellery products that it sources entirely from community-based businesses in some 30 developing countries.

Traidcraft's mission is to 'alleviate poverty through trade' by paying a fair price to the producers and selling their products in the UK via a network of 4,500 volunteer agents (Fair Traders), a mail order catalogue, the Traidcraft website, independent retailers and supermarkets. It's a true multi-channel business. Fair Traders buy Traidcraft products at reduced prices by mail order, and sell them on to independent retailers and supermarkets in bulk through various channels. Traidcraft also sells to consumers who place orders by post, by telephone and online.

With sales of more than £12 million a year, and accelerating growth, Traidcraft had begun to outgrow its existing IT systems. Its customer service teams had to work with several applications at once, adding unnecessary complexity to sales and support, and its IT staff had to spend a considerable amount of time maintaining and administering its applications. There were bottlenecks in logistics processes, and management reporting was complex and time-consuming. Traidcraft needed a more flexible and capable IT environment to handle such a wide range of products, global suppliers and a complex multi-channel sales and fulfilment operation. After an extensive analysis of many systems, Traidcraft chose Maginus.

Consistent service

Maginus solutions are designed to support the multi-channel operations of companies like Traidcraft. By streamlining all core business processes in a single system, Maginus helps Traidcraft improve control, visibility and service across the company, with valuable efficiency improvements in logistics operations and service improvements across its multiple sales channels. The same database of customers, products, prices and inventory

is available to everyone, and this has increased consistency and accuracy across the business.

"Our customer service staff save time because they have access to all the information they need on one system, not several," says Tim Morgan, Financial Director at Traidcraft. "We have visibility of orders across all channels and information across all departments, which means we can offer a much more informed and professional service."

Advanced warehousing

Traidcraft uses Maginus software to automate stock movements between a main distribution warehouse with bulk storage and mail order picking faces, a separate bulk store used to supply supermarkets, and an outsourced wine warehousing facility. Traidcraft has benefited from a significant increase in the number of orders handled, reduced manual intervention for fulfilment processes and reduced despatch costs. In its very first week of live operation, Maginus helped Traidcraft despatch 3,500 parcels, more than 10% higher than its previous system had ever achieved.

Maginus handles packing more efficiently and integrates smoothly with parcel carriers' systems, creating a seamless, automated logistics environment. Traidcraft can automate the walk sequence of pickers around its main location-controlled warehouse, who drop the goods at a packing station where a barcode on the picking document is scanned to call up the order details for pick confirmation. Maginus then automatically prints out the parcel carrier label, allowing Traidcraft to automate carrier selection or use special carrier arrangements, such as timed deliveries to its supermarket customers.

At-a-glance:

Traidcraft

- b2b and b2c retail & distribution
- <http://www.traidcraft.co.uk>

Industry

- Fair trade food, drink, paper, jewellery and crafts products

Multi-channel

- catalogues, telesales, website, via retailers

Maginus solution

- Sales, CRM, Supply Chain, Logistics, Warehousing, Manufacturing, Reporting

Number of users:

- 80

Customer benefits:

- Consistent selling across multiple channels
- Efficient logistics for higher order volumes and lower costs
- Improved access to reporting information
- Reduced IT administration



"We have visibility of orders across all channels and information across all departments"



Customer self-service

Traidcraft currently takes about 60% of all orders over the phone, but is putting increasing emphasis on a customer self-service model using the Web. With Maginus, Traidcraft can sell through a real-time e-commerce website that's based on the same customer, product, pricing and inventory information used to control its logistics operations. Customers can get up-to-the-minute information about product specifications and availability and a 24x7 service, and with automatic order entry back into Maginus, Traidcraft can handle higher transaction volumes without significantly increasing costs. Maginus manages Web orders in the same system as orders from all other sales channels.

Food and drink

Traidcraft trades in various food products. Some, like coffee, are simply bought and sold. Some are packed on site, and others are manufactured by third parties using Fair Trade ingredients supplied by Traidcraft. Maginus controls the quantities of each ingredient required to produce a specific number of end products, such as cakes, and receipts the goods back into the warehouse as a different product code. Food products are held in a separate food storage area of the warehouse. They can be picked by expiry date and have full batch traceability. Maginus also manages UK import duty and excise payments, deferring payment until goods are sold by holding stock "under bond", and calculating the payments due automatically.

Many Traidcraft orders are heavy, but the company can take advantage of the most cost-effective carrier services if packages don't weigh more than 18Kg. Maginus stores all details of size and weight and provides an algorithm that creates picking plans to split and optimise packing to this maximum weight.

Container tracking

A significant percentage of Traidcraft's product range changes from catalogue to catalogue. Purchasing and catalogue production processes are complicated because goods are sourced and manufactured in many different and developing countries, which can often create lead times as long as 18 months from product identification to delivery. Goods from different suppliers are often consolidated into containers at overseas ports, and this creates a complex tracking challenge. Maginus's expediting capabilities allow Traidcraft to monitor containers easily and track the movement of goods across its complex supply chain so that potential problems can be identified early.

Business Intelligence

Traidcraft managers are also impressed by the improved access to reports available through Maginus. The company can use predefined or customised management reports to support decision-making and help optimise its business performance. Traidcraft plans to support future marketing initiatives using Maginus for square inch analysis and campaign and media code tracking, building a valuable picture of buying behaviour for improved customer targeting and campaign activities.

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Flexible, extensible platform

Maginus' strong technology platform has created a reliable, high-performance sales and fulfilment environment for Traidcraft with reduced administration cost for its IT department - and there are still many Maginus features left to exploit. Maginus's modern, component-based design and flexible architecture mean Traidcraft can add new functionality when it needs to support its growing business.

"We're very excited at some of the new functionality Maginus is bringing to market. We can use Maginus 'plug-ins' to customise our own functionality, while still being able to maintain our progress with future Maginus product upgrades," says Financial Director Tim Morgan. "Maginus supports significant growth in our business, helping us further our mission of fighting poverty through trade," he concludes.



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