

# **CASE STUDY: Younique Products**



**Company:** Younique Products

Location: Lehi, Utah Industry: Cosmetics Business: Direct Selling

**Global Reach:** 

United States, Canada, Australia, New Zealand, United Kingdom, Mexico, Germany, France

#### **Company Information:**

- Derek Maxfield, Founder and Chief Executive Officer
- Melanie Huscroft, Founder and Chief Product Officer and Chief Sales Officer
- Randan Manuela, Director of Lehi Distribution Center

Younique's mission is to uplift, empower, validate, and ultimately build self-esteem in women around the world through high-quality products that encourage both inner and outer beauty and spiritual enlightenment while also providing opportunities for personal growth and financial reward.

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### **STATISTICS**

- Services 4 countries from Lehi, UT warehouse
- 240 SKUs

#### **WORKLOAD GROWTH**

- Busiest day orders are up 100% over a year ago when FastFetch was installed
- Sales transactions by sales presenters are up 100% over a year ago when FastFetch was installed

## PICK RATE IMPROVED WITH FASTFETCH

- Average pick rate increased 3 times...from 300 lines per hour to 900 lines per hour (LPH)
- Experienced pickers exceed **1100** LPH, new pickers between **600** LPH and **650** LPH.

## PACK RATE IMPROVED WITH FASTFETCH

• Younique cubes the orders, sends the information to FastFetch, then pickers pick into the shipping boxes. The direct result is a reduction in people packing orders. The number of people packing was reduced from 28 to 34 down to 18 to 24.

## FASTFETCH PICKING METHOD

- Batch picking with 43 boxes/orders per cart
- 24 carts, each with 43 light modules, tablet PC, voice, and tethered scanner for initial setup
- 1152 light modules on all pick slots
- Four pick zones, 2 with only fast movers, 2 with all SKUs, each containing the same SKUs with the same pick slot I.D. number
- Carts purpose-built for Younique Products by Creform Corporation, Greer, SC



#### **SUMMARY**

Younique Products is a direct sales company that markets and sells almost exclusively through the use of social media. Their pioneered Younique Virtual Parties bridge the huge world of social media and the traditional home party business model. Younique is a distributor of cosmetic products based in Lehi, Utah. Derek Maxfield and Melanie Huscroft, a brother-and-sister team, founded Younique in September 2012 with a mission to uplift, empower, and validate women across the globe. Derek and Melanie firmly believe that all women should feel valued, smart, and empowered through opportunities of personal growth and financial reward! The company has over **400** employees and distribute throughout North America, Mexico, UK, Germany, France, Australia and New Zealand.

Total company sales are up **100**% over the previous year. In 2014, roughly 16,800 orders were shipped on the busiest day of the week. Today that number is **35,776**, an increase of over **200**%. By 2019 the number of daily orders is projected to reach 90,000 company wide.

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### THE YOUNIQUE STORY

In the early days, Younique had a relatively limited number of products (SKUs). The process of picking and packing orders consisted of all SKUs being assigned a position at a pack station and the same person who picked the product also packed the orders. As Younique grew, their product line with expanded SKUs along with their sales volume also grew. As a result, the space available for inventory at the pack stations required frequent replenishment due to limited space caused by the number of SKUs. So they expanded the pick slots to feed multiple pack stations, assigning a person to pick-and-pass the orders to available packers. That worked for a time, but the number of SKUs continued to increase, and Younique eventually outgrew what worked so well in the early days. The picking process was simply under-productive and the SKU count too massive.

By 2014, Younique had completely outgrown their "early days" system and realized that they needed another solution that would service their current workload demand. At the same time, they needed to plan to service their future projected demand, ensuring superior customer service.

Younique engaged Peach State Integrated Technology to assist them in their mission to identify a picking/packing system. As part of Peach State's analysis, they engaged FastFetch North America (now NextGen DC Systems) to assist with the investigation of six different picking solutions that would potentially work for Younique's target workload goals. By the end of the evaluation, based on data analysis from their order profile, the "Cart Batch Solution" offered by FastFetch Corporation was the clear choice.

After FastFetch was selected, to eliminate Younique's risk and prior to implementation of the full blown system, FastFetch implemented a "Proof of Concept" (POC) to test forecasted productivity rates. The POC proved that the benefits were solid. The final design was then confirmed and implemented.

Besides confirming productivity rates, the POC gave employees an opportunity to be trained prior to full go-live so that, when Go-Live occurred, Younique experienced minimal disruption from their daily business activities.