




An **ids** Success Story

# PARTNERING WITH A REGIONAL DISTRIBUTION SPECIALIST A FORMULA FOR BRAND SUCCESS IN ASIA



**Large FMCG multinationals run hugely complex businesses. They need to precisely orchestrate an intricate chain of activities to match supply with demand at the lowest cost. At the same time, they must drive consumer demand and constantly develop innovations to maintain market share. It's difficult to excel in everything. That's why even the best-managed companies outsource certain functions to specialists.**

Outsourcing distribution operations is an especially viable option in Asia, where every issue is complicated by diversity of culture and custom. But the success of any outsourced operation depends entirely on the ability and commitment of the Asian partner, and the range of services available.

Few potential outsourcing partners can boast of many decades' experience bringing global brands into Asia. Fewer

still operate in more than one market across Asia. And only one fulfills all those requirements, and offers a comprehensive menu of manufacturing, logistics and marketing services. That company is the IDS Group.

The following pages outline a real life outsourcing partnership, which has become a key factor behind a respected multinational's ongoing success in Asia.



A member of the Li & Fung Group



# A COMPREHENSIVE MENU OF DISTRIBUTION SERVICES

One of the world's biggest FMCG companies has developed a close and rewarding relationship with the IDS Group. This customer sells literally hundreds of branded products in all of Asia's most lucrative markets. The ability to pick and choose from the IDS Group's comprehensive menu of distribution services has given the customer enviable control over its supply chain.

## THE SITUATION

This customer is a large multinational who produces and distributes many FMCG product lines in markets across Asia. In the past it manufactured all its own products, handled all its own transport and logistics, and developed its own marketing strategy. To raise cost-effectiveness and flexibility, the customer began outsourcing certain manufacturing operations over three decades ago. It quickly realized it needed a partner with an intimate knowledge of Asia, who was prepared to invest to fulfill its changing needs.

## THE SOLUTION

The customer began working with IDS Manufacturing, who initially took responsibility for one or two products. Gradually, IDS Manufacturing took over the production of more and more lines. This customer also chooses to use IDS facilities for tricky labor-intensive promo packaging, and high quality special runs. IDS plants in Thailand or Malaysia help the customer make up any shortfalls that arise from time to time too.

Over the years the brand owner came to trust and respect the IDS commitment to quality, and ability to drive profitability. It recognized IDS factories as true centers of excellence. When it began to consider outsourcing some logistics functions, it was only natural to turn to IDS Logistics. To fulfill these logistics needs, IDS Logistics made a considerable investment to develop a purpose-built distribution center in the Philippines, and to purchase special materials handling equipment adapted to Hong Kong's unique limited space environment. The customer benefited from the IDS state-of-the-art Warehouse Management System and application of KPI measurements in a constant search for improvement.





## THE RESULT

The customer's partnership with the IDS Group has been a great success – and a genuine win-win situation that has enabled both partners to grow together. By picking and choosing the most-needed IDS services, the customer has managed to:

- Evolve more smoothly and successfully manage new business opportunities
- Achieve better economies of scale and cost effectiveness
- Feed products more accurately to fulfill demand, leading to better margins and reduced wastage
- Better anticipate and react to market trends

- Test and roll out new products faster
- Significantly raise KPI performance

Partnering with the IDS Group in multiple countries and multiple streams delivers other benefits such as:

- Regional visibility of sales and inventory data through the IDS single unified IT platform and standardized applications
- Business units share experiences which leads to better understanding of the customer and easier implementation of improvements
- Fulfillment of further new requirements from the customer becomes easier

**The IDS Group is equipped to manufacture superb quality branded products, then feed them into its pan-Asian distribution network. From product formulation to store delivery and even invoicing and collecting – the IDS Group can manage every aspect of the entire distribution process. The IDS Group's Integrated-Distribution Services covering marketing, logistics and manufacturing give tremendous value to any brand expanding into Asia.**

# ASIA'S MULTICOUNTRY, MULTISTREAM DISTRIBUTION SPECIALIST

The IDS Group has become the choice of multinationals seeking to bring their brands into Asia because:

- We have more than a century of experience in logistics and distribution in the Asia Pacific region
- We have invested millions of dollars to develop a cutting edge pan-Asian logistics and distribution infrastructure
- All our operations are supported by a sophisticated and transparent IT network that provides customers with complete visibility into every aspect of their supply chain operations
- We are prepared to invest in any resources necessary to meet a customer's highly customized demands
- We bring more than 40 years' of manufacturing for world famous brands
- We own no brands nor operate any outlets of our own – all our resources and knowledge is dedicated to enhancing our customers' businesses
- Our expertise reaches into every market segment, from footwear and fashion, to FMCG and healthcare
- We provide value-added services such as specialty storage, pick and pack, repackaging and relabeling so that customers can react better to market needs
- We put together small, dedicated, experienced teams with the know-how, resources and entrepreneurial attitude necessary to enhance your business

## INTEGRATED-DISTRIBUTION SERVICES FROM THE IDS GROUP

The IDS Group provides our business partners a menu of Integrated-Distribution Services in three core businesses across Asia:

### Marketing, Logistics, and Manufacturing

Logistics is the fundamental enabler, connecting each into an end-to-end value chain from raw materials to consumer.

We call this unique proposition

### Value-Chain Logistics

