



FUN SPORTS

—An inventory management
optimization solution

Team Name : Muses
Team Number: HB20211410

CONTENT

01

Current Situation & Issues

- 1.1 Sorting out production process
- 1.2 Figuring out problems

02

Solution

- 2.1 Inventory management system
- 2.2 Returned goods management
- 2.3 Information system improvement

03

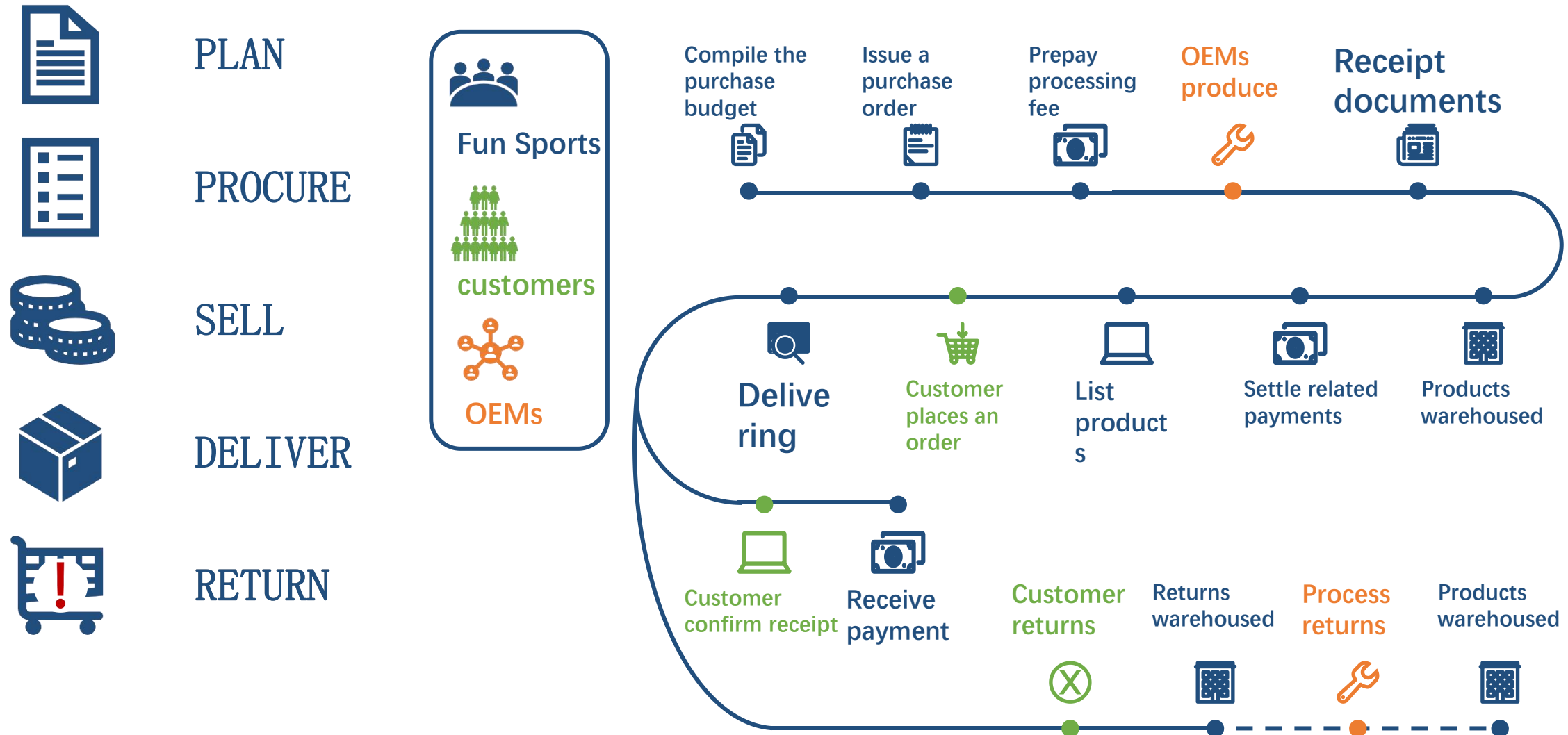
System selection

- 3.1 Functional requirements
- 3.2 Information system classification
- 3.3 Comparison between systems
- 3.4 Process to select systems

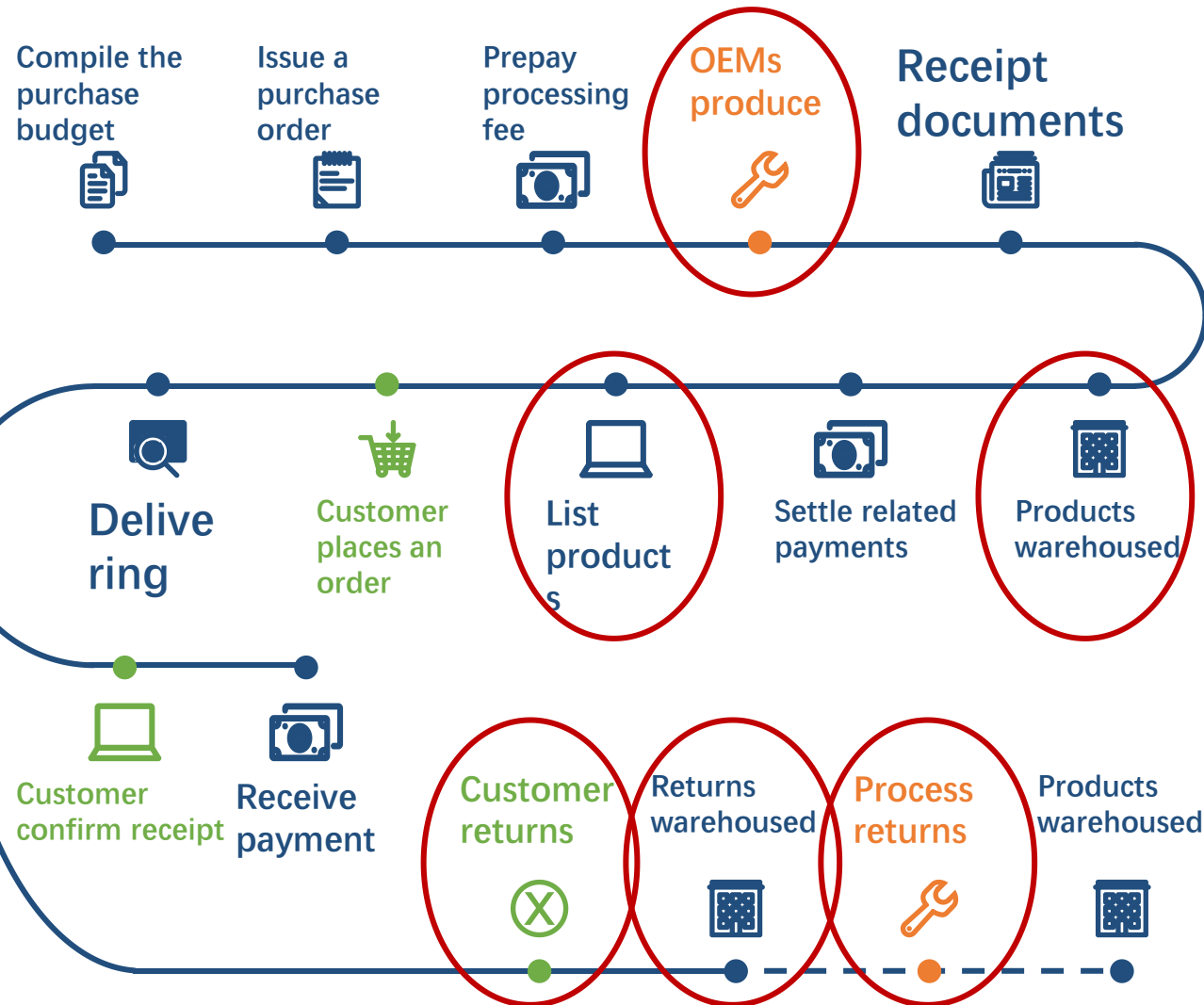
04

Summary

1.1 Sorting out the production process



1.2 Figuring out the problems and challenges faced by FS



Produce

- OEMs do not share inventory and sales information with the company



warehouse

- Inventory stock-taking is difficult
- The inbound and outbound processes are not clear
- Product stacking operation is not standard
- There is no treatment standard for unsalable products



Sell

- A lack of timely outbound records has led to inconsistencies in the accounts
- The inventory information of platforms can't be updated timely and synchronically



Returned goods

- Product quality control needs to be strengthened
- Lack of latest information on repaired products

2.1 Warehouse management——Physical stock-taking at fixed periods



(1) Stock-taking frequency

- Formulate different **counting frequencies**
- **Conduct** counting **regularly**
- **Increased** counting times in **peak seasons**



(2) Stock-taking content

Specify the **contents** of stock-taking

Quantity

Quality

Storage time



(3) Stock-taking information and adjustment

- **Input** stock-taking results **into the system**
- **Synchronize** with the **sales platform**
- **Adjust** the **location of defective** products



(4) Assessment, reward and punishment

- Establish
 - ① **assessment standards**
 - ② **reward & punishment systems**
- According to state of **inventory keeping and counting**



warehouse

- ✓ Physical stock-taking
- ❑ Inbound and outbound processes
- ❑ Product stacking operation
- ❑ Unsalable products

Prepay
processing
fee



OEMs
product
e



Receipt
documents



Problems

Solutions

Time
res
der

List
product
s

Settle
related
payments



Products
warehoused



Customer
returns



Returns
warehouse
d



Process
returns



Products
warehouse
d



2.1 Warehouse management——Standardize product warehousing system



(1) Self-owned warehouse inbound

Receiving the **goods, certificates of quality inspection and receipt documents**

Count the **quantity**, check the **quality**

Qualified products

Unqualified products

Be **warehoused**
by information means (PDA scanning)

Return for repair

Update the inventory information



(2) Docking with the OEM warehouse

- **Synchronize** the inventory information in time
- **Pursue the responsibility** timely
- Specify the **detailed compensation** under **contract**



(3) Outbound Process

- **Outbound quantity** is **consistent** with the order
- Dispose **defective products**
- After delivered, **modify the book information** in time



warehouse

- ❑ Physical stock-taking
- ✓ Inbound and outbound processes
- ❑ Product stacking operation
- ❑ Unsalable products

Prepay
processing
fee

OEMs
product
e

Receipt
documents

Problems

Solutions

List
product
s

Settle
related
payments

Products
warehoused

Customer
returns

Returns
warehouse
d

Process
returns

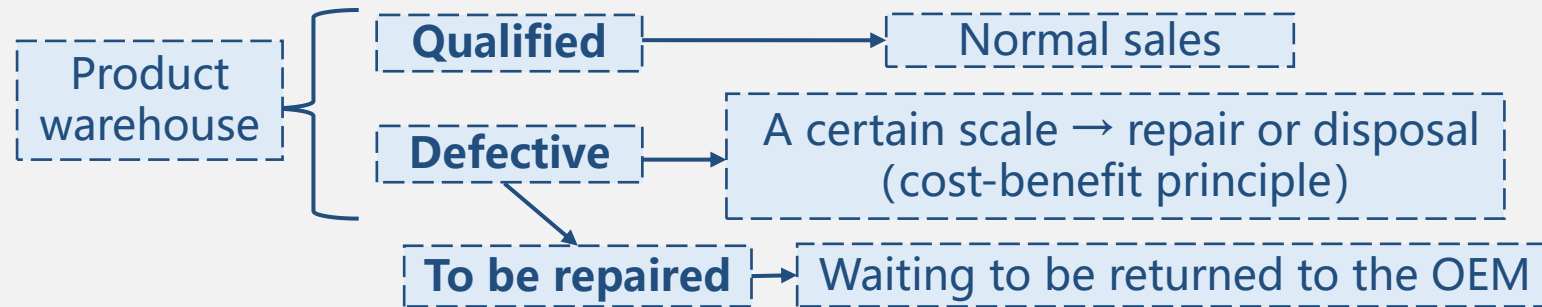
Products
warehouse
d

2.1 Warehouse management—Stack products by category , record storage time



(1) Products are stacked in different areas

- Classify and store products in **different areas**
- Strengthen the **control of the implementation**
- **Input** the information into the system **timely**



(2) Strengthen product life cycle management

- **Unsalable products** :
→ Timely **promote** or **dispose**
(According to cost-benefit principle)
- Give **feedback** information to Fun Sports
→ **Adjust** the **purchase plan** and **stock strategy**



warehouse

- ❑ Physical stock-taking
- ❑ Inbound and outbound processes
- ✓ Product stacking operation
- ✓ Unsalable products

Prepay
processing
fee



OEMs
product
e



Receipt
documents



Problems

Solutions



List
product
s

Settle
related
payments

Products
warehoused



Customer
returns



Returns
warehouse
d



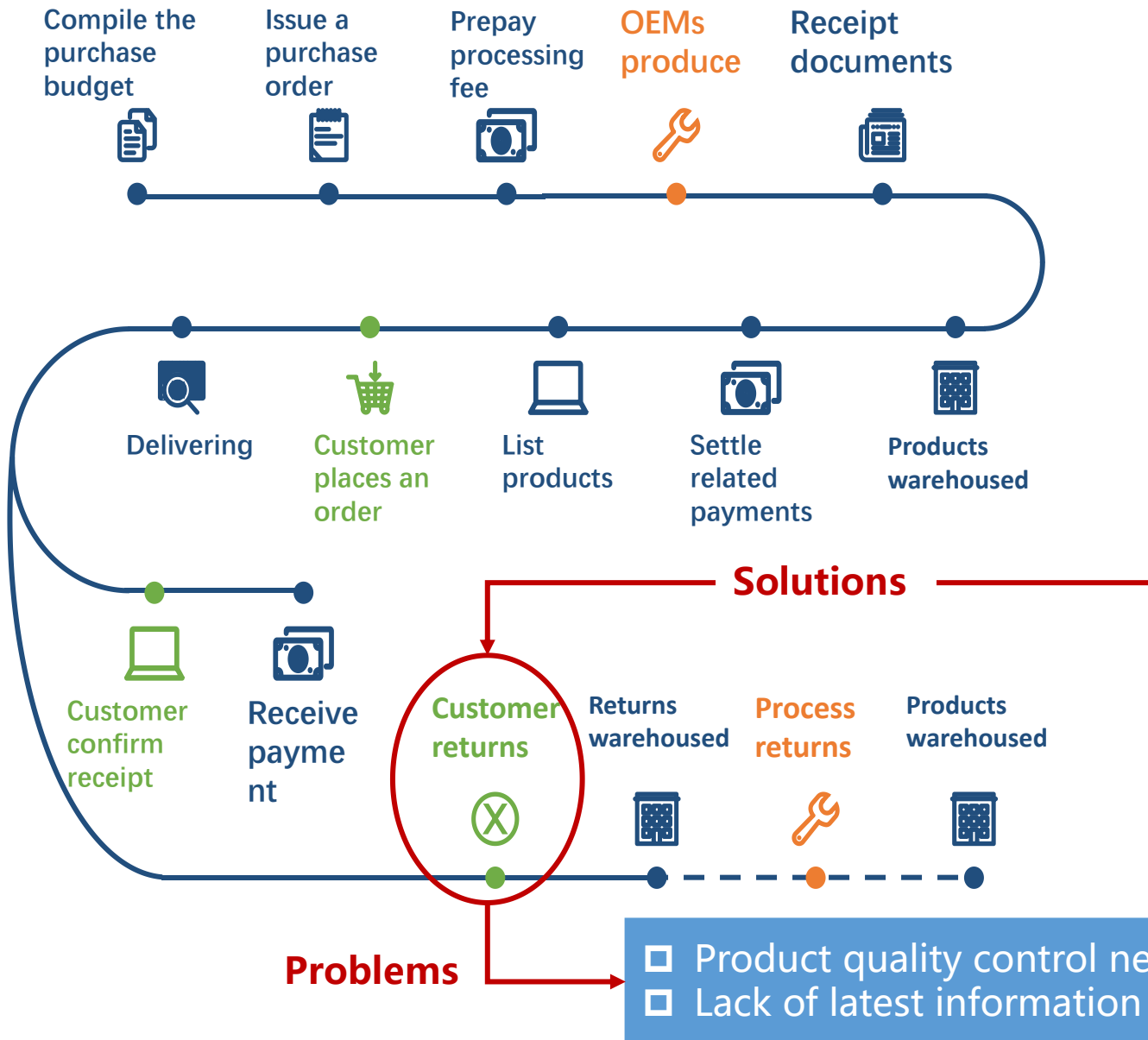
Process
returns



Products
warehouse
d



2.2 Returned goods management—— Strengthen quality control

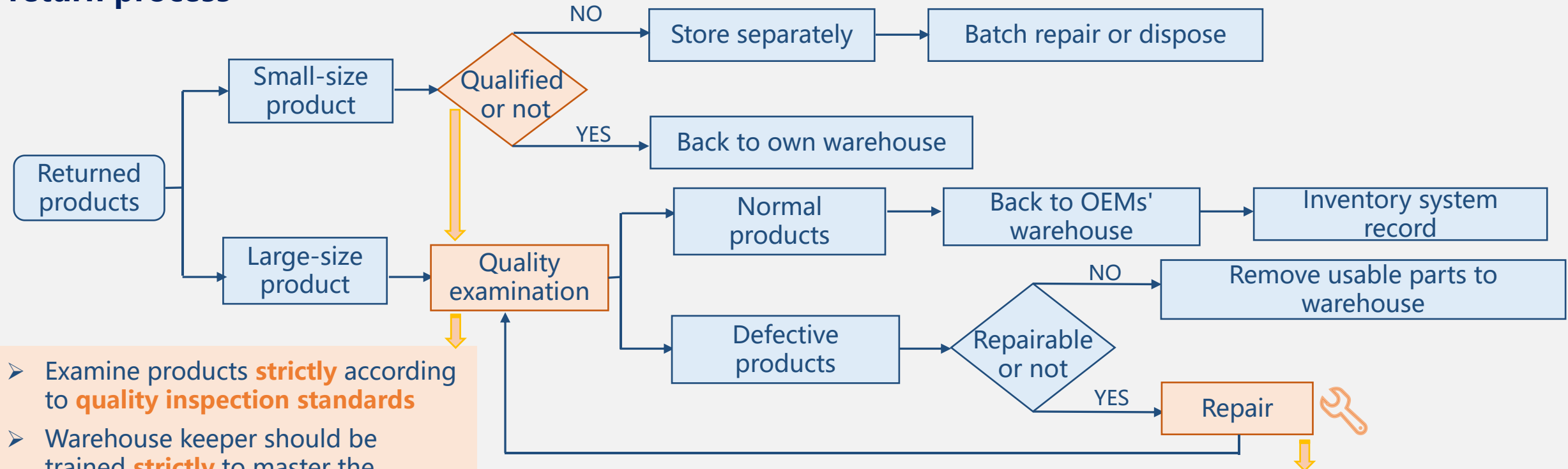


Strengthen quality control

- (1) Negotiate with OEMs for **new quality standards**
 - **Production and quality inspection** shall be strictly carried out in accordance with quality standards
- (2) Regular **sampling inspection**
 - Warehouse keeper' s duty
 - Determine sampling **standards and frequency** for different products
- (3) **Contract** with OEMs for quality issues
 - If the proportion of **returned goods due to quality problems** exceeds the limit, OEMs shall **compensate** for the loss

2.2 Returned goods management—— Standardize the return process

return process



(1) System records the information of returned products

(2) Transfer information to design department for improvement

- Proportion of defective products in returned products
- Quality inspection results
- Repair status, material used and repair times of repaired products

- Clear repair operation **specifications and procedures**
- Product **repair materials** should only be qualified parts

2.3 Information system improvement—Share and synchronize information

Share inventory information with OEMs



(1) Share **production status and inventory data**



Timely **inventory** adjustment



(2) Adjust **purchasing strategy** according to sales and inventory changes



Increase **supply chain** flexibility

Information sharing

Problems

OEMs produce

Issue a purchase order

Prepay using

Receipt documents

Synchronize inventory information of each sales platform



(1) Each sales platform and inventory system **share and synchronize on-shelf inventory data** in real time



(2) Set up **inventory alert**

Solutions

Delivering

Customer places an order

List products

Settle related payments

Products warehoused

Problems

Customer confirm receipt

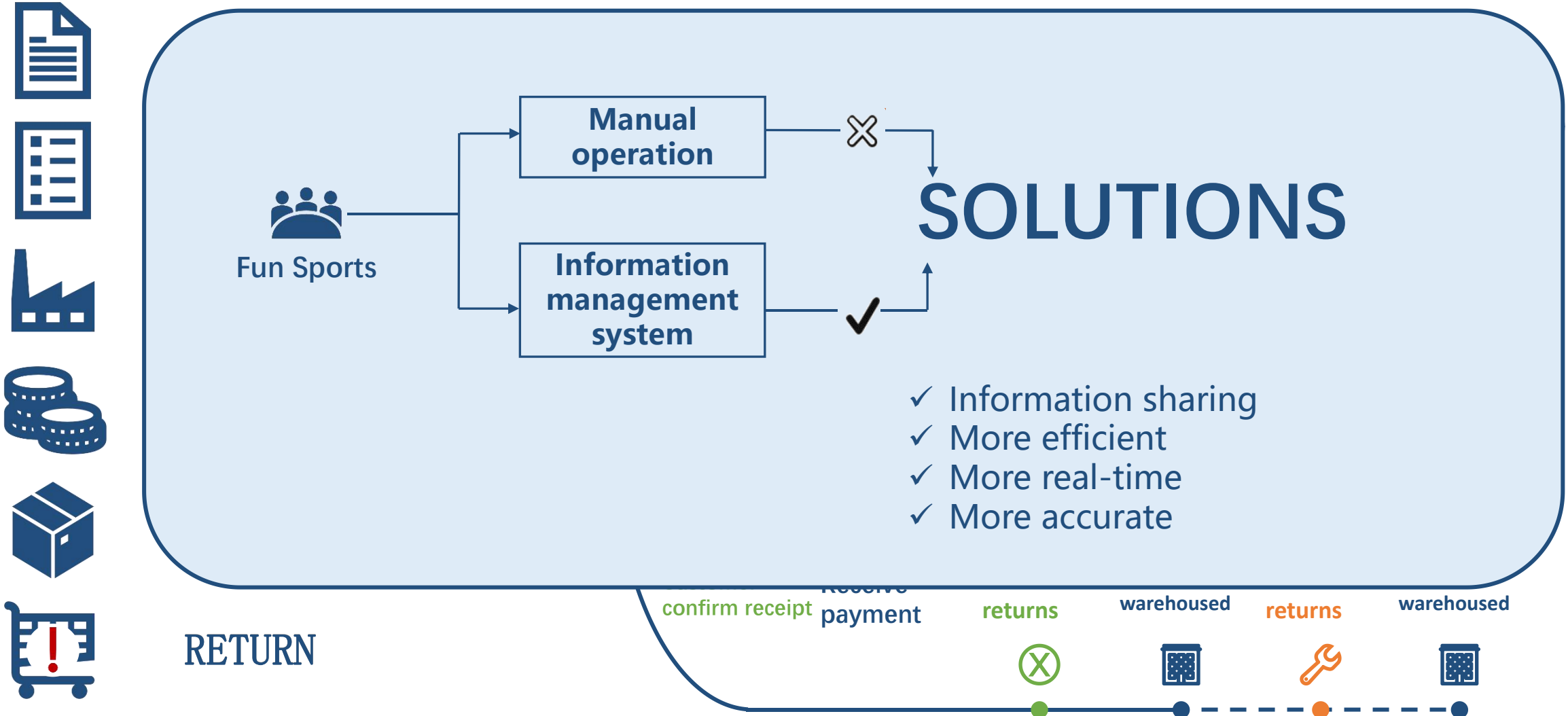
Information updating

Returns warehoused

Process returns

Products warehoused

2.4 Information management system to satisfy all the needs of solutions



3.1 Functional requirements for a new information system

1. Inventory problems

- Defect in inventory stock-taking
- Unclear management of product in/out
- Unstandard product stacking operation
- Without treatment standard for unsalable products

Stock-taking task assignment, stock-taking result submission and inventory update

Classification function for products in/out

Product information management function

Classify

Delete

Modify

Query

Inventory alert function: Alert for unsalable products
OR: Stocking age analysis

2. Sales problems

- Discrepancy between accounts and actual inventory
- Discrepancy between on-shelf inventory and actual inventory

Connect sales platform to inventory system, preferably also to accounting system

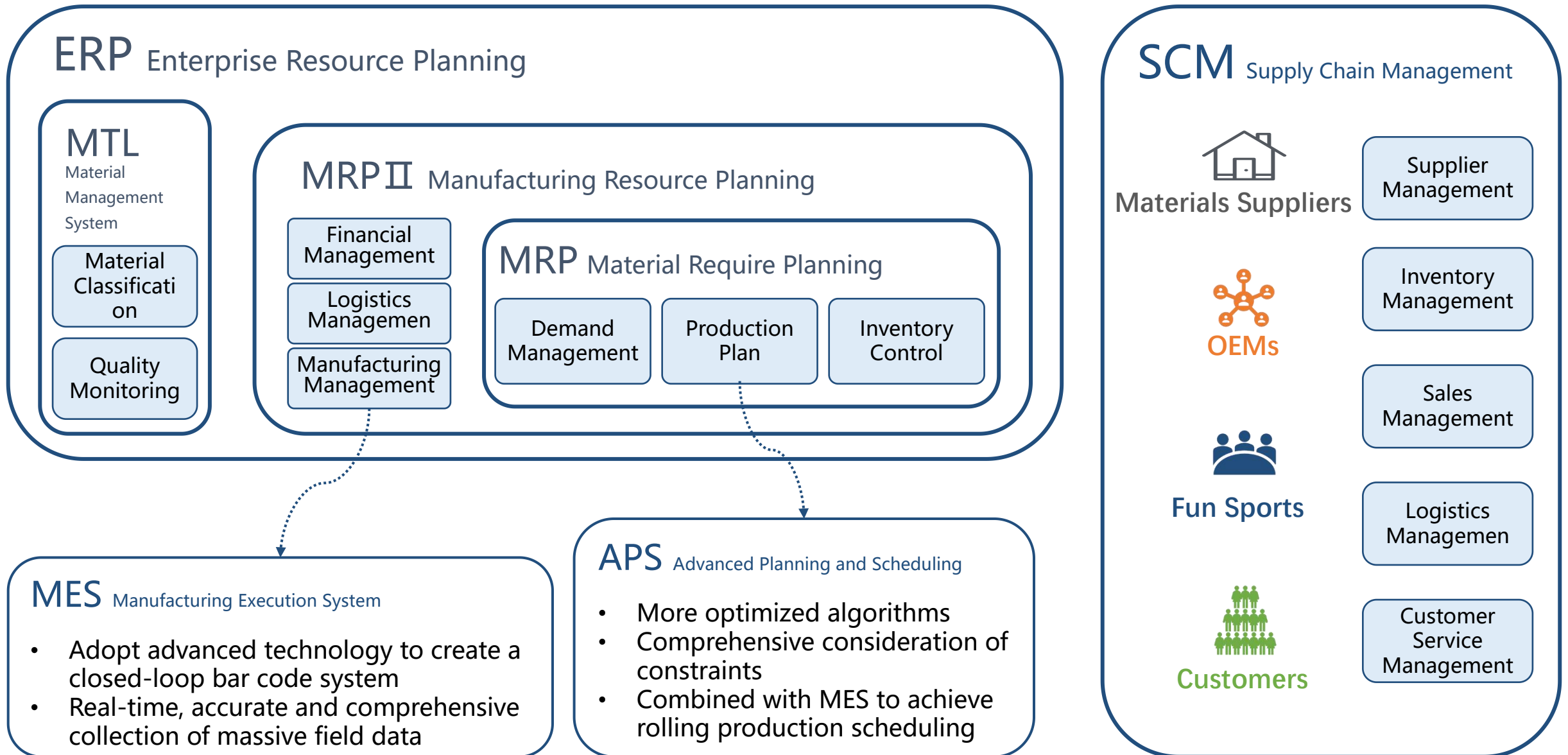
Real-time statistics updating of on-shelf inventory on each platform

3. Returned products problems

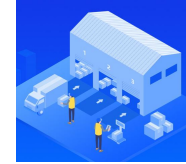
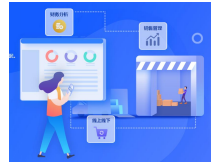
- Lack of latest information on repaired products and consigned goods

Docking with OEMs' production and inventory

3.2 Information system classification



3.3 Comparison between different information systems>>Guanjiapo



Products

Function

Price/year (RMB)

Online Shop ERP

- Real-time synchronization of multi platform and multi store orders
- Real-time synchronization of multi store and multi inventory
- Planning warehouse layout
- Warehouse in and warehouse out management
- Current account

4980

Cloud Finance

Voucher&account&statement&tax demand

780

More refined inventory management

Cloud WMS

Commodity classification
PDA picking and inspection
PC / PDA scan and shipment
Counting and posting
Accurate statistics of cargo location

6600

Satisfaction of all function needs√

Sum of price:
¥ 12360/year

Advantages:

- Cheap
- Free for upgrading

Disadvantages:

- After-sale service and system quality

3.3 Comparison between different information systems >> Kingdee Cloud Stellar



Kingdee 金蝶



金蝶云 星辰



3点三

Products	Function	Price/year (RMB)
Cloud Finance and Tax	Voucher&account&statement&tax demand	8700× 50%= 4350
Cloud Purchase, sales and inventory	✓ Intelligent inventory accounting ✓ Position management ✓ Overdue product warning ✓ integration of sales, finance and tax	
D3 e-commerce OMS	• Real-time synchronization of multi platform, multi store order and multi inventory	10000
Implementation costs	On-site training:1500/person/day Distance training:300/person/day (Assuming we train five people for three days in the distance, that is 4500 yuan)	

Satisfaction of all function needs✓

Sum of price:
At least ¥ 18850 for the first year including training costs

Advantages:

- A 50% discounts for business transformation
- Reliable system with enough upgrading room

Diadvantages:

- Non owned e-commerce link

3.3 Comparison between different information systems >> Yonyou



用友
yonyou



YonSuite

+

电商通

+

好会计

Products	Function	Price/year (RMB)
Inventory Management	- Digital warehousing process - Inventory information report analysis	5500
E-commerce Link	✓ Real-time monitoring of inventory changes ✓ Real-time distribution ✓ Avoid oversold	9800
Good Accountant	Satisfy the basic accounting needs	900
Financial Management	Integrate finance, sales and inventory	5000

+

+

||

15300

Satisfaction of all function needs✓

Sum of price:
At least ¥ 35300 for the first year including implementation fee

Advantages:

- Strong ability of upgrading and iteration
- Reliable brand

Diadvantages:

- Expensive

Business Growth

3.3 Comparison between different information systems>>Comparison of the three products

**Sum of price:**

¥ 12360/year

Advantages:

- Cheap
- Free for upgrading

Diadvantages:

- After-sale service and system quality



Kingdee 金蝶

Sum of price:

At least ¥ 18850 for the first year including training costs

Advantages:

- Big discounts for the business transformation from Yonyou to Kingdom
- Reliable system with enough upgrading room

Diadvantages:

- Non owned e-commerce link



用友
yonyou

Sum of price:

At least ¥ 35300 for the first year including implementation fee

Advantages:

- Strong ability of upgrading and iterating
- Reliable brand

Diadvantages:

- Expensive

3.4 Process for enterprises to select information systems

Selection process for information system:

1. Clarify the problems

2. Determine the system functional requirements

3. Consider the budget, users and so on

4. Investigate the functions, price and service of optional softwares

5. Compare the selectable software and select the best scheme



Key point of **Step4**

✓ Satisfaction of functions

✓ Cost performance

✓ Future upgrading space



Other considerations:

? Lease or buy completely

! Unecessary to install the softwares in one step

Kingdee 金蝶

用友
yonyou

网店管家
电商ERP CRM解决方案

管家婆
中小企业管理软件

万里牛

SAP

ORACLE

管易云

智邦国际

inspur 浪潮

4. Summary

