

Seamless transition:

How Optimum guided KIN Apparel through a fulfillment crisis and reduced costs

Discover how Optimum's intervention enabled KIN Apparel to deliver products without disruption after their fulfillment center closed and achieving savings in shipping.

» THE PROBLEM

"KIN Apparel experienced the sudden closure of their fulfillment center, jeopardizing the timely delivery of approximately 40,000 annual shipments"

In June 2024, KIN Apparel—a Philadelphia-based, Black woman-owned company renowned for its satin-lined hoodies and hats designed to protect hair from dryness, frizz, and breakage—faced a significant operational challenge. The sudden closure of their fulfillment center left them without a logistics hub, jeopardizing the timely delivery of approximately 40,000 annual shipments, each averaging two items. Complicating matters further, a substantial amount of inventory was stranded at the closed facility, necessitating immediate retrieval to prevent potential losses.



KIN Apparel is a fast-growing e-commerce brand known for its innovative satin-lined hoodies and inclusive apparel designed to protect natural hair.

Business Model:

- E-commerce B2C
- Products are shipped directly to customers, creating a logistics-intensive operation.

CHALLENGES

1 Sudden Fulfillment Disruption

The unexpected closure of their fulfillment center in June 2024 left operations in disarray.

2 Stranded Inventory

A large amount of product was stuck at the closed facility, requiring urgent and manual recovery.

3 No Backup for Fulfillment

The lack of a ready alternative fulfillment partner threatened shipping continuity and customer satisfaction.

4 Cost Uncertainty

Without a fulfillment provider, forecasting costs and maintaining profitability became difficult.

5 Lack of Fulfillment Data

KIN Apparel needed support evaluating new fulfillment centers across a wide range of operational and fee structures.

6 Risk of Customer Impact

Limited ability to onboard and evaluate vendors for better rates and services.

» THE SOLUTION

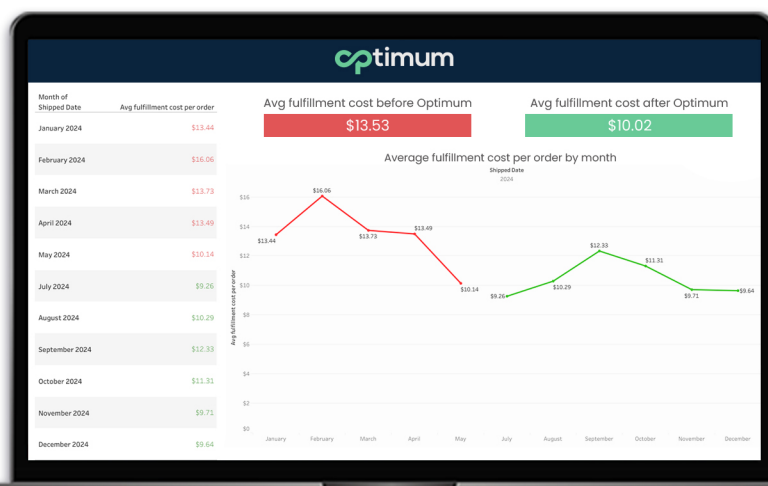
KIN Apparel enlisted Optimum to navigate this logistical upheaval. Optimum's team promptly intervened, personally assisting in the retrieval of products from the defunct fulfillment center to secure the inventory.

Following the sudden closure of the fulfillment center, Optimum led a fast-tracked, end-to-end recovery and transition process that took just two weeks. During this time, they successfully secured the stranded inventory and conducted a comprehensive analysis of six potential fulfillment partners—comparing implementation fees, fulfillment charges, labeling costs, and overall service capabilities. This rapid yet thorough assessment enabled KIN Apparel to select and implement the most cost-effective and efficient solution without disrupting operations.

Once a new fulfillment center was chosen, Optimum facilitated a seamless transition by managing the implementation process. They coordinated critical discussions between KIN Apparel and the fulfillment provider, ensuring clear communication and setting the stage for a smooth operational handover.

Post-implementation, Optimum maintained oversight by monitoring operations and auditing costs, proactively addressing any issues to uphold service quality and financial efficiency.

This partnership not only resolved an immediate crisis but also positioned KIN Apparel for sustained operational efficiency and growth in the competitive apparel market.



» RESULTS

Optimum's strategic intervention yielded significant benefits for KIN Apparel:

- **Uninterrupted Operations:** The swift recovery of inventory and expedited onboarding of a new fulfillment center prevented delays, allowing KIN Apparel to continue delivering products to customers without disruption.
- **Cost Savings:** Through diligent analysis and negotiation, the average fulfillment cost was reduced by 26%, from \$13.53 per order to \$10.02, enhancing KIN Apparel's profitability.
- **Operational Stability:** Ongoing monitoring and cost audits ensured that the new fulfillment processes operated smoothly, reinforcing KIN Apparel's supply chain resilience.

26% decrease in the average fulfillment cost

Cost per order

Before \$13.53

After \$10.02

