



Case Study

🕒 10 MIN READ

Winky Lux

HOW WINKY LUX SCALED DESPITE DISRUPTION IN 2020

“We’re in place for the next doubling of the company. We’re not going to have to worry about implementing any new system. We’re going to be able to scale from where we are now, which is a really important thing as a COO to make sure your company’s ready to go to that next, next level.”

Nate Newman, COO and Co-founder

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About



BEFORE

Convolutd systems

required manual effort to stay up to date.

Conflicting purchase orders

sent to suppliers via email.

Unexpected costs

of labor and air freight robbed Winky Lux of self-funded growth opportunities.

Winky Lux Gave Themselves a Tech- Enabled Makeover



AFTER

Doubled the size of the business

amidst unprecedented global disruption.

Changes in the PO process

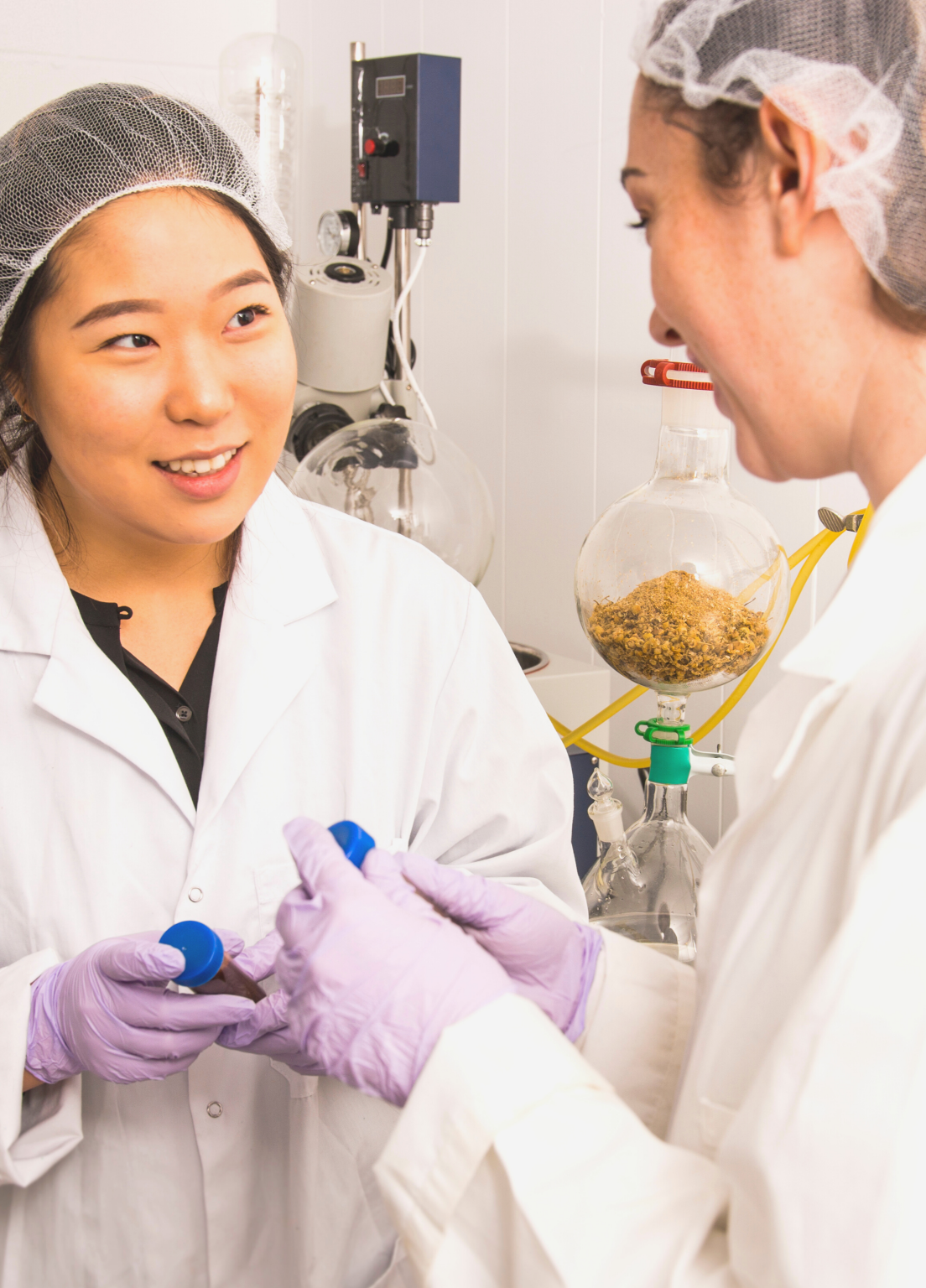
are now handled without manual dependencies.

Implemented and integrated SourceDay remotely

with no negative impact to users or suppliers.

Exceeded expectations

for fulfillment at Target, even in the face of severe disruptions.



Meeting Growing Demand With Shrinking Supply

In March, right before COVID dominated the country, Winky Lux launched as many as 68 SKUs in almost every Target department store in the United States. This large, key growth initiative had been in the works for a long time, and COVID made replenishment efforts very difficult to navigate– as did the overwhelming success of the rollout.

Target outsold anticipated demand, meaning that Winky Lux and their suppliers had to deliver more than anticipated to cover the actual sales. It was difficult, and scary at times, but also exciting and hugely successful.

Hitting Hot Trends at High Speed

Winky Lux was founded in 2015 to satisfy a demand for luxury in the beauty market at a value-oriented price point. Located in New York, they outgrew their facilities three times in five years. But their space wasn't the only thing they outgrew; they outgrew their technology as well.

Prior to moving to the NetSuite cloud ERP, Winky Lux was using QuickBooks and Fishbowl ERP, plus email and WeChat for communications and Shopify for eCommerce. Having so many systems required multiple touch points every time something in the supply chain changed. They overpaid for air freight, missed order fulfillment dates, and spent too much on the labor associated with keeping systems up to date.

"Before SourceDay, we had emails, text messages, spreadsheets, WeChat, WeTransfer, and Skype—basically all the different kinds of communication... It was very stressful and a little unorganized. Now with SourceDay, it's more organized and easier for everyone."




Giana Tarpey
Supply Chain Manager



Feather Light Implementation With Full Functionality

Winky Lux's huge growth potential was being held back by the constraints of their cobbled-together technology portfolio. They needed to reimagine their enabling platforms quickly and with the future in mind. With a joint, simultaneous implementation of NetSuite's cloud ERP and SourceDay, they built a centralized solution as agile as their own business model. Since both solutions are designed for swift frictionless implementation, Winky Lux's business was not interrupted.

Integrating SourceDay and NetSuite allowed Winky Lux to achieve speed, accuracy, and the supply chain predictability required to make good business decisions, even as conditions continue to change. They can now secure the materials they need – when they need them – to meet their fast-growing consumer demand.

A vertical strip of various cosmetic products, including lipsticks, eyeshadow palettes, and blush, runs down the center of the page, acting as a visual separator between the testimonial and the main article.

"SourceDay is extremely user-friendly and organized. We really like how we can upload artwork to each item if we want. Our supplier can also go in there and change prices, change quantities, and then I either accept or reject them and they flow right over into NetSuite. There is less room for error."



Giana Tarpey
Supply Chain Manager

Supplier Onboarding

The Winky Lux team knew they were in good hands when they started the SourceDay built-for-NetSuite certified integration. SourceDay took all of their business activity, organized it, and put it in a cloud-based solution that's easy to use.

One of the other drivers for Winky Lux's SourceDay implementation was the reality that each manufacturer communicates differently. Winky Lux was concerned that their suppliers might not be comfortable with the new platform, because they were so accustomed to communicating via email. While they aren't the most tech-forward suppliers, Winky Lux faced no pushback or adoption struggles.

Operational Cost Avoidance

Winky Lux realizes financial benefits from their NetSuite / SourceDay implementation that can be measured in both money and time. When supplier deliveries are late, Winky Lux has to bear the added cost of air freight. Shipping by boat, their preferred method, costs a fraction of shipping by air, but it also takes 5-6 weeks rather than 4-5 days.

Winky Lux does not have the option to miss promised delivery timelines, as unsold merchandise at big box retailers is ultimately shipped back or 'charged back' to Winky Lux. Managing the fallout from one critical supplier shipment that arrives late comes with unsustainable labor costs, freight costs, and shipping time. By implementing SourceDay, WinkyLux is able to avoid all of these costs without inconveniencing suppliers or customers.





SourceDay

SourceDay is a supply chain performance software that bridges the gap between the ERP and the supplier network, making it easy to manage changes throughout the direct spend lifecycle.

Want to learn more?
Talk to SourceDay today!

WINKY LUX

Winky Lux was founded in 2015 with a JOYFUL mission to bring beauty lovers together with happier healthier products that delight every sense. We believe that the spirit of beauty is rooted in play and that thoughtfully produced products can be tools for self care, creative expression and even a way to spark new friendships. Our goal is to redesign the beauty industry into something more delightful. For us that means more transparent supply chains, closer customer relationships and ethically sourced ingredients that still provide real results!