

Case Study: Growing Franchise Melts Inefficiencies By Outsourcing Branded Merchandise



Situation

Rita's Italian Ice dates back to the sweltering summer of 1984, when a former Philadelphia firefighter decided to open a small business to augment his income and name it after his wife. Today, the franchise has grown to more than 550 locations across the United States.

With limited headquarters staff, Rita's management recognized it needed outside help to deal with the challenges of rapid growth. They wanted to build a supply chain program that matched their corporate mission: that is, an appealing store environment for customers and carefree service to their franchise owners.

Rita's wanted a single distribution facility for all of its branded merchandise and point-of-purchase displays – everything but consumable products and packaging. This ranged from signage and posters to mascot costumes. Under their old operations, stores were not receiving products on a timely basis and the wrong items were often shipped, which frustrated owners. The company realized it could not achieve its high growth expectations by managing this program internally.

Solution

Taylor Communications began its relationship with Rita's by analyzing their existing processes, gathering information about future business requirements, and designing a complete supply chain for branded merchandise that met the goals and objectives of the company and its franchise owners.

Client:
Rita's Italian Ice

Market:
Quick Service Restaurants

Solution:
Point-of-Purchase Distribution of Branded Merchandise

Services:

- Branded merchandise sourcing
- Warehousing and inventory management
- Distribution and fulfillment

Benefits:

- Timely, accurate shipment of branded merchandise
- Improved customer service
- Enhanced franchisee satisfaction

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The main components of the program are:

- Sourcing of store signage, coupons, uniforms (caps, visors, polo and tee shirts, name badges, etc.) and branded merchandise, including party buckets and guest giveaways.
- Sourcing of promotional elements for corporate campaigns, such as counter mats, posters, clings, danglers, etc.
- Warehousing and distribution of all branded merchandise and print promotional materials.
- Kitting and mass distributions (“pushes”) for seasonal promotions (e.g. First Day of Spring, Fourth of Gelati) and charitable fundraisers.
- Online ordering website, with secure credit card billing for franchised stores.
- Detailed reporting on inventory and item usage.

Rita’s has a variety of store layouts – walk-in, walk-up, combinations and mail stores – which serve different levels of consumer traffic. By matching Rita’s point-of-purchase materials with these various store attributes, Taylor Communications has been able to streamline the company’s POP distribution, saving money on material costs and shipping.

Benefits

Taylor Communications currently supports a wide range of fulfillment programs for Rita’s, from routine replenishment of store supplies to seasonal campaigns and special opt-in promotions for local charity fundraising efforts. By taking the pain out of fulfillment, the company’s busy headquarters staff can spend more time developing campaigns that build traffic and less time checking on the myriad details of a given push.

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