



# Case Study: Ulta Beauty and VARGO®



RETAIL CASE STUDY

## Overview & Challenge

More than 30 years ago, Ulta Beauty redefined the beauty retail experience by bringing all things beauty all in one place. Today, Ulta Beauty is the largest beauty retailer in the U.S. providing beauty lovers with cosmetics, fragrance, skin care products, hair care products, and salon services.

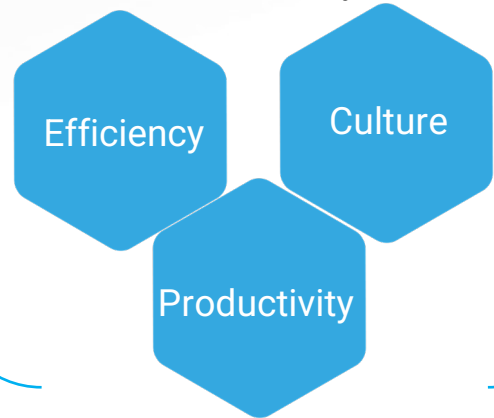
As of February 3, 2024, Ulta Beauty operates 1,385 stores across all 50 states, making it easy for beauty enthusiasts to explore their products in person.

In some of their distribution centers, picking was done by associates with a pick cart, which is essentially a pick to light cart. And in other distribution centers, totes were placed on a cart that were moved to conveyance.

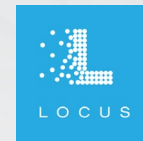
The Ulta Beauty team knows the importance of listening to the voice of the associates and talked to the team about the barriers they're facing within picking.

"When we talked to the team, they gave us feedback that pushing the carts is the biggest issue the associates face," said Nick Kristin, Director of Supply Chain Network Expansion. The carts are heavy and they're difficult to navigate, so we wanted to remove that from the process. That, in turn, would get rid of all of the heavy lifting that the associates would have to do, and help them focus on accuracy at picking to put the right product and move it along at the right time."

## Critical Factors for Implementing Automation at Ulta Beauty



# Ulta Beauty automates Greenfield facility with LocusBots



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## Results

Ulta Beauty partnered with VARGO® to transform their supply chain and create an efficient flow in their facilities.

"Our role is to work collaboratively with Ulta Beauty, evaluate technologies, and give our recommendations," said Bart Cera, President and CEO of VARGO. "We looked at several providers for Ulta Beauty's transformation and Locus Robotics came out as the clear winner to meet Ulta Beauty's objectives and provide the scalability and flexibility that they needed in their brand new, Greenfield building in Greer, SC."

The Locus solution allows the Ulta Beauty team to work within a zone versus chasing a single order, which was the recommended option of other solutions they evaluated.

During the holiday season, Ulta Beauty doubled the number of bots they had on site for a month, which provided them the flexibility they needed to get the increased volume of orders out the door quickly.

As the number of bots increase during the holiday season, Ulta Beauty also increases their number of temporary associates during that time. With Locus, training time was significantly reduced from four hours to instead be 15-60 minutes, leaving more time for operational support.

Productivity has been proven in units per hour (UPH) picked. "The projected UPH is 25% higher than what had been initially planned," said Jeff Lammert, Client Executive of System Sales at VARGO.

## Results

75%

Decrease in training time

25%

Increase in UPH



Improved productivity



Improved accuracy

