SUCCESSFUL STORIES

SALES

Improving the level of service and
REDUCING LOST SALES

Arcor is a global corporation focuses mainly on three verticals: food production, agricultural production, and production of packaging materials. It develops leading brands that reach customers in more than 120 countries.

Arcor has more than 40 production plants in Latin America, exporting all over the world and has more than 21,000 employees. Arcor Argentina sought to improve the level of service and to reduce the lost sales for the caramel cookies line by a more efficient planning and management purchase orders.
For this purpose, a Vendor Management Inventory (VMI) model was developed to align the caramel cookies production with supply chain with demand. Two modules were developed within the tool: Demand Forecasting Module and Stock Policy Management Module.

The VMI tool allows to make weekly Sell Out Forecasts for more than 160 distributors for the whole caramel cookie line. With this tool, Arcor improved the frequency for updating forecasts reaching 90% accuracy and drastically reducing stock-outs in the distribution chain. Thus, availability of products at selling points improved substantially.