

Case Study

Digitizing & centralizing sourcing to realise 2.11% direct savings for an online grocery supermarket.

Company Background

The client is one of India's largest players in online grocery delivery space, with an annual revenue of over \$425 million and strong market presence in more than 25 cities.



Problem Statements

Procol collaborated with multiple internal teams and business stakeholders of the company to identify 3 critical problem areas that needed to be addressed—



Lack of Transparency in Purchase

With sourcing team spread over 6 locations procuring more than 200 products, the management felt a strong need to bring transparency to the procurement process, to be able to measure the performance and efficiency of the purchase teams.



Limited Suppliers led to Higher Cost

Due to higher dependency on limited number of suppliers in various categories, the company could not gain leverage for negotiations and had high supplier risks involving material rejections.



Manual Processes for Sourcing

Company wanted a solution that could automate sourcing tasks and move from emails and phone calls—reducing manual work of requesting quotations, negotiations and following up with vendors.

Procol's Impact

₹13 Cr

purchased through Procol

90%

reduced PR to PO time

2.11%

total realised savings

How Procol Helped

Procol deployed a strategic sourcing platform at the company in multiple categories. The success plan included a 6 months roadmap, consisting of data sharing, product deployment, enterprise training and strategic execution.

Outcome of Procol's Platform deployment—



Real-time Sourcing Visibility

Procol brought the entire purchase process online. The usage of mobile apps brought transparency into vendor quotations and interactions. It also had the added benefit of bringing about a verifiable and clear audit trail to all transactions conducted by the purchase department, creating traceability and accountability.



Workflow Automation

Procol helped increasing efficiency of purchasers by reducing the time taken to collect, negotiate and complete a transaction by upto **90%** i.e. the 'purchase requisition to purchase order' time was reduced from **7 hours to 45 minutes**.



Realised Cost Savings of 2.11%

The process efficiency and better price discovery enabled by the usage of Procol's Platform optimized spend significantly.

- The company did a cumulative purchase of **~₹13 Cr.** through Procol's Platform in 4 months.
- The total realized saving achieved through automated negotiations was ₹23.57 Lacs, saving **~1.78%** on the entire procurement through Procol.
- Procol sourced, verified and built relationships with 5 strategic suppliers for the company across 3 categories creating competition and helping in better price discovery. It helped company save costs to the extent of **~0.33%**.

In Summary

Procol helped the company solve the problems they had been struggling with. Higher transparency and visibility led to better buying decisions and compliance. Workflow automation ensured that buyers spent their time in strategical tasks increasing overall efficiency. The Procol Platform created better price discovery by automating the negotiation process. Critically under-realized savings opportunities were identified and prioritised by Procol, resulting in real and substantial savings.



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