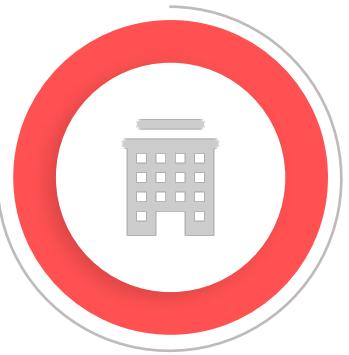


CASE STUDY

India's Leading food Manufacturer immediate increase volume led to a direct revenue growth impact of ~INR 60 Cr

Company Background



Brand is one of India's leading food product manufacturers and with plants operating across India, and strong market presence in the Indian consumer market. The annual operating revenue of the company as of 2020 was ~500 crores.

Brand strives to ensure best practices, stringently follows local and national food regulations and compliances, and complies with the highest universally accepted norms of quality and safety standards. Other than manufacturing, the company also focuses heavily on research & development to understand consumer tastes and enhance the overall consumer experience. The company's state of the art manufacturing facilities are located in Nasik, Kandla, and Vapi in India.

As one of India's fastest growing companies in the food sector, Brand is well recognized among the Indian diaspora, as well as globally across USA, Canada, Australia, UK and Singapore. The Company offers food products across cuisines, to meet varied tastes. With renowned brands like Ching's Secret and Smith & Jones as part of its 'desi chinese' portfolio, the company is well-experienced when it comes to creativity and innovation suited to the Indian palate.

Challenges Faced



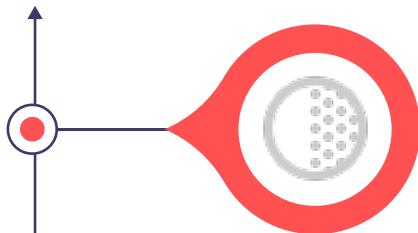
The ability to constantly deliver high-quality products is one of the biggest factors that helps drive a food business to success. In this aspect, suppliers play a huge role. Suppliers ensure that a food manufacturer receives quality raw materials including ingredients and other products that play a part in finally ensuring that the business meets customer expectations.

Suppliers are extremely vital to running a food business - and every food business worth its salt, knows that it needs a huge web of suppliers in the form of a trusted network that it can rely on. These suppliers need to be carefully vetted for quality, costs, and delivery assurance, because ultimately the raw materials are used to create final products on which the company's reputation is hinged.

In this respect, Procol was approached to combat the challenge of locating the right suppliers.

With large-scale growth possibilities in the Indian food product manufacturing landscape, Brand has been looking to develop new suppliers, specifically for vendors offering sugar, garlic, starch and other such categories. The company was keen on expanding its supplier network locally in respect of the locations of its various facilities, increasing transparency, and developing a stronger hold in the Indian market on the business front

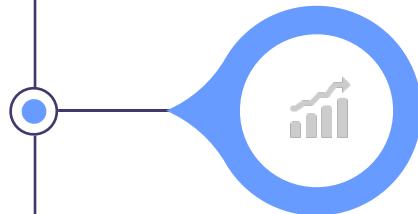
The specific problem areas that it needed to be addressed were -



Lack Of Market Leverage & Transparency

Issue: In a supply chain, lack of transparency can be a huge hurdle in ensuring compliance and consumer satisfaction. To increase supplier visibility, it is important to have inspections, and oversight committees that can help navigate quality control issues and tackle any compliance related problems. Moreover, a transparent supply network can help to immediately solve issues, trace products, and locate alternatives in the event of a delay or problem. Having a strong supplier network also helps in gaining market leverage, and getting access to other suppliers.

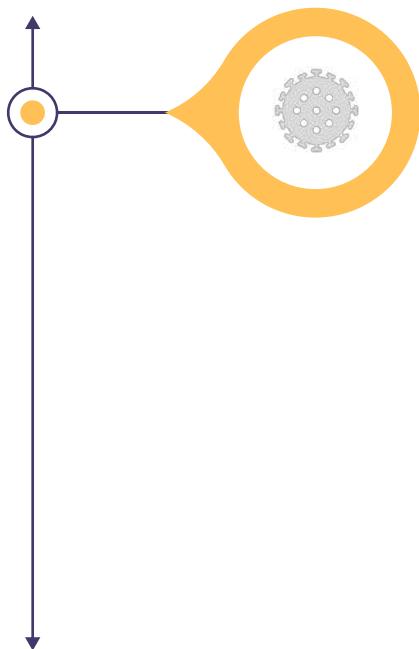
Requirement: Company felt a strong need to ensure transparency in its procurement process through smarter supplier development. The objective was to enhance its ability to measure a growing and untapped market, and gain procurement leverage.



Higher Costs Due To Limited Suppliers

Issue: Large unstructured repositories lead to problems in understanding purchase-related data. Without a single and central repository system, it becomes difficult to gain insights and make informed decisions to ensure cost optimization.

Requirement: Integration of a real-time spend dashboard that helps the company analyze its internal and external spends as well as makes strategic decisions that lead to cost savings in the long run is needed.



Peaking Pandemic Situation

Issue: Unprecedented and challenging, the peaking COVID-19 situation across Asia created more hurdles to organisation's supplier hunt, due to the present supply chain already being extremely volatile.

Requirement: They needed a middleman to help locate verified suppliers, assist in evaluating their proposals, and zero in on the best supplier to help enhance their operations despite government restrictions, regulatory limitations due to the COVID-19 pandemic situation.

Owing to the pandemic, it had become difficult for them not only to locate suppliers, but to test them out, evaluate their proposals, identify their capacities and ability to deliver. Furthermore, they needed to ensure cost-effectiveness and create a transparent network of suppliers to ensure that the products it received were of the highest and finest quality.

Brand operates from various parts of the country - thus it needed to ensure that it created a web of suppliers that each of its manufacturing facilities could easily access, without compromising on the quality of raw materials delivered. Additionally, sourcing local suppliers could help them cut down costs by a huge margin.

With their reputation on the line, they reached out to Procol to help source some of the best suppliers situated across the country, to deliver ingredients and products to help increase the company's operations, and in turn, generate higher revenue.

 Procol's Impact

Identification and discovery of **50 potential suppliers** per month

 Shortlisting **10 suppliers** & Sampling of **9 suppliers**

Final developed count of **7 suppliers & manufacturers**

 INR **600 million+** volume generated

How Procol Proved Value & Delivered ROI



Identification of Suppliers Nation-wide

Identification of suppliers is a huge task - especially in a country like India.

Supplier identification means weeding out legitimate businesses from a huge web of entities on the basis of their quality, costs, delivery timelines, and other factors. One of the biggest challenges that most food businesses face in India are having quality suppliers as part of their network, especially in locations based out of smaller towns and cities. This is where Procol stepped in to help Brand increase their supplier network, expand operations, and increase revenue.

Brand's operations are carried out from several locations across India. The process of identification of suppliers itself can take a long time - sometimes, businesses may even have to halt their production and operations if they are unable to identify the best suppliers to help facilitate the creation of their final goods.

To enable procurement in a seamless manner across 5 cities in India, Procol helped them scout suppliers, authorised dealers, vendors and manufacturers nationally to gain transparency, cost-savings and traceability - all within a record 120 days.



Increased Speed of Procurement

Despite the raging pandemic, within 7 days from the project kickoff, Procol provided them with a laundry list of 60 potential suppliers including manufacturers and authorised dealers for the purpose of evaluation and screening. 50 of these suppliers were asked to provide documents and samples, of which 10+ suppliers submitted all the requisite information within 2 weeks.

Finalization of 7 suppliers and vendors, was the ultimate result of the exercise - which meant that within the course of under 120 days from start to finish, Brand had expanded their supply network, enabling them to carry out increased operations. In a conventional scenario, suppliers need to be identified, invited to submit proposals and documentation, and thereafter screened - this entire process itself can take anywhere between 2 months to 1 year. With Procol's positive intervention, the speed of the procurement process was increased multifold, enabling them to reap results immediately.



Fast Supplier Onboarding

Procol prides itself on having the fastest supplier onboarding turnaround time in the industry, and helped them onboard its selected 7 suppliers in an expedited manner. This enabled the company to resume and continue its operations without having to stop on account of its supply network expansion. With Procol's help, not only were the suppliers vetted, but also finalized and empanelled with them.



Intelligent Documentation

Procol's advanced reporting mechanism helped them gain firsthand knowledge on each of the potential suppliers. Upon identification of each of the suppliers, the suppliers were asked to submit proposals which included details regarding their ability to deliver, material related information, costs, and other miscellaneous information. Each of these proposals were carefully screened through Procol's robust mechanism prior to being handed over to them. To make matters easier for Brand, only those proposals which would prove extremely beneficial to the company were handed over to them, thus saving the time they would have to spend to screen each of the suppliers, and their profiles.

By delivering thoroughly pre-screened proposals to Brand, it enabled them to better identify associated risks, cost-effectiveness, and build forecasts by understanding the ability of each short-listed supplier to synergise with the company. This led to better insight evaluation and making improved decisions in respect of finalizing and onboarding suppliers.

In Summary



Vendor discovery goes a long way in helping businesses stay strong on their quality and ensure best market prices when dealing with clients. Procol's partnership with Brand led to immediate identification and development of the perfect blend of manufacturers and authorised dealers at a time which has been extremely challenging for the world.

Easily identifying the best suppliers during the pandemic helped Brand save time they would have spent evaluating proposals by various suppliers, and building a supplier network, unsure of the outcomes. Through Procol, Brand has been able to extend its supplier arm within an extremely short span of time, thus ensuring that its network remains robust and intact.

The suppliers identified by Procol were quickly screened and tested to understand their capacities, facilities, sources of procuring materials, and costs - all of which were shared with Brand within an extremely short timespan, so that the company's operations were not affected in any way. In addition, Procol's platform assisted in creating better price discovery by helping Brand automate their negotiation process, thereby resulting in substantial business savings.

The immediate increase in supplier volume led to a direct revenue growth impact of ~INR 600 million - that means Procol's assistance in procuring Brand's supplier chain helped increase the speed of the company's operations, strength of its manufacturing facilities, and helped receive continued support from customers.

By generating optimum alternatives for Brand, Procol helped fill the gap caused by the lack of market transparency, increased costs, and low value by existing suppliers. In an extremely short span of time, Brand saved a significant amount of money both operationally, and internally, by undertaking the fastest supplier identification and onboarding.



Procol

Get a free demo

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