CASE STUDY

Supply Chain Analytics Helps a Leading Processed Foods Retailer Minimize Inventory Levels and Monitor Vendor Risks

Client: A leading processed foods retailer

Area of engagement: Supply chain analytics

Processed foods include raw agricultural products that have been subjected to cleaning, washing, milling, chopping, cutting, heating, blanching, cooking, or other procedures to modify the food from its natural state. These products have high demand in the global market due to advantages such as immediate consumption or easy cooking, easy handling, storage, and preservation. Changing lifestyles and an increase in the consumption of convenience foods are the major growth factors for the global processed foods market. Additionally, rapid urbanization and the rise of the working-class population are also influencing the growth of the global processed foods market.
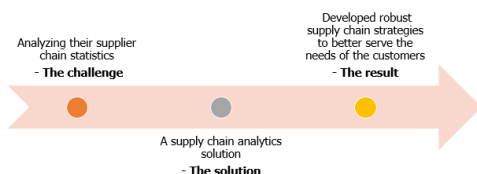
However, processed foods retailers are facing challenges in terms of:

- Supply chain: The processed foods industry mainly relies on the supply chain to reach out to the end-user markets and meet the relentless demands of the target customers. With the slow recovery of the economy, the supply of processed foods is likely to get impacted, and consumers are expected to witness a decline in the supply of products across the food and beverage industry.

- Changing customer preferences: With advancements in technology, consumers are becoming more informed and can choose from a wide variety of products. Therefore, to meet the changing demands of the customers, leading organizations in the processed foods market are facing the need for offering end-user products that meet the requirements of the target audiences. Furthermore, organizations in the processed foods sector should increase their focus on providing affordable services while meeting the quality standards.

Many such factors are compelling firms in the processed food space to leverage the use of supply chain analytics. Supply chain analytics help firms gain actionable insights into supply-chain activities and make informed business decisions. These solutions also help businesses achieve better visibility into their supply chain processes to increase supply chain responsiveness and optimize cost.

The Business Challenge

The client, a leading processed foods retailer, wanted to redefine and measure their supply chain to increase profitability and measure vendor performance. The client was facing predicaments analyzing their supplier chain statistics. As a result, they wanted to leverage supply chain analytics to deliver better quality services cost-effectively. Furthermore, the client wanted to optimize their existing logistics and route operations to minimize inventory levels and monitor the vendor risk and performance across the retail industry space.

Analyzing their supplier chain statistics
- The challenge

A supply chain analytics solution
- The solution

Developed robust supply chain strategies to better serve the needs of the customers
- The result

The Solution and the Business Impact

The processed foods retailer was able to reduce costs associated with the supply chain and drive sustainable development with the help of Quantzig's supply chain analytics solution. Additionally, the client was able to measure other key vendors' performance to mitigate future risks. The processed foods retailer was also able to develop supply chain strategies to serve the needs of the customers and maximize overall profitability.

Supply Chain Analytics Solution Insights

With the help of Quantzig's supply chain analytics solution, companies can reduce operational costs and manage the content supply chain. Companies can also manage demand volatility and cost fluctuations across the supply chain. This would help them improve the overall operational performance.