

# Hoogvliet

SHAPING THE FUTURE OF THE SUPPLY CHAIN, TOGETHER



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HOOGVLIET GETS A GRIP ON AVAILABILITY AND STOCK REDUCTION



#### Results & Company profile

- 2% shelf availability increase
- Losses down 5%
- Centralised stock control

Website:

https://www.hoogvliet.com/

#### Country

Europe, Netherlands

#### Industry

Retail

#### Sector

Consumer Products, Food



"Slimstock understands the tension between availability and stock reduction like no other."

#### Saskia van Trierum

Manager Improvement | Hoogvliet

Initially, Hoogvliet, a leading supermarket chain in the Netherlands, decided to implement Slim4 to enhance its supply chain management in its distribution centre and subsequently incorporate shop operations into the software. With this final addition, the company increased shelf availability by two percentage points, while the stock levels have already fallen by 5%.



For a supermarket, it is indispensable to profile itself with full shelves, fresh products, competitive prices and good service. 'For my team, shelf availability and stock reduction are the most important KPIs,' says supply chain manager Jan van Rijn. 'Customers don't want to miss out, and we want to sell as much as possible. However, the challenge in food retail is that many products have limited shelf life.' According to his colleague Saskia van Trierum, Supply Chain Improvement Manager, the pressure on that shelf life is only increasing. 'Losses put pressure on margins, lead to food wastage, and there are also increasingly stringent requirements on this from CSRD legislation.'

# **Insight into stock**

Hoogvliet has 77 shops supplied from one central distribution centre. To manage the balance between availability and stock, visibility is needed. 'For our DC, we knew those figures, but had only limited insight into stock levels at individual shops,' says Van Rijn. Department managers within the branches were responsible for their stock and placed the orders themselves. They did so knowledgeably but without software support. With an order book in hand, managers made a round of the shelves and ordered what was needed."

Shop replenishment

To get a better grip on the chain stock from the service centre, Hoogvliet decided to implement a central shop replenishment system. 'That might seem obvious because we were already using Slim4 for our DC as well, but we also considered other systems,' Van Rijn explains. 'Additionally, we needed a system to count and record our shop stock. Slimstock collaborates with a partner company, Collective. We heard positive feedback from other retailers working with them. Shop employees particularly praised its ease of use. In the end, we also chose this combination."

# **Relocation went smoothly**

'Competitors would have needed to significantly outperform Slimstock in functionality to convince us,' Van Trierum acknowledges. 'In fact, we are particularly pleased with the support they provided during the move to the new DC in Bleiswijk at the time.' During that operation, the entire range had to be transferred in phases from the old to the new distribution centre, while the shops remained open as usual and had to be supplied several times a day. To ensure this took place in a controlled manner, a master plan was developed in Slim4, outlining the optimal



relocation date for each store-product combination. 'That move went off without a hitch, largely thanks to the cooperation with the Slimstock team.'

#### 2% availability increase

The implementation of the shop order system also went smoothly, thinks Arjen de Swart, who was closely involved in the process as Improvement Coordinator. 'The first pilot, in a shop in Zoetermeer, quickly produced results. The total of all order recommendations from Slim4 were of higher quality than those made by the shop staff. Shelf availability, which we could monitor in real-time for the first time, increased by two percentage points within just a few weeks. All shops are now live, and we are also seeing a positive impact on stock reduction, which has already fallen by five per cent.'

#### **Confidence in Slim4**

Shop employees used to place orders themselves now they only need to check them. 'There are many variables that affect sales, which can also be very local. Think of sudden very nice weather or a local fair.' Now that the system has been running for a while, it appears that only 2% of the advice is still adjusted manually. 'Especially in the initial phase, we expected a higher percentage. It shows that department managers already have a lot of confidence in the accuracy of Slim4.'

# Phasing out promotions neatly

According to De Swart, it makes sense for Slim4 to achieve better ordering. 'The system forecasts daily demand at the product-store level and anticipates potential wastage in its order recommendations. That's virtually impossible for a shop employee to manage manually. Loading for promotions is also more precise. The first delivery is matched to expected sales and available planned display space in the shop. The displays look perfect from day one, and at the end of the promotion, the orders are phased out smoothly. Branch managers notice that they are managing stock more effectively.'



### Distributing volumes over the week

Now that Hoogvliet is controlling the entire chain with Slim4, a long-cherished ambition has come true for Improvement Manager Van Trierum. 'We can now optimise performance indicators beyond availability and stock reduction,' she says. One example is the more efficient use of logistics capacity. 'Previously, we often faced peak loads at our DC. Now that orders are centrally coordinated, we can distribute volumes better throughout the week. This benefits both truck load factors and the shops, which can plan accordingly with their staff. After all, it makes quite a difference whether one or several trucks need unloading in a day. Thanks to centralised control, all these processes can now be optimised in a targeted and systematic way.'

# **Hugely valuable partner**

The drive for continuous improvement is exactly what Hoogvliet recognises and appreciates in Slimstock. 'Most software companies wait for their customers to highlight missing features. With Slimstock, it's the other way round: they are ahead of the game and determine their roadmap,' says Van Trierum. 'Soon, we will attend an information session about their new waste management module. I have already seen a preview of it, and you notice immediately: they understand the tension between availability and waste better than anyone. That expertise and vision makes them an enormously valuable partner for us.'

Want to improve inventory accuracy and restocking? Explore **Slimstock's inventory replenishment solution** for smarter management



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