From Many Systems to One: Cardenas Markets Unifies Store Replenishment

1 system
not multiple tools

100%
demand-driven ordering

The Customer

Cardenas Markets is a leading Hispanic grocery chain in the western United States, operating over 50 stores across California, Nevada, and Arizona. Known for its authentic assortment and strong cultural ties to the communities it serves, Cardenas specializes in Hispanic cuisine with fresh-focused departments like the Carnicería (meat and seafood), Panadería (bakery), and Tortilleria, where many items are made fresh in-store daily.

> "We used to have point solutions. We were able to go to one system that gave us actionable inventory, which resulted in accurate orders, reduced shrink, increased turns, reduced inventory in the stores, and lean and organized back rooms."

Prabash Coswatte
Chief Operating Officer

The Challenge

As Cardenas Markets continued to grow, managing inventory across departments became increasingly complex. The retailer's stores offered a wide variety of fresh, culturally specific products —like Bistec Ranchera in the Carnicería—that required precision in ordering to meet strong and often seasonal customer demand.

But ordering processes were largely manual and inconsistent. Store teams wrote orders using a combination of gut feel and institutional knowledge—without a unified system to guide or validate decisions. Some vendors, particularly DSD suppliers for categories like dairy and deli, frequently over-delivered, contributing to shrink and excess backstock.

Cardenas was also using multiple disconnected point solutions to manage different store functions—none of which talked to each other or provided reliable, storewide inventory visibility.

This created even more inconsistency across departments and locations, making it difficult to execute with confidence or scale processes across the chain.

To solve these challenges, Cardenas needed more than just automation—they needed structure, consistency, and a single system that could support ordering across all departments.

Cardenas was looking for a solution that could:

- **Automate replenishment across all departments**—including fresh, center store, and DSD
- **Eliminate overstock and shrink**, while improving on-shelf availability
- **Standardize in-store execution** and processes across stores with a unified platform
- **Replace fragmented tools with one system** teams could trust and adopt quickly

The Solution

In December 2020, Cardenas piloted Upshop's Computer Generated Ordering (CGO)—formerly Itasca's "Magic" solution—in three stores, partnering with six DSD suppliers across key departments like dairy and deli. The pilot took place during the holiday season and ongoing pandemic disruptions—making accurate, automated replenishment more important than ever.

CGO replaces manual ordering with system-generated orders based on inputs like real-time perpetual inventory, store-level sales trends, weather, seasonality, and more. The platform helps standardize how inventory is managed across departments, creating a more consistent, data-driven process storewide.

The pilot also surfaced critical insights into in-store execution. While CGO automated the ordering, it depended on an accurate real-time perpetual inventory to function effectively. This led Cardenas to reinforce foundational store routines—like timely cycle counts, product transfers, and adjustments—that ensured perpetual inventory remained accurate and orders aligned with true demand.

As the pilot proved successful, Cardenas expanded CGO across center store, fresh departments, and additional DSD categories, using pilot learnings to strengthen adoption. In doing so, they also replaced the multiple point solutions previously used for different store functions with a single platform for ordering—simplifying their processes, improving visibility, and creating consistency across the total store.

The Results

With Upshop CGO, Cardenas gained tighter control over inventory, stronger ordering accuracy, and a more consistent way to execute across the store—all while reducing shrink and freeing up time for store teams.

More accurate orders and stronger turns

Orders now align more closely with actual demand, especially in high-velocity categories like dairy and meat. This means products are more consistently in stock—improving customer satisfaction and driving faster turns on shelf.

Leaner backrooms and reduced shrink

CGO helped eliminate unnecessary backstock and oversupply from vendors, particularly with DSD items. With demand-driven orders arriving in the right quantities, stores now maintain leaner, more efficient backrooms—and waste is significantly reduced.

Smarter merchandising and assortment decisions

Cardenas is now optimizing inventory by Store/UPC/Day. With more granular control, the team can make better decisions around SKU rationalization, shelf management, and planogram alignment—leading to more intentional assortments and a stronger connection between space and sales.

More consistent execution across the store

One system replaced multiple tools and manual processes. By centralizing ordering in a single app, store teams now follow a standardized workflow across departments. This has made in-store execution more reliable, simplified training for new associates, and helped align operational expectations chain-wide.

While Cardenas adopted an earlier version of Upshop's CGO solution, Total Store Ordering builds on that foundation—adding more functionality, a better user experience, and the ability to handle ordering across all item types, departments, and suppliers in a single app.