

Case study

Warehouse replenishment



CONAD Adriatico Transforms its Supply Chain

100%

ROI 12 months after solution implementation

Productivity improvement:

Blue Yonder's warehouse replenishment solution provides a single view of warehouse and point-of-sale replenishment needs, based on accurate SKU-level forecasts. With these forecasts as inputs, the solutions are able to define profitable inventory policies, including new delivery schemes that focus on shipping products directly from vendors to peripheral warehouses. These new initiatives helped maximize the productivity of CONAD Adriatico's internal warehouse operations, while also significantly reducing logistics and inventory expenses.

Challenges:

- CONAD Adriatico brings together 377 independent grocers in Italy as well as in neighboring Albania and Kosovo. This cooperative leader in the regions where they operate is part of the larger CONAD Group, which collectively represents one of the largest grocery retailers in Italy and is a leader in the supermarkets channel.
- The company was challenged with the need to strike the right balance between stock ownership and store inventory needs by minimizing order fragmentation and determining the right purchasing frequency for each product, while simultaneously considering logistics constraints, such as truckload capacity utilization and minimum order quantities.
- CONAD Adriatico's goal was to achieve this supply chain transformation while delivering the highest level of service to their affiliates and customers.





Achieving a fast ROI:

CONAD Adriatico achieved 100 percent ROI since going live with the warehouse replenishment solution, which they credit to the reduction of inventory costs, as well as to the efficiency of their new logistic network.

Increasing productivity:

The productivity of the replenishment team increased allowing CONAD Adriatico to manage a sophisticated and structured replenishment process using the same resources, with a consistent decrease of stock and a solid and constant increase in profitability.

Solution benefits:

- The warehouse management capability allowed CONAD Adriatico to achieve a supply chain transformation that struck the right balance between stock ownership and store inventory needs.

- The company maximized internal warehouse operations productivity, while significantly reducing transportation, moving goods and inventory expenses

Blue Yonder's expertise:

“Based on selecting accurate software and given the features of the warehouse replenishment solution, Blue Yonder was a natural choice for CONAD Adriatico to support our strategic supply chain transformation effort.” – **Chief Information and Logistics Officer**



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