

Improving Service with less inventory



Global branded drinks supplier

Profile

Global branded drinks supplier with many well-known brands and exceptionally strong marketing needed to transform operational performance at £350m UK business unit. The customer service experience was poor and out of line with commercial capabilities.

As is often the case when supply chains are not well managed, inventories were high, consuming working capital and costs were driven up by excess warehouse space and stock handling.

Goal

Having recognised the opportunity offered by supply chain excellence, capability building almost from scratch in a sales & marketing-led business unit was needed.

Key objectives were to:

- Improve demand planning and supply co-ordination across core business functions
- Step-change customer order fulfilment
- Reduce logistics costs

Result

An integrated business planning process was established that systematically connected demand creation and supply fulfilment activities. This was the foundation for:

- inventory reduction of 45%
- order fulfilment improvement from 90% to 98%

These results within 12 months also supported a warehouse move from a 375k sq ft facility to 125k sq ft unit, significantly reducing logistics cost.

Takeaways

1. Build processes from first principles
2. Drive awareness and understanding across all business functions
3. Leadership commitment is essential for delivering change



TRANSFORMING SUPPLY CHAINS FOR SUSTAINABLE GROWTH



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