

Case Study

Sainsbury's Supplier Data Sharing

Background

Sainsbury's is one of the leading retailers in the U.K., established in 1869 and operating a store estate in excess of 1,000 locations from convenience stores to hypermarkets.

Challenge

- Inconsistent business processes with manual workarounds
- Poorly maintained master data within myriad IT systems
- Disconnects between forecast demand and ordering patterns
- Resultant poor product availability, high waste and excess cost to serve across short shelf life categories

Solution

Libra Change worked with a pilot supplier and key retailer stakeholders to create a detailed understanding of the replenishment systems & processes. This highlighted inconsistencies in data and application of business processes but that demand and forecast were broadly aligned. The combination of product settings (data) and manual interventions were adversely impacting the order process and resulting in excess cost to serve/lost sales.

The pilot was extended to an initial group of 16 suppliers, being representative of the supplier base by product groupings and supplier scale. With these suppliers, retailer & solutions providers, a suite of business processes and systems were developed to underpin master data management and enhance supplier data sharing.

Suppliers and retailer were presented with a dashboard of their 'worst performing products' with the focus being on addressing the areas of greatest opportunity on a week to week basis. A SKU analysis tool was embedded in the B2B data sharing solution to allow suppliers to analyse product set-ups and other key drivers of underperformance.

“(Libra) acted with integrity and as Sainsbury's representatives to engage both internal colleagues and suppliers and deliver in a constantly evolving environment”

John Hall, Programme Manager - Sainsbury's



Results



Standardised business processes developed around a common suite of key performance metrics



Training 200+ suppliers and similar numbers of in-house stakeholders across retail supplier network



Performance improvements impacting availability and waste



Stabilised order profiles resulting in profit improvements in excess of £60M p.a.