CASE STUDY

ACCELERATING SUPPLY AND DEMAND ALIGNMENT WITH INFOSYS’ SIMPLIFIED SUPPLY PLANNING SOLUTION

Abstract

Retailer’s prime challenge is how to manage demand and supply, effectively throughout the chain. Usually, overstock, understock, out of the shelf, slow response to demand, and poor visibility of inventory become disasters in terms of loss of customers, revenue blockage, and margin loss. Retailers are looking for a solution that should be simple to manage and meet enterprise-level challenges. It should bring all business users to one common solution where they can easily and effectively manage the supply plan along with correct visibility of inventory and demand.
Client Background

The client is a leading retail pharmacy chain of 1200 stores in the Kingdom of Saudi Arabia (KSA). With the expansion of its network over 97% of the country area, it serves 100m+ customers every year.

Business Objectives

As part of the strategic initiative, the client was looking for revamping the era-old demand and supply processes to bring agility, accuracy, visibility, and flexibility into the supply chain with state-of-the-art systems.

Key Challenges

- Up or Downscale warehouse and store replenishment orders based on external constraints
- Process automation and consolidation to fit as per the organization size
- Need all alternate process flow to handle business exceptions
- Inaccurate Inventory visibility. No visibility of long-horizon plan
Infosys as a Strategic Partner

Infosys is a strategic partner of the client for implementation and process consulting. Infosys proposed tailored solutions which are aligned to the client’s business practices which eventually become the foundation of successful implementation. The project had won multiple awards in different categories.

Infosys Solution

Infosys proposed to implement an in-house solution that was built on the Oracle Retail Predictive Application Server, or RPAS – Infosys Simplified Supply Planning Solution. This is an advanced supply chain inventory planning solution that offers time-phased replenishment with warehouse and store-level order smoothening. The solution is designed to provide multiple methods of replenishment for producing a flexible buy plan for the entire chain. Outbound planning is designed with scientific algorithms for constrained allocations.

Key Benefits

The key business benefits of the solution as follows:

- Auto-consider warehouse and store level constraints to smooth the supply orders
- Process simulation for parameters optimization
- Easy to automate all business actions to run in 100% auto mode
- Homegrown Supply Engine to adapt to late changes in the supply chain
- Built-in constrained allocations by business rules like Fair-Share, SKU priority, Rank
- Maintain single version of plan and allocations which can expend to a long time horizon
Conclusion

Implementation of the Infosys Simplified Supply Planning solution played a pivotal role to meet the client's strategic initiatives within a defined timeline. It was a great success as it resulted in:

- 10-30% Inventory Reduction
- 2-5% Inventory Turns Optimization
- 30-40% Lost Sales Reduction