

BOOTHS

SUPPLY CHAIN PLANNING SUCCESS AT MID-SIZE SUPERMARKET



Booths is Britain's leading regional supermarket, well known across England's North West. It's a medium-sized company operating in a sector dominated by large chains.

Booths has sought to establish points of differentiation so that it stands out in the market. Its strategy has been to turn itself into a 'destination retailer,' one differentiated by ambience and assortment; deli goods, regional specialities and seasonal items.

Challenges and goals

THE LARGEST OF ITS COMPETITORS has a turnover 200 times that of Booths, yet Booths still has to manage a promotion-driven and seasonal business with multiple supply chains, and a wide selection of products comparable to that of those larger competitors. Many slow-moving lines are kept in the assortment because they help make Booths a 'destination' retailer. Booths' smaller size makes it more difficult to secure daily deliveries that help ensure the freshness and quality it wants.

With a view to this, and an eye on reducing costs, Booths targeted cutting spoilage and improving its handling

Booths at a glance

Leading regional supermarket, popular in NW England, where it enjoys a reputation for quality and good service.

MAIN COMPETITORS include Britain's four biggest retail chains

FAMILY-OWNED

DCs 3

STORES 29 in 5 different size/range configurations

SKUs 13-14,000

TURNOVER £ 280M p.a.

DESTINATION RETAILER differentiated by ambience and assortment

BOOTHS

of promotions. Booths also wanted to take better account of weather, improve planning for new product introductions, and ensure optimal allocations from its DCs to stores. The system needed to be quick to implement and easy for a small team to use.

Partnership

BOOTHS CHOSE RELEX because of three things: expertise, attitude and flexibility.

RELEX was able to integrate with Booths' existing in-house system, adapt to the supermarket's way of operating and support their process-development vision. RELEX offered a strongly results-dependent partnership, with a SaaS model and low start-up costs that all minimised Booths' risks and made it easy to proceed.

"We've seldom found IT providers willing to put their money where their mouth is. This was a refreshing change and shows the confidence they have in their solution," says Booths' IT and eCommerce Director Andrew Rafferty.

Project implementation

AFTER A SPECIFICATION AND CONSTRUCTION PHASE the implementation began at Booths in February 2014. The roll-out took place just 4 months later covering all 29 stores and 13,000+ SKUs.

Booths chose to start with its toughest challenge; chilled cabinets. "We wanted to know quickly whether the project was worth continuing," Rafferty says. The RELEX system performed well and Booths moved on to tackle fresh, frozen and ambient lines.

Results

THE RESULTS ARE EXCITING. Overall spoilage fell around 10% while that of chilled products fell over 20%, significant because that category accounts for around 20% of total wastage. Shelf availability increased simultaneously.

"The biggest fresh produce challenge," Rafferty says, "was the very early ordering deadlines with cut-offs as early as 5:30 AM for 24 hour delivery. With those suppliers we are practically in a totally automated ordering model. While better forecasting doesn't give Booths additional negotiating power over

deliveries it does allow it to make best use of the deliveries it can negotiate ensuring that stock arrives fresh and when needed."

Another goal was to boost promotion forecasting and stock management. Rafferty says that meant getting the data right. RELEX gives Booths tools the equal of its big rivals. Booths is able to analyse sales by any criteria it chooses, set exception alerts to suit its way of working and increase its efficiency, allowing it to keep its prices low enough for its quality and service advantages to have the maximum impact. Indeed the supermarket regularly comes top for availability in trade-magazine secret-shopper surveys of the UK supermarkets.

Booths is also able to create and apply event-specific profiles for things like weather, holidays and local events based on past results. "We can tag an event as a 'hot weekend' and then we can apply that logic in the future," Rafferty says.

"But the real revelation was how completely invested RELEX was in helping us to find a way forward whenever we encountered an obstacle."



RELEX DELIVERS RESULTS. Our clients typically cut inventory 30%, increase availability to 98%, reduce spoilage up to 40% and boost profits. We offer a low risk model with agreed fixed costs and no tie-ins. Our secret? Ground breaking retail planning technology that analyses your historic data in real time to help you plan better; demand forecasting, actionable supply chain analytics, automated replenishment and much more. So talk to us!

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