
Food and Drug Retailer Cuts Cost by 50%

NTT DATA Americas helps food and drug retailer improve the accuracy and timeliness of procurement data operations and support its mission of providing outstanding value and a positive shopping experience to its customers.

Abstract

Leveraging an experienced offshore BPO team, NTT DATA helped leading food and drug retailer optimize its procurement data processes while upholding the retailer's mission of providing outstanding customer service and value to its consumers. As a result, the retail giant has maintained highly accurate product data and cut total operating costs by more than 50%.

Challenge

Convenience and cost. These are just two of the reasons customers favor one retailer over another. As one of the largest food and drug retailers with more than 1,700 stores in North America, the company is doing something right. It has figured out how to create a positive shopping experience for its customers.

Providing Outstanding Value to Consumers

The retailer's mission is to offer customers outstanding value by providing the highest quality perishable products, delivering consistent world-class customer service, and keeping costs low.

Maintaining accurate, timely data within its procurement systems is one of the central — and perhaps least visible — ways the retailer creates that positive shopping experience. It is also one of the most direct ways it passes savings directly onto consumers.

For processes such as procurement where increased capacity is needed and timeliness and accuracy is of the utmost importance, the retailer sought to partner with an organization who could function as an extension of its business.

By transitioning procurement processing operations to NTT DATA's offshore team, the company has been able to reduce related processing costs by more than 50% while achieving over 99% data accuracy.

Solution

Maintaining Highly Accurate Procurement Data

NTT DATA assembled an offshore team to capture data of perishable and non-perishable products directly into the retailer's procurement system. This system determines the price that customers pay for products sold in stores across the country. So when consumer package companies cut prices, the company can immediately pass along the discount to its consumers via the UPC tag that gets affixed to the products on store shelves.

Data on allergens inside perishable items at the stores' bakeries and delis are also maintained by this system. With the health and safety of its customers at stake, processing fast, accurate data is critical.

NTT DATA created a flexible staffing model for the retailer that accommodated capacity needs based on the stores' seasonal production requirements. NTT DATA's extensive experience in maintaining business-critical data records for its clients, its focus on process efficiency, and its rigorous attention to quality ensures the best results for this retailer — timely, accurate delivery of critical information at a reduced cost.

Results

By transitioning procurement processing operations to NTT DATA's offshore team, the company has been able to reduce related processing costs by more than 50%.

NTT DATA also scored well across the board in terms of SLAs, averaging over 99% for data accuracy and 100% for turnaround time compliance.

The retailer also heralded NTT DATA's focus on continuous improvement, citing NTT DATA's strengthening of the company's existing quality controls around critical data fields, including allergen alerts. The result of this is not only cost and efficiency improvements, but superior service and safety for the food and drug retailer's customers.

About NTT DATA

NTT DATA is your Innovation Partner anywhere around the world. With business operations in more than 35 countries, we put emphasis on long-term commitment and combine global reach and local intimacy to provide premier professional services from consulting, system development, business process and IT outsourcing to cloud-based solutions.

Visit www.nttdata.com/americas to learn how our consultants, projects, managed services, and outsourcing engagements deliver value for a range of businesses and government agencies.