

Client Value Proposition: Understand all costs associated to each supplier by item by category and rank suppliers by their contribution margin. Negotiate better business terms with suppliers that are causing excessive supply chain costs due to extended lead times, late shipments, incomplete orders and other issues. Analyze past purchases, average price per unit, purchase commitments and discounts to improve ROI behind forward buy decisions.

Strategic Value: Allows procurement buyers to actively manage supplier performance, identify forward buy opportunities, improve supplier margin and analyze past purchases, purchase commitments and discounts.

Information and Analytical Capabilities Provided: Delivers historical and current supplier performance metrics and provides buyers with the information needed for supplier margin analysis. Performance metrics include fill rates, on-time delivery and delivered cost. Supplier margin analysis includes freight cost, total delivered average price, payment discounts, inventory costs and net revenue per unit.

Bonus Opportunity: Leveraging procurement information in the revenue management template to enhance margin analysis from the sales team's perspective.

Related Modules: Supply Chain and Operations Analysis, and Sales and Operations Planning

Meeting Food Industry Challenges