

Distributing to a convenience Retailer

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Agenda

- The symbols
- Current supply Infrastructure & Issues
- Opportunities & benefits
- Vital elements

Who are the symbols?



Store numbers?

EUROSPAR 



1700
Stores

65 Stores

Costcutter

250 Stores



35 Stores

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Current Infrastructure

- All multiples have centralised warehouse and delivery to store solutions
- This has advanced to include movement of goods from the UK
- Symbol group retailers have a number of fragmented and non dedicated supply chain solutions
- Mostly distributors who have a vested interest in carrying certain brands
 - (Limited range capability)
- Wholesalers and independent retailers are serviced in the same way but in most cases even a poorer service
- Van sales approach
 - Issues with stock availability – failure to supply full range
 - Don't always get what you want – strawberry yoghurt



Current Issues for symbol Retailers

Key Issues

- Barriers to market entry / new product promotion
- Supply chain disconnected from operations (e.g. push vs. pull)
- Cluttered supply chain - multiple contracts and contacts across transport, warehousing and the customer
- Inability to guarantee on-shelf availability, on-time-in-full
- Distribution / delivery reliability
- Lack of real-time data, order transparency and poor execution
- Inconsistent product offering for customers
- Inconsistent order generation

Net Effect

- Increased cost / administrative bottlenecks
- Negative impact on shelf life
- Inaccurate / duplicate order capture
- Limited geographical reach / product availability
- Stunted data analysis leading to reactive planning
- Additional burden of extra administration
- Possible loss of Sales and/or market share
- Ineffectual customer service framework



The opportunity

- To source a credible centralised warehouse and supply chain solution that services the symbol group market
- A solution that Replicates a multiple CDC model specific to the symbol group sector
- National distribution capability with required weekly delivery frequency to stores
- A dedicated solution that is retailer focused
- A solution that is fully transparent & measurable
- Non vested interest model – all products/ all brands/ all manufacturers
- Increases your brand profile
- Grows market share
- Increase sales through a nationwide footprint



Benefits

Key Benefit

- Flat supply chain – removal of multiple contractors / contacts
- Single point of contact & single company supply chain execution
- Integrated online order capture process leading to improved supply chain agility – single data source
- Smoother and more reliable route-to-market
- Uniform customer serviced ethos & execution across your business
- Streamlined administration and paperwork process

Net Gain

- Nationwide product availability
- Consistent product offering for customers
- Ability to launch nationwide campaigns / promotions
- Stable and agile platform for development of your **“Brand”**
- Single data source available online & shorter lead times(shelf life)
- Consistency of reporting and performance measurement
- Bringing better cost efficiencies to your business
- Increased Sales and Market Share

A Good Distributor

- Credible solution provider – country wide
- Operates to best practise warehouse, delivery fleet
- Traceability systems – retailer requirement
- Accreditations – HACCP, BRC
- Knows the industry – especially symbols
- Robust order generation and pull through
- Officially listed with the retailers
- Transparent KPI's
 - Goods delivered on time
 - Penetration to store levels
 - Monitoring competitor activity
 - Provision of reports to you on a daily /weekly basis



Vital elements

- Robust order generation and pull through
- It starts with an order
- Not all symbols have IT solutions
- Person to Person business
- Quality sales people/ relationship builders
- Order transmission – needs to be instant
- Promotions – need to be communicated, ordered and delivered in a timely manner to capitalise on sales
- Explore and look to implement a written service agreement
- The cost of the service but....
 - You get what you pay for – always define the actual service been given
 - Reports and transparency are a must
 - If it's not measured it's not managed!!!



Thank you