

CASE STUDY



SEGMENT | Hypermarket

PRODUCT | Vendor Link

CHALLENGE | Increasing vendor management complexities and costs

RESULTS

- Reduced cost of order to pay cycle management
- Faster, error-free and transparent PO and payment processing
- Reduction in vendor disputes
- Enhanced stock availability
- Improved promotions effectiveness
- Improved collaborative planning with on-demand vendor insights

“Our earlier vendor management processes were majorly manual, siloed, and prone to errors, leading to productivity losses and increasing supply chain costs. Vendor Link has made it easy and effective for our teams to collaborate with suppliers to manage orders, track payments, and share metrics with them. As a result, our promotions and programs are more efficient, our stock availability has improved, and we have managed to be efficient with our costs while continuing to grow and expand our business.”

– **Rina Janine Go, Chief Merchandising, Marketing and Distribution Officer, Prince Retail**

“By equipping our suppliers with actionable insights and process transparency, we’ve helped them become more efficient to serve us, which in turn has made us more efficient. It’s a Win-Win!”

– **Jainie Montecillo - Natinga, Merchandising Regional General Manager, Prince Retail**

About Prince Retail

Based in Cebu City, **Prince Retail** is a chain of retail and wholesale stores that was founded in 1990 by Robert Lim Go. Operating under the Prince Hypermart banner, Prince Retail is a one-stop shop, providing customers with a wide variety of grocery, general merchandise, and department store items. It has over 67 stores spread across Luzon, Visayas, and Mindanao. Its network of over 500+ suppliers helps it serve its mission of ‘serving the underserved’, focusing on Filipino shoppers in far flung and rural and island provinces in providing quality products at affordable prices with a convenient and comfortable shopping experience.

Challenges It Faced

As one of the fastest-growing retailers in the Philippines, **Prince Retail** faced multiple challenges that could impede its growth plans.

One of the major challenges it faced was the increasing complexity and cost of vendor management due to a lack of collaboration and transparency between its merchandising team and suppliers. Its vendor processes – order management, scheduling, payments, promotions, demand planning, and reporting were operating in silos and prone to manual errors.

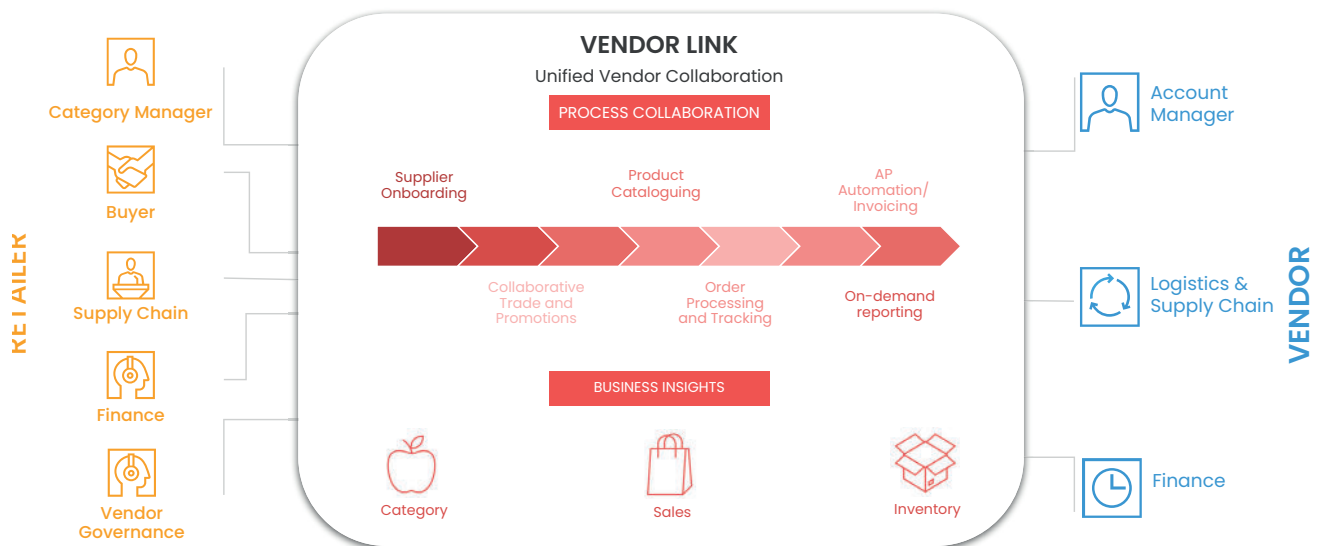
Prince Retail’s vendors showed low confidence in the data that was currently being shared – often leading to longer lead times, low fulfillment rate and stock availability at the stores. Also as a result, vendors were less proactive in their approach to promotions and other programs.

Why Vendor Link?

With the above challenges at the fore, **Prince Retail** was looking for a solution that could:

1. Streamline and optimize fragmented and siloed vendor processes such as order to pay cycle, stock allocation, promotions planning, and reporting.
2. Create a hyper-connected vendor ecosystem that shares shopper insights and reports with vendors to help them with planning and promotions.
3. Accelerate digital transformation and build data-driven decisioning both internally and externally to achieve operational excellence.

Algonomy's Vendor Link fit in perfectly with the client's requirement of a 360-degree supplier collaboration platform. Vendor Link is a comprehensive web-based vendor and retailer collaboration platform that removes operational silos between vendors and retailers by automating and streamlining end-to-end operations, and sharing data and insights across category, sales, and inventory.



Building an integrated and efficient supplier ecosystem

Vendor Link helped **Prince Retail**'s buyers better manage purchase orders across stores. Siloed communication and follow up emails and calls were replaced with a centralized web-based order tracking system accessible by vendors. As a result, manual errors were eliminated, and buyers and vendors were able to spend more time on value-adding activities. Vendor Link also improved payment visibility wherein vendors can now track their payment status in real time and improve their delivery schedule to **Prince Retail**, hence boosting shelf availability.



Order Processing and Payment Management



Data Insights for Vendors



On-Demand Reporting

Vendor Link's collaborative features and data sharing capabilities have helped **Prince Retail** and its suppliers in several ways. Firstly, it enabled suppliers and category managers to plan faster and more accurately for promotions, inventory, and other programs. It has helped **Prince Retail** become more adaptive. For example, it has helped them reduce inventory and other costs associated with products and promotions that don't do as well as expected.

Vendor Link has also bolstered data-driven decision making on the supplier side. For example, Vendor Link provided shopper insights based on POS data to suppliers. With this, suppliers get a view of real demand in stores based on consumer sentiment, not just based on purchase orders issued by Prince. This helps them with their own forecasting to improve their relevant assortment and stocks availability, which helps **Prince Retail** get better stocks allocation, relevant promoted packs and assortment.

The client benefited from Vendor Link in the following ways:

- With the help of Vendor Link's tracking and collaborative features, PO and payment processing became significantly faster, transparent and error-free. As a result, the customer was able to reduce costs and improve effectiveness in order to pay cycle management.
- Vendor Link enabled interactive on-demand access to data insights and reports for suppliers. Buyers and Finance teams can now easily share data, insights and reports with vendors and vice-versa. This improved system transparency, helping teams run effective programs with reduced costs.
- The client witnessed reduction in vendor disputes and an overall improvement in vendor buyer collaborative planning. As a result, client stores witnessed improved stock availability and promotion effectiveness.

Vendor Link helped **Prince Retail** streamline its order management process, bring transparency in its payment processing, and build a data-driven culture across its vendor ecosystem. As a result, **Prince Retail** saw improvement in product availability and promotions, reduction in costs, and improvement in vendor satisfaction.

ALGONOMY

Algomomy (previously Manthan-RichRelevance) empowers leading brands to become digital-first with the industry's only real-time Algorithmic Decisioning Platform that unifies data, decisioning, and orchestration across marketing, digital commerce, and merchandising for the retail industry. With industry-leading retail AI connecting demand to supply with a real-time customer data platform as the foundation, Algomomy enables 1:1 omnichannel personalization, customer journey orchestration, merchandise analytics, and supplier collaboration. Algomomy is a trusted partner to more than 400 leading retailers and brands, QSRs, convenience stores, and more; with a global presence spanning over 20 countries. More at [algomomy.com](https://www.algomomy.com).