# ALGONOMY

# Analyzing the ROI of Automated Supplier Management in Convenience Retail

Supply chain issues are the foremost concern for more than 50% of convenience store retailers and 15% of C-store suppliers and distributors. The other factors include new shopper demand patterns, lopsided replenishment planning, and warehouse and supplier stockouts.

As the convergence of new forces redefines 'convenience retail', a reimagining of supplier management and driving efficient collaboration becomes vital. What are the promised strategic imperatives of automated supplier management and is the ROI worth the hassle?

## Lets Find Out!

### 01

### Integrated Platform for 360-Degree Supplier Collaboration

Up to **30%** of data entries may contain inaccuracies when managed across disparate systems.

The supplier and distributor pool is constantly changing in the C-store ecosystem owing to quick product discontinuations and introductions. Data shared with suppliers on an ad-hoc basis makes it difficult to derive actionable insights.
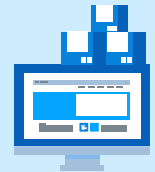
Automated vendor and retailer collaboration platforms remove operational silos between vendors and retailers by automating and streamlining end-to-end operations via an integrated interface, thereby effectively reducing out-of-stocks caused by supplier issues that cost a staggering $4.5 million for the average retailer.

### 02

### Real-Time Store-Level Inventory and Transaction Visibility

Only **38%** of convenience industry executives are satisfied with their current speed and frequency of replenishment

Limited inventory holding capacity in C-stores leads to frequent stock-outs and 26% of C-store industry stakeholders plan to reduce space allocated to fixed checkouts.

Automation-driven management capabilities offer real-time visibility of inventory and transactions at the store level. Features such as predictive OOS insights and real-time inventory visibility to suppliers can reduce stockouts by 30% and inventory carrying costs by 5%.

### 03

### Digitized Supplier Onboarding for Agile Banner Expansion

A staggering **74%** of C-store industry executives are dissatisfied with their banner's current ability to experiment quickly.

To stay afloat amid disruptions such as quick delivery services, m-commerce, and multi-format stores, C-stores must quickly innovate on assortment and strengthen their value proposition by constantly offering new products.

Digitized supplier management platforms with built-in automated workflows reduce supplier onboarding time, facilitate quicker and more reliable data sharing, and empower retailers with 40% faster new product introductions with collaborative launches.

### 04

### Effective Supplier Promotions Management

CPG companies spend approximately **$225** billion annually on trade promotions

Siloed supplier data and fragmented processes hinder C-store retailers from converting sizeable supplier-funded promotions into actual revenue.

Automation facilitates process and data collaboration for smart pricing, and managing promotions and rebates, across the entire supplier ecosystem. API-based automated price and promotion integration can boost the retailer revenue from supplier-funded promotions by up to 15%.

### 05

### Efficient and Transparent Order-to-Pay Cycle

**87%** of suppliers consider invoice & PO automation pivotal for enhancing supplier-retailer relationships.

Ensuring efficient, accurate, and transparent Order-to-Pay cycles becomes a challenge with hundreds of truck stops and suppliers/vendors serving thousands of C-stores across hundreds of locations.

Automated supplier management solutions offer intelligent finance operations for 100% data accuracy on invoices and POs in ERP. Retailers can reduce PO cycle processing time by 60% and cost-per-invoice by 50% with 3-way reconciliation.