

Carrefour Poland

“We were able to decrease the number of kilometers per pallet, so we drive less kilometers delivering the same quantity”

Customer story



As a major player in global retail, Carrefour is constantly seeking to implement innovative solutions to stay ahead of the competition. The collaboration with ORTEC at the level of logistics optimization is part of the retailer’s strategy to increase performance of its supply chain and consequently deliver added value to its customers.

Challenges in the world of Carrefour

- Lack of a centralized system to consolidate and efficiently make use of the multiple external logistics service providers
- Low visibility of the overall supply chain with a negative impact on decision-making

How Carrefour aimed to optimize its world

- Transport planning automation
- Reduction of transportation costs
- Resource pooling and optimization
- Implementation of Control Tower functionalities

The solution

- ORTEC Routing and Dispatch (SaaS)
- ORTEC web portals dedicated to supply chain partners

The results

- Increased vehicle capacity utilization
- High visibility over supply chain components resulting in cost-efficient planning processes
- Real time execution of transport orders
- Improved store service level
- Better response to (seasonality) demand fluctuation
- Decrease in number of kilometers driven



Industry
Retail

About Carrefour

- The leading retailer in Europe and the second-largest retailer in the world
- Multi-local, multi-format and multi-channel global retail chain present in more than 30 countries
- Market leader in Poland
- Over 600 stores in Poland
- 3600 weekly deliveries
- Over 280 vehicles, owned or subcontracted

“We increased the quality of deliveries to shops. That is because ORTEC allows us to make delivery time realistic. We maximized vehicle loading rates, routes are planned optimally, and we observed up to 10% decrease in kilometers per pallet.”





Complete solution

Carrefour adopted a multi-format and multichannel retail strategy to meet the needs and preferences of its customer base. At supply chain level, this business model added complexity and costs. The decision to implement ORTEC was made with the goal of streamlining distribution flows and reducing transport costs.

Malgorzata Kepczynska, Transport Director at Carrefour, summarizes the situation: "Our logistics processes involve a multitude of actors, resources and requirements: from different stores located anywhere, to vehicles and warehouses each with a particular function, to products with strict transport rules, to servicing our suppliers in a backhauling system, to cross-docking. All of these are spread across Poland within a dynamically growing network. ORTEC Routing and Dispatch turned out to be the complete solution for our distribution needs."

Visibility and optimization

ORTEC Routing and Dispatch has been configured as an automatic planning system, optimizing deliveries from all Carrefour warehouses to the stores. ORTEC software is also integrated with the retailer's warehouse management system. Built-in functionalities such as an automatic suggestion for the choice of subcontractor, toll calculations, advanced controls for traffic delays and roads with vehicle restrictions and the planning of truck loading at the warehouse, have been set up.

Software as a Service

The Software as a Service model was preferred by Carrefour in order to simplify the deployment of ORTEC Routing and Dispatch and lower the initial software acquisition costs. ORTEC also ensures system administration and upgrading services, providing Carrefour with the security of indefinite scaling.

Control Tower

The web portal designed for subcontracted carriers provides Carrefour with an instant insight into the costs of a route, once confirmed by a subcontractor, allowing the planners to take immediate action if costs are not according to expectations. This cost overview also serves as starting point for pre-invoicing by subcontractors.

"Savings of up to 10%"

Prior to ORTEC Routing and Dispatch, Carrefour's transport operations were optimized via its logistics service providers based on ORTEC Route Scheduling. Each provider in the daily plan was dealing with seasonal volumes, promo deliveries and changes in delivery frequency, hours and drop size. "The results consist of a decrease of our operational costs, improved loading of vehicles and better route optimization. We got savings of up to 10%", Ms. Kepczynska states. ORTEC Routing and Dispatch has stabilized planning results on the highest level ever, as it brings all resources into one platform. "We observed up to 10% decrease in kilometers per pallet. We increased the quality of deliveries to shops, because ORTEC allows us to make delivery times more realistic. The planner takes into account activities interfering with standard deliveries and improves parameters. Thanks to this, our stores have more realistic information about the time when an order will be delivered", continued Ms. Kepczynska. Carrefour Poland was able to switch to centralized planning, decreasing planning resources to a single department. "In addition to being more realistic as human factor errors are eliminated, this automatic reporting also saves us a lot of time. Together, these factors lead to savings of up to 7% in personnel costs" concludes Ms. Kepczynska.

Sustainable and responsible supply chain

The optimization of delivery rounds with ORTEC is lined up with Carrefour's policy on fighting waste: by reducing mileage and fuel consumption, the retailer is cutting down carbon emissions, thus contributing to its initiative of offering consumers more environmentally sound services.

Want to learn more about our solutions? Contact us at:  info@ortec.com  www.ortec.com