DataToBiz

Driving Efficiency And Cost Savings For An Automotive Parts Manufacturer

ABOUT CLIENT

- An automotive parts manufacturer based in the USA, with a global presence spanning multiple continents.
- They offer various parts and components, including engine parts, brakes, suspension, steering, electrical, and other accessories.
- With over two decades of experience in the industry, the company has established a strong reputation for quality, reliability, and innovation in its products and services.

PROBLEM STATEMENT

The company faced several challenges in managing its procurement process, some of them were:

- Difficulty in tracking and monitoring orders and shipments, spotting delays and bottlenecks, and managing inventory levels.
- Heavy reliance on multiple suppliers and vendors, made it challenging for our client to track their performance, negotiate contracts, and manage relationships effectively.
- Limited insights into their spending patterns made it difficult for them to identify cost-saving opportunities in the entire procurement process.
- Manual forecasting process that relied on unstructured data, which resulted in inaccurate demand forecasts and inventory shortages.
- Spending a lot of time on manual processes such as data entry, reporting, and analysis, which took away from their time to focus on strategic activities.

SOLUTIONS

To address these challenges, we developed a procurement analytics dashboard that provided real-time visibility into the procurement operations and enabled the procurement team to make data-driven decisions.

Supplier performance metrics: We continuously analyzed the supplier performance metrics such as on-time delivery, quality, and cost, enabling the client to identify the bottlenecks in the supply chain.

Inventory management: The dashboard provided real-time visibility into inventory levels and allowed our client to identify potential shortages and excess inventory.

Customized reports: The dashboard allowed the client to create custom reports, enabling them to analyze the spend analytics by category, supplier, location, and other related parameters.

Automated forecasting: We devised machine learning algorithms to forecast demand and inventory levels, reducing the reliance on manual processes and improving forecast accuracy.

Automated reporting: Real-time automated reports on procurement performance metrics reduced huge amounts of time the procurement team was otherwise spent on manual reporting.

Industry
Automotive Parts Manufacturer

Products used
Procurement analytics dashboard

Functionality Enable
Data science

Impact

10%
Reduction in procurement costs as the dashboard enabled the procurement team to negotiate better contracts with suppliers

13%
Improvement in supplier on-time delivery by identifying underperforming suppliers and taking corrective action

10%
Reduction in inventory carrying costs by identifying excess inventory

12%
Improvement in forecast accuracy, reducing inventory shortages and improving customer satisfaction.

16%
Reduction in time spent on manual reporting, allowing the procurement team to focus on strategic activities.

pro tip
Real-time data on suppliers, costs, and inventory is key for effective procurement analytics

Take the next step
Revamp Procurement Now! Get in Touch