

SUCCESS STORY: *Price Chopper*



"A deep understanding of our business is what separates Intesource from other e-sourcing companies. They take the time to offer great insight on strategies that yield optimum results based on our business and our goals. There is no doubt that this superior customer service has helped drive Price Chopper's savings even further."

*- Ken Gregory
Reverse Auction Analyst,
Golub Corporation/Price Chopper Supermarkets*

The Opportunity:

After years of each department purchasing their own products and services, Price Chopper developed an enterprise wide e-sourcing process in order to create a more efficient and unified spending process.

- Purchasing was scattered throughout the organization due to years of growth and no plan to aggregate spend. This led to siloed purchasing, resulting in higher costs and multiple vendors supplying the same products within the organization.
- Price Chopper experienced a lack of support from decision makers which caused some resistance from procurement leaders stemming from a concern they would lose control in the purchasing process.

The Solution:

Through the use of the Intesource solution and direction of Intesource's Professional Services Team, Price Chopper achieved control of spend by:

- Instituting a corporate mandated spend threshold. Categories exceeding this threshold are reviewed to determine the most efficient means of procurement. This often means the item will be taken to bid via an e-auction.
- Through e-sourcing, departments can aggregate spend volumes, reduce costs, and shorten cycle times.
- Removing barriers to gain employee acceptance of alternate ways of negotiating, including reverse auctions, and reduced ad-hoc spend enterprise-wide.

On a continuous basis, Price Chopper looks to continue the expansion of a repeatable and sustainable approach to spend throughout the organization. By increasing spend visibility Ken Gregory, Reverse Auction Analyst, expects to uncover even more opportunities to save through e-sourcing, while simultaneously overcoming hurdles to motivate employees throughout the organization to address efficiency opportunities within their own space.

Click here to learn more about Price Chopper.

Savings
13.78%

ROI
31:1

Department & Category Savings:

Construction 30%
Human Resources 77%
Pharmacy 40%
Produce 18%
Services 28%
Supplies 9%
Gen. Merchandise 12%
Floral 10%
Equipment 9%
Bakery 9%

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