

How Real-time Freight Visibility Improved Inventory Management to Ensure Product Integrity

Top 3 National Grocery Chain

As the second largest supermarket chain in the U.S., Albertsons Companies operates a network of more than 2,200 stores, 18 distribution centers and 19 manufacturing plants. Real-time visibility from Descartes MacroPoint enabled the company to manage more business efficiently, make better buying decisions and improve inventory management, ensuring customers in its stores receive the freshest products available.

“Because we’re dealing with fresh product, having real-time tracking is extremely important to ensure we’re managing our business effectively. Descartes MacroPoint gives us the opportunity, the technology and the partnership to work through the challenges of knowing what’s happening with loads in real-time. This allows us to make better buying and inventory decisions.”

Matt Geurts, Corporate Traffic Manager, Albertsons Companies

Company Profile

Albertsons Companies, Inc.
National Grocery Chain

Descartes Solutions

Descartes MacroPoint™

About the Client

Albertsons Companies, Inc. is one of the largest food and drug retailers in the United States. The company, which has more than 285 thousand employees, operates stores across 34 states and the District of Columbia under 20 well-known banners including Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, Acme, and Tom Thumb.

Quick Overview

Challenge

Maintaining Product Integrity When Experiencing Unplanned Events

Solution

Real-time Visibility Enables Real-time Response

Results

- Better Visibility
- Improved Inventory Management
- Increased Efficiency
- More Collaboration

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Challenge:

Maintaining Product Integrity When Experiencing Unplanned Events

Albertsons Companies operates an extensive transportation network. It includes one of the nation's largest private fleets and, at any given time, the company can also have 200+ carrier partners under contract. Fresh produce makes up the lion's share of the 175K+ inbound loads centrally managed by the corporate traffic team.

Distribution of fresh produce is extremely date-sensitive; therefore, working with carriers to gain an accurate picture of what's happening on the road in real-time is critical. If loads are delayed, the company needs to quickly implement contingency plans to avoid compromising product integrity and the prospect of empty store shelves.

Solution:

Real-time Visibility Enables Real-time Response

While Albertsons initially integrated Descartes MacroPoint with its transportation management system to enable real-time tracking of its fresh produce products, the company has also extended the visibility solution to include shipments between its manufacturing and distribution facilities.

Descartes MacroPoint allows the traffic group to view the location and updated ETA of every shipment with SKU-specific details in real-time, and provides automated departure, arrival and pre-arrival notifications. The corporate buying team relies on real-time updates to alert them if any shipments are at risk for late delivery in order to respond by sourcing products locally to ensure store shelves won't be empty.

With the Descartes MacroPoint real-time visibility platform, the centralized traffic team has become more efficient and spends less time tracking loads. In fact, now the corporate team manages all tracking nationwide, including routes that were handled by regional teams prior to the Albertsons-Safeway merger. Descartes MacroPoint has enabled the corporate traffic team to increase its workload using the same number of resources.

Knowing the location of every load in real-time has helped Albertsons manage its distribution business more efficiently. As a result, the company now requires all of its carriers to be compliant with Descartes MacroPoint and has added this metric to carrier scorecards.

Results:



Better Visibility

Real-time tracking and updates on all inbound and outbound shipments between plants, distribution centers and stores enabled the company to better manage distribution of its date-sensitive fresh produce, as well as other products.



Improved Inventory Management

Knowing what's happening with shipments in real-time enabled the traffic team to identify potential delays in advance, determine inventory availability, and alert procurement to source new products if needed to avoid stock-outs and empty shelves.



Increased Efficiency

Descartes MacroPoint visibility tools enabled the centralized corporate traffic team to handle more business effectively, including shipments that had been managed by local divisional teams prior to the Albertsons-Safeway merger.



More Collaboration

The Descartes MacroPoint team fostered a collaborative partnership, interacting with Albertsons and its carriers to provide direction, resolve issues and improve shared processes.