

CASE STUDY

Raising Nestlé's Supply Chain Performance through Digital Transformation

Nestlé, a Swiss-headquartered multinational food and beverage corporation, is a leader in its industry. It boasts a vast portfolio of over 2000 brands in 188 countries, managing a highly intricate global supply chain with an astonishing one billion products sold daily. Their extensive ocean network includes partnerships with over 3000 businesses across 20,000 trade lanes and contracts with 35 ocean carrier partners while calling 382 ports worldwide, moving approximately 450,000 TEUs annually. Effective management and optimization strategies are essential as future growth projections suggest increasing volumes and complexity.



NESTLÉ'S GOALS



Real Time Collaboration



Integrated Visibility



Centralized Documentation



Simplified Processes



Established Alert System



Allocation Management



Reduced Carbon Footprint

CHALLENGES

Nestlé faced challenges with a fragmented supply chain lacking end-to-end visibility. Manual processes in ocean freight operations resulted in disconnected operations across divisions and locations. They faced several challenges, such as:

- reducing costs,
- simplifying processes,
- achieving greater container visibility,
- improving container velocity and data accuracy,
- and addressing the business's environmental impact by committing to significantly reducing its carbon footprint and achieving net zero by 2050.

SOLUTIONS

Nestlé's digital transformation journey began with the Global Ocean Freight Project, a strategic initiative to tackle operational challenges head-on. Partnering with Cargoo, Nestlé kickstarted its transformation with a three-phase plan, starting with the implementation of our end-to-end, integrated Ocean Freight Management Solution. This Single Booking Platform aimed to streamline container shipping processes, making them faster and more efficient. To achieve visibility across its divisions and locations, Nestlé is using the platform to establish a global end-to-end managed import and export network to drive growth and customer satisfaction.

With the implementation of the platform's key features, the brand is well on its way to achieving its sustainability goals of net zero by 2050 while improving its operations.

CARGOO'S KEY FEATURES

Document Management System

Digitalized and automated documentation

Rates & Contract Management

Freight Cost Optimization

Business Intelligence

Performance Dashboard

Allocation Management

Carrier Allocation Fulfilment

Sustainability

Carbon Footprint Analytics

Tracking & Tracing

Vessel / Container Event Management



"Thailand was the first market in Zone AOA that implemented Cargoo in Q4 2021 during the challenging crisis around the world. It was a great rewarding experience for us to be a pioneer on the Ocean Freight Project journey. From our successful Go-live with Cargoo, a single global platform, today more than 55 markets who get supply from Thailand can easily track real-time shipment status, improve visibility of the in-transit stock and better manage documentation in a digital way to speed-up import process and avoid port storage, demurrage and detention charges."

Jaichuen Anyamaneetrakul

Thailand Corporate IMS Manager, Nestlé Supply Chain

RESULTS

Nestlé has greatly benefited from Cargoo's digital gateway, transforming their supply chain and achieving substantial cost savings. The platform's Partner Ecosystem gathers data from all supply chain parties, providing door-to-door visibility and order-specific information. This enhances inventory planning, improves overall supply chain efficiency, and contributes significantly to business success. Cargoo's tools, including a streamlined booking process, advanced analytics, and complete allocation tools, automate processes, increase agility, and offer detailed insights for improved utilization. The implementation resulted in a remarkable 25% reduction in demurrage and detention costs, a 10% efficiency gain, and a 30% cut in freight forwarding expenses, elevating Nestlé's supply chain to new heights.

SUCCESS IN NUMBERS

-30%

Freight Forwarding expenses

-25%

Demurrage & Detention costs

+10%

Efficiency Gains



Cargoo has proven to be a game-changer, providing more visibility to the Purina Team for booking status and documentation tracking. Along the way, we've achieved several benefits worth celebrating:

- Significant costs savings,
- Increased visibility
- Increased productivity
- Streamlined processes

Collins Juma

Sr Manager Supply Chain Planning,
Nestlé Purina North America

ABOUT CARGOO

Based in Switzerland, Cargoo is an innovative software solution revolutionizing ocean transportation management through our Ocean Control Tower. This unique collaboration platform optimizes end-to-end transportation procurement, planning, and execution, ensuring real-time data synchronization for enhanced process efficiencies and cost reductions. With powerful analytics, our clients experience streamlined processes, reducing ocean freight costs, lowering D&D expenses, managing carbon footprints, and receiving crucial support for tactical and operational decisions. Additionally, our global carrier network, representing 98% of the world's ocean container capacity, ensures optimized shipment visibility and control, while our compliance-driven solutions further streamline operations for enhanced visibility and cost-effectiveness.

