

Turn Your Procurement Strategy Into Action

MEMBER PROFILE

This member is a GPO firm with several billion in customer spend. Their customers include education, healthcare, hospitality and commercial restaurant operators. The member regularly examines its clients' food service operational needs, executes in-depth S.W.O.T. analyses of food service business operations, and develops strategic plans to help its clients reposition their operational focus.

CHALLENGE:

The member uses the quarterly conversion report to identify savings opportunities for their larger customers, especially colleges and medical centers. Many of the customer locations may not act on optimization recommendations provided in reports due to time constraints or other operational concerns that need to be vetted. In addition, the member knew there might be additional opportunities for unit savings beyond what could be identified through their reports.

SOLUTION

Foodbuy deployed the Culinary Solutions team to the member's client locations to perform a complete evaluation. The team reviewed menus and recipes to identify savings opportunities and facilitated product cuttings and with the broadline distribution partner at the larger customer facilities. Through the product cuttings, the Culinary Solutions team was able to provide consultation on menu strategy and development, rationalize SKUs and vendors, and educate and train on product selection and purchasing.

RESULTS:

As a result of our close collaboration and problem solving, Foodbuy was able to deliver the following results for the member's customers:

- Casino Operation
- Contract utilization for the categories in the product cutting increased 42% four months after the initial cutting
- Rebates increased by \$35K after 4 months
- Large Midwestern University Dining Facility
- Contract utilization for the categories in the product cutting increased 48% after one year
- Hospital Cafeteria and Dining
- Contract utilization for the categories in the product cutting increased 27% after one year
- University Healthcare Facility
- Contract utilization for the categories in the product cutting increased 14% after nine months