

Order Guide Management Helps Member Secure \$800K Incremental Income

Member Profile

This full-service hospitality company **manages an array of hotels, resorts, and restaurants across the United States**. This Member has consistently added numerous hotels as they acquire new contracts annually.

Driven by a commitment to **contract utilization**, they continue to show strong value to their hotels and owners while allowing operators to have autonomy to manage their hotels and restaurants in an entrepreneurial way.

The Challenge

This Member orders from two broadline distribution partners spanning **34 individual operating companies**. When the project began their order guides were highly erratic and ranged from **300 to 5,000 line items**. This led to inconsistent specs and confusion on contracted products the properties should purchase.

The Foodbuy team was tasked with the goal of **rationalizing order guides** to develop **purchasing consistencies** while improving financial benefits; all while maintaining distributor relationships.

The Solution

The Foodbuy team started with an **optimization assessment** during which they monitored actual purchases made each month. Recommendations for changes were showcased through **cuttings with the Culinary Solutions Team**. The Member approved and rejected products shown to further customize order guide needs.

Next, Foodbuy communicated with the **distribution partners** to identify potential roadblocks with any items. From there specific items were chosen to build the most optimal order guides in regard to stocking availability and cost. The Foodbuy team began **tracking compliance** to the order guides after set up and purchasing began. This revealed which locations were adhering to or straying away from the new guides and **identified room for improvement** to be shared with the Member.

The Results



70% order guide compliance rate from 60% before program launch



9% average rate of return from 7% average before program launch



\$800k in annualized incremental rebates year over year