The Grocer

New forecasting system helps Booths reduce fresh stock waste by 20%

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Booths has reduced the amount of fresh stock wastage it produces by 20% since adopting a forecasting system developed by Finnish software company Relex.

Relex's demand forecasting and inventory management system had saved it an amount "at the business end of six figures" since launching 10 months ago, and reduced total shrinkage across the business by 10%, the northern supermarket chain's IT and e-commerce director Andrew Rafferty said.

The system works by reducing stock levels, boosting availability and managing events such as seasonal campaigns and the impact of weather more effectively, by - analysing flows of historic data and identifying demand patterns for individual products, stores and events.

"Its real strength is in promotion management, and the tagging of events that you can then refer to in future, such as bank holidays," said Rafferty.

"We knew we weren't great on seasonal sales and coming out of promotions so that's why we undertook a complete overhaul of our retail procedures and inventory-based disciplines to re-engineer the whole process, and a big part of this included adopting Relex."

He added that Booths was "disproportionately affected by seasonal and tourist trade compared with the big four" due to its size and geographical proximity to areas such as the Lake District.

"While our previous system was good, Relex allows us to better manage these outside influences."

This had also enabled it to roll out a "cultural change" among Booths supply controllers that, according to Rafferty, gave them full ownership of what they were doing rather than just being data inputters.

"They are now more akin to business analysts than just stock ordering staff. This software allows us all to do more."