



GETTING PAST THE ROADBLOCKS WITH TRANSPORT TRANSFORMATION

Abstract

In today's complex, hyper-competitive retail environment a positive customer experience is essential to success whether your offer is traditional 'bricks & mortar', e-commerce, or omni-channel. Of equal importance is the ability to meet (or exceed) customer expectations at a cost that enables profitable growth. That's why Infosys Portland guided one of Australia's top retailers through a transformation journey that reduced transport costs by over 10% and greatly improved its ability to service a growing market.

Infosys Portland's client is an Australian retail company that owns and operates a portfolio of brands through over 670 locations across Australia, New Zealand, and China. Selling outdoor apparel and equipment, sporting and leisure goods, as well as automotive parts and accessories, it has revenues of over AU \$2.7 billion and is among the 'top 10 retailers' in Australia.



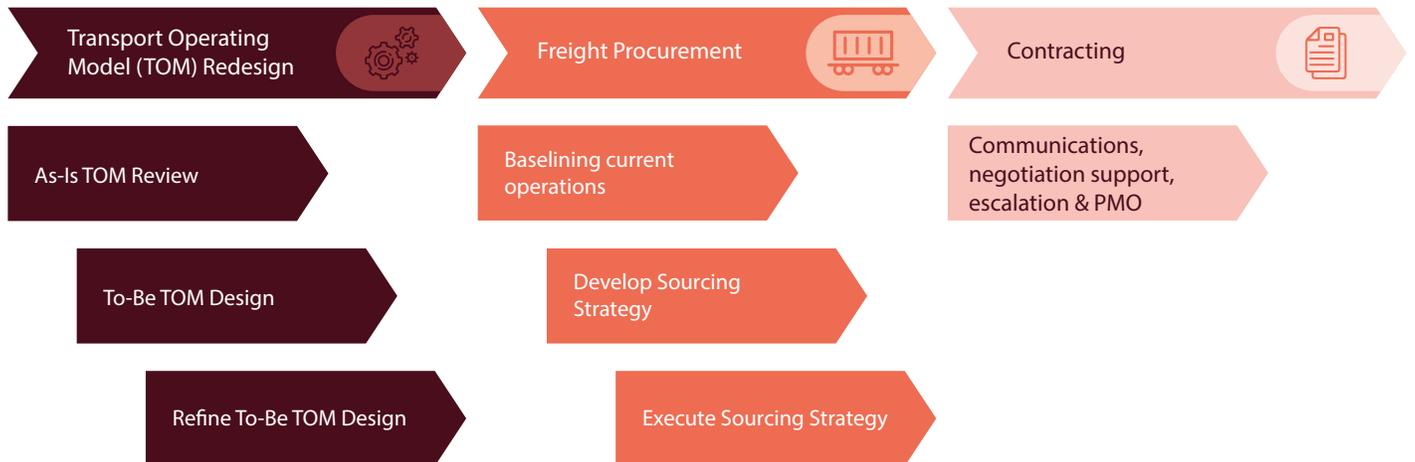
A need to transform transport

The client's business requires managing seventeen different categories of freight across multiple market channels including bricks and mortar stores, business to business, and business to consumer. However, the transport function faced a range of issues. An executive mandate had set significant cost

reduction targets which were challenging to meet given the manual processes being used and low capabilities within the function. These constraints were magnified by low data & KPI visibility, including operating costs and DIFOT (delivery in full, on time) . Further, the legacy transport operating model (people, processes, technology,

and governance) was not capable of scaling to meet volume growth and increasing channel complexity. To help address these challenges the client engaged Infosys Portland to help define and deliver a transport transformation program that would address the cost, service, and capability issues.

Transforming the transport function in 3 phases.



A phased approach

A team from Infosys Portland helped the client's transport function navigate the transformation through a journey comprising three phases. In the first phase, the team defined a comprehensive transport operating model to effectively support the seventeen freight categories. The model covered the redesign of processes, organization and roles, technology solutions, governance, and metrics. The team also developed a

sourcing strategy to address costs and transport provider capabilities. In the second phase, the team led seventeen logistics sourcing events comprising a mix of request for proposals, competitive negotiation, and rapid sourcing. Furthermore, it worked on the detailed design of the operating models defined in the first phase. This included organizational redesign, team training, transport technology assessments, and

selection. In the third and final phase, the team supported implementation of the operating model through project management and subject matter expert input for the contracting activity. This was facilitated through detailed design and implementation workshops involving stakeholders from the function and the larger client organization.

Benefits Delivered

The transformation program was a huge success. The client achieved an annualized reduction in transport costs by more than 10%. Moreover, the implementation of the new organizational structure, roles and technology enabled it to effectively and efficiently manage the increasingly complex range of transport tasks. With Infosys Portland's skilled assistance, the client is now well equipped to provide an enhanced service to its customers at a lower cost ensuring it remains competitive in the market.



About Infosys Portland

Infosys Portland is a subsidiary of Infosys BPM Ltd., a part of Infosys Ltd. Its mission is to improve the efficiency and effectiveness of its clients' procurement and supply chain activities. We achieve this by providing thought leadership, specialist subject matter expertise, a global delivery model, and best-in-class technology solutions. By increasing the value delivered and improving the of procurement and supply chain operations, our clients are able to achieve more for less.



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