

COLRUYT GROUP

“Colruyt Lowest Prices is Colruyt Group’s largest and most known supermarket chain. For over 40 years, we’ve guaranteed the lowest price for any product at any time.”

/ABOUT COLRUYT GROUP

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with approximately 550 own stores and over 570 affiliated stores. With brands including Colruyt Lowest Prices, Okay, BioPlanet and SPAR en Dreamland representing +32% of market share. The group employs more than 29.000 staff and recorded a EUR +9,4 billion revenue in 2018/19.

/THE CHALLENGE

At Colruyt, the Fruit and Vegetables (F&V) procurement team are responsible for sourcing fruit and from suppliers all over the world. To source the required quantity and quality of all fruits and vegetables at any given time in the season is a challenge.

The procurement team wanted to strengthen their basis of information further to negotiate prices with their suppliers to control their costs and continue

to guarantee the lowest consumer prices for any product at any time.

It is often difficult to get visibility and market insight into the evolution of a price, to validate or challenge price changes with their suppliers. An important factor when evaluating price is to ensure that the product specification is the same. The quality and size of fruit and vegetable products can vary widely over the growing season and across different regions. These factors will have a significant effect on the supplier’s price.

So, whether individual food commodity prices are rising or falling, Colruyt needs access to independent price information that enables them to compare suppliers, negotiate the best lower rates and defend unsupported price increases. Colruyt does this with respect for sustainable relationships and based on open and constructive collaboration. A balanced distribution of costs and benefits between Colruyt and its suppliers is important.

Market volatility in other commodities such as oil and energy prices, carton and plastics, currency exchange rates, etc. can often affect suppliers' costs. The situation can regularly lead to suppliers looking to pass on additional costs to Colruyt in next negotiations.

Therefore, it is important for Colruyt that their buyers are well prepared for these negotiations. Understanding the real market prices of all cost elements involved is essential for buyers to gauge the actual cost of products and negotiate better deals with suppliers.

/OUR SOLUTION

Access to Mintec Analytics has helped Colruyt track price movements across a wide range of products which has enabled the procurement team to control its supplier cost better. As a result, the team has been able to use the independent prices provided by Mintec as an additional basis for its supplier negotiations.

Now when preparing negotiations and evaluating tenders, Colruyt can reference Mintec prices for specific products based on the most relevant specification — helping to support more robust negotiations with suppliers and drive greater cost control.

The ability to interrogate historic prices across different products and geographies enables procurement to evaluate the evolution of prices and make comparisons caused by seasonality and the effect of events on harvests that affect product quality and size. Any of which can cause price variance between suppliers.

/THE BENEFITS

The pressure to negotiate good deals and reduce the cost for the business is nothing new. But in a competitive market having access to market prices for many food commodities for which information is often difficult to find has increased Colruyt's visibility over its spend.

Greater clarity means that whether food commodity prices are rising or falling, the independent price information from Mintec enables them to negotiate better prices or defend unsupported price increases from their suppliers.

The team have made use of the intuitive analytical tools to develop customised dashboards and product recipe cards to breakdown their costs. This activity has enabled them to leverage market insight, meaning they are better able to conduct cost analysis, benchmark performance and negotiate with greater confidence.

/ROI

The success achieved from improved price visibility

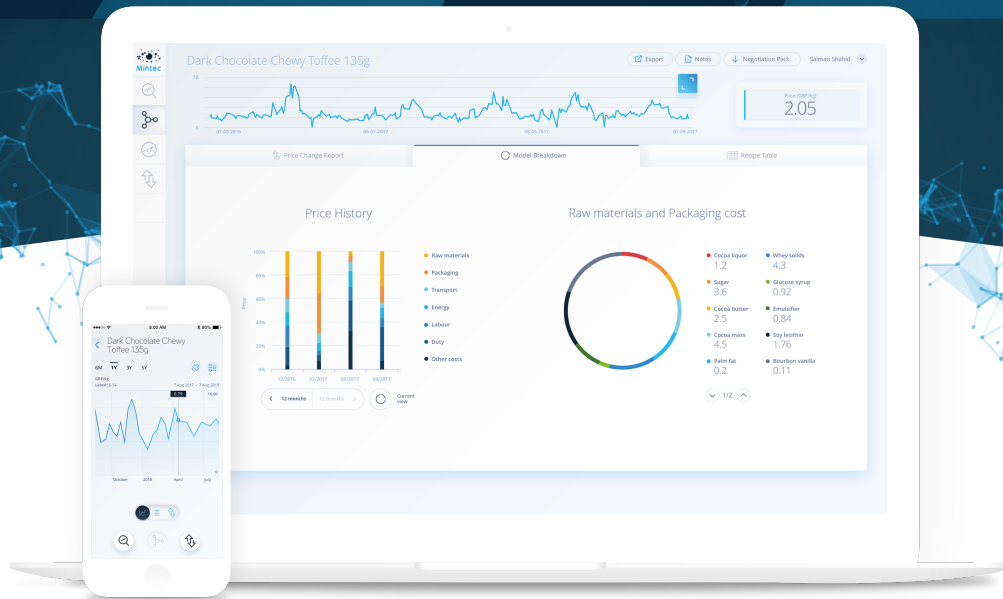
has enabled Colruyt to develop more precise market insights and have stronger supplier negotiations.

Overall the procurement team are now better able to evaluate all cost elements involved in the total product cost more accurately, which has helped to secure the best prices for the required product specifications at any given time in the season. A greater understanding of what's driving commodity prices has contributed to them achieving significant cost savings.

“ Having independent insight behind current prices, and price trends help us to negotiate good deals and continue to guarantee the lowest prices in a sustainable way.

 COLRUYT GROUP

- 1 Because the food products you buy come from different sources & suppliers. **They're exposed to different market conditions.**
- 2 A lack of transparency makes it hard to identify their real cost. **So understanding the real price of raw materials is difficult.**
- 3 But time is limited to prepare analyse for complex negotiations. **Meaning suppliers & customers can't always agree on price.**
- 4 Making informed decisions on price means being mindful of market conditions. **To negotiate successfully, you need to have all the relevant information.**



Mintec Analytics provides retailers & manufacturers with **+14,000 independent global prices** & intelligence tools for food ingredients & soft commodity markets.



PRICE CLARITY

Strengthen your negotiating power with suppliers with instant access to independent market pricing & data to inform competitive purchasing strategies.



MANAGE RISK

View price volatility & understand primary cost drivers to better manage risk, assess supply chain impact & identify more efficient alternatives.



REPORT & ANALYSIS

Self-serve data visualisation tools & bespoke dashboards enhance the way you digest, present & share data with your team or across the wider business.



WIN BACK TIME

View & retrieve data quickly plus simplify & automate complex modelling & analysis with dynamic reports, custom alerts & comprehensive negotiations packs.



UNLOCK INSIGHTS

From supply & demand to currency, interest rates & political stability - get birds-eye view of key drivers across your category of interest. Access historic current and forecast views for each.



TREND MOVEMENTS

Strengthen your approach & inform your longer-term strategies by pinpointing future trends & gaining a better understanding of where the market is heading.