Advanced Analytics led Sourcing Transformation
Client is one of the largest Indian agri-business enterprises

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Business-friendly Solutions

Client wanted to transform the commodity sourcing by leveraging Advanced Analytics tools to:
- Get micro-market insights
- Build and deploy prediction engine along with a digital buyer platform to drive value through new age sourcing levers
- Deliver annualized recurring savings in year 1 which are measurable with traditional/ straight-forward baselining approaches and a sustainable savings of 1.5% - 2.0%

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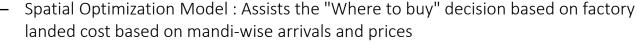
CHALLENGE
- Micro level (Monthly, Weekly & Daily buckets) Wheat price prediction over the season
- Unified Sourcing Digital System to aid commodity procurement

SOLUTION
Collaborated with McKinsey to build a set of Advanced Analytical models and Digital platform to gather the market information and disseminate the buying recommendations:
- **Advanced Analytical Models**
  - Temporal Optimization Model: Yield and price forecasting assist in "When to Buy" decisions and improve pre-season, season and post-season buying planning and branch-wise monthly/ weekly buying planning at State-variety level
  - Spatial Optimization Model : Assists the "Where to buy" decision based on factory landed cost based on mandi-wise arrivals and prices
- **Digital Platform**
  - Single Platform for collection of the Market Data
  - Granular access with workflow for actionable plan to respective stakeholders
  - Sourcing decision, efficiency analysis / value capture, and analysis of missed opportunity over a daily basis

RESULTS
- Wheat sourcing monthly price prediction at ~95% accuracy
- Estimated savings of 1% on total wheat procurement
- Enabled streamlining of the market data collection for structured and quick recording of price & arrivals; increased quantum of validated data available for better decision making, reduce manual documentation and approvals, consistency of information across branches and aggregate planning