

SAP add-on for Fresh Product application

Managing the remaining shelf Life based on customer specific rules is very complicated! It is no different than following the" **Rule of One**" The produce industry continues to evolve to meet consumers' needs. Consumers today are much more knowledgeable and demanding about the foods they purchase. The increased focus on food safety and consumer awareness raises the need to identify and adopt business practices and standards that will aid the produce sector's ability to track and trace product throughout the supply chain. It is important to note that different regions and different product segments may have different requirements.

Purpose

Fresh products such as vegetables, fruits, meat, fish, and convenience foods play a significant role in food retail business as they contribute highly to margins and revenues. In general, fresh products are delivered several times a week with delivery times less or equal to two working days. At the same time, they have short replenishment cycles and show dynamic sales behavior during the week. The level of freshness of your foods highly impacts your customers' willingness to buy products at your store. The business also benefits from keeping the number of products whose shelf life has expired to a minimum so you can avoid waste





Consumers expect safe and nutritious foods. They also expect all participants in the supply chain to have effective practices in place that allow for the rapid identification, location, and withdrawal of food lots when problems are suspected or confirmed. Ensuring that effective practices are in place across a complex and global supply chain is an on-going challenge.

As a grower or supplier of fresh produce, there's not much worse than having your products expire early. This can damage your reputation and be expensive to deal with. Not to mention the hundreds of millions of tons of food loss and waste it causes globally per year.

Growers and shippers give their fruits and vegetables the best chance of staying fresh by extending shelf life. Fresh produce can spend up to half its life in transit. When shipping fruits and vegetables all over the world, it's important to make sure the energy required to do so is put to good use.

Business Requirement

- Customers have hundreds and thousands of Retail outlets where they need the Fresh products such as vegetables, fruits, meat, fish items to be delivered
- Each Customer has their unique needs on remaining Shelf life and required ripeness factor for a category of Produce when it reaches their stores.
- Transit Time to reach each outlet differs due to distance and location etc.

Business Challenges

• Planning, procurement, Warehousing, Picking, and shipping process to ensure that each store get the right product at the right time is the biggest challenge in the Supply Chain.



Our Solution

Fruits and vegetables need to be given the best chance to survive long haul shipments. Our solutions utilize most of the shelf life by basing decisions off freshness. One way to achieve this is to transition from **FIFO** to **FEFO** (first to expire, first-out), when all conditions are met before deciding which batch to pick

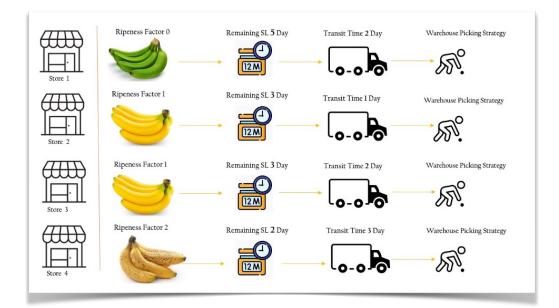




The ZIETA custom add-on allows you to identify and configure fresh products and puts its focus on the following functions:

Picking the right batch based on following conditions

- Applying Customer Specific freshness Rules
- Calculating remaining shelf life when the product reaches the retail outlets based on customer specific Freshness rules
- Distance between shipping warehouse and Retail outlets
- Time to reach the retail outlets based on distance by integrating with Third Party TPS system to calculate the time
- If more than one batch matches all the above criteria, then FEFO logic is applied to direct the guided picking



Conclusion:

Every enterprise needs to develop new business models to avoid being disrupted, gain efficiencies, and transform mission-critical systems without business risk. Our Complementary and innovative solutions help provide cutting-edge, solution that solves many of the business challenges that are unique to Industry.

Our Solution allows you to have your unique business rules that suits your ambition, yet follow the industry principle of Batch management, Stock segmentation of supply chain.

Industries White Paper | Consumer Products

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