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Nestlé Uses Xeneta to Get a Real-Time View of the Market and Improve Procurement Decision Making

"The more complex your global trading activities are, the easier it is for Xeneta to unfold its value for your ocean management and procurement program."

Nestlé

Jochen Gutschmidt , Global Freight Lead at Nestlé

Company Profile

Nestlé is the world's largest food and beverage company, responsible for managing more than 2,000 brands across 189 countries.

The company manufactures products in 413 factories spread across 85 countries with a turnover in 2017 totaling US$ 89.9 billion.

Annually, Nestlé globally ships an average of 500,000 TEUs.

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The Challenge: Achieving Transparency

Managing Nestlé's multi-billion dollar operation with an immense and complex supply chain requires robust and scalable sets of business tools and skills.

In order to support its sophisticated supply chain and global ocean freight sourcing strategy, Nestlé embarked on a search for business-critical market intelligence tools.

Nestlé had outlined specific needs that the tool had to meet and determined that the top requirement was true real-time and on-demand global benchmarking intelligence.

In addition, the company identified three key functional focus areas that also needed to be addressed:

- Support and enhancement of internal communication and discussions with ocean carriers around the globe.
- Improvement of decision support for day-to-day activities such as spot market procurement.
- In-depth assistance with processing of numerous daily internal research requests to support market analysis.

The Solution

After screening the market, Nestlé chose Xeneta as the global ocean freight rate benchmarking tool that best met its requirements and expectations.

Xeneta's data density and worldwide rate coverage complemented Nestlé's global trading footprint. There are a number of market intelligence sources available, however, it is clear that no one can be on top of every trade in the world. The team at

Nestlé, therefore, concluded that Xeneta was the best tool to give the data insights necessary to keep the team continuously one step ahead of the market. Ultimately, Xeneta's data density, breadth of geographic scope and the database's steady growth path set it apart from other tools.

"Xeneta is an easy-to-use platform with a modern and intuitive user interface. Its turnkey solution allowed for minimal

training and quick implementation. We were able to deploy it easily and in little time letting the team derive immediate value from the very beginning," says Jochen Gutschmidt, Global Freight Lead at Nestlé.

As noted by Gutschmidt, a key distinguishing feature of the tool is the ability to get a sorted view of contracts based on specific criteria. The tool makes viewing contracts for any desired time frame simple. For example, pulling the last 90 days of contracts versus every contract in the system.

The data is more comparable and relevant to immediate business decisions, which is part of what makes it a powerful tool. Ocean container freight rates are updated around the clock in the tool.

One of the stand-out features Xeneta offered was the ability to define specific business terms relative to THC charges at the origin-destination. According to Gutschmidt, this was one of the strongest functionalities that brought clear value to Nestlé.

Conclusion

"While we found several benchmarking services available in the market, we found none of them to be as broad in scope and up to date as Xeneta. Also, none of them were as compatible with our functional

requirements. Would I recommend Xeneta? Certainly, Yes."
- Jochen Gutschmidt, Global Freight Lead at Nestlé.