CPG · BAKERY & DAIRY PRODUCTS MANUFACTURING

A leading pan-India CPG manufacturer cuts bulk commodity costs and sourcing cycle time with OptiSource

Facing rising input costs and a fragmented, spreadsheet-driven buying process across regional plants, one of India's leading CPG producers adopted OptiSource to bring lowest-landed-cost, constraint-aware vendor allocation to its bulk raw material procurement.

INDUSTRY	FOOTPRINT	COMMODITIES IN SCOPE	VENDOR BASE
Consumer Packaged Good	**10+ manufacturing plants across India**	**Wheat flour, refined sugar, palm oil, packaging board**	**15+ suppliers per commodity category**

⚠ The Challenge

- Monthly bulk buying for wheat flour, sugar, palm oil and packaging board was run in disconnected spreadsheets, one per regional cluster.
- Category managers struggled to compare 15+ vendor quotes on a true landed-cost basis — unit price and freight lived in separate files.
- Vendor capacity and MOQ limits were tracked manually, leading to orders that occasionally breached what a supplier could actually fulfill.
- Several clusters had drifted toward single-vendor dependency for key commodities, a supply-risk concern the category team had flagged but had no systematic way to fix.
- A single month's sourcing round could take several days to finalize and reconcile.

✓ The Solution

- Rolled out OptiSource commodity-by-commodity, starting with refined sugar as a pilot before extending to wheat flour, palm oil and packaging board.
- Procurement's existing vendor quote sheets and freight rate files were loaded directly via CSV upload — no re-keying of the 15+ vendor price books.
- Procurement clusters were configured to mirror the company's existing regional plant groupings.
- Vendor capacity, MOQ, and lane-specific supply constraints were captured once and reused every sourcing cycle.
- The minimum-2-vendor diversification rule was switched on for all commodities to systematically address the single-vendor concentration risk.

RESULTS AFTER ROLLING OUT OPTISOURCE ACROSS FOUR COMMODITIES

11%	45 min	2.4×	0
Reduction in average landed commodity cost	Sourcing cycle time, down from 2–3 days	Avg. vendors awarded per cluster, up from 1.6	MOQ / capacity breaches since go-live

How the rollout worked

1 Pilot on Sugar	**2 Data Onboarding**	**3 Rules Configured**	**4 Scaled to 4 Commodities**
One commodity, one region, validated against the team's existing manual process before wider rollout.	Existing vendor cost and freight spreadsheets loaded via CSV upload, matched automatically to vendor and plant master.	Capacity, MOQ, lane constraints and the 2-vendor diversification rule set once per commodity.	Wheat flour, palm oil and packaging board added over the following sourcing cycles.

Illustrative customer scenario for reference purposes.