

**DAY ONE**



**CONSULTING**

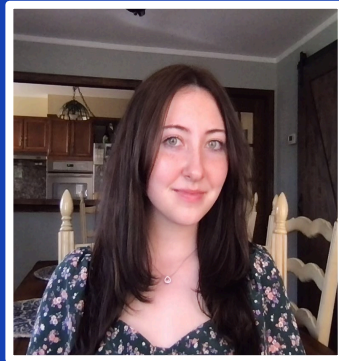
Ashton Guo, Gjon Curanaj, Devina  
Bajaj, Sydney O'Malley

Haverford

# Our Team!



**Ashton Guo**  
Finance and  
Accounting



**Sydney  
O'Malley**  
Finance



**Devina Bajaj**  
Finance



**Gjon Curanaj**  
Finance and  
Theology

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1. Team Introduction

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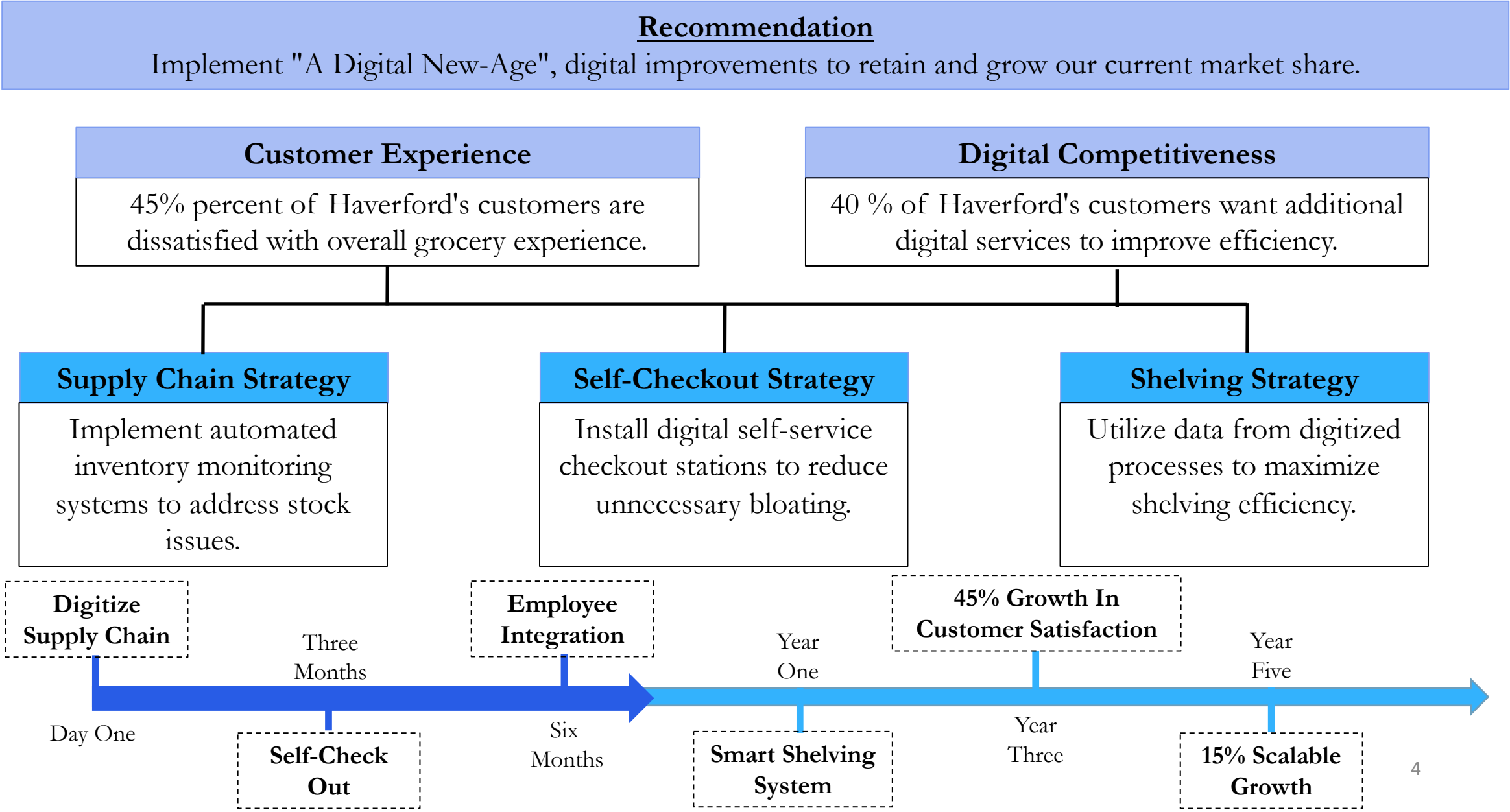
# Executive Summary

Thesis

Case Issue

Solutions

Roadmap



# Industry Overview

## Market Growth



- \$800 Billion Market
- 2022 sales increase 9.2%
- US Grocers account for 92.1% of store sales

## Demographics



- Demand of Freshness
- Efficiency of Grocers
- Discounted Groceries
- Inclusivity of Community

## U.S. Market Share



Local Grocers – **33%**



Walmart – **26%**



Kroger – **10.1%**



Albertsons – **5.3%**



Whole Foods – **1.6%**



Target – **1.3%**



Trader Joe's – **1.3%**

Data of 2021

## Trends

- Increase in Mergers and Acquisitions
- Inflation 7.1%
- 5% Growth of Experience
- Life-Style Conscious Consumers
- \$7.6 Billion Meal-Prep
- E-commerce grocery sales projected to reach 25% by 2030
- 2/3 of consumers value quality

Consistent long-term growth in the retail grocer market with trends of digitalization focusing on growth in e-commerce and meal-prep services.

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# Supply Chain Strategy

## Targeted Complications



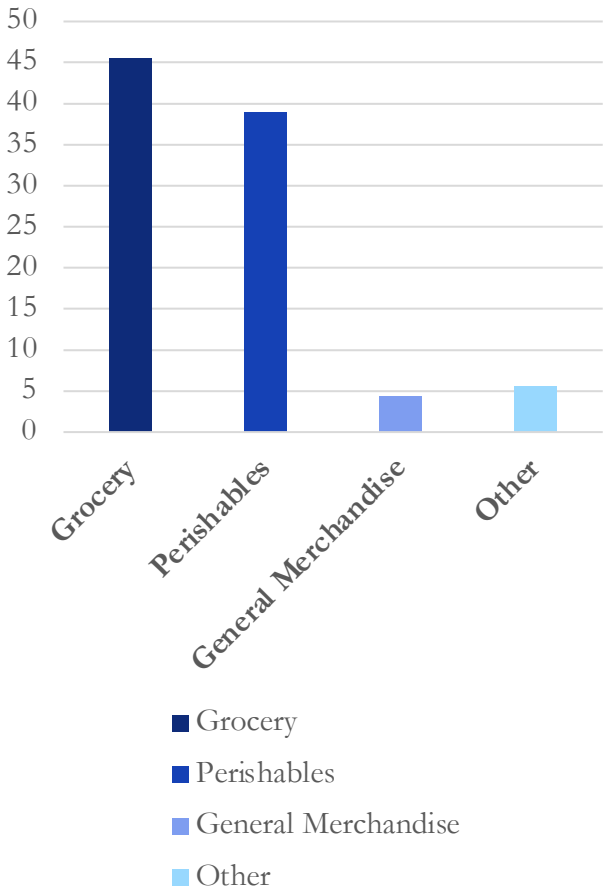
- Customer Experience
- Sustainable Supply Chain

## Risks

- High Initial Cost
- Hiring Issues



## Out-of-Stock



## Implementation

### Automated Monitoring

- Provide Oversight
- Digitize Manual Process

### Producer Progress Tracker

- Farm To Table Journey
- Supporting Community

### Producer Inventory Tracker

- Shelf Life of Goods
- Reduce Cost In Waste

Digitizing supply chain management will increase efficiency, reduce cost, maximize potential, and improve customer experience.

# Self-Checkout Strategy

## Customer Experience

- Increase Potential Revenue
- Reduce Wait Time



## Market Competition



- Retain Current Customers
- Increase Options

## Risks

- Employees Losing Jobs
- Customer Usage



## Implementation

1

Hardware  
- Partial Store Installation

2

Software  
- Employee and Customer Integration

3

Data Collection  
- Track Product Sales

4

Employee Efficiency  
- Improve Shelving Systems

Haverford's implement a self-checkout system to capitalize on the expanding customer concern of effectiveness and digitalization of competitors while still maintaining their brand experience.

# Smart Shelving Strategy

## Opportunity

- Improve processes via technology
- Maintain company culture
- Minimal additional investments
- Minimize Produce Waste
- Competitive Pricing



## Risks

- Customer dissatisfaction
- Time consuming to implement



## Implementation



Automated Inventory Data



Implement Sensors



Proprietary Research

## Planogram

- 60% Purchases are Impulsive
- 15% Growth



## Functions

1. Analytics Platform
2. Image Capturing Device
3. Reporting Dashboard

## Benefits

**\$83B** Empty Shelves  
**\$80B** Perishable Waste  
Generate **\$20B** Value  
**15%** Reduced Cost

Analyzing data from existing automated systems to improve shelving strategy and automations to allow for more volume of sales and exceptional, convenient consumer experience.

# Financial Implications

## Cost and Assumptions

Cost To Haverford	Amount
Supply Chain Software	\$200,000
Hiring Tech Resource	\$300,000
Hiring In-Store Staff (25 Stores)	\$3.75M
<b>Yearly Cost To Haverford</b>	<b>\$4.25M</b>
<b>Investment Cost (Fixed)</b>	<b>\$1.25M</b>

### Assumptions:

- 15.3% Projected Growth (Average Digital Implementation)

App Development (\$500,000) + Consultants to Implement Software (\$500,000) + Training Existing Staff (\$10,000) = **\$1.25M**

## 5 Year Return On Investment

$$\begin{aligned} 15.3\% \text{ Growth} \times \$50 \text{ Million Revenue} \times 5 \text{ years} &= \$288.25\text{M} \\ \$5.5\text{M} \times 5 \text{ years} &= \$27.5\text{M} \end{aligned}$$

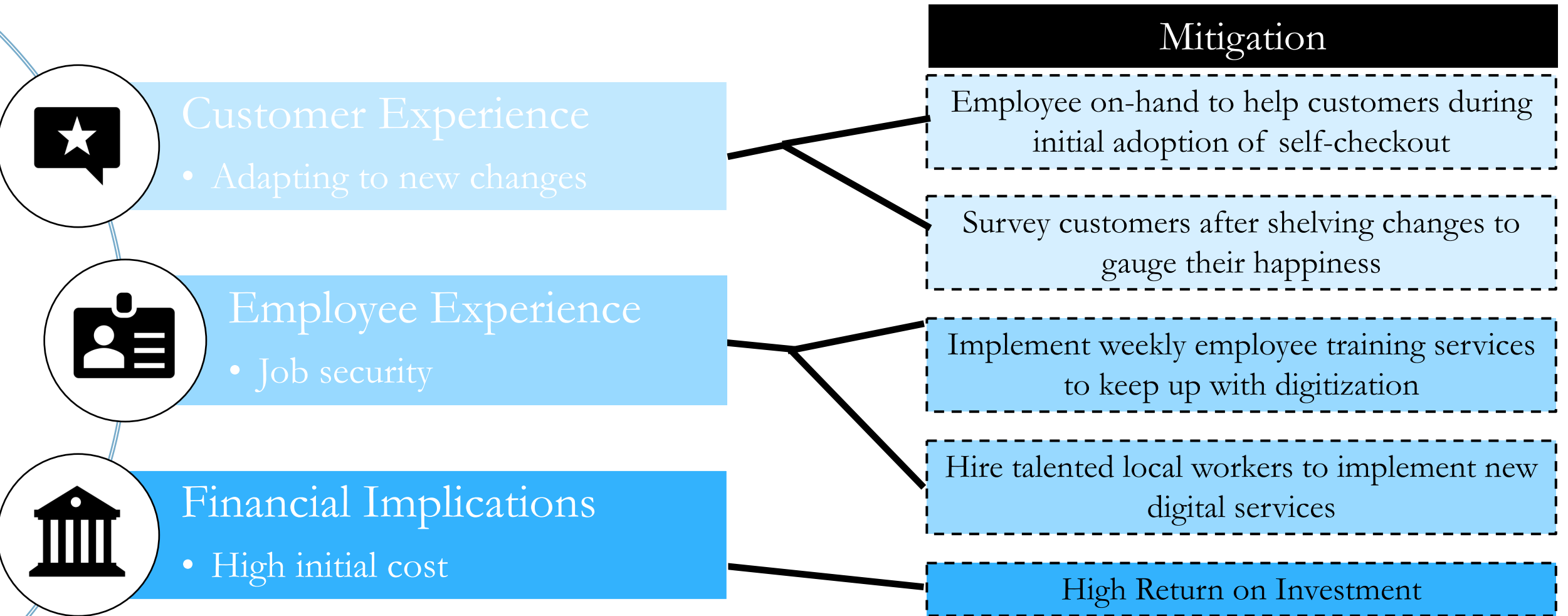
**GROSS RETURN**  
**\$260.75M**

$$\frac{\$260.75\text{M} - \$1.25\text{M}}{\$1.25\text{M}}$$

**=**

**207.6%**  
**ROI In The**  
**Next 5 Years**

# Risk Overview and Mitigation



Focusing on mitigating higher-priority risks can ensure success both in customer experience and market competition leading to a growth in market share.

**DAY ONE**



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Thank You!  
Questions?