



Cardenas Cuts Waste, Boosts Sales & Margins with Automated Ordering and Inventory Intelligence

Growing retailer automates ordering and forecasting to drive data integrity and optimize shelf space



\$6 million
in reduced inventory

100% Adoption
by in-store associates

Accurate, trusted orders



“With Upshop we’re able to advance from several separate ordering methods to one system that enables actionable inventory. It has resulted in accurate orders, increased turns, reduced inventory in the stores and lean and organized back rooms.”



Prabash Coswatte,
Chief Operating Officer,
Cardenas Markets

The customer

Headquartered in Ontario, CA, Cardenas Markets operates 65 stores under the Cardenas banner and 8 stores under the Los Altos Ranch Market banner. Cardenas Markets is one of the largest Hispanic grocery chains in the country today with stores in California, Nevada, and Arizona.

The roadblock

Store ordering processes for Cardenas were manual and highly reliant on the judgment of store associates, which often led to over-ordering, misallocation of shelf space, affected profit, and significant food waste. Operational decision making was delayed by mistrust of store data coming from multiple point solutions—a challenge only worsened by product shortages and demand surges during the COVID-19 pandemic.

The solve

Upshop’s Computer Generated Ordering (CGO) optimizes inventory based on consumer demand, real-time perpetual inventory, and a retailer’s business parameters. Advanced algorithms and machine learning automate ordering and make smarter merchandising decisions while enhancing everyday operations in space allocation, promotional planning, and DSD vendor management.

The impact

With Upshop, Cardenas has optimized inventory by Store/UPC/Day to maximize on-shelf-availability while minimizing backstock, achieving a “truck-to-shelf” goal —meaning exactly the right quantities needed for item replenishment arrive for each delivery. Merchandise received then moves directly to the sales floor with minimal need for backstock—yielding happier customers, increased sales, faster turns, fresher product, and improved overall financials.

The Inventory Obstacle

Cardenas Markets has long earned shopper loyalty through intentional and authentic merchandising. So when the Ontario, CA-based supermarket chain discovered several inventory obstacles in the way of providing the freshest, most in-demand items for their customers, they knew they needed major change.

Store ordering processes were highly reliant on manual processes and the judgment of store associates, which often led to over-ordering, misallocation of shelf space, affected profit, and significant food waste. “The impact of over-ordering nine out of ten times is shrink and low turns,” explains Prabash Coswatte, Chief Operating Officer for Cardenas. “Then we have excess inventory that's not productive. That's dead money sitting in the store.”

Operational decision making was delayed by mistrust of store data coming from multiple point solutions—a challenge only worsened by product shortages and demand surges during the COVID-19 pandemic. Coswatte was tasked with finding a technology fix that was simple, smart, and could connect inventory processes across all areas of the store at every location.

That's where Upshop's Computer Generated Ordering (CGO) solution came into play.

Smarter Ordering, Smarter Merchandising

Upshop CGO uses intelligent inventory technology to automate ordering processes and make smarter merchandising decisions: achieving the “truck-to-shelf” objective that brings the exact right inventory with every delivery and moves it directly to the floor. Cardenas is now optimizing inventory by Store/UPC/Day—gaining assortment integrity through optimized SKU rationalization, shelf management, and planogram optimization.

Installing Upshop in the middle of the holidays and during the pandemic proved a risk worth taking: Cardenas quickly learned how inventory intelligence improves everyday operations, on-shelf availability, space allocation, promotional planning and execution, and DSD vendor-item management. Mismanagement of DSD vendor items often led to oversupply, expired items, lower turns, and shelf space concerns.



Upshop generates trusted orders for Cardenas based on accurate consumer demand, enabling the same truck-to-shelf optimized inventory that eliminates backroom storage concerns that arise with warehouse items. Built-in inventory forecasting also empowers smart merchandising for special circumstance events such as holidays by considering historical data and customer demand.



“The system...will adjust the order to fulfill the demand and reduce our food waste as a result,” explains Coswatte. “With Upshop, we’re able to right-size the shelf capacity to meet the customer's demand and optimize our turns.”

Inventory Intelligence Everyone Can Get Behind

Reliable order automation and data integrity quickly established trust in Upshop: Cardenas associates often see no reason to make adjustments to system-generated orders. With inventory intelligence, operations can run more smoothly and efficiently throughout the total store. “When there’s no argument or worry about data integrity,” Coswatte notes, “we make more accurate decisions around space, assortment, fresh food preparation, price, and DSD vendor guidance.”

Order automation also enormously simplifies the job for associates, making it easier to hire in an already competitive employment market. Manual ordering requires mental math and deep knowledge of historical ordering patterns; a timely and experiential luxury most store employees don’t have. Upshop eliminates manual ordering and operates with a user-friendly UI to any associate, no matter age or experience level.

Upshop CGO has the total store in mind: optimizing from the second an order is placed, to the time it gets delivered, to the moment it arrives on the shelf. “Upshop enables actionable inventory,” Coswatte says, resulting “in accurate orders, increased sales & turns, reduced inventory in the stores and lean and organized back rooms.”

With total control over inventory, there’s nothing Cardenas can’t do.



To learn more:
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Upshop has been building store operations technology for 30+ years to provide simplified, smarter, more connected SaaS-based solutions for retailers and associates. Upshop has formed a singular platform that delivers end-to-end visibility, increased sales, major waste reduction, and streamlined labor efficiencies. 150+ retail chain accounts trust our software in over 30k+ stores, 9 countries, and 3 continents.