

BENEFITS

- 6% savings on food cost
- Instant spend analysis and supplier competitiveness reports
- Increased bargaining power
- More competitive supplier pricing
- Easy ordering for employees while Purchasing retains central control
- Automatic purchase order/invoice reconciliation

DEPLOYMENT COUNTRY

United Kingdom

CUSTOMER PROFILE



The Landmark London

- 5* hotel
- Central London
- 300 guest rooms
- 4 F&B outlets
- 12 meeting rooms
- 1800 cover banqueting capacity

"With Marketboomer we have total control of purchases. Whether the order is placed by me or one of my team, I know exactly what we're expecting, from whom, in what quantity and at what price."

Gary Klaner
Executive Chef



The Landmark London Saves 6% on Food Cost

EXECUTIVE SUMMARY

5* hotel The Landmark London, located in London's stylish Marylebone district, is known for outstanding food, beautifully appointed rooms and exceptional service. The hotel offers a wide range of products and services to meet the exacting demands of its upmarket leisure and business clientele.

The opportunity for improvement

- The lack of detailed, comprehensive spend data made leveraging the hotel's buying power difficult.
- Food was ordered over the telephone.
- Bills were paid as invoiced by the suppliers with manual systems of cross-referencing suppliers' invoices with purchase order price.
- Purchasing data had to be entered twice, once into the inventory system and once into the accounts payable system. This double entry was error-prone and inefficient.
- Due to the highly-specified nature and wide range of products used by the hotel's food and beverage outlets, the purchasing department was spending two hours every day comparing prices and placing telephone orders.

How Marketboomer helped

The Landmark London implemented Marketboomer's supply chain solution, starting with procurement and invoice reconciliation functions and later adding inventory. The Best Buy function, which automatically selects the best price, is used for food purchases and disposables. Beverage purchases are locked down to specific suppliers with whom annual contracts are negotiated.

The bottom line

- In Year 1, The Landmark saved 6% on its food spend with no loss in quality.
- Regular monthly spend updates via Marketboomer to the hotel's suppliers have provided them with the information to quote more often, more accurately and more competitively.
- Marketboomer's detailed product specifications and centrally managed catalogue ensure that all suppliers are now quoting on a like-for-like basis which improves compliance and quality.
- Since implementing Marketboomer, The Landmark's food prices continue to track a minimum of 2% below market trends.

Other benefits

Single data entry plus the automatic reconciliation of purchase orders and invoices has increased the efficiency of the accounts department. Detailed reporting on purchase orders, invoices, user activity, spend analysis and supplier competitiveness provides powerful information which is used to drive savings and improve control.

Juergen Reineke, Financial Controller comments, "We had considered many electronic purchasing systems over the years, all promising efficiencies yet all very complex to set up and complicated for the front line team who would be using it most. When we were introduced to Marketboomer, we found a purchasing system that was designed specifically with the hotel business in mind." He continues, "The technology caught our attention but it was the industry expertise and ongoing commitment of the Marketboomer team that really made Marketboomer stand out. Setting Marketboomer up wasn't without its challenges, it created change and we encountered resistance but we stuck with it and it was well worth the effort!"