

Northgate Markets Streamlines Supply Chain to Boost Sales at 40+ Stores

Real-time

Accurate data analytics and reporting for review and decision making

Zero

No data loss in order processes from each POS to distribution center

Automated

Streamlined vendor onboarding and order management

HEADQUARTERS

Anaheim, CA

INDUSTRY

Grocery Chain

EMPLOYEES

6,000+

USE CASE

Process Automation

DEPARTMENT

Central IT

CHALLENGE

Manual data entry and process interventions delayed time to insights

SOLUTION

Automated app integrations and EDI helped streamline faster order processing and supplier onboarding

INTEGRATIONS

Active Directory, MS Dynamics AX, REST, Salesforce, SAP, UltiPro

Northgate Markets Backstory

Founded in 1980, Northgate Markets is a full-service grocery store renowned for its large selection of authentic Latin American food. It has over 40 locations across Southern California in Los Angeles, San Diego, Riverside, and Orange counties, and continues to expand.

The Challenge

Northgate Markets has attracted generations of loyal customers over the last four decades by offering the best produce, prepared meals, and Latin American food around. But the grocer's backend data integration architecture hindered its ability to deliver on this brand promise.

Mukesh Saxena discovered this when he joined the company as the Director of Data Management and Development in 2012. At the time, Northgate used Microsoft BizTalk to manage a vast network of integrations for internal applications and external third-party systems used by its suppliers. There were several drawbacks with this solution, but one in particular stood out.

Whenever one of Northgate's 40 stores ran out of a certain food or beverage product (ie. coffee), it would place an order requesting more coffee. This order would travel through a Microsoft BizTalk pipeline to Northgate's distribution center. Those at the distribution center would then fulfill the order. The problem was, orders were getting lost in transit.

In fact, the stability and throughput of the BizTalk pipeline hovered around 65 percent. In other words, roughly 35 percent of orders were getting lost on a regular basis. This throttled the company's supply chain, delaying grocery chains from restocking products on shelves which resulted into a loss in sales.

At this juncture, Mukesh had a choice—either redesign the BizTalk architecture or modernize their existing architecture by replacing it with a modern solution.

The Solution

SnapLogic made Mukesh's decision easy. It was clear that completely rebuilding the order processing integrations in SnapLogic's modern integration platform would be faster, cheaper, and more reliable than reconfiguring BizTalk.

The drag-and-drop ease of building integration workflows with Snaps—robust pre-built connectors—would vastly accelerate pipeline development. Another big advantage, one that was especially important to Mukesh, was SnapLogic made it easy to modify integration pipelines on the fly.

“In the past, whenever we needed to alter a BizTalk pipeline, we'd essentially have to rewrite the underlying code and redeploy it,” Mukesh explained. “As you can imagine, beyond being highly inefficient, this also disrupted important business processes. SnapLogic, on the other hand, lets us make changes to specific sections of a pipeline without having to overhaul the entire thing. The subsequent productivity gains have been immense.”

Two developers on Mukesh's team rapidly built over 70 integration pipelines with SnapLogic in the span of weeks. They achieved so much success with the order processing workflows that they extended the platform to other high-stakes use cases. This included electronic data interchange (EDI) exchanges with Northgate's hundreds of outside vendors and suppliers, as well as a real-time analytics use case to help with production planning for buyer and operation teams.



Northgate partners with roughly 400 supplier vendors and 800 direct store delivery vendors,” Mukesh explained. “When SnapLogic automates EDI transactions with even just one of these vendors, it enables us to fulfill orders faster, in turn, driving sales for those products. The business impact is massive.”

Fast-forward to early 2020 with the emergence of the COVID-19 pandemic, the company saw an uptick in toilet paper, cleaning supplies, frozen and canned foods sales as customers prepared for the unforeseen state-wide lockdown. As a result, the company saw a 5X increase in product re-orders, causing order processing delays which, in turn, delayed product restocks. “To mitigate the risk of running out of stock during the early days of the pandemic,” said Mukesh, “we sped up the order fulfilment process by enabling multiple orders to be processed simultaneously in their ERP system, via SnapLogic. Now buyers in the company can adjust restocking frequencies to meet the new customer demand.”

The company was also challenged with vendor shortages, as meat and poultry plants for example, were temporarily closed. As a result, buyers at the company needed to identify and onboard new vendors who could supply them with products to meet its customers’ demands. Thanks to the automated process Mukesh had previously set up to automate new vendor and supplier onboarding, the company was able to mitigate any restocking delays caused by vendor shortages. In addition, the company’s headquarters can view the level of inventory from each point-of-sales (POS) so they can move products from one POS to another to

meet demand. As customers adopted to the new normal by purchasing more groceries instead of dining out, Northgate still met its promise of offering a large selection of groceries.

“SnapLogic played an integral role in automating daily sales data from each POS to the headquarters so that senior executives could identify issues and make real-time business decisions,” said Mukesh. To make this automated process a reality, Mukesh and his team connected their HR system to identify cashiers who could receive loan money at the start of their shift. The cashier would deposit money any time their POS was more than \$3K. This process improved on cashier safety and accountability while recording and reconciling sales data in real-time. “We can ETL real-time sales data from each of our locations back to our headquarters using SnapLogic,” said Mukesh. “The executive team can review reports and make decisions fast without waiting on each POS to finish counting and reconciling daily sales.”

Business Outcomes

SnapLogic has delivered orders from stores to Northgate's distribution center, effectively reducing the number of missing orders a day to zero. "During the BizTalk days, alerts would fire on my laptop at all hours with people asking what happened to their orders," said Mukesh. "My laptop is much quieter now."

Mukesh and his team have also made dramatic improvements to the company's EDI/B2B integrations. As a result, they've created a path to sales generation that was not previously available. Before, due to the scalability constraints of BizTalk, Northgate only had EDI integrations in place with two scan-based trading (SBT) vendors. In just six months with SnapLogic, Northgate increased that number to 28. What's more, it now only takes one day to add a new vendor. To date, the grocer has established EDI integrations with 45 SBT vendors, a giant leap from what it had before.

"We are now much better and faster at turning data from our POS into business insights, and make informed business decisions," concluded Mukesh.



SnapLogic has helped us keep our commitment to our customers during these unprecedented times," Mukesh concluded. "We can confidently offer products to our customers at larger quantities the likes of which we have never seen before."

SnapLogic powers the automated enterprise. The company's self-service, AI-powered integration platform helps organizations connect applications and data sources, automate common workflows and business processes, and deliver exceptional experiences for customers, partners, and employees. Thousands of enterprises around the world rely on the SnapLogic platform to integrate, automate, and transform their business. Learn more at snaplogic.com.