

Creating a
Comprehensive
Transportation Spend
Management
Solution for GNC



THE COMPANY

GNC Holdings, Inc., (GNC) headquartered in Pittsburgh, PA, is a leading global specialty retailer of health and wellness products, including vitamins, supplements, minerals, herbs, sports nutrition, diet and energy products. GNC utilizes a unified commerce approach that is executed via both brick and mortar and e-commerce distribution, making transportation costs a core area of focus in the retailer's business strategy.

THE OPPORTUNITY

GNC had several opportunities for growth within its internal operations. The retailer needed help with contract optimization and carrier management, an area that delivers rapid and significant transportation cost savings if properly managed. Additionally, GNC lacked full visibility into its transportation data. A proper business intelligence (BI) tool would increase visibility, in turn uncovering opportunities for cost saving. Finally, the retailer needed to optimize financial reporting and SKU-level analytics, which enVista could make possible with our transportation finance and proactive analytics services.

ENVISTA'S SOLUTION

Given GNC's multiple opportunities, enVista's project team determined that a comprehensive transportation spend management solution should be implemented to capitalize on the immediate opportunities while building the infrastructure to reap future opportunities.

The enVista team onboarded GNC to enVista's global invoice audit, payment and visibility solution, myShipINFO®, and began the data capture necessary to support further strategic initiatives. The team then executed a multi-stage strategic sourcing strategy for small parcel shipping to ensure optimal cost-to-value

ratios were achieved and maintained over time. Finally, the team developed KPIs to support business objectives and tailored business intelligence solutions to role-based reporting, including root-cause drill down and querying. A systems integration designed to match executed shipment data to billed carrier data across all modes of transportation rounded out a fully-integrated and supremely robust finance and analytics solution.

THE RESULTS

Prior to this project, GNC had an annual baseline spend of over \$26 million. After optimizing strategic sourcing, implementing a national postal consolidator carrier and holding a roadmapping workshop, GNC accrued more than \$4 million in hard dollar savings, approximating 15.4% of its original annual baseline spend.

Further results included integrating carrier billing data with GNC's warehouse management system to drive billing compliance and BI; providing automated freight reporting within the BI tool; providing proactive network analytics and transportation finance automation; implementing outsourced freight payment and carrier integration solutions; providing COVID-19-related thought leadership and analytics; identifying/quantifying monthly savings resulting from the new transportation management system implementation; providing real-time business intelligence visibility into billed shipment activity at the KPI and GL Coding levels; and evaluating multiple scenarios in order to determine the cost of moving to a three-day customer commitment.

These are only the initial successes. enVista will continue to partner with GNC in the months and years to come to ensure that GNC's transportation network continues to be a competitive differentiator for GNC.

GNC Savings Quantification

	Percent
Annual Baseline	100%
HARD-DOLLAR SAVINGS	
▶ Phase one strategic sourcing resulted in hard dollar cost savings, with no degradation of service and minimal disruption of the carrier network.	11.3%
▶ Phase two strategic sourcing resulted in the implementation of a national postal consolidator servicing approximately 1.2% of the order volume.	
- Postal Consolidation Carrier	1.3%
▶ Roadmapping Workshop where 2.4% in cost optimization opportunities were presented.	2.4%
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	15.4%
INTANGIBLE SAVINGS	
▶ Integrated carrier billing data with GNC's warehouse management system (WMS) to drive billing compliance and BI	
▶ Provided proactive network analytics and transportation finance automation	
▶ Implemented outsourced freight payment and carrier integration solution	
▶ Identified/quantified monthly savings resulting from new TMS implementation	
▶ Automated freight reporting in the BI tool	
▶ Real-time business intelligence visibility to billed shipment activity at the KPI and GL Coding levels	
▶ Evaluated multiple scenarios in order to determine cost of moving to a 3-day customer commitment	



Let's have a conversation.TM
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