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Parle Products collaborates with IBM to drive digital transformation using cloud and AI

AI-powered solutions enable Parle Products to reshape operations and lay foundation for an agile and data-driven future



INDIA, Bengaluru, September 12, 2023 -- IBM (NYSE: [IBM](#)) today announced the expansion of its collaboration with Parle Products, the largest selling biscuit brand in India, to further the company's digital transformation journey. By deploying cloud and AI for business solutions through the course of engagement, Parle was able to reduce sourcing cost, enhance sales forecast accuracy, lower cost to serve and optimize overall IT infrastructure.

Prior to embarking on the transformation journey, Parle was dealing with complexities in their intricate supply and distribution network because of non-differentiated strategies across products as well as channel and fulfilment approaches. This resulted in service level constraints and higher cost to serve. Since its association with IBM in 2014, Parle has been able to bring operational efficiencies by leveraging the cloud and AI capabilities of IBM Consulting.

In the latest phase of the engagement, IBM Consulting is also collaborating with Microsoft to implement the Azure Databricks Lakehouse, AI engine for Auto Replenishment and SAP Ariba solutions at Parle. By helping Parle better leverage Azure platform for data insights, IBM Consulting is helping the company realise even greater operational resilience, agility, and scalability.

Sanjay Joshi, CIO, Parle Products said, "Parle's nearly decade-long collaboration with IBM, leveraging both its technology expertise and consulting capabilities, has been paved with multiple milestones, all of which has helped us achieve our digital transformation vision. Our joint efforts to not only implement newer SAP solutions but migrate the entirety of existing SAP and non-SAP workloads to the cloud has driven many crucial KPI's and enhanced overall efficiency. The similar collaboration on deploying Microsoft Azure Databricks Lakehouse platform will definitely provide our business functions with data driven insights and help them take critical decisions. With IBM Consulting, we are poised to unlock newer avenues of growth and remain at the forefront of industry evolution."

Kamal Singhani, Country Managing Partner, IBM Consulting – India/South Asia said, "Today, leveraging exponential technologies like cloud and AI are fundamental to every company's competitiveness by transforming the way that they meet customer demands and operate their businesses. Our long-standing collaboration with Parle has reached another milestone where a fundamental shift is being brought to the core strategic units of the organization. Collectively, this is resulting in improved operations and increased revenue, helping them better serve customers."

Across the [various phases of the engagement](#), Parle also leveraged IBM's leading security and industry expertise to drive growth. The enterprise-wide transformation is revamping the operations at Parle to encompass a spectrum of business functions including:

- **Procurement Transformation:** IBM's *"Full Cycle Procurement"* solution helped Parle understand the current state of the procurement function and identify value drivers. Each phase of procurement – sourcing, purchasing, category management and payment – were closely observed to develop the procurement transformation strategy and optimise KPIs. This resulted in significant operational improvements such as increased revenue growth and cost optimisation, like 80% reduction in time to quote to compare, 80% automation in operational procurement and 2-5% savings across key categories.
- **Supply Chain Evolution:** Collaborating with Parle's teams, IBM implemented a robust SAP-based backbone – SAP Advanced Planning and Optimization (APO) – to harmonise processes. This helped reduce overall stockout instances while optimising the logistics cost to serve. This resulted in improvement of forecast accuracy by 10% and reduction in weighted average distance by 10%, making availability of products to customers much faster.
- **HR Transformation:** The key focus for Parle was to design and drive employee performance KPIs. The implementation of SAP SuccessFactors Performance & Goal management along with Employee Central helped effectively map the end-to-end performance management process. These efforts helped align employee performance KPIs with company objectives, leading to faster appraisal cycles and transparent performance assessment.

About IBM India:

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs, and gain the competitive edge in their industries. More than 4,000 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently, and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's legendary commitment to trust, transparency, responsibility, inclusivity, and service. For more information on IBM India, please visit: <http://www.ibm.com/in/en>.

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