Customer Success Story: Learn how Microsoft Optimized Supply Chain Planning with Algo

Microsoft's Story

Microsoft Devices is a global manufacturer and distributor of computer devices, accessories, interactive gaming hardware and software. Microsoft sell their consumer products to over 500 retailers globally via a complex web of 1st and 3rd party distribution networks across the USA, EMEA, Canada, Latin America and the Asia Pacific region.

Challenges

The sheer number of distribution points and retail partners in this global network presented many challenges, including aggregating retailer data to forecast consumer demand. Accurate demand and supply chain planning is essential for optimizing the flow of inventory from factory to consumer to maximise shelf availability and ultimately increase sales.

Microsoft also had limited visibility to their retail partners' sales and inventory data, and the data they did have was siloed due to non-standardized formats and timelines. This lack of retailer data visibility on a timely basis led to an operationally inefficient approach to predicting consumer demand.

Solutions

Algo centralized data across 1st party retailer sales and 3rd party OEM sales. The data is pivotal to an AI driven supply chain planning platform used for the purposes of optimizing sales to the consumer without excess inventory within the supply chain. Algo introduced essential capabilities including aggregation of retailer data, co-managed inventory, collaboration, and a global control tower to both sales and supply chain teams at Microsoft.

Key benefits included sales increase, reduction in weeks of supply, reduction in markdown exposure, and productivity improvements. Microsoft embraced the **Algo solution**, with the outcome being development of high-quality consumer demand data residing in 1 platform to enable the efficient flow of inventory from factory to consumer.

Results

+20%	+20%	+4%	+30%
Shelf Availability Improvement	Weeks of Supply Reduction	Sales Increase	Aged Inventory Improvement

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