



Collaborate with
Suppliers to Secure
Ingredients and Build
Resilient Supply Chains

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Recipes for Resilience

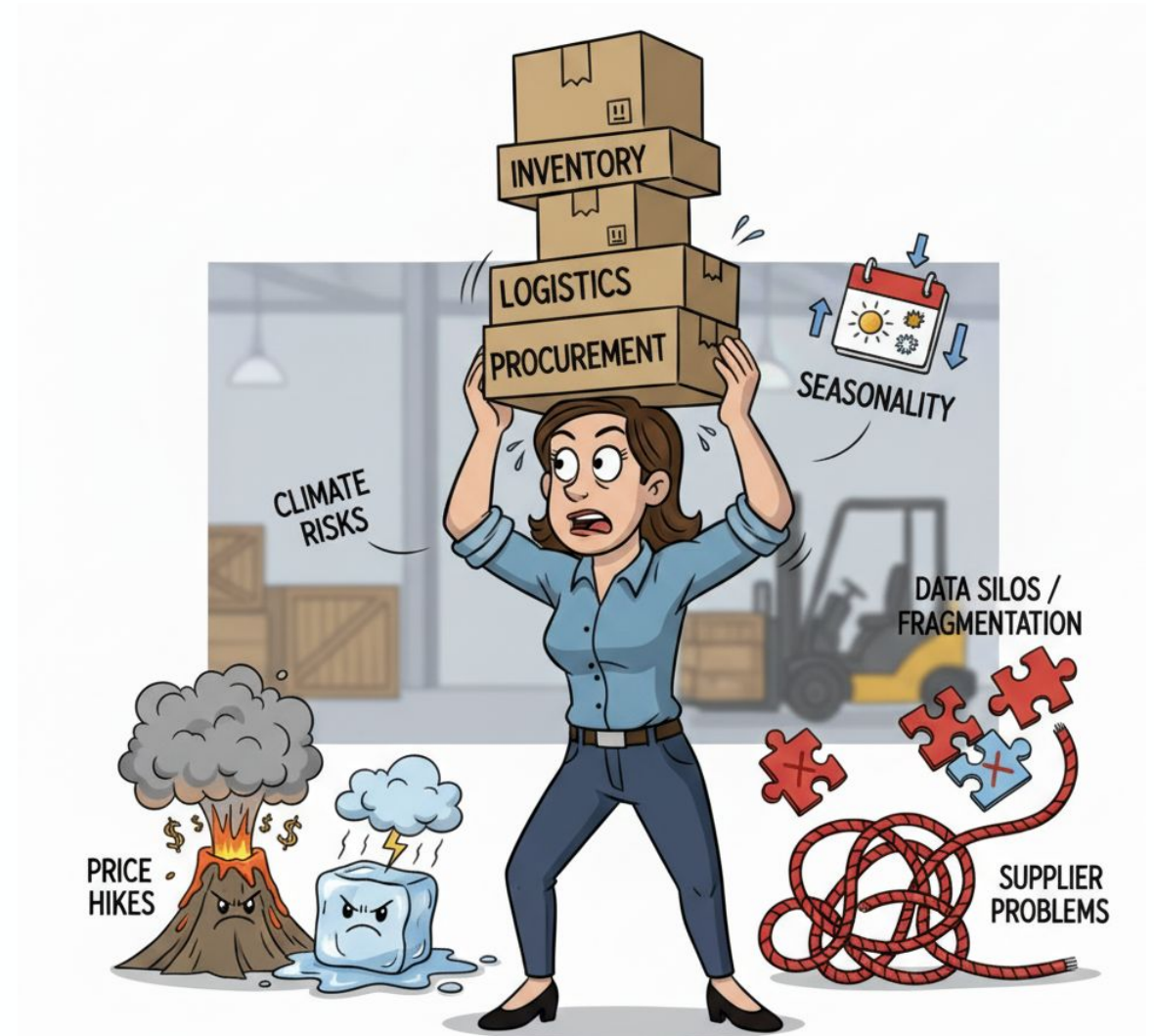


End-to-End Cost Pressures

Cost Pressure	Description / Driver	Industry Statistics / Impact
Volatile Tariff Policies	Rapid tariff shifts drive input cost volatility, impacting imported ingredients and packaging materials.	<ul style="list-style-type: none"> • 2025 U.S. tariffs projected to raise food prices by ~2.6% (NerdWallet) • Fresh produce up ~7% after tariffs (Yale Budget Lab) • \$3,800 average loss per household (Yale Budget Lab)
Climate Risks & Global Health Events	Extreme weather, droughts, and disease outbreaks disrupt yields and supply continuity.	<ul style="list-style-type: none"> • \$81B–\$122B annual climate-related supply chain costs (Economist Impact) • \$1.2T exposure by 2050 (S&P Global) • F&B supply chains 'highly vulnerable' (ScienceDirect)
Seasonality Limits Bulk Purchasing	Perishability and harvest cycles restrict forward-buying or inventory buffering.	<ul style="list-style-type: none"> • Seasonal supply cycles cause predictable price troughs/peaks (Wisconsin Extension) • Procurement delays spike costs (Fraxion) • Seasonal supply shocks amplify downstream costs (ScienceDirect)
Fragmented & Uncoordinated Cost Management	Siloed data, manual spreadsheets, and inconsistent sourcing strategies increase cost leakage.	<ul style="list-style-type: none"> • 75% of manufacturers still use manual sourcing data (TSET) • 8.6% contract value leakage (ContractPodAI) • 10–20% unmanaged tail spend (CASME)

Challenge: End-to-End Cost Pressures

- Volatile Tariff Policies
- Climate Risks & Global Health Events
- Seasonality Limits Bulk Purchasing
- Fragmented & Uncoordinated Cost Management



Best Practices to Cut Costs



Create a nimble category strategy with AI-guidance for quick adjustments.



Take an integrated approach to evaluate rebates, tiered pricing, bundles, and discounts from all of suppliers.



Leverage transparent, data-driven planning and shared systems for communication and collaboration with suppliers.

5% Savings

A Retail customer sourcing multi-million dollars of dairy produce unlocked upwards of 5% savings using CSO whilst ensuring capacity and delivery constraints.

Consumer Preference Changes

Consumer Shift / Trend	Description / Impact	Supporting Data / Evidence
Meat Consumption & Protein Preferences	Consumers are favoring poultry, reducing red meat, and exploring alternative proteins – forcing portfolio rebalancing and new sourcing strategies.	<ul style="list-style-type: none"> • 76% of U.S. consumers changed meat/poultry purchasing in past year (National Hog Farmer) • U.S. beef consumption projected to decline to 56.9 lb by 2033; poultry rising (Carlisle Tech) • Beef's share of total meat consumption fell from 79% →64% (USDA ERS)
Ingredient & 'Clean Label' Preferences	Customers reject artificial additives and preservatives, driving demand for organic, non-GMO, and minimally processed ingredients.	<ul style="list-style-type: none"> • 75% of millennials align buying habits with environmental/health values (Food Dive) • Ethical & animal welfare labels add ~14.3% pricing premium (Arxiv Study)
Volatility & Inventory Challenges	Rapid preference shifts (e.g. plant-based, non-alcoholic) make forecasting harder, risking overstock, spoilage, or stockouts.	<ul style="list-style-type: none"> • Seasonal factors shift preferences by product type (Arxiv 2019) • COVID-19 reshaped demand for home-cooked & comfort foods (Arxiv 2021)
Sustainability & Lifestyle Considerations	Consumers increasingly consider health and environmental impact – requiring purpose-driven portfolio design.	<ul style="list-style-type: none"> • 42% factor sustainability into purchases (Food Dive) • 68% of U.S. shoppers will pay more for sustainable products (PDI Tech)



Challenge: Consumer Preference Changes

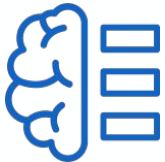
- Meat Consumption & Protein Preferences
- Ingredient & 'Clean Label' Preferences
- Volatility & Inventory Challenges
- Sustainability & Lifestyle Considerations



Best Practices for Consumer Preference Changes



Gain real-time insight into supplier warehouses.



Embrace real-time forecast collaboration with suppliers.



Run scenarios that help you ensure inventories are at optimal levels and evaluate replenishment models like supplier managed inventory (SMI)

Global food & beverage company empowered business users to:

- quickly align capacity with demand
- make decisions around how much to sell, produce, and distribute across their 300+ factories and 1,000 distribution centers.

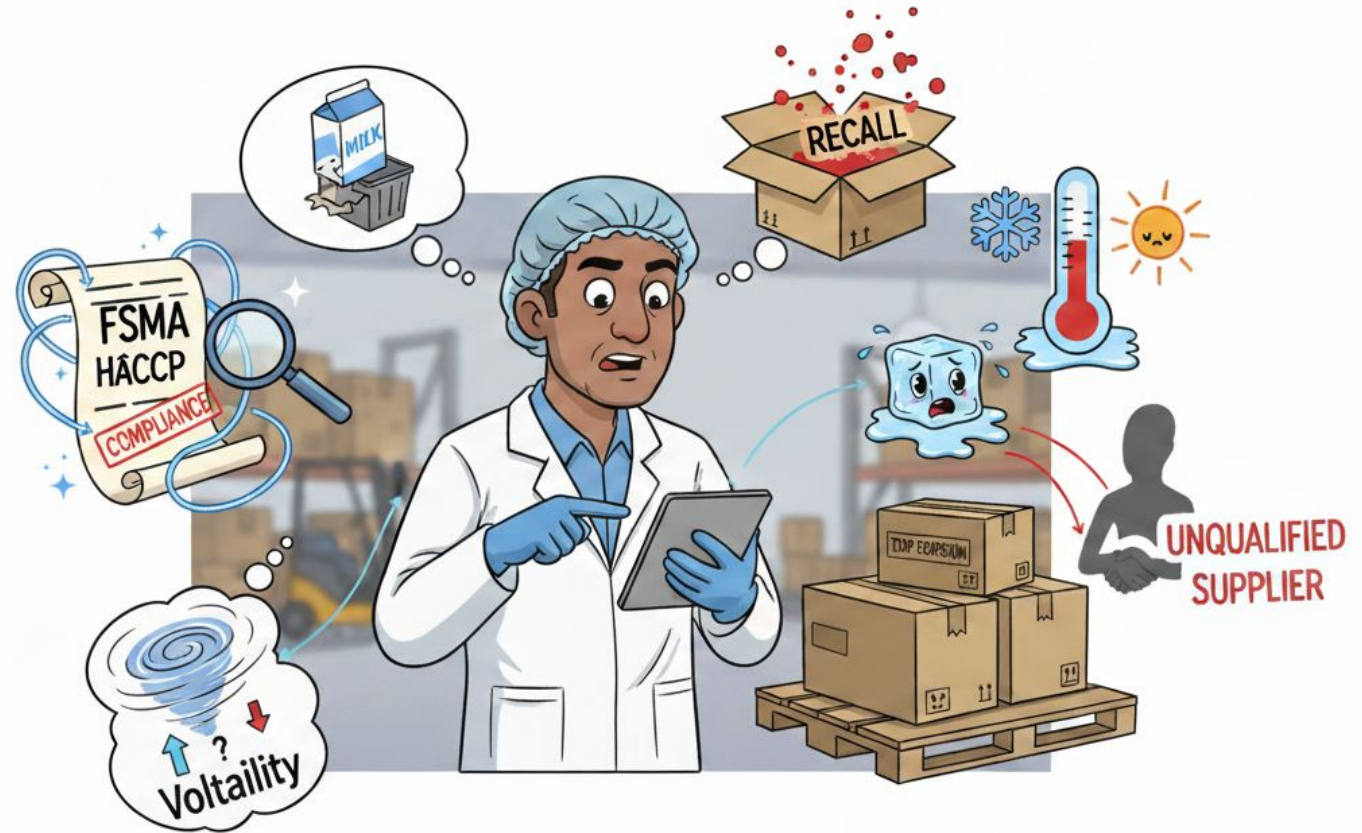
They reduced analysis time from weeks to days.

Quality, Compliance & Safety

Quality / Compliance Pressure	Description / Risk	Industry Statistics / Evidence
Regulatory Standards (FSMA, HACCP, ISO 22000)	Stringent rules, audits, traceability, and supplier oversight create compliance complexity and higher operating costs.	<ul style="list-style-type: none"> • ~90% of U.S. food recalls tied to pathogens, toxins, or mislabeling (FDA) • 65% of processors cite compliance as a top challenge (Food Processing)
Rising Recalls & Waste Management	Recalls cause costly waste, brand damage, and logistics disruption requiring rapid containment and root-cause analysis.	<ul style="list-style-type: none"> • Global food recalls up ~25% in 5 years (Stericycle) • ~\$15B annual U.S. losses from recalls (IFIS)
Cold-Chain & Logistics Quality	Temperature and handling precision are vital to prevent spoilage and ensure regulatory compliance.	<ul style="list-style-type: none"> • 33% of refrigerated shipments experience temperature excursions (Cold Chain IQ) • ~\$35B annual losses from cold-chain failures (World Bank)
Partner & Carrier Selection Risk	Selecting unqualified logistics partners raises risk of contamination, spoilage, and delivery non-compliance.	<ul style="list-style-type: none"> • 20% of food safety incidents traced to transport/storage issues (GFSI) • 40% of recalls linked to logistics failures (Food Safety Magazine)

Quality Compliance and Safety

- Regulatory Standards (FSMA, HACCP, ISO 22000)
- Rising Recalls & Waste Management
- Cold-Chain & Logistics Quality
- Partner & Carrier Selection Risk



Best Practices for Quality, Compliance & Safety



Collaborate with suppliers to identify quality issues early on.



Score suppliers and penalize bids based on a variety of criteria such as return rates, quality failure percentages and certifications.



Leverage a six sigma framework to understand prevalence of defects, throughput yield, and more.

A global food and beverage company implemented a Procure-to-Pay (P2P) solution to:

- centralize procurement and integrate with their ERP system
- streamline country-specific compliant invoicing via automated PO matching and OCR technology for diverse paper invoices

This reduced cycle times, kept manufacturing on schedule, and enhanced global spend visibility for strategic decision-making.

Coupa helps Food & Beverage Companies to Secure Quality Ingredients

Select the Right Suppliers & Carriers



Select the optimal mix of suppliers & carriers that balance cost, reliability and sustainability



Create an AI-driven **category strategy** aligned to company goals and procurement KPI's

Collaborate with Suppliers on Changes



Track quality issues across all tiers of your supply chain to reduce risk



Take advantage of a supplier managed inventory model to **reduce waste**



Share forecast changes with suppliers in when consumer preferences shift

Build a Resilient Supply Chain



Optimize supply chain network and transportation routes



Scenario plan to mitigate disruptions from geopolitical issues, tariffs and seasonal changes

Collaborate with your F&B suppliers across the entire direct procurement process

Pay

Increase Spend Visibility & Optimize Working Capital

Invoice Automation
Global Compliance
Treasury
Cash Flow Management

Procure

Ensure Supply Continuity & Reduce Waste

Order collaboration
Forecast alignment
Inventory Visibility
Quality & logistics controls

Design

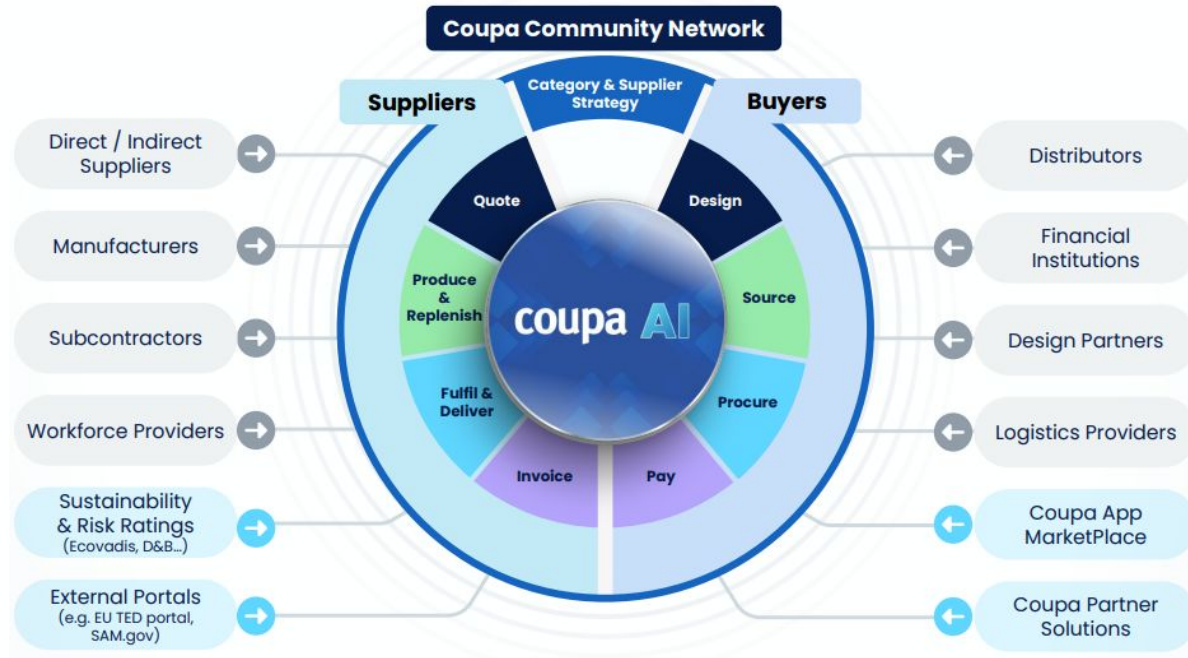
Design for Product & Supply Chain Resilience

BOM & Costing
Supply Chain Optimization
Scenario Planning

Category & Supplier Strategy

Align Category Strategies & Enhance Supplier Resilience

Category Strategy
Supplier Information Risk Management
Supplier Performance



Source

Select the Right Strategic Suppliers & Carriers for Perishable Products

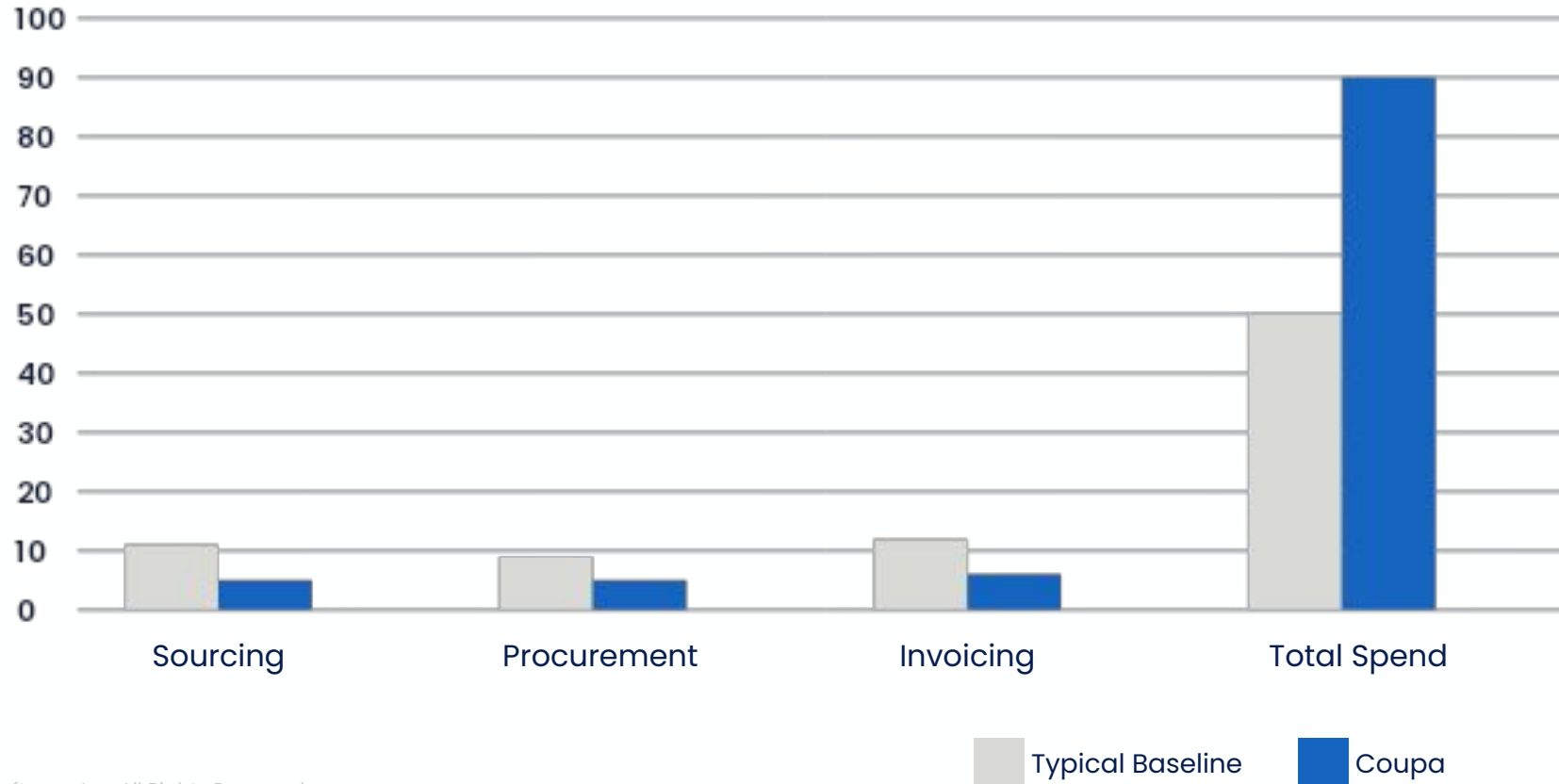
Sourcing criterion
Scenarios
Strategic suppliers
Quality and Risk Management



ROI of Collaboration in Food & Beverage Supply Chains

Collaboration on the Coupa Platform delivers faster sourcing cycles, reduced waste, fewer expedites and higher supplier alignment

Quantifiable Impact of Supplier Collaboration



Operationalizing Resilience — People • Process • Technology

Practical steps to embed Coupa-driven resilience in day-to-day operations

People — Capabilities & Governance

Create a Sourcing & Supplier Collaboration CoE

Train teams on CSO scenarios, AI-guided category strategy, and supplier quality KPIs

Embed risk & sustainability metrics into roles and incentives

Define RACI across procurement, quality, and logistics

Process — Playbooks & Cadence

Standardize playbooks for forecasting, PO changes, and recalls (closed-loop reviews)

Harmonize category strategies with quality and logistics SLAs

Adopt scenario-first sourcing (tiered pricing, rebates, dual-source)

Standing cadences: supplier QBRs, quality huddles, lane reviews

Technology — Platform & Data

Unify CSO + SCC + AI Category Strategy; integrate ERP/PLM/Logistics

Live dashboards for cost-to-serve, collaboration score, and quality defect rates

Automate alerts: forecast deltas, temp excursions, rebate attainment

Data model & audit trails to reduce leakage and speed decisions

Outcome: Faster sourcing cycles, fewer expedites, lower waste — enabled by aligned teams, standard playbooks, and a unified Coupa platform.



Global Food & Beverage Companies Unlock Value with Coupa's Solutions



Recipe for Resilience: Optimizing Food & Beverage Supply Chain in Volatile Times



[Read it now!](#)



Food and Beverage – Key Trends

1 Changing consumer preferences –

- **Private label spending** in grocery are projected to rise to 24% by 2030 with gross margins around 35% compared to 20% for branded products ([Alvarez & Marsal](#)). More than 90% of food retailers plan to increase private brand investments in the next two years. ([Food Industry Association](#)).
- Consumers are moving towards organic whole foods, and locally sourced foods, but balancing demand and supply limitations often means working with more suppliers. ([Future Market Insights](#))



3 Climate Uncertainty & Sourcing Impact –

- Warmer climates and changing weather patterns are affecting feedstock and agriculture yields. ([World Economic Forum](#))
- Food & Beverage companies are looking to diversify their agricultural sources to mitigate impact



2 Geopolitics & Nearshoring –

- Impending Tariffs from the Trump Administration on certain goods and packaging are affecting operating costs by at least 10%. ([Food Institute](#))
- Many companies are moving food and beverage products nearer to point of sale making it easier to adapt or scale production based on changes in demand.



4 Sustainability & Waste Reduction –

- FAO estimates that 30-40% of total food production is lost before it reaches the market leading to significant resource waste – labor, water, and energy ([Forbes](#))
- Several global mandates are in place calling for reduction of single-use plastics and implementation of reusable packaging by 2030. ([US](#)) ([EU](#))
- 42% of consumers factor in sustainability when purchasing goods ([FoodDive](#))



Results from the World Leading F&B Companies

\$50M+ savings from North America network redesign through **CAPEX and flow optimization.**

Increase to **75% of categories covered** by category strategies.

Unified **13 ERPs** into one, letting direct buyers continue their MRP workflows while integrating decisions seamlessly into Coupa.

10% annual savings in logistics & transportation costs via optimizing multi-stop routes

Collaborate with your suppliers across the entire Food & Beverage direct procurement process

Pay

Increase Spend Visibility

Invoice automation: Touchless capture and PO/receipt match.

Global compliance: Tax, trade, and regulatory accuracy.

Working capital: Early-pay discounts and supply chain finance.

Spend visibility: Real-time insights by supplier, category, region, or contract.

Procure

Supply Assurance

Order collaboration: Manage POs, confirmations, and changes across suppliers.

Forecast alignment: Share demand plans to secure ingredients, packaging, and logistics.

Inventory collaboration: Use VMI, consignment, and shelf-life-sensitive safety stock.

Quality & logistics controls: Three-way match with shipment tracking and quality regulations.

Design

Design for Product & Supply Chain Resilience

BOM & Costing: Define recipes, formulations, and packaging upfront, linked to sourcing events and costs for items.

Co-innovation sourcing: Involve suppliers early to confirm ingredient availability, shelf life, and packaging fit.

Supply chain optimization: Use supply chain design to plan sourcing, logistics, and production footprints.

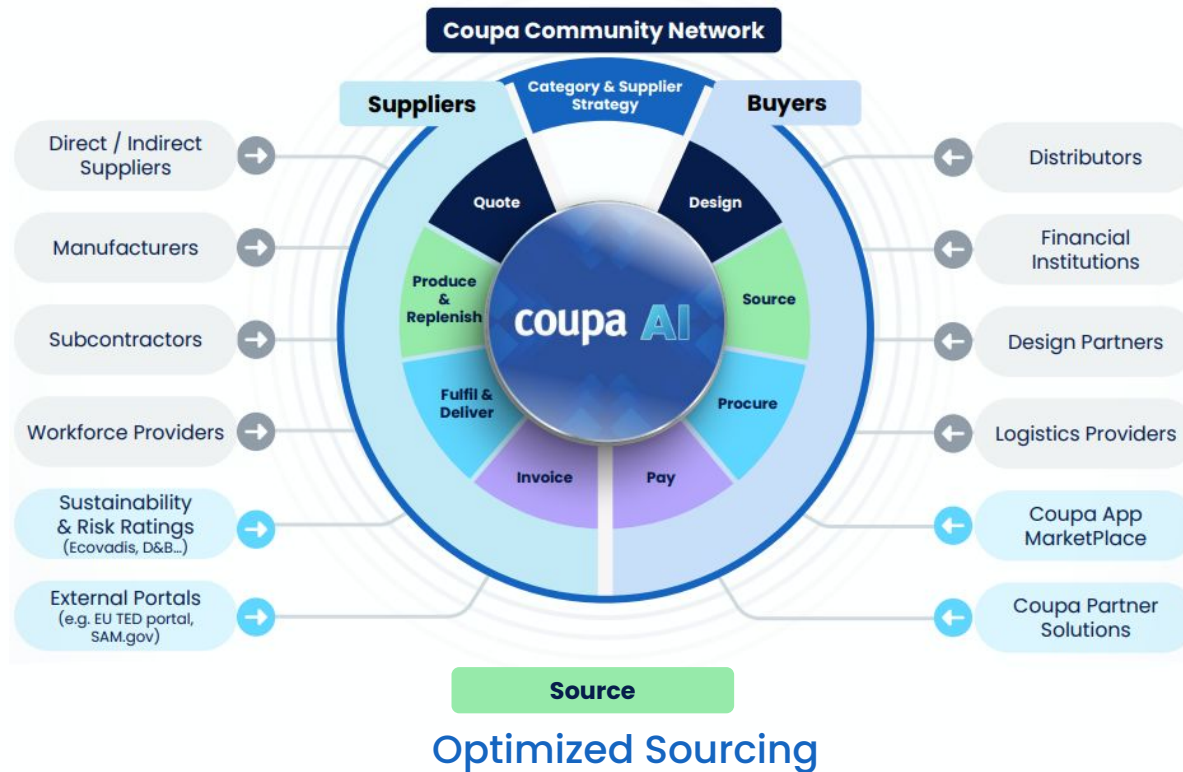
Category & Supplier Strategy

Smarter Category Strategy & Resilient Supplier Management

Category strategy playbooks for ingredients and packaging aligned to quality, compliance, and business goals.

SIRM: Manage onboarding, quality, performance, risk, and diversity to ensure resilience and innovation.

Supplier Performance: Track supplier stability, sustainability, and food safety for safe, reliable sourcing.



Optimized Sourcing

Sourcing criterion: Capture ingredient and packaging specs, cost breakdowns, and compliance requirements.

Scenarios: Run scenario awards balancing price, volume, logistics, and supplier capacity.

Strategic suppliers: Engage suppliers iteratively to drive cost, quality, and service improvements.

Quality and Risk Management: Require certifications, quality audits, and risk disclosures before award.