



How POS TUNING  
saves  
**27%**  
process costs  
with neoalto

Case Study

# Automatic Ordering

neoalto Service Cloud





# Automatic Orders

## Without any manual effort

With neoalto, the shelf does all the work. All stock and goods movements are monitored first-hand, in real time and available everywhere. neoalto's Automatic Ordering revolutionises ordering processes in retail, industry, healthcare and wherever there are shelves.

## C-parts - you can't do without them!

C-Parts are necessary goods of low order value, e.g. cleaning articles or products for repairs, maintenance and servicing. The effort and procurement costs vs value are particularly high for these products. Often, several people buy C-parts from various suppliers - mostly on their own authority. In doing so, they consume time and resources, resulting in disproportionately high costs and efforts in the procurement process. Automated order processing, that bundles orders and triggers targeted orders, saves a lot of time and money.

The optimisation potential lies primarily in internal process costs. The more frequently order processes are triggered, the greater the saving potential within the company.

## The four advantages for C-parts management:

- Purchasing processes are transparent and optimised
- Process costs are reduced
- Costs for C-parts become lower (e.g. by increasing order quantities and/or supplier consolidation)
- Resource consumption within the company decreases

## How does neoalto Automatic Ordering work?

The neoalto order automation eliminates the manual effort for orders. Sensors in the shelves determine the stocks with the latest laser technology and the smart cloud application knows when and how much needs to be reordered. With each removal, the remaining products are automatically pushed to the front by the POS TUNING push system. The IoT technology (Internet of Things) from neoalto measures stock and goods movements directly on the shelf in real time and sends them to the neoalto Service Cloud. There they form the data basis for automatic orders.

Individual frame parameters regulate the stocks according to demand, sales and warehouse capacity for each article. As soon as an article reaches its order stock level, it is automatically placed in the electronic shopping cart and is thus included in the next order. Manual efforts for stock determination, order entry and ordering are eliminated.

The neoalto Automatic Ordering works autonomously. The time-consuming article creation and management in the ERP system is not necessary.

## How Strengge and POS TUNING use neoalto Automatic Ordering

POS TUNING decided in a first phase to automate procurement for two areas: Maintenance material for machines and cleaning agents. Both goods areas were previously managed manually via SAP. In order to be able to trigger orders, material masters had to be created in each case. Since the consumption was not systematically recorded and booked (e.g. through production orders), various employees checked on sight when and how much had to be reordered. This not only caused an enormous manual effort, but also often led to goods being ordered several times or not at all. The stocks were then either too high or missing goods had to be purchased ad hoc from local sources.

In cooperation with Strengge, the product areas were first checked and as many articles as possible were converted to Strengge. In this way, the **number of suppliers could be reduced from over ten to just one**. In addition, POS TUNING was able to **reduce the number of necessary deliveries by 50%** through neoalto Automatic Ordering. In direct comparison to manual processing, POS TUNING was able to **reduce process costs by 27%**. At the same time, the **availability of goods has improved by more than 75%**.

The neoalto Automatic Ordering Service is transparently invoiced by Strengge for POS TUNING. This avoids a dilution of the material prices.

### The project partners



POS TUNING is a family-run, medium-sized company with one mission: MAKE. SHOPPING. SIMPLY. BETTER.

POS TUNING automates and digitalises the stationary retail trade in order to create time for the most important thing: the customer. With many innovations and strategic developments, POS TUNING stands for quality, professionalism and a cooperative partnership.

For 60 years, Strengge have been the experts in packaging, cleaning, lifting & lashing and occupational safety. A focus on innovation and customer needs ensures first-class products and solutions. Strengge supplies around 8000 customers from a wide range of industries. With neoalto Automatic Ordering, Strengge wants to relieve its customers from the time-consuming administration involved in the procurement of C-parts.

neoalto is a Cologne-based tech company. With IoT technology and mechanical automation solutions, neoalto provides smart shelves. These can not only trigger automatic orders, but also offer efficient theft protection and enable market research in real time.



„We would never have believed how much effort we put into processing C-parts every month. Thanks to automatic ordering, which we implemented together with Strengé and neoalto, we were able to reduce process costs by 27%. Now our specialists also gain more than 11 hours every month that they can use for their own tasks.“

**Brian Corley, Production Manager POS TUNING**



„We relieve our customers during the process of supply of C-parts so that they can concentrate on their core business. Thanks to neoalto Automatic Ordering, we were able to replace more than ten suppliers at POS TUNING and significantly expand our delivery volume. As a next step, we are planning delivery to the shelf via KLTs. This will also eliminate the costs of incoming goods for POS TUNING and we will save on packaging. The automation of C-parts supply is the future.“

**Klaus Strengé, Company owner Strengé**

## Advantages for POS TUNING

- Focus on one supplier
- Improvement of the availability of goods by **75%**
- Reduction of process costs by **27%**
- **11 hours** additional time for specialist work every month

## Advantages for Strengé

- Saving of **EUR 175** transport costs per month
- Reduction of CO2 pollution by **105 kg** per year
- Monthly saving of **EUR 163** for order processing

**75%**  
better  
availability  
of goods

**50%**  
less orders

## Costs and savings

The table shows the costs and savings for POS TUNING. Strengre was able to reduce the costs for deliveries by **EUR 175 per month** by halving the number of deliveries. The manual effort for order processing is **completely eliminated for Strengre**, as the orders flow directly into the Strengre ERP via the neoalto Service Cloud. With 14 previous orders per month, this results in a **saving of EUR 163.30 per month** (20 minutes at a full cost rate of EUR 35/h).

With the consolidation of suppliers at POS TUNING and the automation of ordering and order processing on both sides, neoalto Automatic Ordering has also led to a strong customer-supplier bond.

Process	Monthly costs								Monthly savings through neoalto
	without neoalto Automatic Ordering				with neoalto Automatic Ordering				
	Quantity	Effort per process in minutes	Costs per Process	Costs total	Quantity	Effort per process in minutes	Costs per Process	Costs total	
Manual order entry	7	20.40	11.90	83.30	-	-	-	-	83.30
Receipt of goods	14	11.50	6.71	93.92	7	8.00	4.67	32.67	61.25
Incoming inspection	14	3.00	1,75	24,50	-	-	-	-	24.50
Storage	14	17.00	9.92	138.83	7	17.00	9.92	69.42	69.42
Invoice verification	14	4.00	2.33	32.67	7	4.00	2.h33	16.33	16.33
Handling of Out of Stock (OOS)	16	20.00	11.67	186.67	4	20.00	11.67	46.67	140.00
									<b>394.80</b>
Monthly service costs neoalto									
per space					86		2.50	215.00	-215.00
per location					2		13.00	26.00	-26.00
									<b>-241.00</b>
Net savings through the neoalto system									<b>153.80</b>

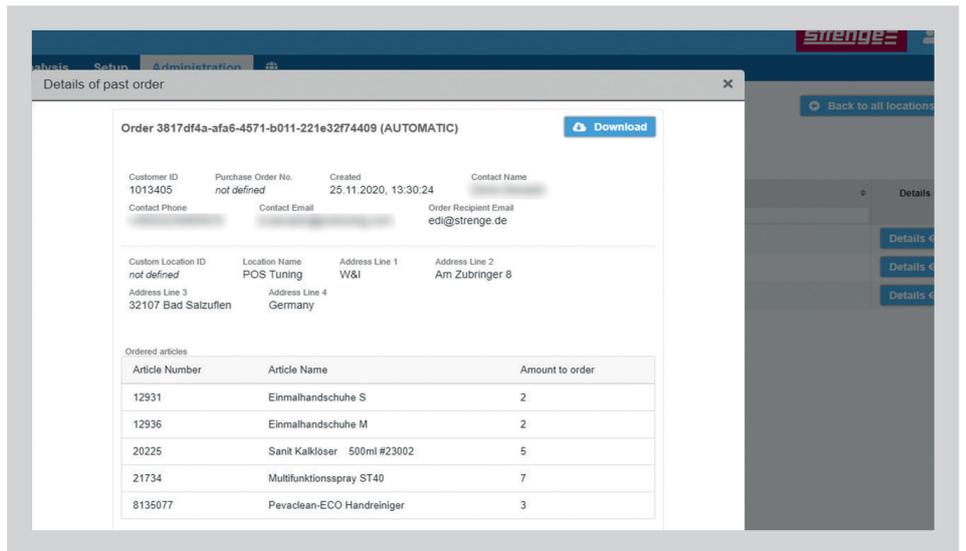
All amounts in EUR



Shelf View



Representation in the nealto Service



The order is automatically transferred and processed in Strenge's ERP system

Automatic  
Ordering of  
more than  
**100 articles**

Let your shelf  
order for you!

With Automatic  
Ordering from  
nealto



## Advantages at a glance



Automatic  
stock control

● no manual ordering effort



Perfect availability  
of goods

● 75% less Out of Stocks



Optimised procurement  
and storage

● 50% less orders



Minimum order costs

● Reduction of process costs by 27%



Time saving for  
specialist work

● 11h/month more time for skilled work



No Investment effort

● approx. 2.50 EUR/month per article

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