

Food waste reduction solutions for retail



Market context and addressable customer challenges

One-third of all food is wasted – a level of loss that would be unthinkable in other industries. Food waste decreases revenue for retailers and inflates costs for consumers. It harms biodiversity and contributes to climate change. With an estimated loss of trillion dollars every year, food waste is a global challenge. For retailers, it's also an immense opportunity.

We've partnered with Microsoft to take a big-picture view of the food value chain to see where, how and why food is lost. Our joint offer helps retailers significantly reduce waste with a simple and effective four-point plan.

Target functions / CxOs

Chief Supply Chain Officer, Chief Operating Officer, Chief Digital Officer, Chief Technology Officer EVP/ VP Supply Chain, VP Planning, VP Logistics, VP Procurement, VP Fulfillment, VP Customer Operations

Value proposition and main offer structure

There are a number of reasons why food is wasted, ranging from customer expectations for always-in-stock items, to the challenges of transporting perishable items around the world.

This magnitude of waste can no longer be ignored, and the benefits that can be gained with actionable steps are significant. Already, some retailers are finding ways to tap into the \$1 trillion of food lost every year. Armed with the right set of technologies, insights and strategies, we set retail companies on the path towards a lasting competitive advantage. Our joint offer helps retailers identify the barriers and design strategies to break through them. We create individual pilot programs and support retailers to scale successful trials.

Our approach

Food waste reduction solutions will vary from one organization to the next, but a successful strategy is likely to cover the same basic needs. Our tailored offer includes these four strategies to address challenges.



We help retail clients test out these strategies in one or more food categories and scale across the organization.

Main client benefits and business outcomes

- Increased revenue
- Reduced consumer prices
- Increased visibility throughout the value chain
- Reduced emissions
- Increased biodiversity
- Stronger ties with customers
- Enhanced reputation
- Affordable sustainability

Why Capgemini & Microsoft, what makes us special

- Cross-industry experience in food waste reduction solutions, combined with specialized retail expertise
- Industry leaders in intelligent supply chain solutions
- Decades of experience in data-driven transformation
- Our global operations capabilities provide on-the-ground insight into food value chains and operations from country-to-country, around the world
- Leading AI and automation capabilities, building on Microsoft Fabric, leveraging Copilot.
- Extensive sustainability skills and technologies, including the crucial new trend of affordable sustainability

Capgemini + Microsoft: 27+ Years of partnership

Combining our industry and technology expertise with Microsoft Technology to drive sustainable digital transformation globally.

The people

- **35,000+** Microsoft Cloud Certified Consultants
- **7,000+** Azure Certified Architects
- **400+** Power BI Consultants

The recognition

- 2024 Global Financial Services *Partner of the Year*
- 2023 SAP on Azure and GSI Growth *Partner of the Year*
- 2022 Microsoft *Partner of the Year - Power Platform*
- *First SI* to achieve all the 3 Advanced Specialization Status for Azure Data & AI
- *Launch Partners* for Microsoft Fabric, Microsoft Purview and Sustainability



Customer signals

Struggling with conflicting priorities: Target buyer feels pulled in multiple directions with multiple dilemmas.

- **Balancing Waste Reduction with Expectations:** Businesses feel torn as they strive to minimize waste while simultaneously meeting diverse customer demands.
- **Complex and Costly Food Loss Issues:** Food waste occurs at various stages, making comprehensive solutions complex and prohibitively expensive.
- **Shrinking Profit Margins:** The pressure on profit margins is increasing, making it challenging to invest in sustainable practices.
- **Sustainability Takes a Backseat:** Achieving sustainable goals often gets deprioritized amidst other pressing concerns.
- **Demand for Sustainability Without Willingness to Pay:** Customers increasingly demand sustainability, yet many are reluctant to bear the additional costs.
- **Challenges in Scaling Solutions:** While some limited solutions have shown success, efforts to scale these have often led to disappointing results.

Key credentials

Sustainable packaging for REWE

REWE, a German supermarket chain, wanted to redesign their packaging to reducing waste. We helped them refine a multi-year strategic ambition that will save 240 tons of packaging per year.

Reimagining replenishment for Albert Heijn

A leading Dutch supermarket partnered with Microsoft to develop "Scan my Recipe," a tool that allows users to conveniently add all the ingredients from a cookbook recipe to their shopping cart, making healthy cooking more accessible. There is ongoing work on a scanner aimed at helping users find recipes based on leftover ingredients, contributing to the effort to reduce food waste.

Lastly, Dynamic Markdown automatically reduces prices of products that are approaching expiration date throughout the day within the stores, saving 250,000 kilograms of food annually.

Capgemini & Microsoft assets:

PoV

Less waste, more value.

Food for thought

On-demand webinar with Microsoft on how technology can drive a more sustainable food ecosystem.

Named success stories

Including REWE, Global Fast Moving Consumer Products Company, Carrefour

Waste analytics & visibility solution

A Microsoft-based Food Waste AI Solution leveraging MS Fabric, Microsoft Sustainability Manager (MSM), MS one Lake, Copilot and Power BI. Demo Available.

Sustainability data hub

Trusted data and analytics management solution for strong data quality and governance, automation, and quality assurance, insights, automation & processing leveraging MS Azure, MS Fabric, MSM, and Power BI.

External partners

with proven capabilities strengthen our position – **Wasteless**, an AI-driven dynamic pricing engine that optimizes markdowns.



Qualification questions

- What successes have you had so far to reduce waste?
- Where have your goals run into trouble?
- Where do products become visible to you in your supply chain? At what point can you begin tracking?
- How much do you think you could save if none of the food you ordered was wasted?
- How effective are your promotions in reducing waste?
- How does the need to keep prices low affect your other goals?
- How have your margins changed since the pandemic?
- Are you able to prioritize sustainability as much as you'd like?
- Are your customers as loyal as they used to be?
- What communication have you had with your customers regarding food waste?

Target functions / CxOs

| Operations manager | Pain points/challenges | Possible benefits |
|--------------------|--|---|
| | <ul style="list-style-type: none"> • Complexity makes change difficult • Asked to do the impossible: cut costs and add value • Blamed for circumstances outside control • Overworked • Lack of resources to enact goals • May not be excited to add yet another goal | <ul style="list-style-type: none"> • Reduced losses • Food waste solutions will bring clarity to supply chains • Will gain the tools they need to excel • Simpler, more compatible systems • Enhanced collaboration • An opportunity to lead change in the company • Hard work will bring more value, and will be recognized |
| CIO/CTO/CDO/COO | <ul style="list-style-type: none"> • Complex systems, frustrating to coordinate • Limited visibility into supply chains • Limited visibility into own waste / savings | <ul style="list-style-type: none"> • Simplified, 360-degree view of supply chain systems • Greater ability to collect insights from company data |

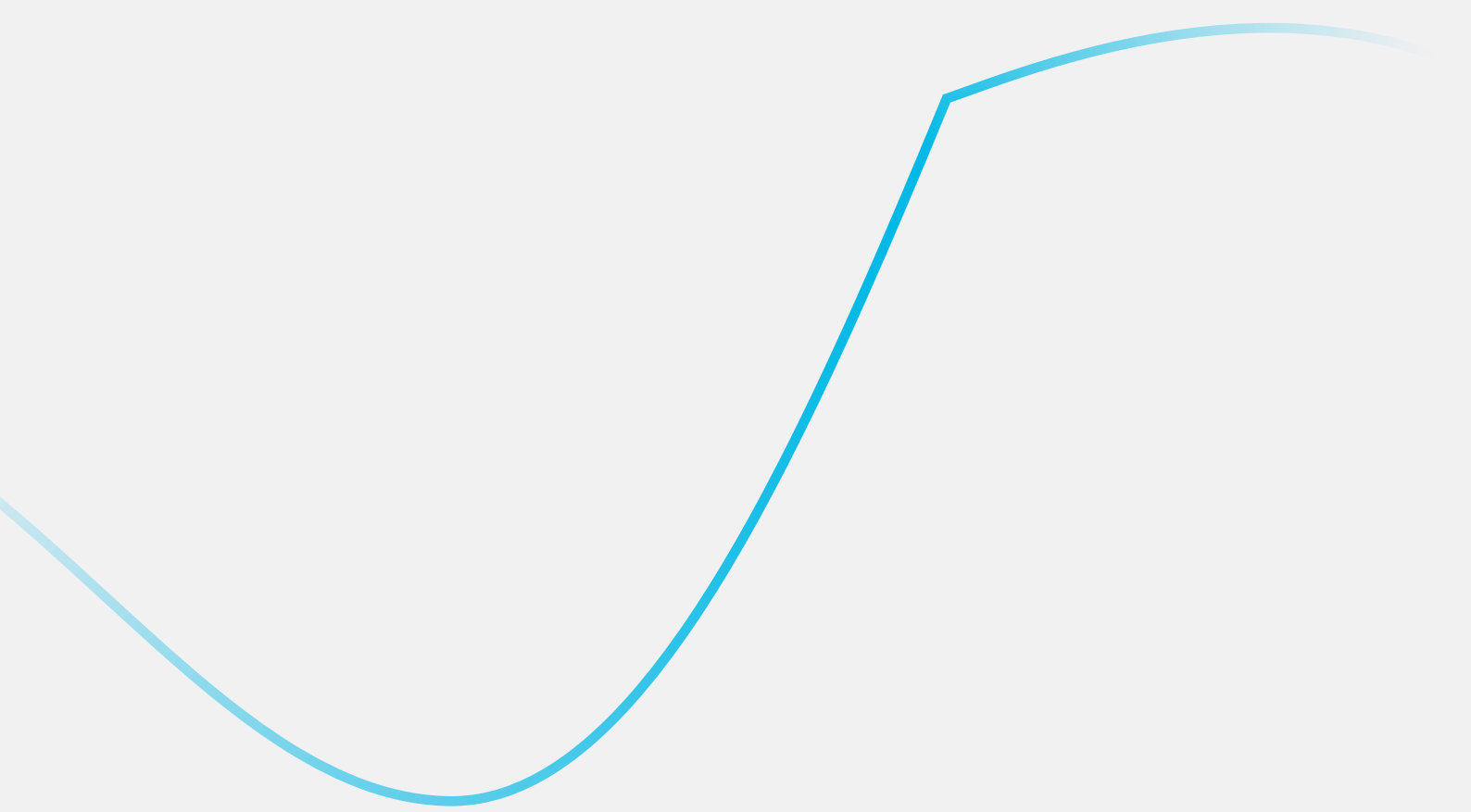
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About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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