

Executive Summary

The current supply chain performance is in a state of crisis, with an overall **On-Time In-Full (OTIF) score of 28.71%** against a revenue-weighted target of 43.55%. This failure results in an estimated **\$321.22 Million** loss due to undelivered/non-compliant orders.

The root cause is a dangerous confluence of **critical revenue dependency** and **operational inefficiency** that must be resolved through two immediate, high-priority projects focused on Inventory and Logistics.

Primary Problems (The Diagnosis)

The analysis confirms three interlinked operational failures:

1. Critical Revenue vs. Inventory Failure (The 'Dairy' Problem)

The business has a dangerous dependency on the **Dairy** product category, which also exhibits the worst fulfillment compliance.

- **High Dependency:** The **Dairy** category drives 67.60% of all company revenue.
- **High Failure Rate:** This same **Dairy** category has the lowest **Line Fill Rate** (65.80%), meaning one-third of all Dairy line items are shorted or incomplete.
- **Encirclement: The product that pays for the business is the one we are worst at delivering in full.** This link confirms a significant bottleneck in either production capacity or inventory accuracy/demand forecasting for high-value, highly perishable goods.

2. Systemic, Internal Latency

The problem with lateness (59.22% On-Time score) is not external; it is internal and universal.

- **Uniform Delay:** The **Average Delay Time** for all late shipments is a consistent **1.69 days** across every city (Ahmedabad, Vadodara, New Jersey) and every product category.
- **Conclusion:** This uniformity proves the root cause is **not** long-haul transit, carrier delays, or specific production issues. It is a single, system-wide bottleneck in the **final outbound process** (e.g., order consolidation, warehouse scheduling, or yard management) that adds ~40 hours to every late order.

3. Immediate Customer Churn Risk

While our overall failure rate is high, specific customers are experiencing total service collapse.

- **Critical Account: Fairway Market** has an OTIF score of just **5.94%**—a clear signal of extreme service failure and imminent account churn.
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Immediate Action Plan

Action Item	Owner	Target Goal
1. Project A: Fix Dairy Availability	VP of Inventory/Procurement	Achieve Line Fill Rate of 80% for the Dairy category within 60 days.
2. Project B: Eliminate System Delay	VP of Logistics/Operations	Reduce the Average Delay Time from 1.69 days to <0.5 days by streamlining the outbound process.
3. Project C: Customer Recovery	VP of Sales/Customer Service	Launch an immediate, dedicated recovery plan for all accounts below 15% OTIF, starting with Fairway Market .

Appendix: KPI Definitions

KPI	Meaning	Calculation
On-Time In-Full (OTIF) %	The percentage of orders that meet both the agreed delivery date and the full quantity requested. (The ultimate measure of customer satisfaction).	The Sum of all OTIF Orders (Orders that were both On-Time and In-Full) divided by the Total Number of Orders .
On-Time (OT) %	The percentage of orders delivered on or before the agreed delivery date.	The Sum of all On-Time Orders divided by the Total Number of Orders
In-Full (IF) %	The percentage of orders delivered with 100% of the ordered quantity.	The Sum of all In-Full Orders (Orders delivered 100% complete) divided by the Total Number of Orders .
Weighted Target OTIF %	The overall target compliance rate, adjusted (weighted) by the Total Revenue of each customer.	The Sum of (Customer Revenue multiplied by the Customer Target OTIF %) divided by the Sum of Total Revenue .
Line Fill Rate %	The percentage of all individual product line items that were delivered 100% complete.	The Sum of all In Full Line Items (Line Items delivered 100% complete) divided by the Total Number of Order Lines .
Volume Fill Rate %	The percentage of the total ordered volume that was delivered.	The Sum of the Delivered Quantity divided by the Sum of the Ordered Quantity .