

Supply chain optimisation: How retailers are saving millions through supplier rationalisation

22 July 2025  Carmen Safavi

In today's tough retail environment, with high streets increasingly dotted with empty storefronts, cutting costs remains a top priority for many retailers.

Rising inflation, ongoing supply chain disruptions, and changing consumer behaviours have forced retailers to reassess their spending and gain a clearer picture of their overheads.

At this month's [Drapers Supply Chain Summit in London](#), Superdry's Chief Operating Officer Shaun Packe revealed that the company had trimmed £40m from logistics and £17m from IT over just two years.

This highlights the significant financial benefits that supply chain optimisation – especially in IT spending and supplier management – can deliver.

What is supply chain optimisation?

[Supply chain optimisation](#) means identifying opportunities to streamline and consolidate suppliers, enhancing the overall value they provide. The goal is to achieve cost savings and sustainable business improvements without disrupting key operations, business continuity, or operational resilience.

Why is supply chain optimisation important?

Many retailers rely on a patchwork of IT vendors, each supplying niche solutions for different areas. While this approach can offer flexibility and quick fixes, it often leads to duplicated services, complicated contracts, and unnecessary expenses – all of which become major barriers to effective supply chain optimisation if left unchecked.

This is often driven by evergreening contracts that renew automatically without strategic oversight, and by inconsistent or unclear processes for onboarding new vendors. Over time, this leads to a complex and poorly managed supplier landscape, creating inefficiencies, unnecessary spend, and missed opportunities to consolidate and streamline.

By optimising their supply chain, retailers can better align their suppliers with evolving business strategies. This involves reviewing current IT providers and services to ensure they actively support strategic growth goals. Once gaps are identified, retailers can procure the right services or technology to fill them, driving progress on their strategic agenda.

For example, last year [ASOS signed a three-year deal with Microsoft to expand its AI capabilities](#), including launching customer trials of its AI Stylist – a new Azure OpenAI-powered tool that helps shoppers discover new items.

How can we help?

At Browne Jacobson, our cross-sector expertise enables us to offer clear, commercially focused advice on:

- reviewing supplier relationships,
- assessing contracts, and

- identifying capability gaps, especially around IT services and technology partners.

We work closely with clients and their suppliers to navigate procurement processes and implement solutions that enhance operational resilience and support strategic growth. By integrating legal and commercial expertise, we help retailers build a more effective, aligned, and sustainable supply chain.

Contact

Carmen Safavi

Senior Associate

carmen.safavi@brownejacobson.com

Related expertise

Fashion and beauty

Food and drink

Hospitality and leisure

IT service providers

Logistics

Retail, consumer and logistics

Software

Technology