



Case Study

Insurance Verification for Grocery Retailers & Operators

*How a **National Supermarket Chain**
Maintains Quality Standards and
Reduces Supply Chain Risk*



The Problem

A national supermarket chain known for its health-oriented and gourmet selections faces a significant challenge when it comes to third-party suppliers. Maintaining high product standards and reducing supply chain risk is an especially prevalent issue in the grocery industry, where the product and supplier categories are very large and diverse.

With stores across the country and a heavy dependence on fresh, local products, the supermarket chain had developed over 20 unique sets of insurance coverage requirements for all of their various suppliers, taking into consideration many different risk profiles, including: produce, cleaning supplies, meats, flammables, kosher goods, electronics, prepared foods, and alcoholic beverages.

Their business needs also demand extraordinary flexibility and precision in those requirements to accommodate the varying sizes of suppliers - from the global household brand names to the many small companies (e.g. local farms,

artisanal crafters, and even “hobbyists”) that provide the unique products that the supermarket chain is famous for selling. Additionally, each store experiences different seasonal needs, volume, local specialties, and transportation time from farm to store.

Despite this significant diversity amongst suppliers, most enterprises have only one set of insurance requirements. Anything that does not fit the requirements is handled as an exception - typically a manual process. This significantly delays verification, adds costs, and frequently introduces errors (see [our report for more details](#) on what causes verification to fail).

In addition, exceptions break the risk model that the requirements were designed for, creating a disconnect between risk managers and operations teams.

While the supermarket chain was quite progressive in managing third-party risk and worked hard to create these category-based supplier insurance requirements, they found that their current insurance verification provider could not effectively implement all of their rules with great success. As a result, the chain was unknowingly contracting suppliers with outdated or insufficient insurance coverage and unintentionally excluding small, local suppliers from participating in their network.

The current provider presented other challenges, too. While they delivered a top-level answer on overall compliance, there was no ability to see the underlying data or confirm the result. In fact, the supermarket had already begun to doubt the reported results.

The lack of detail also meant that they could not easily determine why a particular supplier was non-compliant, which necessitated manual labor to find the COI and examine it themselves. They had no way to search for the suppliers that presented the biggest risk or to evaluate the impact of a requirement change.

They needed a better way.



The Solution

With Evident, the supermarket chain has transformed their insurance verification process.

They leveraged Evident's unique capabilities to develop insurance requirement templates for each vendor type. So far, they have more than 50 unique sets of requirements, which enables them to verify all of their vendors automatically, while allowing the most precise sets of requirements possible. They now appreciate how much easier it is for suppliers to join their network and be fully compliant with their risk management requirements.



The Evident platform automated collection and extraction of documents using purpose-built machine learning and computer vision technologies.

When more information was needed, Evident's platform found the best source, whether it be automatically contacting the supplier directly, or accessing data from their delegated brokers or carriers.

If coverage did not meet requirements, suppliers received an email detailing what changes were needed and even offered them an embedded path to an independent broker to instantly fulfill

the exact right coverage necessary to maintain compliance.

Finally, Evident provided analysis and reports to indicate detailed compliance status for every supplier.

By providing unique analysis on risk and spend, the supermarket chain could dig deeper into the actual strategic impacts that third-party suppliers had on their business, thus, reducing their risk exposure and overall spend for not only themselves, but also their vast supplier network.





Evident is on a mission to fundamentally reshape how grocery retailers and operators view and manage third-party risk.

We're helping our customers make their supermarkets and grocery stores safer through automation, and we're saving them time, money, resources, and headaches in the process.

Evident's Insurance Verification-as-a-Service technology solution automates the collection, analysis, decisioning, and reporting of third-party insurance to help our customers make fast and informed decisions about engaging new third-party suppliers and vendors, all without compromising their privacy.

Our game-changing technology eliminates the friction involved in traditional risk management operations and compliance processes by connecting the entire ecosystem of enterprises, third parties, brokers, and carriers to close supply chain coverage gaps. As a result, Evident's customers significantly reduce their exposure to third-party liability by improving their insurance requirement compliance rates.

For more information, visit evidentid.com