

THE CHAOS OF CHRISTMAS
FOR FOOD SUPPLIERS:

WAYS YOUR
FOOD BUSINESS
CAN THRIVE WHEN THE
PRESSURE IS ON

It's the most wonderful time of the year...

...not if you're a food manufacturer or distributor.

The reality is, the Christmas season can be one of the most stressful times of the year for suppliers within the Food industry.

There's no escaping it, Christmas is a busy and unpredictable time for the retailers. By the same token, it has the potential to be financially booming as proven by Aldi who declared that Christmas 2018 was their busiest ever week of trading, with their sales continually rising by 10% year-by-year over the week commencing 17th December†. Christmas amplifies

expectation of quality across the Food industry and you need to ensure you can deliver and capitalise.

Within this eBook, we will uncover the '5 ways your Food business can thrive when the pressure is on.' If you're a food manufacturer or distributor who spends Christmas running around like a headless chicken (excuse the pun) then we can help you identify whether you need Dynamics Food to significantly reduce the stress on your entire company.

Get started >

† The Grocer – January 2019





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1. Automate, automate, automate

If you're working at a company that is manually keying your EDI orders, then quite simply Christmas must be a nightmare. The trading channels have undoubtedly changed across the Food industry and taking your first step towards embracing digital transformation will ensure you stand a fighting chance of having a successful Christmas.

For a food supplier with a short shelf life product such as turkey or cheese, integrated EDI will enable your business to be more responsive to the surge in demand during the manic Christmas period. EDI will help streamline your order processing, improve accuracy and reduce the cost per transaction – without adding significant cost.

Integrated EDI isn't the golden ticket that will enable you to just sit on your hands and watch the money roll in. Can you sit there in the confidence that your warehouse processes are as streamlined as possible? Do your business systems make it easy to barcode so you can match the demands of the retailers?

Our Handheld for Warehousing solution will give your team confidence with up-to-the-second information on stock availability and location using the latest bar code technology. Transform the Christmas spirit in your warehouse and handle everything from directed movements for replenishment to picking and shipping with ease at the single click of a button.

Dynamics Food will also ensure that your business operates with reliable traceability and remove the risk of error associated with manual data entry or paper-based processes. The automated data collection tools within our solution will give your staff peace of mind during each step of the processes for goods in, in-house materials transfers, production, intra-plant transfers, putting away finished products and picking products for shipment and creating shipments.



Just some of our existing EDI trading partners in the Food industry



2. Seamless NPD for your products and packaging

Reflecting on Christmas 2018, Aldi UK chief executive Giles Hurley said:
“Our Christmas range was the largest and most innovative yet and caught the imagination of our customers, who visited our stores in record numbers.”

Aldi added more than 150 new products to their 400-strong festive range including their own-brand Specially Selected Exquisite Vintage Pudding to push the brand towards reaching £1bn for 2018. Shoppers treated themselves in the ‘Specially Selected’ range on premium products for a fraction of the price they would have paid elsewhere.

In response, Morrisons recently said they would cut prices on 935 products by an average of 20%. Dynamics Food is the ideal accounting and financial solution for measuring the feasibility of the costs involved in launching your new product and analysing the possible impact to your profit margin before you get the ball rolling.

If there’s a time of the year, where your entire team should be incentivised to sell a product with packaging that’s festive and relatable,

it’s Christmas. Failure to capitalise on the Christmas spirit will leave your competition scoring quick, easy wins that will boost their turnover and reputation.

You need a way to manage a vast pool of idea sources and capabilities for the new product development of your Christmas packaging. Dynamics Food will ensure that you can centralise and manage your design brief.

What’s worse? Running out of Christmas packaging because you haven’t ordered enough or having a load of excess Christmas packaging lying around your warehouse because you’ve over-estimated your demand? Just because you’ve got your Christmas packaging flying out the door doesn’t mean that you’re maximising profitability.

Aldi added more than 150 new products to their 400-strong festive range to help push their own brand ‘Specially Selected’ towards reaching £1bn.” ‡

‡ The Grocer – January 2019

3. Plan, produce, deliver and repeat

The pressure to get your product delivered to the retailers during their 'golden quarter' is at the highest point of the year during Christmas. Failure to deliver will severely harm your reputation as your customer simply won't be willing to take the same chance in disappointing their own customers next Christmas.

Just look at Waitrose, whose sales surged 19.2% over the Christmas week in 2018, while sales in the previous week were down 11.7% compared with last year. The volume you're set to produce and deliver may fluctuate massively day-by-day and Dynamics Food is the software you can trust.

We have a large poultry customer who only opens one of their additional warehouses in the run up to Christmas. Ask yourself, could you manage another temporary warehouse from inside your own four walls? Can you store raw materials in your warehouse without creating a health hazard?

If none of the above sound achievable you lack confidence in both your production and purchase planning. Dynamics Food can provide you with the insight you crave to accurately plan the future of your business.

Even if you can successfully produce the goods, you need to achieve slick delivery. You will need

regular automated communications between your systems and those of your Third-Party Logistics (3PL) company to cope with demand. Dynamics Food's integrated EDI can seamlessly pass accurate information between you and your 3PL's systems within a matter of seconds.

SALES SURGED

19.2
PERCENT

**OVER
CHRISTMAS**



27% of invoices are paid late in the UK which is leaving smaller businesses struggling for cash.” #

Chartered Institute of Credit Management

4. Seize control of your cash flow

In their annual report on the UK food industry, Atradius predict high pressure on margins and delays in payments – will continue in 2019.

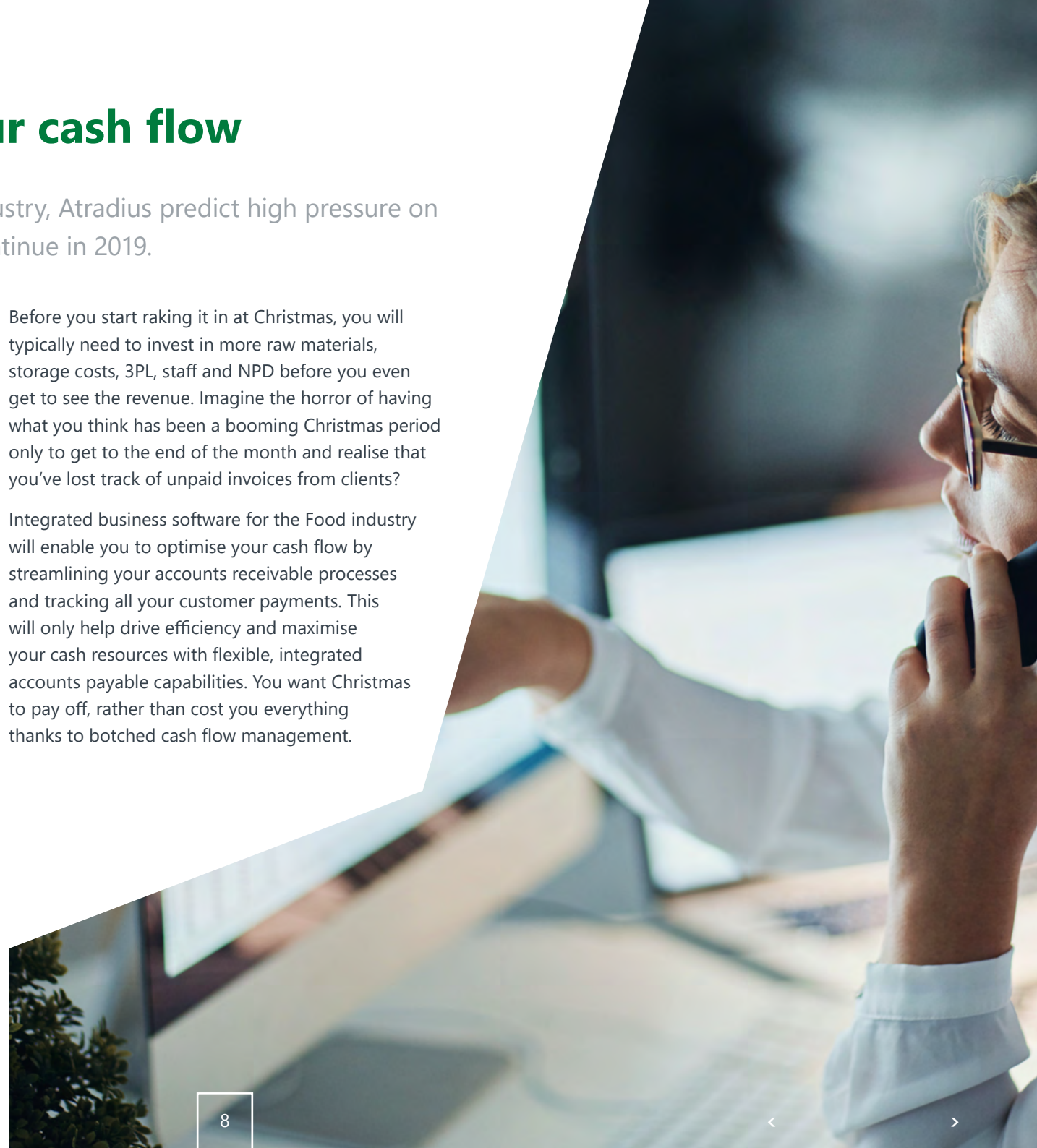
Atradius stated: “The trend to low margins and onerous or destabilising contracts remains commonplace in the sector, driven by a need to maintain customer relationships and/or production volumes to cover overheads at the expense of profitability – which is not sustainable in the long-term.”

With your volume set to go through the roof during Christmas, it's obvious that your finance department is going to be coping with a huge strain in your cash flow. You will need a dedicated accounting and financial solution in the shape of Dynamics Food that can help you to track and analyse your business information to ensure your sustainability.

In addition, one of our dedicated apps for Dynamics 365 Business Central, Clever Credit will help remove some manual tasks from your Credit Control team. Clever Credit will automatically place sales orders on hold if you have a customer with overdue balances or even if a certain sales order will send them over the agreed credit limit.

Before you start raking it in at Christmas, you will typically need to invest in more raw materials, storage costs, 3PL, staff and NPD before you even get to see the revenue. Imagine the horror of having what you think has been a booming Christmas period only to get to the end of the month and realise that you've lost track of unpaid invoices from clients?

Integrated business software for the Food industry will enable you to optimise your cash flow by streamlining your accounts receivable processes and tracking all your customer payments. This will only help drive efficiency and maximise your cash resources with flexible, integrated accounts payable capabilities. You want Christmas to pay off, rather than cost you everything thanks to botched cash flow management.



5. Make your promos pay off

John Miller, head of One Stop Franchise, said that shoppers at Christmas expected to see “really strong, market-leading promotions.”



Dynamics Food is the ideal solution for coping with all the promotional mechanics you can think of such as: buy one get one free, discounted items and rebates so that your business is ready to capitalise on the festive fun.



Integrated business software will enable you to create single or multiple-use promotion codes with a value or time-based expiry to suit the needs of an individual customer, manage rebates or in this case the end of the festive season.



This will reduce time wasting, as you can tell your customer straight away what they are going to get charged in your Christmas promotion and the price they will have to pay if they order a higher quantity of your product to get to the next price break.



Your already tight Christmas margins don't need to be stretched even further because of your dated manual workarounds for promotions. You need to keep all your staff informed on what promotions mean to your margin.

Begin your journey

We help manufacturing and distribution businesses transform their processes and operations with Microsoft Dynamics.

Dynamics Food is our tailored offer of Microsoft Dynamics 365 Business Central to provide a complete end-to-end business software solution for Food & Beverage distributors and processors.

As a Gold Certified Microsoft Partner for Microsoft Dynamics, we have a strong track record and unrivalled pedigree.

Some of our key food industry clients include Bounce Foods, Copernus, David Berryman, Faccenda Foods, Forza Foods, Gressingham Foods, Kent Foods, Laila's Fine Foods, Nantwich Cheese, Neal's Yard Dairy, Pipers Crisps, Rondanini and Zeina Foods.





24/7 Business Critical Support

We provide Business Critical Support for businesses that operate outside standard support hours.

This support package ensures our customers are able to meet the deadlines and SLAs they have in place with customers and suppliers 24 hours a day, 365 days a year.



Contact Us

We help businesses in the Food and Beverage industry transform their processes and operations with Microsoft Dynamics 365 Business Central (formerly Dynamics NAV), Dynamics 365 Customer Engagement and Office 365.

Having delivered over 5,200 successful projects, we've plenty of experience implementing business systems, Microsoft Dynamics solutions and the technical infrastructure to support them.

We are a Microsoft Gold Certified Partner. We can deliver Microsoft Dynamics solutions on your own IT infrastructure or in the Microsoft Cloud. Based in the Midlands and North East, we support clients across the UK and further afield.

Call: 01902 578 300

Email: hello@tecman.co.uk

Visit: www.tecman.co.uk/food

Technology Management

St Mark's Church, St Mark's Road, Wolverhampton WV3 0QH



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