CPG Distribution

Improving profits and customer satisfaction through innovation

Microsoft Dynamics

Consumer packaged goods (CPG) distributors face big challenges selling to the fiercely competitive and rapidly evolving retail industry. Intense price stress at the retail level puts downward pressure on distributors and leads to smaller margins. Short product lifecycles add to the pressure on your profits.

There is also the growing challenge to traditional distribution methods. Alternatives such as mail order, catalog sales, and direct sales bypass the traditional distribution channels altogether. To counter this trend, distributors have to add more and more value to their customers. Technologies such as RFID, EDI, and integrated shipping capabilities not only address many large retailers' demands, but can also improve customer service and lower overall costs.

As a CPG distributor, these challenges put intense strain on your business. To stay competitive, you have to adapt to the new conditions of the retail market by reducing costs and improving your ability to predict and respond to changes in customer demand.
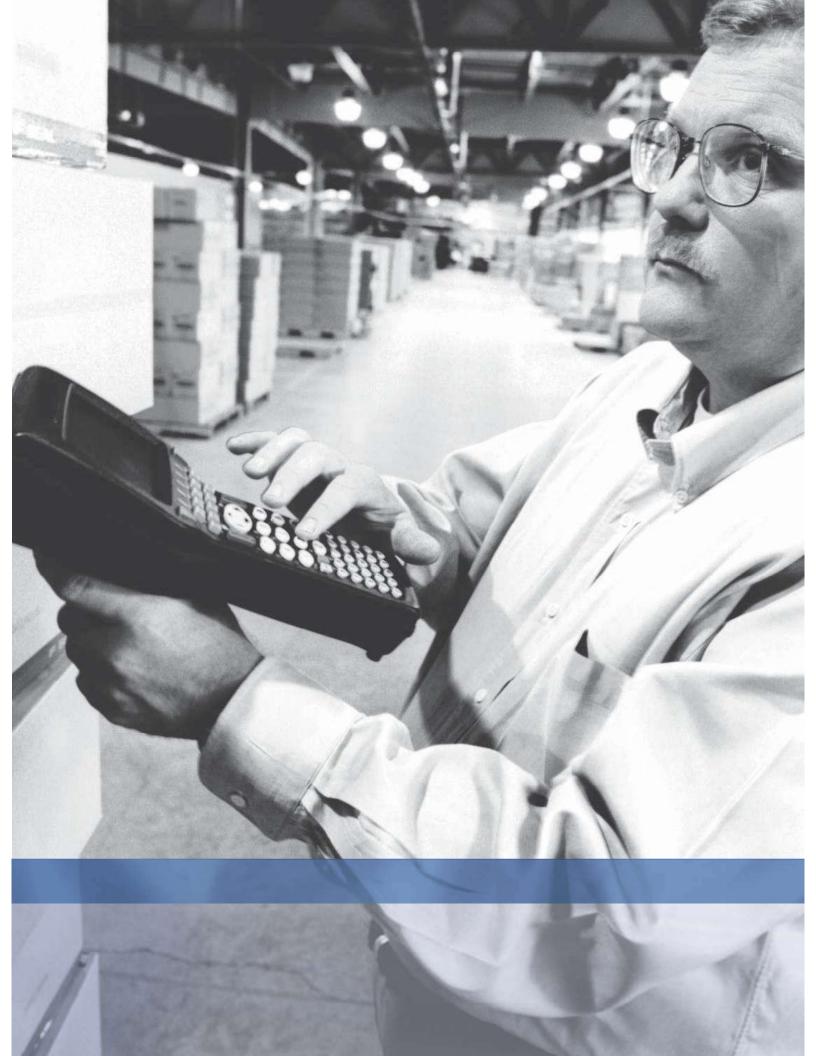
The tough challenges are there. But you can address them by having the right information technology in place.
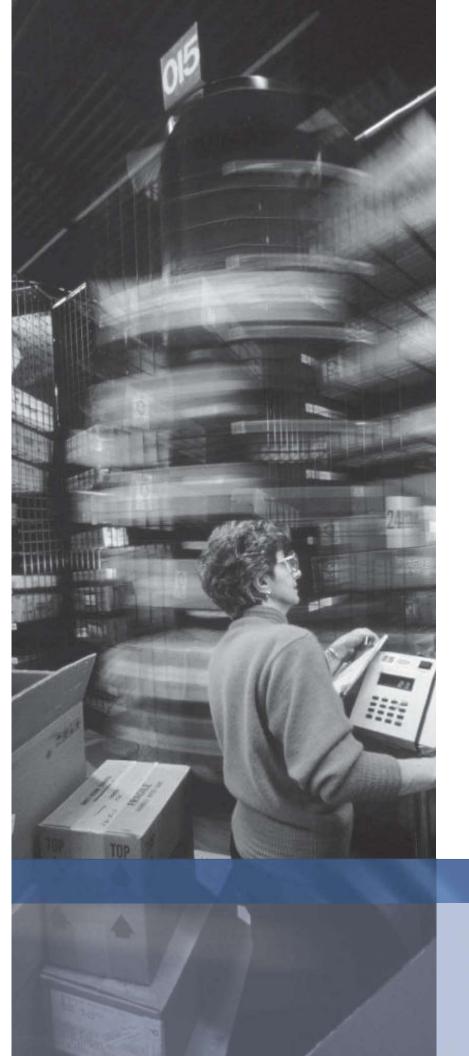
Improve processes

A flexible IT infrastructure can give you a significant competitive advantage. Tightly integrated software applications can automate critical processes to help you meet compliance regulations while adding new value for customers, meet retailers' demands, and improve your overall business responsiveness while increasing margins.

Distribution-focused software offers extensive functionality that addresses the broadest range of distribution needs, including inventory, Automated Data Collection (ADC), order and purchasing management, sales forecasting, e-commerce, and warehouse management.

Automating your supply chain planning and management tasks are particularly effective for CPG distributors. These tools can help reduce the costs you incur while dealing with suppliers. That in turn can put your business in a strong position as a highly responsive, low-cost supplier.

Exceed customer requirements

The technology that you use can not only help to keep costs down, but to excel in meeting customer requirements.

With the changing retail landscape, mega-retailers, warehouse chains, and other big customers are, to a great extent, in the position to dictate how you do your business. They may request a variety of different services, such as palletized shipments, RFID implementations, exact delivery schedules, or customized reports.

By integrating systems such as financials, inventory, and customer relationship management (CRM) with technology such as ADC solutions, you can meet and exceed customer expectations. Sales order and logistics solutions can also help you increase the accuracy of customer transactions. When coupled with inventory control technologies, it is possible to increase the speed of delivery, shorten lead times, and reduce inventory.

And CRM software can give you extensive knowledge of customer buying patterns so you can anticipate and plan for orders in advance—thus improving responsiveness and increasing customer loyalty.

Drive down costs

The benefits of using flexible, integrated solutions will also be realized in your efforts to control your internal costs.

For example, being able to easily and quickly gather, aggregate, and summarize real-time and historic data from various operations can help you identify, prioritize, and address activities that are wasteful and inefficient. This is especially useful when tracking the relative success of new products quickly before making additional investments.

Integrated systems can help automate many tasks, such as managing orders that come in from different sources like phone, fax, the Web, and EDI.

CPG distributors can also improve employee and departmental accountability by implementing metrics and tracking them for individual warehouses, departments, and processes.

Optimal performance with Microsoft Dynamics

Microsoft Dynamics™ and Microsoft partners can help you succeed in the CPG distribution industry with financial, CRM, and logistics solutions. You have the potential of meeting retailers' demands more effectively by integrating RFID solutions and customer-specific requests with accounting, warehousing, and procurement applications. These solutions also help lower the cost of operations by enabling you to reduce inventory, eliminate obsolete inventory, and significantly improve customer satisfaction.

Microsoft Dynamics solutions and Microsoft partners support:

• Marketing promotions management.
• Fast and accurate order picking with integrated ADC solutions.
• Increased volume without increasing building or staff size.
• Real-time reporting and alerts on critical business issues.
• Accurate demand forecasting.
• Web portals for self-service customer information.
• Business system integration with RFID and other tracking technologies.

Innovative integration

Microsoft Dynamics provides a flexible set of solutions that can be easily adapted to your operational needs. Built on the Microsoft® Windows Server™ platform, Microsoft Dynamics helps you take advantage of technologies such as Microsoft Windows® SharePoint® Services for knowledge management and collaboration, Windows Terminal Services for extending access to data and processes, and Web services that can enable visibility into your customers' and suppliers' systems. Microsoft SQL Server™ delivers a solid foundation for collecting, analyzing, and reporting data across your company's systems. And deep integration with Microsoft Office System applications, such as Microsoft Excel®, Word, Outlook®, Internet Explorer, SharePoint, and Visio®, can help you better understand inventory, plan production and lead times, design reports, and use data required to make accurate and cost-effective decisions.

PERFORMANCE

Partners with industry expertise

Microsoft Dynamics solutions are delivered by a network of partners with expertise in CPG distribution. They can provide local, personalized service—from planning and implementation, to customization, to ongoing support and education. That means you get world-class business solutions from professionals who understand your business and will be there as your business conditions change.

Plan for growth

Organizations need systems that can deliver a strong return on investment (ROI) in meeting current needs, while providing for the opportunity to scale dramatically to account for organic growth, acquisitions, changes in business focus, and other foreseeable future changes to the business. Microsoft Dynamics, along with Microsoft server technologies and productivity solutions, offers tremendous flexibility and scalability to implement the solution to meet today's requirements and to allow for substantial future growth and change.

To learn more about how integrated technology from Microsoft Dynamics can help you gain a competitive edge in the CPG distribution industry, visit www.microsoft.com/dynamics/CPG

Microsoft

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. Built to work with Microsoft technologies, it works easily with the systems your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, helping increase the productivity and effectiveness of your business, and helping you drive business success.

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