ENAVATE™ | DRINK-IT By NORRIQ

EBOOK

# A Complete Guide For Your Beverage ERP Solution

*Meeting industry specific challenges with the right tools*

# Contents

# Meeting Challenges with the Right Tools

In a marketplace where conditions are tough and getting tougher, having the right solution to support your business is increasingly important.

### ERP – the secret ingredient

With tougher competition, changes in consumption patterns and increasing costs for raw materials, utilities and logistics, many beverage companies realize that natural flavors, aromas, sweeteners and water are no longer the only vital ingredients in their recipe for successful, competitive products.

An equally vital ingredient is the ability to streamline, simplify and automate business processes – from receiving raw materials to delivering products to customers. Streamlined processes help create the best-performing players in the beverage industry. This is where a state-of-the-art Enterprise Resource Planning (ERP) solution comes in.

### ERP equals greater efficiency and profitability

The right ERP solution will work out of the box, support and automate your business processes, and boost your ability to carry out your processes in a fast and efficient way.

A state-of-the-art beverage ERP solution will tie your value chain into one seamless, simple and efficient workflow. It will provide new, valuable real-time business insights that will increase speed and accuracy in your decision-making.

Don't fall behind the curve. Make sure you spend time and energy on selecting the right solution for your beverage company. That's the first critical step towards making a decisive, competitive difference in your market.

*In this ERP guide we will lead you through the need-to-know information for your next step in the process.*

## IS IT TIME TO LOOK FOR A NEW ERP SOLUTION?

Does your ERP platform empower your beverage business, or is it holding it back? The potential rewards of running your business on a modern ERP system are huge. But when is it time to expand or replace your current ERP solution? We made a questionnaire to help you make a decision.

- ☐ Are you thinking about a new ERP solution?

- ☐ Do you use spreadsheets to compensate for lack of functionality?

- ☐ Do you have the same data or functionality replicated in multiple systems?

- ☐ Does your system need more and more workarounds and tweaking each year?

- ☐ Does your current system offer timely compliance with new regulations?

- ☐ Does your system restrict your business growth opportunities in terms of bringing new products to market, scalability, acquiring new companies or entering new markets?

- ☐ Is only a very limited number of staff familiar with your system?

- ☐ Is your system difficult to integrate with other systems or data providers?

- ☐ Does the solution handle your distribution needs and preferred manufacturing strategies such as lean or demand-driven quality or compliance initiatives?

- ☐ Are there several years between your vendor's major system upgrades?

### Did you check any of the boxes?

Read on to learn about benefits of a modern ERP solution.

# The Benefits of a Modern ERP Platform

Your business processes are one of the company's most important sources of competitiveness — when these processes run smoothly, you will discover many benefits. Here are the top 5:

### 1. Automating, standardizing and improving your processes

The right ERP solution helps you harmonize and standardize your business processes, making them more transparent and efficient.

These improved processes will deliver consistent results and allow you to keep developing the way you operate your organization. And because many processes will be automated, errors and costs will be greatly reduced.

### 2. Better management through transparency

An ERP solution should provide transparent insight into the company's growth drivers through analysis and reporting, to ensure an optimal management of your company.

Across departments there will be one unified reporting system for all processes. Thanks to this single source of truth, you not only have useful reports and analytics at any time, you should avoid the hassle of multiple spreadsheets and emails to get this information. This makes collaborating with your team a lot easier.

### 3. Scalable to follow your growth

Who says that your beverage business and your needs will stay the same forever? A modern ERP solution is flexible and scalable to a degree that it will embrace whatever change you will make – including scaling your existing business for growth or supporting internationalization of your business.

This eliminates the need to purchase a new solution once your business grows.

### 4. Getting there quicker

Replacing your old ERP system can be a daunting task. But you can save a lot of time and headaches by selecting a standard ERP solution, which is typically faster and easier to implement.

When you choose a system that has proven its benefits in your specific industry you can expect a modern, standardized and value-creating solution.

### 5. Mobility gives you more potential

Choosing a system that gives you mobile access to your centralized database makes your day-to-day work a lot easier. This allows you to work from home, the office, or wherever you wish but never lose touch with the important insights of your company.

If you combine the latest digital tools with mobility, you will experience more flexible, productive and satisfied employees.

# 10 Key Things You Need to Know

When starting your ERP journey a lot of information is thrown your way. Here we cover 10 key things you need to start the process of improving or implementing an ERP system.

# *1 Focus on Industry-Specific ERP Solutions*

Do you want to start from scratch, build on top of your current system or get started with a standard solution optimized and adapted to your industry? Reinventing the wheel might not be a good idea when selecting your future ERP solution.

## *Go for a beverage-specific turnkey solution*

When looking for a new ERP solution you basically have three options: build your own from scratch, customize a standard ERP solution to your needs, or choose an industry-specific ERP solution developed, optimized and adapted to meet the needs of your industry. Selecting an industry-specific solution basically means that you start creating value for your business faster. An industry-specific ERP solution can offer you functionality and configuration that matches your business processes and needs within finance, sales, distribution, production and quality control, as well as contract management, CRM and reporting. After all, there's no need to start from scratch when you can get a solution that already has proved its value for many other beverage businesses, right?

## *Best practices included*

Another benefit of an industry-specific ERP solution is that it has been developed by experts with deep insight into your industry and experience from a multitude of similar projects. This ensures that you get the best advisors and reduced project risk and costs and that you can expect faster implementation. Industry-specific ERP solutions for beverage companies are often built on industry best practices. This means that the software solution reflects a proven optimal and effective way to perform each business process in a beverage company. This can have a great impact on your business. Running your beverage company according to industry best practices will make your business more effective and competitive.

# 2 *Make Sure You Know the Actual Cost*

Investing in a new ERP solution is a significant investment. But how big is it actually? Look at the Total Cost of Ownership to find out.

### TCO – the actual price of the solution

When buying a new management solution think about the Total Cost of Ownership (TCO). TCO is used to calculate the total cost of purchasing (or, in the case of Cloud computing, the cost of subscribing to) and operating a technology product or service over a period of time. TCO usually includes direct and indirect costs like application subscription or license fees, application design, configuration and implementation, administration and maintenance, and training.

### Avoid hidden costs – the iceberg that can sink your project

Although many companies factor TCO into the purchasing equation, they often underestimate the hidden costs of a new technology solution, which can result in negative consequences. For example, if you don't have the

resources needed to adequately maintain a solution you may skip upgrades required to keep the solution running securely and at peak performance. Or if the sufficient time and expense needed to train employees on the new system is not included potential productivity gains will be lost.
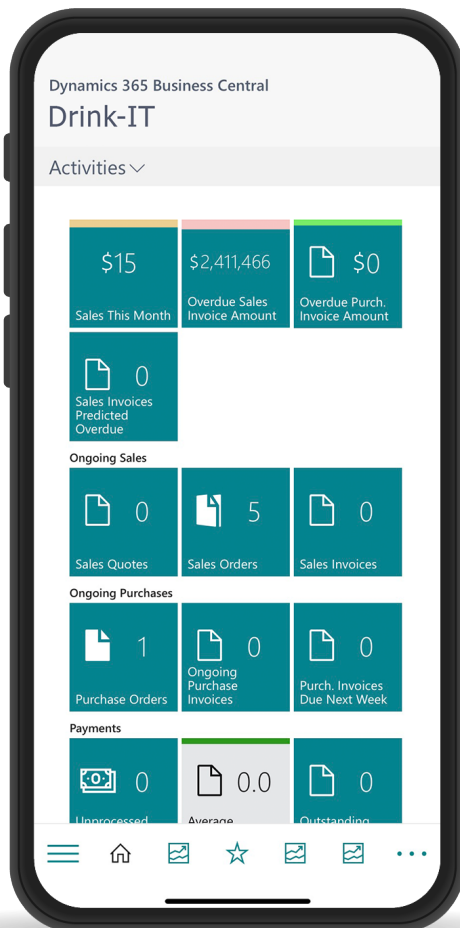
### Always compare TCOs from competing solutions

Looking at the TCO gives you a strong starting point for making the right choice. When two solutions provide roughly equivalent benefits over a defined period of time, but have different types of costs associated with acquisition, maintenance and operation, a TCO comparison gives you a framework to better evaluate competing solutions and helps you avoid hidden costs and unwanted surprises.

# 3 Go for a Modern Solution That Stays Modern

There are plenty of software vendors in the market, and they all claim that their solution is the best. But be careful.

### Avoid the risks of outdated, unsupported or random systems

When you buy an ERP system, you are not just buying a static product. You are actually forming a continuous relationship with the technology partner – a relationship based on the trust that the technology partner will continue to keep the software updated and supported for many years to come. Be aware of the fact that many systems become money machines for the vendor and hence a millstone around the neck of the user – you. Oftentimes vendors will shift strategy or get acquired. In that case, their investment in their software might stop and the roadmap will end, leaving you with no more upgrades, enhancements or new functionality. Just imagine the consequences of lacking future support of new regulatory demands.

### Benefit from endurance

You should look for a solution that is developed on a proven and future-proof technology from a partner that can show a strategic, long-term focus on continuous research and product development. Go for a solution from a vendor with the endurance to continually develop new and compelling functionality for your platform. Don't put your business at risk by choosing a platform that looks attractive today but might become outdated tomorrow.

# 4 Will the Implementation be Fast and Efficient?

Replacing your old ERP system can be a daunting task. But your choice of system will determine what kind of implementation project you are about to face.

## It doesn't have to be lengthy

The risk of a potentially painful, lengthy, complex and risky implementation project can hold any business back from ERP projects. True, the deployment of an ERP solution is a major change – but the process does not have to be long and tedious.

## Check the average time of implementation

Lengthy ERP deployments equal costly ERP deployments. Our experience shows that the deployment time of real transformational ERP efforts may vary up to as much as 30%. Your first step towards mitigating the risk of a lengthy and costly ERP project is to focus on the average time of deployment of the solution you are looking at. You might be surprised.

# 5 *Does the Solution Embrace Change? Think Long-Term!*

Change is inevitable and happens fast. Today's needs will be different from the ones you will have in six months. If you are serious about protecting your ERP investment, flexibility and scalability, demand a deeper look.

### *Change is the only constant*

The market changes and so does your business. If your software remains static the result is a disparity between the way the solution was originally implemented and the new requirements of the business. This evolution continues until you get to the point where the processes in the system actually constrict the ability of users to efficiently run your business. Modern ERP solutions offer flexible business processes based on best practices and process tools such as workflow, which give you the ability to set up and change process flows within the system. This means your workflows can be changed as your preferences and requirements evolve. Make sure your new ERP solution is able to embrace both expected and unexpected changes, so your business processes maintain their flexibility and adaptability.

### *Bringing your excellence across borders and to new hubs*

Are you considering expanding in your own market or going into new markets? Or have you already expanded and are looking for a way to consolidate your business? Either way, bringing operational excellence with you into an expansion is vital for its success. When selecting a new ERP solution, you need to consider an expansion scenario. Consider what kind of ERP model you would like to implement in the short and long term and make sure the solution that you are considering supports your plans. Depending on your needs be sure that your solution supports a single-instance implementation, a multi-instance implementation and a hub-and-spoke implementation. This way you have maximum flexibility to operate in the future no matter which path your business might take.

# 6 Is the Solution Modular?

How do you harvest the low-hanging fruit first? By choosing a solution that allows you to optimize your processes step by step.

### Start small. Or start big. But choose a system that allows you to start where it creates value

Be sure that you select a system that is born modular. Modularity allows you to optimize a single business process, tie several areas and processes together, or rethink your entire value chain. You can start small, or start big. Make sure it is your needs that determine your approach – not the design of the solution.

### Beware of bricks that don't fit

When you are looking for a modular solution, beware of the bricks that don't fit. In some solutions, separate modules might have been written at different times by different programmers. The look and feel could be quite different between modules. Separate modules might have duplicate or redundant data too. So when you're looking for your new beverage ERP solution be sure to take a close look at the bricks – do they actually fit together?

# 7 Don't Forget Mobility

As the need for flexibility, speed and accuracy increases access to your ERP system from a mobile device is no longer just a nice-to-have option.

### Embrace mobile device advantages

Mobile devices are becoming an important extension to ERP. The goal is to unlock workforce productivity with two distinct benefits of mobile devices. The first benefit is the mobile devices' enhanced user interface, featuring portability, high-screen resolution and finger-swipe functionality that promotes productivity.

The second benefit is extending the reach of ERP systems to employees, partners and even customers, to when they need it, where they need it. The combination of mobile devices and ERP business systems empowers workers and makes it possible for them to engage more fully with their peers and customers. Mobile ERP solutions deliver real-time access to business operations and can steadily increase profitability through lower transaction costs, improved cash flows, enhanced communication and better customer relations.

While it is unlikely mobile ERP applications will altogether replace traditional desktop ERP applications in the near future, they help meet the need for agility and flexibility in today's changing business environment. When looking for your new ERP solution be sure to ask for the level of support the solution offers.

# 8 *Make Sure You're Able to See the Bigger Picture*

Data can be used to provide insight, analysis and competitive advantage. Empower your decision-making with real-time insights from dashboards, reports and analysis that bring you up to speed at a glance.

## *Go for a solution that enables better decision-making*

Most businesses today have more data than they know what to do with. And getting to that data and then presenting it in a useful manner for a convincing analysis are two tasks that many organizations find difficult. Modern ERP solutions help you pull data and create reports at the click of a button, access better info to remain ahead of the competition, and monitor past and present performance to make better informed decisions. To realize better decision-making you should go for an ERP platform that offers both rich reporting options and integrates smoothly with leading and proven Business Intelligence (BI) tools. This will help your business keep track of information and make that information accessible to employees, management and board members that need it – when they need it.

# 9 Consider the Strenths and Weaknesses of Cloud vs. On-Premises

Are you faced with the dilemma of whether you should go for an on-premises solution or a Cloud solution?

### On-premises or Cloud?

If you are considering a new ERP solution for your business chances are you are being bombarded with choices. As you consider your options one of the most important decisions you will need to make is whether to select a Cloud-based ERP solution or one that's installed locally. The basic difference between on-premises ERP and Cloud ERP is clear: on-premises ERP solutions are installed locally on your company's hardware and servers and then managed by your IT staff while Cloud ERP — also called SaaS, or Software-as-a-Service — is provided as a service. With this type of deployment, a company's ERP software and its associated data are managed centrally (in the Internet "Cloud") by the ERP vendor and are accessed by customers using a web browser.

### A few points to consider

What may not be so clear is that the type of ERP deployment model you choose can have a significant impact across your business. Making the choice between on-premises and Cloud must rely on the current and future situation of the company.

Here are a few points to consider:

— Ownership costs

— System performance and accessibility

— Deployment speed

Taking the time to consider how different ERP deployment options will affect your company is critical. Look for a vendor that offers the competencies to help you with both models – a vendor that knows the advantages and disadvantages of both deployment models.
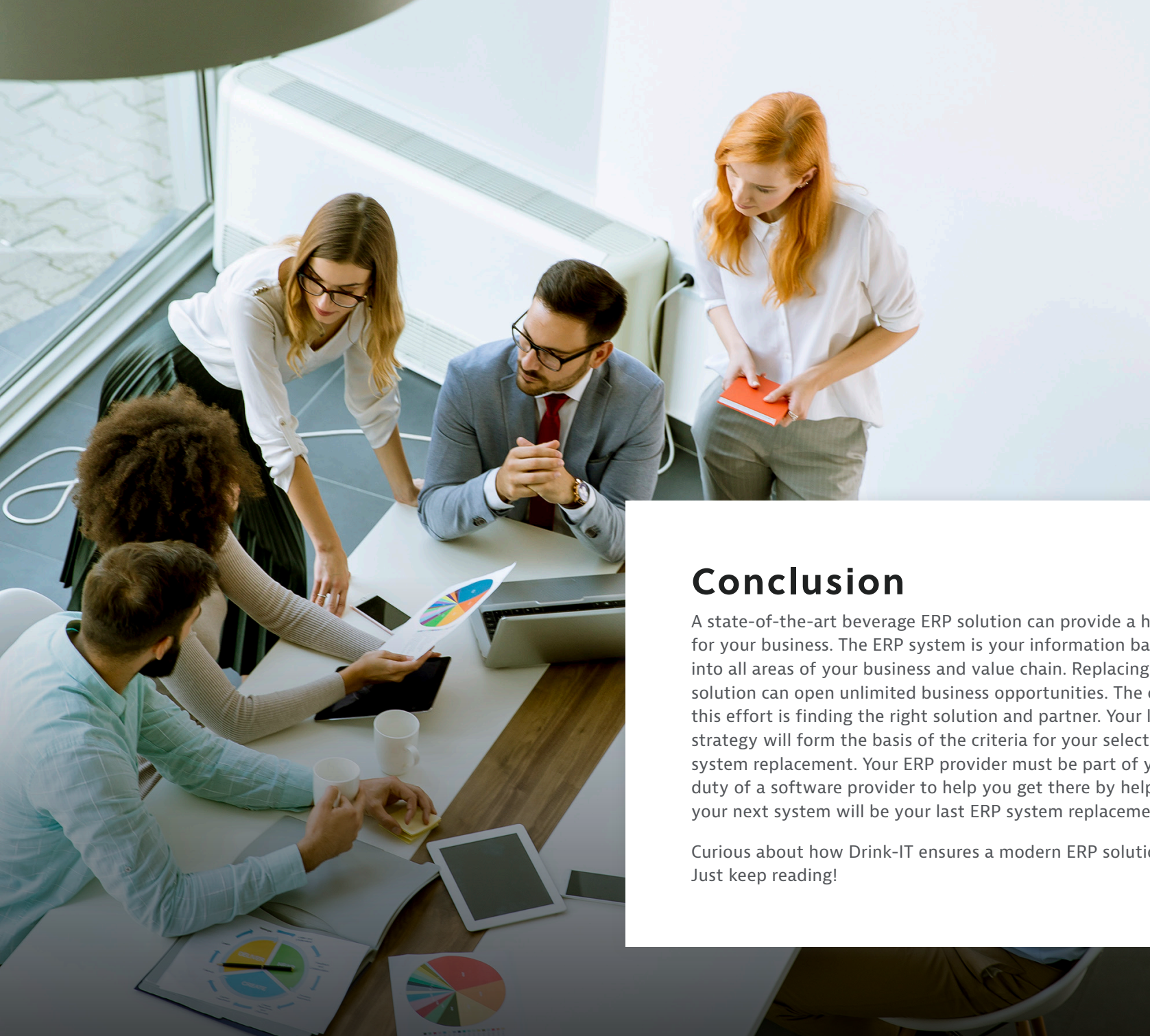
# 10 Ask for References

If you find out that a vendor cannot provide at least three verifiable, happy customers they may not have the experience you need.

### Time for the litmus test

Now that you have narrowed down the technology options that would fit your particular needs and goals it is time for the litmus test. You want to be sure that the provider of the solution has delivered projects that have successfully solved challenges of other companies similar to yours. The only way to find this out is by speaking with reference clients. Talk to at least three references and ask them what went right, what went wrong and what they might have done differently. If a vendor cannot provide at least three verifiable, happy customers, that vendor may not have the experience you need.

# Conclusion

A state-of-the-art beverage ERP solution can provide a host of advantages for your business. The ERP system is your information backbone and reaches into all areas of your business and value chain. Replacing a legacy ERP solution can open unlimited business opportunities. The cornerstone of this effort is finding the right solution and partner. Your long-term business strategy will form the basis of the criteria for your selection of an ERP system replacement. Your ERP provider must be part of your vision. It is the duty of a software provider to help you get there by helping you make sure your next system will be your last ERP system replacement.

Curious about how Drink-IT ensures a modern ERP solution and its benefits? Just keep reading!

## Drink-IT is trusted by

**Heineken** · **Doppelleu Boxer** · **Einbecker** (SEIT 1378) · **Carlsberg** · **ASKU plc** (ENERGIZING THE MAIN SOURCE OF ENERGY) · **Westons** (HEREFORDSHIRE CIDER MAKERS 1880) · **Pernod Ricard**

**Robinsons Brewery** (1838) · **Haacht** (ANNO 1898) · **Schwarzbräu** (...die feine Spezialität) · **Brick Lane** · **Mack** · **De Brabandere Brouwerij** (1894)

## ENAVATE

Enavate transforms businesses and the lives they touch. Our consulting, Cloud and managed IT support services enable beverage companies to focus on their overall mission. Drink-IT is a leading business management solution for beverage companies - a complete and easy to use end-to-end technology that ties the entire beverage business process into one seamless, efficient and transparent flow to boost productivity, increase revenue and capture growth.

### Are you ready to simplify your business?

**Talk to an Expert**

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