



**Aptean Food & Beverage ERP**

# Dealing with Disruptions in the Food and Beverage Industry

Leverage technology to navigate this dynamic marketplace





Disruptions are nothing new in the world of food and beverage businesses. Shipping delays, adverse weather events that impact growing and harvesting conditions, sudden surges in demand and occasional malfunctions of equipment and technology are all potential problems that simply come with the territory.

That being said, the COVID-19 pandemic has elevated such concerns and their consequences to top of mind for food and beverage professionals. For proof, consider that survey respondents for **IDC's Global Food and Beverage Industry Trends and Strategic Insights 2021 whitepaper** commissioned by Aptean named future global disruption as the top threat to the food and beverage industry over the next 5 years.

Clearly, becoming more resilient to disruptions and preparing your company for future challenges should be a priority in this environment. Some of these issues are inevitable and will arise at some point regardless of what measures you take, but being as well-equipped as possible to handle what comes your way will lessen their impacts, save money and mitigate risks.

In this whitepaper, we'll take a look at the 4 most common types of disruptions that occur in the food and beverage market and how an industry-specific enterprise resource planning (ERP) solution can serve to help your organization overcome them.

# 1. Supply Chain Uncertainties

The pandemic laid bare the inherent weaknesses in our existing supply chains. Between border closures, stay-at-home orders and limited capacities, many businesses—including plenty in the food and beverage category—faced stalls in the flow of critical material requirements, impeding on their ability to generate revenue and leading to sparsely stocked store shelves.

What made matters worse in the depths of this crisis—and would no doubt exacerbate any such disruptions going forward—was the lack of clarity surrounding the delays and uncertainty over when and how these problems would be overcome. Companies need to know where their goods are being held up and when they can expect movement to resume, but those that don't have the right technology in place are left in the dark.



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## Solution: Supply Chain Management Tools

While part of this problem must be addressed at a more fundamental level by shifting our approaches to purchasing and distribution—including the prudent measure of working locally as much as possible to avoid long travel times and limits on international trade—the right software platform can also be a powerful asset on this front.

The supply chain visibility that an ERP system can provide is invaluable in times of disruption, as knowing where your ingredients and products are and what may be holding them up is easy when all the pertinent information is at your fingertips. Leading solutions like Aptean Food & Beverage ERP also give you flexibility, allowing you to substitute new suppliers for those who can't reliably ship on time and easily introduce new sales outlets as alternative sources of income.

At a higher level, having full control over your supply chain information allows you to become a more data-driven organization. You'll be less reliant on the expertise of specific team members and instead be able to make informed decisions with confidence and the agility that today's market demands.

## 2. Worker Shortages

A lack of qualified personnel in the food and beverage industry has become a worldwide concern, with low pay, lack of benefits, workplace health risks and rigid schedules all **contributing to the lack of interest** from potential applicants. As a result, many organizations are struggling to maintain sufficient production and sales numbers, and others are having to pivot or folding entirely.

The issue is most pronounced in the UK, where the effects of Brexit and COVID-19 have compounded the problem, but the problem is definitely global in scale and impact. It's certainly being felt in the United States, as **a recent Deloitte study** found that nearly half (45%) of food companies named retaining talent as their top overall workplace challenge.

### Solution: Automations and Integrations

Businesses strapped for personnel must look to technologies that can let them “work smarter, not harder” and eliminate limitations with digitalization. That can involve smart sensors, barcode scanners and other IoT-enabled equipment, all of which are best managed by a central ERP platform that routes the readings collected by the devices directly into a single, unified database.

Here again, Aptean Food & Beverage ERP has a leg up on competitors, with its Microsoft Dynamics 365 foundation allowing for seamless updates and all the latest in integrations with new machinery and applications. With an intelligently designed system in place that can handle the tedious tasks of information capture and routine checks, the staff that you do have can concentrate on their responsibilities most critical to your organizational success and efficiency can be improved.

## 3. Demand Volatility

Sudden surges in demand for a certain item or category can force businesses like yours to scramble in order to capitalize on the opportunity and fulfill a maximum number of orders. Likewise, an abrupt drop-off in the market for a product type can leave a food and beverage company at a loss—both for how to make up for the decrease in sales and for what to do with unsold excess of the given good.

The pandemic saw a **spike in the demand for frozen foods**, as well as for **shelf-stable products**, and many experts agree that these elevated levels could persist for years. Going forward, events like disease outbreaks, hurricanes and wildfires could cause similar shifts, and the seasonality of certain goods will always create some variance in shoppers' purchasing patterns.

### Solution: Planning and Forecasting Features

Every food and beverage business wants to get ahead of the curve in terms of changes in demand, but for that you need technological tools that can create reliably accurate forecasts. Purpose-built platforms like Aptean Food & Beverage ERP come with dedicated features for this purpose that combine past sales data with emergent trends to create a precise picture of the months to come.

This insight can inform smart purchasing on the part of your organization, ensuring you have what you need to meet the public's appetite without over-buying and ending up with excess that can't be sold before it goes to waste. It will also provide you with the opportunity to ramp up production if a big spike is expected in the near future.

## 4. Service Outages

Whether it's a power outage or a server down for maintenance, service interruptions are nothing new. That doesn't make them any less of a problem, of course—nothing can quite ruin the productivity of your facility and staff like the failure of a critical system or resource at an inopportune time.

The pandemic hasn't necessarily made these sorts of outages any more frequent, but the lingering uncertainties of the supply chain, workforce availability and demand volatility have compounded the issues that they create. When a business is already struggling to get the materials and staff that they need to operate, uptime becomes even more precious, putting a greater premium on reliable service.

### Solution: Cloud Deployments

While we must accept that the occasional adverse weather event may knock out power or water at your facility for a period of time, there's a method of implementing vital systems—like your ERP solution—that makes them more flexible and resilient. We're talking, of course, about deploying and maintaining your platform from the cloud.

At Aptean, we can boast 99.9% uptime or greater for cloud implementations of Aptean Food & Beverage ERP because we have IT teams dedicated to that purpose and redundant offsite servers that can provide coverage should an interruption occur with another. Better still is the fact that our cloud deployments also facilitate troubleshooting and updating the software, as that's all handled by our qualified professionals, letting you concentrate on doing what you do best—producing great food and beverage products.

Finally, our solution's uncompromising security measures will also safeguard your operations against any interruptions that might occur due to the actions of malicious outside infiltrators. You can rest assured that your data, as well as that of your customers, is safe and won't be accessed by unauthorized parties.

## Digital Transformation Drives Resilience

We've covered various forms of disruption encountered by food and beverage businesses and the ways in which ERP systems help mitigate these challenges. But taking it a step further, you should consider the value that a complete digital transformation could have for your company in terms of holistic, organization-wide improvement—not to mention considerable savings and improved profitability.



An advanced, industry-specific ERP solution can be the bedrock, the foundation that keeps your operations stable in a storm of questions, uncertainties and concerns.



Not only is a digital transformation initiative likely to boost your key performance indicators—IDC’s research found that to be the case across the board, with improvements between 70 and 85% in all metrics—but it will also make your business more prepared for the hurdles you’ll need to clear in the future. Today’s food and beverage markets evolve quickly, and that makes change and adaptation a constant in the industry.

An advanced, industry-specific solution like Aptean Food & Beverage ERP can be the bedrock, the foundation that keeps your operations stable in a storm of questions, uncertainties and concerns. It can automate tedious manual processes, eliminate mistakes, prevent duplication of work and free your team’s sharpest minds to solve the tough issues and think critically about how to get better at the structural level.

We know that acting—and reacting—with agility and confidence is necessary for success in the food and beverage space, and our goal will always be to equip our clients with nothing but the latest and greatest in technology and support.

**So, ready to learn more about Aptean Food & Beverage ERP and how it can help your businesses weather the disruptions of today and tomorrow? Contact us today.**



## Are You Ready to Learn More?

Interested to see how Aptean can help you better manage your food company?

Contact us at [info@aptean.com](mailto:info@aptean.com) or visit [www.aptean.com](http://www.aptean.com).



### About Aptean

Aptean is one of the world’s leading providers of industry-specific software. Our enterprise resource planning and supply chain solutions are uniquely designed to meet the needs of specialized manufacturers and distributors, while our compliance solutions serve specific markets such as finance and life sciences. With both cloud and on-premise deployment options, Aptean’s products, services and unmatched expertise help businesses of all sizes, across many industries, to scale and succeed.

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