

Aptean Distribution ERP

5 Ways to Effectively **Manage Seasonal Demand**





If you work in consumer goods, depending on your particular industry, demand and inventory can fluctuate and shrink at any number of points throughout the year.

Importers and distributors' high-demand months occur just before those high-demand consumer seasons.

So if you're an importer or distributor who works in the office or school supplies industry, higher consumer demand comes in August and September, which means you're particularly busy during June and July.

Ornaments are in demand in November and December, so August and September will be particularly busy for you. You want those items on their way to retailers early so they can get onto shelves around October.

With seasonality, it's all about planning and forecasting.

No matter your industry, no matter your peak season, it's essential to be prepared to meet customer demand.

And that starts with having enough inventory.

Ecommerce Demand Skyrockets

2020 has been an extraordinary year. There's no denying that.

The presence of the coronavirus has derailed the traditional retail model. The overall demand may not be greater or smaller than in the past, but the origin of that demand could be different.

People are less willing to go out to stores and they're more likely to shop online. So even if the overall demand doesn't fluctuate compared to previous years, people are going to be shopping differently.

Direct-to-consumer and ecommerce methods are going to be more prevalent as you move into your peak season. Walmart's ecommerce sales are up 74%, and Home Depot's are up just over 20%. Because of this shift, it's vital that you consider having an ecommerce presence, or if you already do, amplifying that presence to meet customer demand and shifting trends effectively.

Though we can't predict the future, we don't see this fulfillment model going away any time soon. It's time to acclimate—it's only going to make managing those seasonal surges easier and create more opportunities for profitability.

Having an <u>enterprise resource planning (ERP) solution</u> with all the right tools alleviates the challenges and supports the opportunities associated with seasonal demand periods.

An ERP can effectively help you manage seasonal inventory and demand in five significant ways:

1. Forecasting for Long Lead Times

The robust and dynamic forecasting tools in an ERP enable you to leverage long lead time information. To meet vendor-specific requirements. And to <u>create accurate forecasts and successfully plan your inventory.</u> This is probably the most valuable data when it comes to planning for your peak operating periods.

Any mistakes in forecasting and distribution mean you won't have the right product mix available at the right time to ship to your retailers. Not only does this put you in a precarious position, but it strains and threatens those retailer relationships you worked so hard to cultivate.

One of the MANY things you worry about during moments of high seasonal demand, the questions that keep you up at night: do I have enough inventory? Were my predictions reliable? With an ERP, you're better able to make confident, data-driven decisions on how to plan and prepare for your peak season.

We know that best-in-class forecasting and distribution resource planning tools for long lead times will help you meet consumer demand as well as keep your retail partners happy.

Our <u>Distribution ERP</u> provides a rule-based environment that automatically identifies and alerts you to any issues based on exceptions to criteria that you define.

It offers maximum efficiency and control to purchase from multiple suppliers while also managing inventory across multiple warehouses.

Our forecasting tools integrate point-of-sale data, customer forecasts, sales trends, seasonality, inventory status and other inputs to help you improve purchasing and inventory management.

2. Demand Planning

Demand planning is essential to ensure you have the right products at the right time to meet demand.

For consumer goods distributors, managing demand planning is made even more difficult with long supplier lead times. While many companies still rely on manual processes, cumbersome spreadsheets and third-party add-ons, leading consumer goods companies use the automated tools found in an ERP for more accurate demand planning.

Distribution resource planning (DRP) tools integrate point-of-sale (POS) data, customer forecasts, historical sales trends, seasonality and supplier lead times to help you optimize purchasing decisions.



And since you deal with long import lead times, Aptean Distribution ERP includes time-phased tools to help improve forecasting accuracy even further.

With our all-in-one ERP, it's easier for consumer goods companies to minimize inventory carrying costs and reduce stock-out situations. Full visibility throughout the supply chain can help you respond quickly to changing market conditions and keep retailer satisfaction rates and profitability high.

3. Managing Product Lifecycles

Integrated product lifecycle management (PLM) functionality is critical.

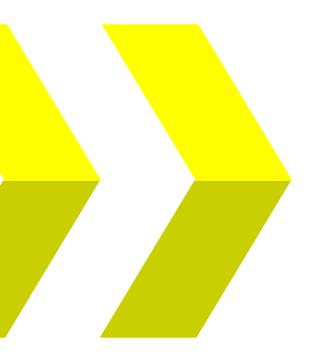
It's designed to help manufacturers, designers and brand managers maintain control over a product's entire lifecycle—from the initial concept through sale to your retailer customers.

When PLM tools are integrated with your ERP solution, you have 360-degree visibility on product development, production and sales performance.

Our Distribution ERP provides you with the PLM tools you need to improve collaboration and streamline workflows. It's a solution that enables you to manage workflows for individual users and teams to ensure product development stays on task and on time.

Configurable workflows empower you to choose task functions, priority level and team assignment based on your unique rules for suppliers, products and factories.

Our robust PLM tools contain product development tracking to give you detailed insight into how products change over time, with easy access to production details and design specs from previous years.



With our **all-in-one ERP**, it's easier for consumer goods companies to minimize inventory carrying costs and reduce stock-out situations.

4. Evaluating your Budget

You always want to ensure profitability.

That may seem obvious, but sometimes between all that you have to do, everyone you have to manage, the relationships you have to maintain and the deadlines you have to meet, running over budget is a real possibility.

This is all about operational optimization—becoming as efficient as possible so you don't spend money in unnecessary areas. Ensuring your finance team has a profitability dashboard is essential for a quick view of profitability, with the ability to dive deeper into each customer, product and supplier in real-time.

Aptean Distribution ERP provides an enhanced profitability scorecard tool that allows you to determine how profitable your business is by dissecting the profitability of each customer, product and supplier.

The information is real-time and includes both above-the-line and below-the-line costs—including freight, allowances, royalties, commissions, chargebacks and more.

Then you can amend and improve those relationships based on the analytics and insights the tool provides. The integrated retailer compliance functionality allows you to track and manage chargebacks, automatic customer accruals and EDI fees, so you can reclaim profits and see the real, bottom-line profitability of each product, supplier and customer.

5. Leveraging Historical Data and Trends

To help with accurate forecasting and demand planning, leveraging your historical data along with patterns and trends is crucial.

Ensuring you have the visibility across your operations to understand what products you need when and how much of each is made easier and more efficient with an all-in-one ERP.

Using historical data and patterns, the exact lead times for each product become more accurate, ensuring you know when the reorder point should be and how much of each product you should order. Your ERP then becomes a single source of truth because all of your data is running through one integrated solution. The robust forecasting tools in an ERP allow you to leverage long-lead-time information and vendor-specific requirements to create accurate forecasts and successfully plan your inventory.

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Ready for an Industry-Specific ERP

If you've done all the work and put in all the money to make your products, don't let mismanagement of time and money ruin what could otherwise be a very successful season.

It's all about keeping tabs on all of the moving pieces.

This is precisely where an industry-specific ERP comes in handy.

Aptean not only gives you real-time data about the goings-on within your business, but it gives you the confidence you need to make the best and smartest decisions. To streamline. To scale. To be successful.

Aptean Distribution ERP is designed to handle everything consumer goods importers and distributors need to run and grow their business—especially during peak seasons.

By creating efficiencies across your enterprise, making data-driven decisions and leveraging all the tools that the ERP provides, you're positioning yourself for success.

Growing furniture distributor, <u>Modus Furniture</u> leverages Aptean to streamline operations and improve their inventory accuracy and visibility. Within the first year, Modus Furniture's inventory accuracy improved from 80% to 95%.

"Before we implemented Aptean, over 25% of our accounts receivable were greater than 90 days outstanding," said Operations Manager John Richey. "With Aptean Distribution ERP, that number has literally dropped to zero."

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- Modus Furniture



Are You Ready to **Learn More?**

Contact us at info@aptean.com or visit 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.

For more information, visit www.aptean.com.