

Aptean Food & Beverage ERP

Keys to Success in the Confectionery Industry

How to improve inventory management, recipe development and traceability





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Confectionery business professionals like you know it well—change is the one constant in your industry. Consumer demand has shifted over the past few years and continues to evolve as more time goes by. From health-conscious options to sustainable products, there are a lot of new niches you must serve.

How can your business possibly keep up with it all? Be nimble. Act quickly, and react even faster. Make sure your finger is always on the pulse of the market.

But first, as a starting point—familiarize yourself with the challenges and keys to success in the confectionery industry with this whitepaper.

Challenges Facing the Confectionery Industry

This trio of trends should be at top of mind as you assess your business's plans of action going forward:

1. Changing Consumer Demand

Your customers are more discerning when it comes to what they eat. They want healthier options more than ever before—consider that <u>sugar-free chocolate sales increased 16.6%</u> (by \$169.7 million) from June 2019 to the same time in 2020.

There's also a definite need for products for consumers with dietary restrictions and preferences, and that includes gluten-free and non-GMO options in the confectionery industry too. Businesses like yours need to be creative in expanding your portfolio and including more fresh and whole ingredients like nuts, grains and fruits.

And if you can-keep the ingredient list on the label short. Simplicity in your recipes will go a long way in impressing picky shoppers.

2. Strict Regulatory and Labeling Requirements

Speaking of ingredients, be careful with new products you introduce that your labeling procedures adhere to today's regulations. As an example, those nuts and grains you might incorporate in new products will frequently need to be declared as allergens.

What else is there to look out for? You may know that the Dietary Guidelines for Americans recommends limiting calories from added sugars to less than 10% of your total calories per day. What's more, the FDA <u>requires that added sugar is listed</u> on the Nutrition Facts label.

And if you want that all-important "Non-GMO" label, you'll need verification from the Non-GMO Project. A new hurdle to clear, but customers will appreciate the fact that your products go the extra mile.

3. Transparency and Sustainable Ingredient Sourcing

Consumers' expectations of detailed information on their food are on the rise. For you as the confectionery producer, your economic and financial viability is on the line if you can't meet those expectations and assure customers that corporate social responsibility and sustainability are major priorities.

Take the example of Ferrero Rocher, which has pledged to use only responsibly sourced palm oil for flagship products like Nutella and garnered recognition from the World Wildlife Fund for their actions. Protect your brand image and ensure your future by focusing on how your company can make strides with the rest of the industry.

Why risk materials going missing or excess waste when you could have all the data necessary to forecast and react at your fingertips?

Keys to Success

So, what's the answer to the questions that these challenges present? It's not a matter of flipping a switch—but here are some ways that implementing the right food-specific software can equip your company with the right tools:

1. Recipe Management

If your business will be introducing new, healthier ingredients or developing new products, enterprise resource planning (ERP) solutions tailored to your industry can give you the visibility and control you need. Your R&D team can focus on what they do best, and your software will help implement their innovative ideas.

2. Inventory Management

"Good enough" won't cut it for tracking your ingredient and product inventories these days. Why risk materials going missing or excess waste when you could have all the data necessary to forecast and react at your fingertips?

Having a good system in place will also help in the realms of customer service and satisfaction—no more unforeseen outages when the figures are always available at the push of a button. You'll also be able to track and manage allergens better, and you'll be able to put in place cross-contamination prevention measures (including proper labeling and placing containers with allergens below others) when you know just what's where.

3. Traceability

Want proof that traceability is vital for your business's future? A <u>recent study</u> showed that 94% of consumers are more likely to be loyal to a brand that offers complete transparency.

That means tracking all of your ingredients at every step in the supply chain, and making sure that each instance looks one step forward and one step backward (bi-directional tracking). That might sound like a logistical nightmare, but the right ERP can handle it all for you.

The best food-specific solutions even offer serialization, which means your recalls go smoother and are no more wide-reaching than they need to be. You'll know just what went wrong and exactly what products it affected.

4. Quality

This might seem like a no-brainer, but don't let quality slide while you're thinking about other industry shifts. To meet all the necessary standards as a confectionery company, you'll need certification from either BRCGS or IFS.

Of course, your quest for uncompromising excellence can't end there—you'll also need to set up mandatory quality audits ranging from pre-receipt of materials to output and shipment. An ERP solution made for the industry will give you the ability to customize these audits to your business's unique needs.



Food-Specific ERP, a Sweet Solution

In the rapidly changing and super-competitive confectionery industry, the right tools make all the difference. Software is your best ally, but it can't be just any system—your business needs to manage recipes and inventories while also ensuring product safety and quality.

Luckily, there's a solution that can do just that: <u>Aptean Food & Beverage ERP</u>. We invite you to <u>reach out to</u> <u>us today</u> to hear more about how we can equip your confectionery business for performance, no matter the market's shifts.



Are You Ready to Learn More?

Interested to see how Aptean Food & Beverage ERP can help you better manage your food company?

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.

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