

Aptean Food & Beverage ERP
Enterprise Edition

How Large Food Enterprises are Leveraging Technology to Boost Profitability

With larger businesses facing unprecedented pressures, their need for agile technology has never been greater





When facing up to all **their biggest challenges**, large food companies have a common vulnerability - their size reduces their agility. While smaller businesses - in particular start-ups - are becoming increasingly adept at cornering portions of the market, enterprise-level companies generally lack the same ability to pivot to new opportunities quickly.

And this isn't the only area where a business' sheer size can put the brakes on its success. As food businesses grow larger, they are far more likely to experience diminishing returns when it comes to efficiency, their speed in responding to problems, the effectiveness of their core processes and their ability to cater to the specific needs of their staff.

This whitepaper explores how the right software solution can have a genuinely transformative effect on all these factors within a food enterprise. We take a look at the key areas of need for software in a large business - and why technology that is built for the food industry is essential for:

- Making them more agile and responsive to the challenges thrown at them every day
- Increasing operational efficiency
- Boosting profit margins in the long term

Diversifying product ranges to meet changing demand

The main emerging trends in consumer demand are well-established across all food sectors, and are expected to continue into 2021 and beyond. Increasingly, appetite is growing for plant-based products, health and lifestyle-focused products (such as food with reduced sugar and salt), transparently sustainable foods, and food shopping that benefits consumers' local communities.

Large food manufacturers cannot be all things to all people while at the same time keeping their core offerings intact. But a major area where the right software solution like food-specific enterprise resource planning (ERP) can help them broaden their appeal is recipe and allergen management. This is especially true of the **confectionery industry**, where lower-sugar products are in demand. Food and beverage ERP systems contain recipe management modules, allowing research and development teams to compare current recipes and processes with new ingredients to gauge cost-effectiveness and find the perfect formulas quicker.

Bespoke food ERP also makes new 'start-ups' within a large food business a viable option. Using small, independent teams to create products in new niches is an effective way to compete in these markets. ERP ensures these 'start-ups' are fully integrated into the core business from a financial, operational and data perspective.

This is an option that worked particularly well for **Aptean customer Levarht** - a fresh produce company based in the Netherlands. Their approach was to build "Levarht 2.0" - a small new organization within the wider company. Levarht used the opportunity not just to diversify their offerings, but to cultivate new best practices to benefit the entire business.

A solution fit for a large workforce

Software can be a tool for business transformation - and nowhere is that more important than when it comes to how an enterprise-level food company serves its staff. Vendors like **Aptean** build their solutions around business' core processes - be they long-established or newly optimized to coincide with a software implementation. The success or failure of these processes rests on **how easily staff are able to adopt them internally**, and the large workforces of enterprise-level companies make this a bigger challenge.

It's especially important for larger companies that software solutions are:

- Consistent across the entire enterprise
- Simple and intuitive to use
- Customizable to the user's needs
- Configured to reinforce core processes

Solutions built on large, well-funded platforms - such as Microsoft Dynamics - prioritize this user-friendliness and make the experience ubiquitous across a company. Meanwhile, the value of a vendor that knows food inside out is that they build solutions with the most important modules for the industry front-and-center for staff.

Mobile solutions are particularly useful for providing personalized experiences for every worker. Not only does increased mobile functionality facilitate full remote working - something more important than ever during the pandemic - it means all teams can be served with their own tailored schedules, boosting productivity.

Covering all traceability bases

Large food companies will naturally need to have the most **rigorous standards of traceability baked-in to any software solution**. Their supply chains are more likely to be sprawling and extensive - both in their scale and their geography. When these supply chains extend over international borders, an extra layer of complexity is added to the mix.

Food safety and trade regulations are only getting more stringent, so by the law of averages the largest businesses are most likely to run into trouble if they don't have **strong visibility and control over their supply chains**. To avoid this, food-specific ERP is on hand to help with a raft of features and integration capabilities that give large businesses more efficient logistics networks.

Universal GS1 barcodes are fast becoming the standard in the food industry - helping track ingredients throughout entire supply chains and improving efficiency in transportation and processing. Meanwhile, technologies like blockchain are on the horizon, promising to provide instant visibility and accountability. On both fronts, ERP solutions for the food industry are built to seamlessly integrate these vital traceability tools.

Food-specific ERP also tightens traceability where international supply chains are concerned. Built to accommodate differences in language and trading and food safety regulations, software is the key to ensuring visibility over the parts of your business' supply chain in other countries is just as strong as for the branches closer to home. This will become an even more important consideration for EU and UK businesses as regulatory divergence occurs in the aftermath of Brexit.

When the worst happens and a product is found to be dangerous, trace-and-recall modules are vital to quickly isolating the offending branch of the supply chain and issuing a recall for all affected items.

Scalability and readiness for the future

With the large number of workers an enterprise-level food company will require an ERP system to support, their chosen solution must be both robust and flexible. The platform must be able to accommodate a high volume of users at any given time and be able to withstand a surge of activity at moments of peak importance.

Scalability is also of huge importance for any system. While scalability is clearly vital to facilitating the continuing growth of small and medium-sized businesses, it is equally as crucial for the largest companies' ability to move in new directions. This goes hand-in-hand with the viability of 'start-up' companies within larger organizations that we discussed above. Modern food ERP solutions shouldn't have their capabilities set in stone, but instead be built with room to expand in whichever way is needed.

Other concerns include keeping up with new advancements in technology and guaranteeing full security (especially when it comes to preventing data breaches). This is another area where we can see the benefits of the largest and best-resourced platforms like Microsoft Dynamics.

The R&D funding and expertise of companies like Microsoft mean systems are constantly upgraded with new improvements specifically designed for the food industry. Modern food ERP is typically part or fully cloud-based, meaning upgrades are rapid and easy to implement.

Incorporating new parts of the business

The most common way for large food businesses to achieve further significant growth is through a merger or acquisition. Despite (or perhaps even because of) the pandemic uncertainty, **2020 was another big year for M&As** in the industry. But the larger a company grows, the more challenging it becomes to maintain harmony and integration between its constituent parts.

Never is this more apparent than straight after an M&A. When bringing a new company on board, the new, larger business faces key challenges including:

- Amalgamating the workforce and bringing them under one technology platform
- Bringing company values, processes and workplace cultures together
- Maintaining and advancing client relationships

These initial differences are likely to be especially pronounced in the case of M&As involving companies from different countries. From language to workplace culture to working hours to different time zones, getting the new-look company to a stage where there is alignment across all these areas can be daunting.

An M&A is a huge collective test of a business' efficiency and resolve. But the process can be smoothed considerably if a strong framework already exists in the shape of a flexible ERP solution.

The biggest benefit of food-specific ERP during a merger is to quickly provide a "single point of truth" for the newly enlarged organization - with databases easily combined and user interfaces standardized to avoid friction. When a smaller company has been acquired to sit under a larger organization while retaining its original brand, the same benefits are also available, but with the ability to operate autonomously as well as collectively.

Aptean Food & Beverage ERP Enterprise Edition

Aptean Food & Beverage ERP Enterprise Edition is built on Microsoft Dynamics 365 for Finance & Operations exclusively for large food businesses. Equally appropriate for manufacturers, restaurant chains and wholesalers, it helps enterprise companies take the next step in their development. By digitizing all major processes, the platform allows businesses the insights they need to make more accurate and quicker decisions.

It is a cloud-based system, benefitting from Microsoft's twice-yearly major releases. The platform's standard set of solutions include a **warehouse management system** (helping manage commodity flows in the warehouse), integrated **point of sale functionality** (ensuring continuous real-time administration and inventory management) and **omnichannel distribution** (a hybrid type of distribution giving a huge range of order and delivery options).

Businesses in all food sectors can benefit from features including:

Enhanced consignment management for fresh produce

Tracing a consignment of produce from the intake process through to it leaving the operation.

Catch weight features for meat businesses

Maintaining inventory records according to two units of measure, making it possible to sell certain items according to a physical unit, while pricing and costing according to their weight.

First expiry, first out (FEFO) inventory management for prepared foods

Segmenting stock by its shelf life so items with the earliest expiry dates are sold first.

But beyond this, a host of other modules can be included, such as tracking and tracing, SSCC labelling, product specifications and packaging. We can build the solution that matches your food enterprise's requirements closely - nothing is off the table when trying to create the perfect platform to best enhance your business.

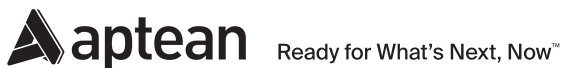
At Aptean, we have years of experience in helping the biggest food and beverage businesses complete major software implementations. If your food enterprise is looking to move to the next level with a technology overhaul, or you just want to learn more about the options available, **get in touch** with our team 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 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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