

### **Introduction:**

Although food service companies have made great strides in recent years in product range, handling and customer service much more can be achieved.

Many businesses have invested heavily in new production equipment but the pace to improve the actual delivery mechanisms has been slower.

Stock control systems have been put in place but frequently these are more general purpose and can cause as many headaches. Furthermore, the majority of food service businesses have shied away from driver handsets believing them to be only of use to large nationals or other industries.

However, times have moved on. The cost of technology has reduced and the benefits from this investment have increased. IT Suppliers now have applications that are designed specifically with the food and drink sector in mind aiding manufacturers and distributors in tracking stock and sales more effectively with less fuss and cost.

There is now a genuine opportunity for businesses to take advantage of these systems and make substantial improvements to their businesses.

### **Stock Control:**

Most general purpose accounts systems (such as Sage 50) include stock control functionality, however they are not designed specifically with the food industry in mind and have no concept of the specific requirements of this industry such as:

- Bar coding
- Variable or split case products
- Variable weight produce
- Use by dates
- Stock locations.

Appropriate software can deal with these specific elements and much more. It is even possible to accurately track batch and serial numbers in more in the more advanced software solutions.

#### Advantages

- See exactly what products you have in stock and where they are.
- Rotate your stock and reduce wastage from out of date stock
- Easily find and process stock using handheld barcode readers
- Weighted products are now able to be tracked accurately

### **Order Processing:**

Although general purpose systems do have Sales and Purchase Order Processing modules they fit poorly within the food industry. Again, use by dates, split case/variable weight products and batch numbers are not implemented appropriately if at all. However, industry specific systems do have these abilities plus much more which can give a complete, integrated system.

#### Advantages

- Easily create appropriate orders which include all necessary information
- Telesales departments have the option of working far quicker by using integrated Telesales modules
- True indication of your stock position
- Easily analyse your actual sales and purchases via built in reports



## Deliveries:

Deliveries of your goods are crucial and yet this area in particular has remained essentially the same – most businesses still use day books and paperwork to write out customer invoices on the spot. This is both a laborious use of your driver's time and also an administrative burden. In addition to the manual entry into the accounts system there is a large opportunity for customer disputes over deliveries, damages, etc.



By using an electronic handset that links directly to your back office system enormous efficiencies can be achieved. All stock and transactions are held in each handset ensuring all stock, transactions and cash is correct and validated.



Also, van sales businesses have even greater scope for improvement – by freeing your driver from time consuming paper based systems they'll have more time to do their job which is selling your products. The handsets can also prompt drivers with customer history and special offers to ensure they know enough to promote the products you want them to talk about.

## Advantages

- Accurately track all stock
- Customer deliveries are listed to minimise delivery errors
- Signature capture reduces customer disputes
- Customer history shows recent order history so common products are missed
- Special promotions information ensures drivers are talking about your products
- All cash and cheque handling is fully tracked
- All transactions information is sent to the back office – no manual retyping

## Analysis:

On a day to day basis all of the above are extremely useful and can make a significant difference to your business. However, senior level managers and owners need a more strategic view of their business which is not generally available if standard accounting systems are used simply due to the fact that many businesses still run many functions (such as SOP, deliveries, etc) off the system.

By using a complete integrated system it's possible to get much more information not just on how your business has run but to even predict what the future is likely to hold. All information should be freely available to report on so you can easily see most profitable product lines, wastage per vehicle, most profitable customers and much more.

## Conclusion:

IT systems are sometimes seen as a 'necessary evil' in that they are used because basic functions require it. However, targeted investment in your business can give back great rewards in efficiency and cost effectiveness. In fact by not using appropriate or even any IT in certain areas of your business you are actually harming your bottom line in terms of loss of sales, wastage, increased labour costs and more.

Look at your business in detail and you'll find opportunities to make improvements throughout your business.

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