

Case Study

Sales Information System (SiS)

Pakistan Tobacco Company

Pakistan

From: 2005-Jun

To: 2006-Mar

Automation of Sales and Distribution Process

Kandysoft SiS helps Pakistan Tobacco Company to monitor sales and distribution network

Kandysoft is an Australian software company located in Adelaide. The Kandysoft R&D center is in Colombo, Sri Lanka. The Kandysoft provides software solutions to enterprise customers in order to provide the visibility and control of their Secondary Sales and Distributions. The initial version of the system now in its 6.8 version which was developed in Visual Basic 6 had limitation in scalability. To Overcome these issues a new version was developed in utilizing Microsoft's' .Net framework 3, and mobile 5 and this new product is branded as **Dianome**.

The Business problem;

Pakistan Tobacco Company (PTC) is subsidiary of British American Tobacco (BAT) group of companies. BAT operates in more than 180 markets around the globe. PTC is in the top 10 companies among BAT group of companies. PTC manufactures, distributes high quality tobacco products to millions (a population of 160 million) of consumers in Pakistan. The PTC operations began in 1947 making it's one of the first foreign investments to the country. PTC produces its products with two factories and distribute all over the country using a sales and distribution network.

The distribution network consists of a country wide large distributor network of over 300 distributors spread across the entire country. The conditions of the distributor network and the companies' sales and marketing structure were as follows;

- PTC had its own trade marketing staff who will promote its product to its distributors.
- There were no accurate and methodical way to measure the performance of these staff against pre set KPIs and targets
- The head office did not have a clear visibility into the grass root level activities i.e. what is sold in an area or a small village shop, what is the exact inventory level at distributor or salesmen level achievement, etc.
- Distributors are scattered right across the whole country and about 40% of them are in remote regions where communication infrastructure is very basic i.e. availability of only land phones etc.
- Due to disperse and remote nature of the distributor network, Timely product ordering, stock replenishments, planning and executing marketing campaigns to promote specials were unmanageable and therefore create costly mistakes.
- The information flow between PTC and its distributors were mostly manual and outdated. Hence the appropriate and timely decision making was hard

- Advance budget planning for the sales and marketing department was a time consuming and difficult exercise for the company.
- The management of price structures changes and effecting these changes in an organized way was impossible with the given manual system

Solution

Kandysoft had exposure to the Sales and Distribution business domain and understood the challenges faced by customers. At that time, Kandysoft had Sales Information System (SiS) product to address the business challenges in sales and distribution process and had successfully implemented in several customer sites with high customer satisfactions.

The process

Initially, Kandysoft and the PTC business team were worked together in order to elaborate the business requirements of PTC sales and distribution process. The applicability of SiS product to address PTC business requirements was discussed in detail through a gap analysis.

SiS product suite consists of several modules:

- SiS Head Office module
- Controls the business key factors such as, items and pricings and provide all required initial information to support Sales and Distribution process.
- Real time information with MIS Tool
- The Senior Management will be empowered with timely and accurate information through the MIS in order to take their business decisions accurately and efficiently.
- SiS Distributor module
- The planning of distribution process and goals have automated base on past trends and captures the transactional data according to the business transactions performed.
- SiS Trade Marketing Officer and SiS Area Manager modules
- Enables field force to monitor and take business sensitive decision by overseeing the distributor business process via these modules.

The well secured SiS synchronization process enables the users to synchronize with Head Office with minimum manual processors. The synchronization takes care of sending business initiating data from Head Office to other modules. Also, this helps to populate transactional data from distributor to Head Office and from Head Office to relevant field force modules.

In the analysis, it was appeared that Kandysoft BI product 'Cerebiz' was ideal to view the sales and distribution statistics in analytically. The Cerebiz has a data warehouse to keep a track of data changes with the time. The Cerebiz enables users to visualise the business statistics with drilling down option. This enables the user for seamless analysis of information.

Business Benefits

With the implementation of SiS product at PTC, all PTC stakeholders were equally benefited.

- Less paper work at distributor

Distributors are entering the transactional data directly to the SiS distributor module daily and synchronizing in daily basis.

- Updated information are one click away

The Item changes or the prices changes which were made at the Head Office level are reflected at Distributor systems soon after the synchronization with the Head Office system.

- Automation saves the time

The automated targets break down process which is based on past sales trends saves Distributor Managers time for more productive tasks.

- Measure the performance by your own

With the reporting facility, distributors are generating reports to check their sales figures and performance. The indication of current average, required average and forecasting end up figures are facilitated the Distributor Management to monitor the business closely.

The Field force staff and Head Office Management report in daily , weekly or yearly, etc will not be required to attend by Distributor Management due to information availability at all management entities.

- Decision making using timely accurate facts

By synchronizing with Head Office, field force staff is getting up to date sales figure for allocated distributor/s. The reporting facility enabled the field force to value their performance. This provides the third eye they were looking for in order to improve their sales and distribution process.

With the use of Cerebiz analytical reports in Head Office, PTC top management able to comprehend the status of their sales and distribution network. This enabled the management to identify the low performing markets, investigate and take necessary actions accordingly.