

An investment that pays off

IT companies with specific expertise in the wholesale environment can help wholesalers to run a more efficient and effective operation and also gain a competitive edge.

As a generation of retailers weaned on emerging technologies comes to the helm, wholesalers are all too aware of the need to embrace innovative new technologies.

Despite this understanding, technological innovation in the sector has been somewhat slow due to a lack of awareness and knowledge of the technologies available, according to Matt Norbury, CEO of **Instant Access Technologies (IAT)**. "Additionally, there is a misconception that investment in technology would prove expensive, complex and disruptive to the organisation," he says.

Beacon technology is becoming more widely used in retail and wholesale environments. Beacons are small Bluetooth devices that interact with smartphones via dedicated apps. When within a certain proximity, a beacon sends a notification – this could include details of a nearby deal.

Recognising that retailers and wholesalers needed a relevant way to connect to customers via their mobile devices, IAT created the bigDL app – a consumer deals app and a retail marketing tool. Central to the app is its integration with mobile coupon and beacon technology installed at almost 2,000 convenience stores nationwide. This includes over 200 **Today's Group** stores and over 1,500 independent retailers, as part of bigDL's partnership with News UK to bring digital technology to convenience. The technology can be echoed for wholesalers through a white labelled version of the app – as it has been for the Today's Group's 'Plan for Profit' app.

Norbury points out that although some wholesalers have adopted beacon technology in depots, many are unaware of its full potential and others remain sceptical of its functionality: "Common misconceptions include the belief that notifications could be irrelevant, too frequent and disrupt the shopping experience. On the contrary, beacon technology can only work when teamed with a corresponding app that

has been installed by the mobile phone user. The number of alerts delivered can also be controlled while in a depot."

He adds: "This technology offers an extremely powerful marketing tool for wholesalers in a bid to attract nearby retailers to their depot."

Not only does the technology offer wholesalers the potential to inform retailers of promotions quicker than traditional print materials, it also gives them the opportunity to match or beat a competitor's deals because offers can be updated instantly. Deals can also be offered to retailers via mobile coupons for redemption in depot. Additionally, mobile applications can advise customers on bestsellers or new products and include a useful POR calculator.

A one-stop solution



Sanderson's Swords gives Robinson's several benefits, including greater accuracy through voice-directed picking.

Robinson's, a leading wholesaler and retailer on the Isle of Man, recently implemented Swords, the specialist wholesale software solution from **Sanderson**.

Shortly before the Swords system was due to go live, Rita Patel, senior marketing executive at Sanderson, visited Robinson's at its site in Ballapaddag, which includes a 50,000 sq ft distribution centre, a cash & carry and a world foods retail outlet. Patel's objective was to witness the completion of the software implementation project.

The Sanderson project team was led by one of its wholesale software consultants, Alan Rainey, who ran several training sessions and demonstrations, including training for Robinson's accounts team on Swords bank rec, providing advice on how to streamline banking processes using Swords.

Robinson's has over 7,000 product lines and a number of operational areas, such as a fresh fish market complete with live lobsters, a large fruit and vegetable store room, and a pre-pack food operation. The Swords stock and warehouse management system therefore has a crucial role to play in centralising stock information for the business. →

Food allergy icons for all to use

Erudus, which operates a food allergy database to help wholesalers and caterers adhere to the Food Information for Consumers Regulation, has recently launched a set of icons that anyone can use to alert consumers if a product contains one of the 14 major allergen ingredients. The icons can be downloaded, free of charge, from the company's website: <http://www.erudus.com/resource-centre/erudus-food-allergy-icons/>

At the time of launch, no standardised approach to the graphic representation of the presence of allergen ingredients in food products had been agreed. Erudus believes that an industry-wide icon set should be adopted as building a consumer recognised mark would instil trust and confidence in the final product.

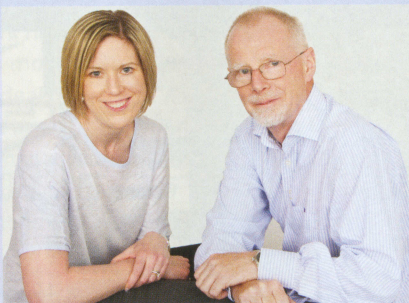
Tips for tackling category management in an effective way

Category management done well is a collaborative, continuous process between supplier and wholesaler, and is data intensive and analytical in character, points out **The Whole Sale Company**, which provides data management and insight solutions to wholesalers and suppliers.

Effective category management covers optimum range, layout and space, sales and promotion mechanics, customer education and financial return. This will generally embrace both wholesale and retail/catering environments to ensure the work flows through to execution.

Historically, category management has been most effectively undertaken by market-leading suppliers. "The main driver is for the supplier to retain/grow their share of an expanding category, as this is often an easier win than trying to purely grow their own sales from a dominant position in isolation," says Mike McGee, managing director of The Whole Sale Company.

The reality is that there are many conflicting drivers impeding effective category management, he argues. "Both wholesalers and suppliers must devote time and skill to category management. Even if those skilled resources are available, the work is usually added to someone's 'day job'. Commercially, effective category management is likely to conflict with ongoing buyer/supplier trading relationships – balancing listing fees, space agreements and promotion slots against reviewing and delisting SKUs based on pure category management measures is a sensitive issue."



The Whole Sale Company's MD Mike McGee and director Tanya Pepin.

The result of this conflict, he says, is a "frequently imperfect approach where best practice is substituted for a 'make do' solution".

So, what is the ideal solution? Here are some suggestions from The Whole Sale Company of actions that could make a real difference:

- ▶ Get the wholesaler to drive the agenda rather than the supplier – they are the one impartial party in this process.
- ▶ Get external, independent expertise to act as data miner and honest broker.
- ▶ Really dig into the data – volume, value, customer numbers and rate of sale are all required to identify genuine high volume, high distribution lines – wholesale sales can be easily skewed by one customer buying a lot of volume.
- ▶ Once the data is analysed, develop an ideal for the category you are working on using market norms, existing performance and local influences.
- ▶ Liaise with all key suppliers and get buy-in to the vision and use a strong facilitator to reach consensus – again, independent is advantageous.

McGee concludes: "Some of us have been around long enough to remember the FWD Blueprint. An industry supported, recommended range was universally agreed to be the right thing. The issue was in the execution. Someone needs to be 'Switzerland' in the process – maybe a third party playing devil's advocate could be just the thing the channel needs to drive category growth?"

→ Staff training was a crucial element of why the Sanderson system was chosen. Robinson's project owner Mark Hotchkiss explained: "Alan was the pivotal reason why we chose Sanderson. We needed someone who would take time to understand the needs of the business, our people and how we can make the Sanderson system work for us."

Hotchkiss pointed out that all areas of the business were growing and needed to move away from time-consuming paper-based systems: "Many restaurant customers order late at night and leave orders on a telephone messaging system. The web ordering service will help streamline our operations and further improve customer service levels."

He added that he was "looking forward to how the software will help Robinson's increase orders, achieve greater accuracy through voice-directed picking in the warehouse and provide KPIs to measure performance across the business."

During Patel's visit, she sat in on a Mobile CRM demonstration to sales representatives. "Whether on the road or at a customer's site, the reps can place and amend orders, ask for service feedback and view products," she said. "The team recognised the advantages of having all the information they need at their fingertips."

Matthew Mathieson-Nelson, operations director at

Robinson's, commented: "Because we are on a small island, customers expect a certain level of service and the Mobile CRM system is crucial in helping us to do this. We are a one-stop shop for customers and the Sanderson system is a one-stop solution for businesses like ours."

Patel also met Daniel Hurst, the warehouse manager, who said that, with less than an hour's training on the voice-picking system, the team was ready to pick. Hurst noted that with the current paper-based system, there can be up to 300 pick errors per week. With the new Sanderson voice-directed system, he expects that number to fall to under 10 per week.

During the final day of Patel's visit, Rainey confirmed that all was ready to go live on schedule. "It was rewarding to hear how much Robinson's valued all the hard work by Alan and the Sanderson team back in the office," said Patel. CCM

For further information:

Erudus (0333) 121 8999
Instant Access Technologies (0118) 979 6341
Sanderson (0333) 123 1400
The Whole Sale Company (01908) 920602