

Vietnam's Leading Beverage Manufacturer Gains Real-Time Market Visibility with Acumatica



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– Dr Tran Qui Thanh, President and CEO, Tan Hiep Phat Beverage Group

OVERVIEW

Founded in 1994, THP is Vietnam's leading beverage manufacturer. Pioneering the healthy bottled drinks sector, it is one of the country's biggest and fastest-growing companies.

SITUATION

Founded in 1994, Tan Hiep Phat Beverage Group (THP) is Vietnam's leading beverage manufacturer with business interests in beverage, instant food and plastic packaging. As one of Vietnam's biggest and fastest-growing companies, THP is a pioneer in healthy bottled drinks, with its "Dr Thanh" herbal tea and other beverages outselling Coca-Cola, Pepsi and other competitors. THP employs more than 4,000 staff and has received numerous accolades, including the "ASEAN Famous Brand Award 2013" and "Vietnam Values 2010".

Ensuring product availability at the right place and the right time via a wide-reaching distribution network is key to the success of Fast Moving Consumer Goods companies (FMCG) such as THP. To maintain its doubledigit growth since 2007, THP wanted realtime visibility and enhanced capabilities to better manage its network of more than 200 distributors in 64 cities and provinces across the country.

SOLUTION

A review of its existing decentralized Microsoft Dynamics unveiled THP's reservations about the accuracy of the reported data, which were consolidated at the distributors' end. With a server and client license required for each THP distributor, it also proved to be highly prohibitive cost-wise. There were also concerns with security and data integrity, as the same administrative password was used by its distributors for system access.

In 2013, THP decided to invest in a centralized platform to gain real-time visibility and accurate understanding of market demand, distributors' sales performance and their capacity.

WHY ACUMATICA?

Armed with a checklist for a centralized, high-performance and secure platform, THP's extensive search culminated in the choice of Acumatica for these reasons:

- It established a single database at the company headquarters, providing real-time information for all THP staff, distributors and salespersons, while streamlining communication across its distributor network.
- Its payment flexibility with unlimited free users offered scalability to grow with THP's distribution network.
- Its user-friendly, 100 percent browserbased interface eased user adoption and enabled secured anytime, anyplace access from any device.

COMPANY

- **Location:** Vietnam
- **Industry:** Food & Beverage

KEY RESULTS

- Gained real-time visibility into market conditions, distributors' performance and their capacity
- Empowered business analytics that speed up decision-making
- Enhanced operational efficiencies across order processing, production planning, warehousing, financial planning and more
- Streamlined communication across more than 200 distributors nation-wide
- Increased control over sales force of more than 1,600 mobile salespersons
- Increased control over products display at hundreds of thousands of retail outlets

- Its system-level, open API enabled easy customization of reports; protected investment by integrating with THP's existing back-end SAP system, and extended ERP capabilities with DMSpro's vertical solution which tightly integrates with Acumatica.

Assisted by DMSpro, an Acumatica Gold Partner, THP deployed Acumatica 4.0 Financial Management and Distribution Management Suites in a hosted environment. "Working closely with the highly experienced and responsible DMSpro team, backed by their expertise in distribution management in Vietnam, we successfully implemented Acumatica at more than 200 distributors and 1,600 salespersons nationwide in just 4 months. This is a breakthrough, thanks to the collaboration between THP and DMSpro. I believe DMSpro is the first company in Vietnam to have achieved this," commended by Dr Tran Qui Thanh, President and CEO, Tan Hiep Phat Beverage Group. The solution's ERP capabilities were extended to custom-fit THP's distribution model in Vietnam with DMSpro's vertical Distribution Management solution. The system went live in September 2013.

"As its first partner in Vietnam with niche expertise in distribution management, DMSpro is proud to partner Acumatica in empowering THP's expansive distribution network. I believe Acumatica's uniquely adaptable platform offers game-changing advantages that help THP further sharpen their competitiveness," said Mr Peter Pham, Chief Executive Officer, DMSpro.

BENEFITS

Web-Based, Real-Time Visibility Empowers Analytics and Speeds Decision-Making

Instead of waiting three days for consolidated sales figures from its distributors, THP now enjoys real-time visibility into accurate market information from a single, centralized database at its headquarters. This, according to Mr Nguyen, Customer Development – IT Business Partner Manager, Tan Hiep Phat Beverage Group, is the biggest benefit THP has gained from its Acumatica investment. Built-in security with advanced data encryption further ensures data integrity. In the long run, THP expects to capture strategic insights of consumer preferences to streamline product innovation and cut time-to-market of new product launches.

With Acumatica enabling 100 percent browser-based access from anywhere, anytime, THP management enjoys the convenience of pulling reports real-time, on any device. With easy-to-use, drill-down capabilities providing latest data at their fingertips, executives collaborate in realtime to make faster decisions that increase business agility.

Centralized System Enhances Efficiencies, Saves Costs and Streamlines Communication

Thanks to Acumatica's built-in performance capabilities, THP now processes more than 32,000 sales orders daily, received from 1,600

mobile salespersons, across more than 200 distributors and 80 product SKUs.

Production planning is now more accurate, with optimized inventory costs and levels across warehouses nation-wide. Key operational processes, from sales order processing to procurement management, have also been streamlined. With a centralized system, THP enjoys significant savings by eliminating the hardware server previously required at every distributor. With Acumatica's payment flexibility offering unlimited free users, THP is assured of the scalability to grow its distribution network without worrying about additional client license costs.

Timely communication of key information, such as price variations, flash promotions, rebate programs or new product information, across its distribution network is now just a few key strokes away. This has increased THP's responsiveness to fast-changing market conditions in its merchandizing, promotion and pricing management.

Advances Sales Force Automation Increases Control

Besides better communication with its 1,600 mobile salespersons, THP also needs more effectiveness in tracking its salespersons' performance and discipline. With DMSpro's AiM (All in Mobile) utility integrated with Acumatica, THP's salespersons can now log each order and upload pictures of product display into the system when visiting its network of more than 200,000 retail outlets.

On a daily basis, via the AiM application installed on each PDA, sales data are synchronized with THP's server, while daily sales route plans are downloaded onto each salesperson's PDAs to ensure efficient market coverage. "With Acumatica, we can now better manage the sales team's activities online, with timely knowledge of which outlets are visited and the orders taken. It also helps us accurately evaluate, track and recognize each salesperson's performance in both sales and product display," said Mr Nguyen.

Looking Ahead

With future plans to implement Customer Relationship Management (CRM) capabilities, Dr Thanh concludes, "With DMS solution developed by DMSpro on top of Acumatica, at the headquarters we now have exact knowledge of all daily sales activities on the field and real-time information including product display at hundreds of thousands of outlets nationwide. Via online system, we also prevented any possible "data cooking". Real-time visibility into daily business activities and timely business data now empowers every decision – from tactical ones on seasonal promotions to strategic decisions to extend market coverage."