



Data-Driven Drinks Wholesale

How to add more value and grow faster



The All-in-One Platform for Drinks Wholesalers

For over 35 years Gaina software has been developing, implementing and supporting Enterprise Resource Planning (ERP) and Warehouse Management Software (WMS) to customers in the UK and Irish drinks industry.

We are committed to helping customers:

- Access accurate data to impact strategic business decisions
- Increase sale volumes and maximise order margins
- Drive Warehouse efficiencies and reduce processing errors



Seize the Data-Driven Advantage

Reliably processing orders on time and at a competitive price will always be important. But today's customers are expecting more.

A new generation of drinks wholesalers, armed with modern technology are reimagining their role in the value chain. Not only are they booking and fulfilling orders, they are also utilising industry expertise and data to add value in the form of industry insights and advice to customers.

We call this **Data-Driven Drinks Wholesale**: a bold new way to carve out a competitive advantage in the drinks wholesale industry.

The advantages are clear - better relationships, stronger differentiation and less need to compete on price - but there are also a number of hurdles to overcome:

- Inability to access real-time, accurate data as and when needed
- A lack of confidence in the data provided by existing systems
- Multiple conflicting sources of information
- Off-the-shelf solutions that fail to accommodate the regulatory and operational complexities of the drinks industry

In this guide, we'll explore how and why the drinks industry is changing, the strategic priorities for drinks wholesalers that want to become more data-driven and how to overcome the challenges above.

If there's anything in this guide you'd like to discuss further, please visit our website or use the details below to get in touch.

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Wholesale distributors of the future should transform their thinking from simply meeting customer needs to anticipating and shaping them, and proactively delivering solutions to problems that customers may not even know they have."

McKinsey

How is Drinks Wholesale Changing?

The Food and Drinks Industry is Restructuring

Mergers and acquisitions - such as the 2018 Tesco-Booker merger, which accounted for Tesco Express, Metro, One Stop, Londis, Premier and Budgens - are making small and medium-sized drinks retailers less reliant on independent wholesalers. This trend isn't limited to food and drink.

Across much of retail, the lines between manufacturers, wholesalers and retailers are blurring. 'Wholesale bypass' is gathering momentum as supply chains consolidate either through mergers and acquisitions or retailers expanding into their own supply chains.

The Shift to Digital Has Disrupted the Industry

The shift to digital has been a key disruptor in the drinks wholesale industry.

With the large-scale adoption of technologies like enterprise resource planning (ERP) tools, drinks wholesalers can offer greater efficiency and more competitive pricing.

In fact, a massive **80% of UK wholesalers** agree that automating business processes using technologies like ERP helps them stay competitive.

While this is undoubtedly valuable for you as a wholesaler, it also means your competitors can reap the same benefits from these technologies—driving customers to shop around for the best deals.



How is Drinks Wholesale Changing?

COVID and Supply Chain Issues

In the UK, at-home food and drinks consumption soared in 2020 as a result of the COVID “stay-at-home” restrictions—with one week recording a **43.6% higher sales volume** than the previous year.

But disruptions caused by COVID, insecurities around Brexit, and ongoing supply chain issues have made importing and exporting goods a challenge for vendors that trade internationally.

In fact, while the EU accounts for **70% of UK food and drinks imports and exports**, in 2021, exports to the EU were **down by 24%** in comparison to pre-COVID/Brexit levels.

Ongoing supply chain issues are also having a massive impact on the industry, driving significant price increases for goods, supply scarcity, and labour shortages—with **28% of food and beverages businesses** experiencing worker shortages in March 2022.



The coming decade will see wholesalers split into two distinct groups; those distributors who future proof their business through innovation and reinvention and those who maintain a business as usual strategy. Wholesalers in the latter group will decline.”

The Future of UK Food and Drink Wholesaling, FWD



Strategic Priorities for Drinks Wholesalers in 2022



The Federation of Wholesale Distributors (FWD) outlines five strategic priorities to help drinks wholesalers secure and expand their position in the market.

These strategic priorities will help you and your business get on the front foot and seize the competitive advantage over the years to come.



The traditional approach to success and profitability in the wholesale distribution industry centred on operational efficiency and supply chain management. But this approach should be extended through to customer engagement and services innovation. Distributors should select, implement, and leverage technologies that work together to enable innovations that deliver new and alternative business models and processes.”

The Future of UK Food and Drink Wholesaling, FWD

Strategic Priorities for Drinks Wholesalers in 2022

#1 Invest in Technology to Improve Efficiency

Outdated systems are often disjointed and poorly integrated, resulting in inefficient use of time and resources.

By investing in modern technology and software, wholesalers can improve efficiency, produce profitable insights into operations and deliver a better experience for staff and customers.

This improves productivity and enables more competitive pricing while also providing the data needed for better strategic planning and value-added services for customers.


#2 Develop Differentiating Capabilities

Wholesalers need to evolve their value propositions from competing on price to offering expert industry insight, consultancy and added value in the form of strategic recommendations. By doing so, modern wholesalers can differentiate themselves from run-of-the-mill competitors who can only compete on price.

#3 Become Data-Driven

Data ought to be at the heart of internal decision-making and the service provided to customers. This requires not only the right technology but also the right culture.

Data needs to be made available across the organisation. Staff need to be empowered to handle data and understand how to analyse it. And leadership need to set the right example, basing their decisions on the right data points and encouraging their teams to do the same.



Strategic Priorities for Drinks Wholesalers in 2022

#4 Increase Business Model Agility

It's important that wholesalers adopt a fluid, agile mindset towards their business models. The speed at which the supply and distribution industry is changing means wholesalers must be ready to continually reassess and reimagine their role to offer maximum value for clients.

#5 Execute an Expanded Value Proposition

Selling and shipping drinks may be your core service. But you can also guide and advise clients on industry trends, flag upcoming regulations, make strategic recommendations on inventory levels and keep them up to speed with new opportunities. A valued strategic partner is much harder to replace than an executional partner.

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Systems & Capabilities That Will Help You Compete

Drinks wholesalers who want to establish themselves as competitive players in future supply chains will need the right mix of technology, in-house capabilities and partners. Here are five key areas of focus.



The successful wholesalers of the future will be those who embrace innovation.”

The Future of UK Food and Drink Wholesaling, FWD



Systems & Capabilities That Will Help You Compete

#1 **Joined-up, Future-Proof IT**

Many wholesalers rely on a combination of different systems, tools and processes to manage stock, run their warehouse, track distribution, make sales and track finances. Some of the data may be stored in spreadsheets, some in databases and some in specific tools; however, in many cases, information such as product pricing is stored in a Sales Rep's head.

These ways of working have developed naturally over time according to immediate needs. But the overall system is often unstable, inflexible and not fit for purpose long term.

They can also lack the analytical capabilities needed to streamline processes and provide added value to customers. They might meet your current needs, but they won't support the transformation required to shift to a more value-added, more efficient way of working.

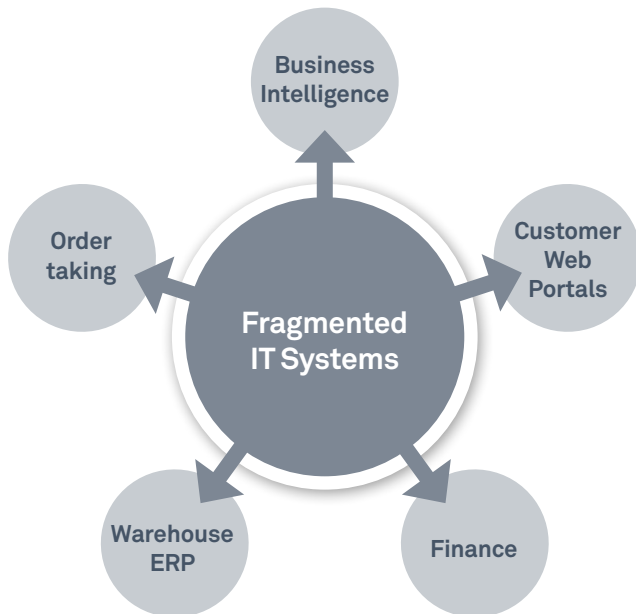
Fragmented systems lead to reporting and visibility issues, as well as the collapse of the entire system when one or more parts of it stop working. Joined-up systems that consolidate your stock, warehousing, distribution and sales operations into one platform will give you greater visibility, reliability and efficiency.

It also means that you have one point of contact to diagnose and resolve any issues anywhere in the system, instead of you having to find the problem yourself and either resolve it or contact the supplier responsible for doing so.

Perhaps most importantly, it gives every part of your business a single source of truth that they can use to make decisions, as opposed to multiple competing (and sometimes conflicting) sources of information.



Systems & Capabilities That Will Help You Compete



- ❌ Multiple points of contact & contracts
- ❌ Unstable integrations
- ❌ Data siloes and reporting errors



- ✅ One point of contact for everything
- ✅ Stable system
- ✅ Unified data and total visibility

How Gainá Helps

Gainá's specialist drinks industry enterprise resource planning (ERP) software is the only purpose-built, all-in-one solution for the drinks wholesale industry. However complex your organisation, we have the industry knowledge and experience to streamline and modernise your wholesaling business.

Our unique suite of products supports every department in your business, from sales reps on the road who need to show clients data-driven insights, to warehouse pickers and management who need real-time task tracking and order following.

Systems & Capabilities That Will Help You Compete

#2 Multiple Sources of Drinks Industry Knowledge and Insight

Future-proof drinks wholesalers should be able to guide and advise their clients on the most profitable course of action based on what's happening in the industry right now. This is absolutely central to becoming a value-added strategic partner, instead of an executional one.

To do this, wholesalers need to equip themselves with multiple sources of reliable knowledge and insight.

First-party internal data and analytics are key, but so are relationships with specialist partners in the drinks industry. These partners can keep you up to speed with the latest trends, regulatory changes and best practices - all of which you can pass on to your customers.



How Gaina Helps

Our developers and account managers typically have more than 20 years in the drinks industry, giving us deep knowledge, insight and experience to pass on to our clients.

Systems & Capabilities That Will Help You Compete

#3 High Levels of Inventory Accuracy and Consistent Reporting Across the Entire Company

For a lean, cost-effective and competitive drinks wholesale organisation, it's essential that every stakeholder in the business can access accurate, reliable data that's relevant to them.

MDs need precise balance sheets, warehouse managers need granular details on inventory, and sales require comparative datasets to demonstrate value to potential clients. These reports all need to be easy to access and understand. But also have the flexibility to extract the data most pertinent to them and their roles.

Tracking stock, knowing the value of that stock and understanding your ability to fulfill orders are all essential to running an efficient, profitable wholesaling operation. Off-the-shelf products, spreadsheets or legacy systems often struggle to achieve this high level of reliable, real-time inventory accuracy.

Key metrics drinks wholesalers must accurately track and know at any given time include:

- Inventory turnover
- Cycle time
- Fill rate
- Order status
- Rate of return
- Back order rate
- Perfect order rate

How Gaina Helps

Our customers typically achieve 99.6% inventory accuracy with our ERPs.



Systems & Capabilities That Will Help You Compete

#4 Happy, Productive, and Well-Equipped Workforce

Your IT systems should make life easier for your staff and be intuitive to use. Making your staff find workarounds or cobble together DIY stopgaps can work in the short term, but over the long term, it will negatively impact your productivity and staff retention rates - especially among younger, 'digital native' employees who have higher expectations when it comes to usability.

It's also important that your systems come with proper training so that your staff are able to get the full value from your investment. Secondary systems such as mobile apps for sales reps that are on the road should be quick and easy to use so your reps can focus on the customer, instead of the technology. Warehouse staff in fast moving warehouses can also benefit from effective technologies such as radio frequency scanning or voice picking, which communicate directly with the ERP system to maximise order pick rates.



Sales

Mobile apps for taking orders



Customers

Web portals for sales



Warehouse managers

ERP



Warehouse team

Voice or RF picking



Management

Business intelligence

How Gaina Helps

Our suite of products covers all the key roles across a drinks wholesale operation.

We are constantly developing our products and functionality in collaboration with our clients, based on their needs.

Systems & Capabilities That Will Help You Compete

#5 Flexibility of Underlying Systems and Required Integrations

While it's important that modern drinks wholesalers all strive to deliver greater value to their clients and operate with more efficiency, every operation is unique.

Different warehouses have different procedures, different sales teams have different quotas, and different customers have different needs.

As such, it's vital that your IT systems accommodate your unique needs and USPs, which in turn, will help you maximise your unique competitive advantage and differentiate your service. Off-the-shelf or one-size-fits-all solutions often require users to adapt their ways of working to the tool's capabilities or charge high premiums to make changes.

Furthermore, it's important to find an IT solution that integrates with your customer and supplier-side systems - particularly for larger customers. This capacity for electronic document interchange (EDI) is often what helps wholesalers secure larger, more lucrative contracts with more established suppliers.

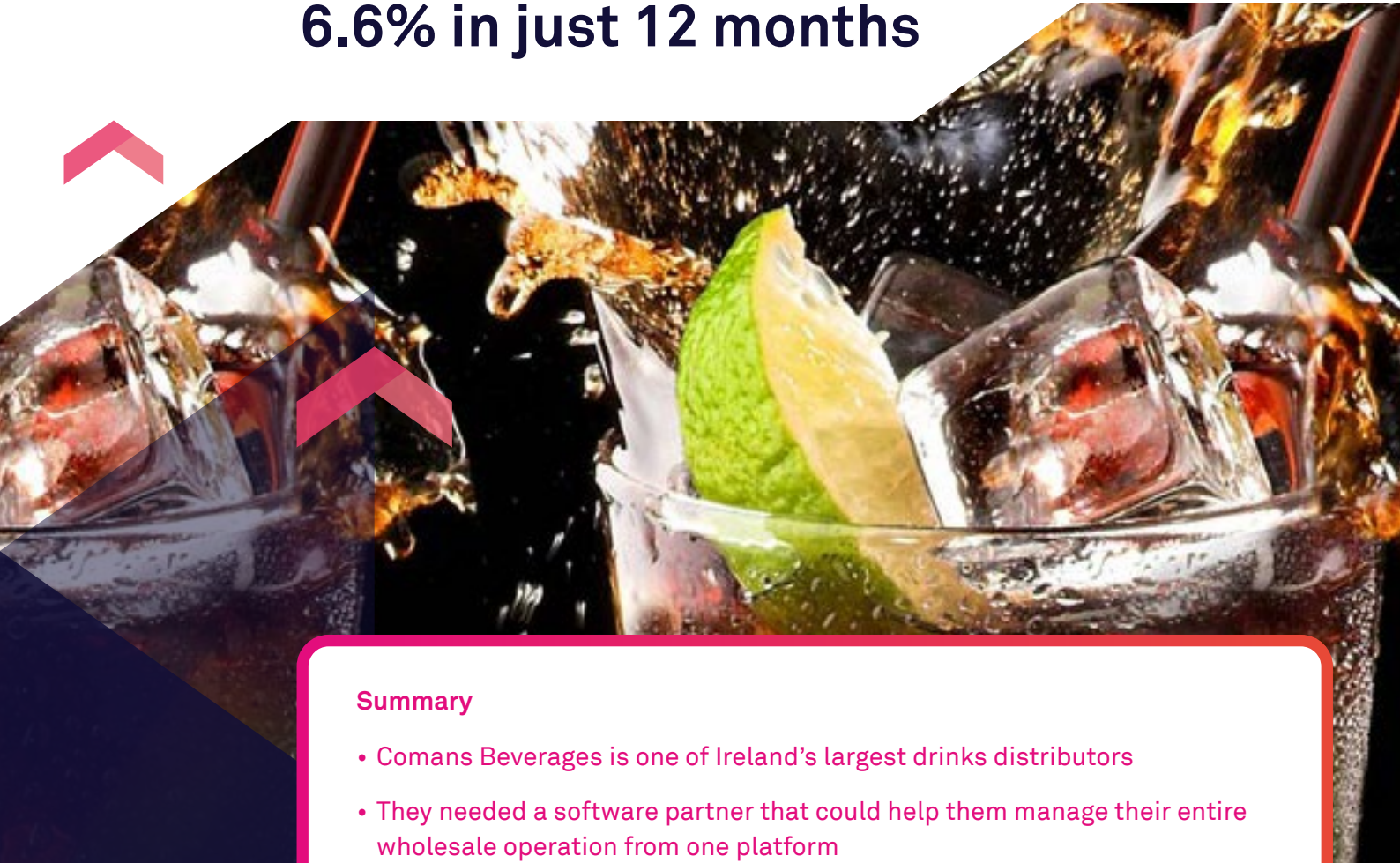
How Gaina Helps

Our clients benefit from a highly flexible and adaptable system, which can be customised to suit their business processes. We are experienced in developing EDI interfaces for our clients, enabling them to automate suppliers and customer transactions.

We utilise our technical and industry knowledge to proactively help our clients solve complex issues.



How we helped Comans Beverages to increase margin per SKU by 6.6% in just 12 months



Summary

- Comans Beverages is one of Ireland's largest drinks distributors
- They needed a software partner that could help them manage their entire wholesale operation from one platform
- We onboarded them onto our ecosystem of purpose-built drinks wholesale tools, backed up by our in-house drinks industry experts
- Since then they've **increased margin per SKU by 6.6%**, despite the long-standing industry trend of margin per SKU declining for many beverage wholesale companies

Customer

Comans Beverages is one of Ireland's largest drinks distributors. They supply a range of wine, beers, spirits and soft drinks from around the world to Ireland's pubs, restaurants, hotels as well as well-known retailers like Tesco, Dunnes, Supervalu, Superquinn, Spar and Londis.

They have more than 220 staff working across six distribution centres across Ireland. They have a large field sales operation to support as well as telesales, warehousing and logistics.

How we helped Comans Beverages to increase margin per SKU by 6.6% in just 12 months

Challenge

Comans Beverages needed a software partner who could help them manage and report on their entire drinks wholesale operation. The tool needed to support sales, warehousing, finance and logistics, as well as providing real-time visibility and reporting to help management make strategic decisions.



“I’m getting more time to talk and sell to my customers because admin time has been reduced so significantly. I’m giving the best deal to the customer whilst ensuring maximum profits for the company.”

Jonathan Colclough, Sales Rep

Our solution

We provided an all-in-one solution incorporating a number of purpose-built drinks wholesale tools:



Control IT
Our core ERP solution



StokMan
Stock management and warehouse scanning



ORCA
Our tablet app for sales reps to take orders on the road



Bonded Warehouse
Automated & compliant customs & EMCS reporting



Business Intelligence
Automated and dynamic reporting solution



Gaina Connect
Strategy, development and helpdesk solution



Web Portal
Self-service portal for customers to make orders themselves

Our in-house developers and accounts team are on-hand to support them with technical requests and broader questions relating the drinks industry.

How we helped Comans Beverages to increase margin per SKU by 6.6% in just 12 months

Results

Since implementation and onboarding, Comans Beverages have been able to:

Increase margin per SKU by 6.6%,
despite the long-standing industry trend of margin per SKU declining for many beverage wholesale companies

Improve on-the-spot upselling,
ensuring higher-margin products were recommended to customers, particularly for customers that tended to only buy low-margin products

Onboarded 29 Reps on the Orca sales app,
which displays margin in real-time as reps key in the order with a handy red/green traffic light system to ensure healthy margins



Going from a system that took you through 14 different screens between the receipt and the fulfilment of an order to Gania's one or two screens was a real game-changer. Our operators are now saving substantial time on admin, which frees them up for other important stuff."

Kieran McMahon, Systems Manager



The All-in-One Platform for Drinks Wholesalers

Manage and streamline your entire drinks wholesale operation, from warehousing and sales through to logistics and finance.

We can help you:



Increase sales volume, value and margin

Turn order takers into order makers by maximising order volumes and profitability.



Drive efficiencies and reduce errors

Get maximum value from your warehouse space and greater productivity from your employees.



Add more value to customers

Deepen client relationships by providing customers with better first-party data and industry insights from our in-house experts.



Make better strategic decisions

Get the data you need in the format you want to make the decisions that count for your business and its customers.

Visit our website to find out how.

[LEARN MORE](#)

www.gainasoftware.com