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# 5 WAYS ANALYTICS SUPPORTS THE MODERN BEVERAGE ALCOHOL DISTRIBUTOR

## WHITE PAPER

# 5 WAYS ANALYTICS SUPPORTS THE MODERN BEVERAGE ALCOHOL DISTRIBUTOR

**MORE-INFORMED DECISION MAKING**

**GAIN INSIGHTS FASTER**

**DRIVE RESULTS THAT ALIGN WITH GOALS**

## INTRODUCTION

The past few years have been particularly volatile for the alcohol industry, with many companies forced to abruptly change their business strategies to reflect the new status quo. Increased pressure from shifts in consumer behavior, along with the expansion of e-commerce and the emergence of major disruptions such as the COVID-19 pandemic, have all put serious strain on the traditional three-tier system.

In an effort to shift their strategies from reactive to proactive and meet the demands of the modern age, beverage alcohol distributors are seeking tools that allow for more-informed decision-making and in a timelier fashion. Subsequently, more than ever before, they are investing in the power of their data and are using analytics platforms to help bring together their fractured company architecture and drive results that align with their marketing, sales, and financial initiatives.

In this white paper, we will examine the most impactful ways that modern distributors are using data analytics to optimize and support their operations.

IN THIS WHITE PAPER, WE WILL EXAMINE THE MOST IMPACTFUL WAYS THAT MODERN DISTRIBUTORS ARE USING DATA ANALYTICS.
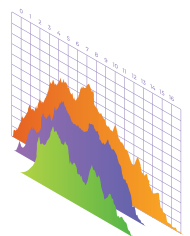
## INVENTORY MANAGEMENT

Most of a distributor's bottom-line comes down to making sure that its inventory reflects what consumers are buying. Tracking sales and inventory data is key to understanding what's selling and what's not, and in turn providing the insight necessary to reduce stock-outs and overstocks. As the middleman between the supplier and the retailer, distributors are responsible for facilitating which beverages end up on store shelves.

However, this requires insight into both the suppliers' and the retailers' perspectives. For most distributors, managing so many different feeds and attempting to consolidate them manually is simply too time- and resource-intensive. This is why many businesses are now employing analytics to optimize their inventory management.

On top of allowing distributors to consolidate their data from various siloes into one unified and standardized feed, enterprise analytics platforms allow for precision forecasting through built-in predictive models. This is crucial for maximizing a business's ROI and reducing wasteful spending.

> ENTERPRISE ANALYTICS PLATFORMS ALLOW FOR PRECISION FORECASTING THROUGH BUILT-IN PREDICTIVE MODELS.

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**ANALYZE SALES & MARKET DATA**

**IDENTIFY REVENUE OPPORTUNITIES**

**STRATEGIZE MARKET APPROACH**

## SALES PROGRAMS

Proper inventory management doesn't mean much if a distributor isn't capitalizing on it with effective sales programming. Unfortunately, alcohol distributors inhabit a particularly complex sales landscape where account optimization is seldom a reality. To best navigate the dynamics of the three-tier-system and identify which accounts are worth pursuing, brands need a comprehensive view of their sales data.

By analyzing sales and market data, distributors are able to identify where revenue opportunities exist and strategize their market approach accordingly. Furthermore, analytics can also be used to track goals around supplier programs, enabling distributors to have a laser focus on what they need to accomplish and allowing them to evaluate what's working and what's not in a quick manner.

Most analytics platforms also feature automated reporting, allowing distributors to view their sales data in real-time and see how different divisions are performing. This transparency makes it easier for businesses to align their inventory with their sales programs as well as answer specific market-driven questions. With manual processing, distributors often lack day-to-day visibility into how their programs are performing, and in-turn are unable address any problems or opportunities in a timely fashion.

> ANALYTICS CAN ALSO BE USED TO TRACK GOALS AROUND SUPPLIER PROGRAMS, ALLOW DISTRIBUTORS TO EVALUATE WHAT'S WORKING AND WHAT'S NOT.

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MANAGE SURVEYS

ANALYZE THEIR DATA

IMPLEMENT NEW STRATEGIES

## SURVEY STRATEGIES

In order to ensure that their sales and inventory strategies align with market demand, distributors have to gain insight into how their products are performing at retailers, and what factors may be contributing to these results. Central to these insights are the use of surveys.

Unfortunately, surveys can be labor-intensive and time-consuming, and may not be fruitful if users don't know proper methodologies. Other times, distributors lack a strategic plan and aren't sure what to do with their data once they've acquired it. Gathering information from internal and external audiences can provide context for decision-making, but analyzing the results with tools that don't include robust analytics can cost the company even more time and resources.

With data analytics, alcohol distributors can manage their surveys, employ automated broadcasting, analyze their data, report results to other users, and implement new strategies, all from one central location. This helps alcohol distributors collect more meaningful data and in turn drive sales through better-informed decision-making. The less time you spend trying to process and understand your data, the quicker you can begin to act on it.
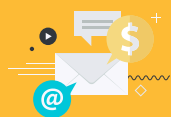
COLLECTING MORE MEANINGFUL DATA MEANS MORE-INFORMED DECISION-MAKING AND MORE SALES.

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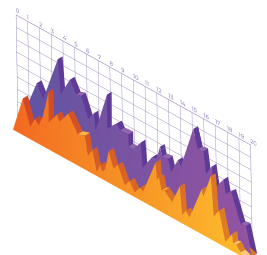
**GET CONTEXT**

↓

**ENABLE IMPROVEMENTS**

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**GET TANGIBLE RESULTS**

## WAREHOUSING

As the alcohol industry grows increasingly complex due to advances in technology and the demand for better products and services, so do warehouse operations. Making the most of your capacity and managing the many data feeds associated with the supply-chain requires flexible and comprehensive analytics.

Actionable data can provide distributors with the context needed for better warehouse management and enable improvements in areas such as shipping, inventory management, productivity, and order processing. However, without a dedicated analytics platform, businesses often lack the visibility to turn this data into tangible results.

Furthermore, any warehouse-based business understands the value in proper space utilization and optimized scheduling. At the end of the day, the faster you can get your product in the hands of your client, the faster you can bring in more revenue. Distributors don't have the time or resources to waste on a disorganized and inefficient warehouse. Thankfully, with AI-powered analytics, distributors can evaluate how to make the most of their available space as well as streamline incoming and outgoing shipments.

> AI-POWERED ANALYTICS CAN HELP OPTIMIZE SPACE UTILIZATION AS WELL AS STREAMLINE INCOMING AND OUTGOING SHIPMENTS.

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EVALUATE RISK

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MEASURE SATISFACTION

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RETAIN WORKFORCE
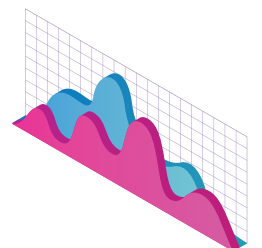
## LABOR SHORTAGE ANALYSIS

Major disruptions like the COVID-19 pandemic have resulted in a substantial labor shortage in the United States—an event now referred to as The Great Resignation. Due to the expensive costs associated with recruiting and onboarding new employees, more and more distributors are turning to HR data analytics for retaining their workforce.

With analytics, distributors can measure their turnover and retention rates, providing insight into how many employees have left their company over a set period of time. These numbers can be further broken down by whether or not the turnover was voluntary, how well-performing those employees were, and how turnover rates compare between different departments and managers.

In order to evaluate the risk of future resignations, distributors can measure employee satisfaction and intent to stay through surveys, as well as evaluate compensation to ensure that employees aren't leaving due to inadequate pay.

With all that said, resignations are inevitable, and distributors should be tracking metrics related to current openings and weaknesses in their workflow to identify where they need to direct their recruiting resources.

ANALYTICS ALLOWS DISTRIBUTORS TO MEASURE IMPORTANT DATA LIKE STAFF TURNOVER AND RETENTION.
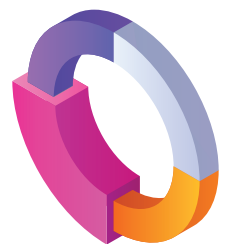
## CHOOSING THE RIGHT ANALYTICS PLATFORM

When you're ready to super-charge your decision-making and implement an enterprise analytics platform, there are many options to choose from. However, not all platforms are equal in the tools and resources they provide. Determining which platform is best for your organization comes down to what your long-term goals are and how you intend to reach them.

Dimensional Insight is one of the most trusted names in beverage alcohol analytics. With built-in integration, KPIs, analytics, and visualization capabilities, we can not only help address your organization's data needs from start to finish, but also do it better than other analytics companies.

## WHAT'S OUR SECRET?

❒ **We are relentless.** Our number 1 priority has always been our customers and what they need to succeed. We work with our customers to understand their strategic goals, and then work collaboratively with them to meet those goals. Whereas other companies will implement the technology and move on to other projects, we stick with our customers until they succeed, and then work with them again to realize success in future projects as well.

❒ **We know wine and spirits.** Our staff has spent decades solving customers' most daunting analytical problems and fine-tuning **Diver Platform®** to deal with the unique challenges of distributor data and information management.

❒ **Our technology is powerful.** We have optimized our technology to provide unparalleled speed, integration, flexibility, and governance. Diver Platform provides an integrated set of analytical services that work together seamlessly to help you assemble and analyze the most relevant information. Other approaches that rely on multiple technologies lack the flexibility to meet the nuanced challenges of the alcohol industry. With Dimensional Insight, you gain real-time speed, seamless integration of data sources, the flexibility to view data the way you want to see it, and the governance that provides a single source of truth for your organization.

There's a reason we're named year-after-year as an industry leader in both customer experience and vendor credibility in the Wisdom of Crowds Business Intelligence Market Study and get top scores in Gartner Peer Insights reviews. It's because we get the results our customers are looking for.



To see what our customers are saying about us, check out our customer success stories at https://www.beverage.dimins.com/resources/success-stories/.

Interested in learning more? Visit our website at https://beverage.dimins.com or send an email to outreach@dimins.com.

## WE CREATE A POSITIVE IMPACT. WE MAKE A DIFFERENCE.

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**peer**insights™

## ABOUT DIMENSIONAL INSIGHT

Dimensional Insight is a leading provider of analytics, data management, and performance management solutions, offering a complete portfolio of capabilities ranging from data integration and modeling to sophisticated reporting, analytics, and dashboards. The company's CannaBI® product has been built specifically with the needs of the cannabis industry in mind and helps integrate, analyze, and visualize all data from seed to sale.

Founded in 1989, Dimensional Insight has thousands of customer organizations worldwide. Dimensional Insight consistently ranks as a top performing analytics organization by customers and industry analysts in its core market segments. For more information, please visit https://www.dimins.com.

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**Thank you for reading:**

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