

Case Study






Now it all adds up for Carlsberg Italia

The perfect balance between governance
and flexibility in managing Trade Spend



Highlights

-  **Saved** 0.70 FTE costs (manpower) managing promotions
-  **Improved** forecast accuracy to the industry standard of $\pm 5\%$ of actuals
-  **Eliminated** incorrect claims from clients due to errors in promotional pricing by 90%



Overview

Complexity, speed and pressure are well-known challenges in managing trade promotions in the beer industry. Finding the perfect balance between the flexibility required by sales, and the compliance needed by the Value Manager and the Business Controller, was the impetus in looking for an advanced solution.

Carlsberg needed to streamline the entire promotion process – several stakeholders identified the key requirements. Sales, trade marketing, supply chain, customer service and merchandise teams were part of the decision-making process.

The company wanted to improve the accuracy of pricing conditions applied to sales orders to reduce errors and claims, as well as the time required by sales to manage promotions. They also wanted to automate communication with the merchandise team enabling the field team to check the execution of the promotions in the stores.

Vistex was selected to satisfy their requirements and optimize their promotional processes.



Solution

Carlsberg implemented SAP margin optimization solutions by Vistex and can now manage contracts and promotions for off-trade (modern trade) sales channels. Specifically, off-invoice conditions are fully managed by Vistex, while the promotional discounts are automatically integrated into the SAP pricing structure.

The overall implementation of the solution took just 4 months with the involvement of all key stakeholders in off-trade sales, customer service, supply chain, merchandise and IT teams.



Results

SAP margin optimization solutions by Vistex has drastically reduced inefficiencies related to promotion management and claims management. Implementation of promotional guidelines has lessened the workload of customer service by identifying promotions that are not aligned with commercial policies. The new promotional calendar provides a better user experience and explicit visibility. This has saved a tremendous amount of time for sales in processing promotions. The automated connection between promotional discounts and order taking has eliminated incorrect claims from clients due to errors in promotional pricing by 90%.

In terms of effectiveness, the integration between the promoted volume plan and the demand plan has improved forecast accuracy with added

benefits to stock management in distribution plants.

Moreover, the native integration with SAP has simplified the architectural landscape avoiding any data interfaces and eliminating the need to reconcile data between SAP and other commercial systems.

Other critical benefits realized:

- Improved communication among sales, finance, customer service and supply chain departments
- Automatic and more agile workflow
- Forecast accuracy with visibility to the promotional calendar
- Fewer pricing errors with a clear understanding of promotional results
- Compliance with company security policies



Headquarters: Milano

Industry: Consumer Products

Products: Beer

Revenue: €135 million

Locations: Italy

Employees: 269

Solutions implemented:

SAP margin optimization solutions by Vistex

– SAP Promotions & Agreements by Vistex

Let's Connect

About Carlsberg Italia

With more than 1,300,000 HL produced, Carlsberg Italia is the third largest national beer producer and boasts a portfolio of national and international brands that are appreciated and known worldwide, such as Birrificio Angelo Poretti, Tuborg, Grimbergen, 1664 Blanc, Brooklyn Brewery, Carlsberg and Kronenbourg. Over 260 employees and agents work in the Milan offices, the brewery in Induno Olona (VA) and throughout the country. Carlsberg Italia operates directly in the large-scale retail distribution and special customers channel and, through Carlsberg Horeca srl subsidiary, in the Ho.Re.Ca. channel serving both independent wholesalers and direct points of sale.