

**6 COMMON CHALLENGES**

# FACING CONSUMER GOODS BUSINESSES

AND HOW TO OVERCOME THEM





# INTRODUCTION

**THE CONSUMER PRODUCTS INDUSTRY IS A SECTOR THAT INVOLVES THE MANUFACTURING AND DISTRIBUTION OF PRODUCTS FOR CONSUMERS TO USE AND ENJOY. THE INDUSTRY INCLUDES MANY KINDS OF COMPANIES, FROM SMALL SPECIALTY MANUFACTURERS TO GLOBAL GIANTS, AS WELL AS EVERYTHING FROM FOOD AND BEVERAGE TO APPAREL TO ELECTRONICS AND BEYOND.**

The keys to success in this industry include automation, efficiency, and adaptability. However, many consumer goods manufacturers and distributors continue to struggle with inefficient supply chain processes, lack of visibility into their inventory and financial data, and outdated technology.

By optimizing and modernizing their business solutions, consumer goods businesses can take their business from maintaining the bare minimum to exceeding expectations and remaining competitive in the market.

This eBook will cover six of the most common challenges facing consumer goods businesses today and how investing in powerful, cloud-based business solutions can solve these challenges.



## CHALLENGE #1

# LACK OF EDI & ECOMMERCE INTEGRATIONS

MANY CONSUMER GOODS MANUFACTURERS AND DISTRIBUTORS USE MULTIPLE SYSTEMS FOR EDI, ENTERPRISE RESOURCE PLANNING (ERP), AND ECOMMERCE PLATFORMS.

This disconnect can lead to data silos, manual data entry errors, and delays in processing orders, which can subsequently affect customer satisfaction and overall operational efficiency.

Consumer goods businesses need real-time analytics and reporting to make better and more informed business decisions. Integrating these systems and making important data accessible in the same place can improve transaction speed and visibility and reduce the time and money wasted on manual processes.

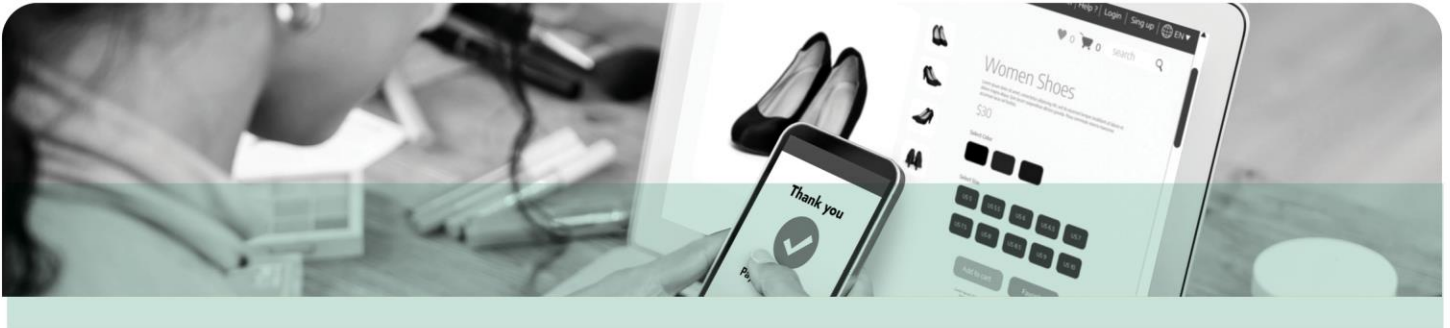
Modern technology solutions can integrate EDI, ERP, warehouse management systems (WMS), and eCommerce systems, leading to better order accuracy, faster fulfillment, optimized inventory management, and stronger customer and vendor relationships.

## BENEFITS OF FULLY INTEGRATED SOLUTIONS

<p>1</p> <p><b>AUTOMATED ORDER PROCESSING AND FULFILLMENT</b></p> 	<p>2</p> <p><b>REAL-TIME INVENTORY MANAGEMENT</b></p> 	<p>3</p> <p><b>FASTER ORDER-TO-CASH CYCLE</b></p> 
<p>4</p> <p><b>STREAMLINED REPORTING AND ANALYTICS</b></p>	<p>By <b>2024</b></p> <p>IT IS EXPECTED THAT <b>MORE THAN 95%</b> OF ALL PURCHASES WILL BE MADE ONLINE THROUGH ECOMMERCE. (NASDAQ)</p> 	

## CHALLENGE #2

# MANAGING COMPLEX MULTI-CHANNEL STRATEGIES



THE RISE OF MULTIPLE ECOMMERCE CHANNELS—SUCH AS DIRECT-TO-CONSUMER (D2C) WEBSITES, ONLINE MARKETPLACES (SUCH AS AMAZON, WALMART, ETC.), AND BRICK-AND-MORTAR RETAILERS' DIGITAL PLATFORMS—REQUIRES BUSINESSES TO MANAGE A VARIETY OF PRODUCT LISTINGS, PRICING STRUCTURES, AND ORDER MANAGEMENT SYSTEMS.

The addition of direct-to-consumer strategies introduces further challenges, such as determining warehouse fulfillment locations, sales tax solutions, and credit card processing. Managing and reconciling orders from multiple sources without proper data integration and visibility can lead to operational confusion, pricing inconsistencies, and fulfillment challenges.

Implementing a modern, cloud-based ERP solution can provide an integrated approach to streamlining operations across various sales channels, optimizing the supply chain, and improving customer service.

## BENEFITS OF AUTOMATING MULTI-CHANNEL STRATEGIES

1

**UNIFIED DATA AND CENTRALIZED OPERATIONS**



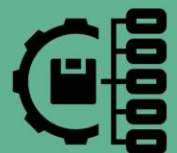
2

**SEAMLESS INVENTORY MANAGEMENT ACROSS CHANNELS**



3

**OMNICHANNEL ORDER PROCESSING**





### CHALLENGE #3

# OUTDATED WAREHOUSE MANAGEMENT PROCESSES



MANAGING A WAREHOUSE IS MORE THAN JUST FULFILLING ORDERS; IT'S MEETING DELIVERY CUT-OFFS, CONSTANTLY COUNTING INVENTORY, TRACKING STOCK MOVEMENT, AND SO MUCH MORE.

When processes like these are manual, it creates considerable inefficiency and a more significant margin for error.

By optimizing and modernizing their technology, consumer goods businesses can eliminate many challenges associated with manual warehouse management. Automating workflows such as order picking, packing, and shipping reduces human errors and accelerates the order fulfillment process. In addition, organizations can gain insight into warehouse performance to help optimize layout and reduce travel time..

## BENEFITS OF AUTOMATED WAREHOUSE MANAGEMENT

- 1**  
**OPTIMIZED ORDER FULFILLMENT**  

- 2**  
**DEMAND FORECASTING & AUTOMATED REPLENISHMENT**  

- 3**  
**IMPROVED LABOR & RESOURCE MANAGEMENT**  


## CHALLENGE #4

# DISCONNECTED & MANUAL SUPPLY CHAIN

SUPPLY CHAIN VISIBILITY AND MANAGEMENT ARE CRITICAL FOR CONSUMER GOODS BUSINESSES, ESPECIALLY AS THEY MANAGE COMPLEX OPERATIONS INVOLVING MULTIPLE SUPPLIERS, PRODUCTION PROCESSES, INVENTORY LEVELS, AND SALES CHANNELS.

A disconnected and manual supply chain often leads to inefficiencies, errors, and delays, all of which impact a company's ability to meet customer demand, control costs, and stay competitive.

Automating common supply chain management processes, such as demand forecasting, order management, procurement, and production scheduling can help consumer goods businesses optimize their supply chain strategy to meet their multi-channel sales goals. It ensures products are available in the right place, at the right time, for the right price.

## BENEFITS OF AN AUTOMATED SUPPLY CHAIN

1  
**CENTRALIZED INVENTORY MANAGEMENT & ADVANCED TRACKING**



2  
**INTEGRATED SALES CHANNELS**



3  
**AUTOMATED PURCHASING AND REPLENISHMENT**



For **55%**

OF MANUFACTURING-RELATED BUSINESSES, **IMPROVING SUPPLY CHAIN VISIBILITY IS THE TOP PRIORITY.** (FICTIV)



## CHALLENGE #5

# COMPLEX & DYNAMIC PRICING STRATEGIES

MANY CONSUMER GOODS PRICING STRATEGIES REQUIRE BUILDING COMPLEX AND DYNAMIC PRICING STRUCTURES, WHICH CAN BE INCREDIBLY DIFFICULT TO MANAGE MANUALLY.

Modern, integrated technology solutions enable businesses to set up flexible pricing models based on sales channels, customer segments, or even specific promotional periods. For example, they can apply discounts to bulk orders or create automated promotional campaigns and discounts that apply consistently across channels. Automated pricing strategies such as these ensure customers receive accurate, up-to-date pricing wherever they make a purchase.

By managing dynamic pricing and promotions across multiple channels, organizations can ensure consistent pricing strategies and avoid confusion among customers or distributors. In addition, they can offer more competitive pricing and effective promotions while maintaining healthy profit margins.

## BENEFITS OF PRICING & PROMOTIONS MANAGEMENT



3% 

IS THE POTENTIAL **INCREASE IN REVENUE AND MARGINS** A COMPANY CAN ACHIEVE THROUGH DYNAMIC PRICING MARKETING (MCKINSEY & COMPANY)





## CHALLENGE #6

# GENERAL, NONSPECIFIC CUSTOMER EXPERIENCES

**EVERYBODY KNOWS POSITIVE CUSTOMER EXPERIENCES LEAD TO HIGHER SATISFACTION AND INCREASED CUSTOMER LOYALTY**

For businesses in the consumer goods industry, customer experiences and satisfaction are critical to building long-term brand loyalty, improving profitability, and staying competitive. Things that directly affect the customer experience include supply chain disruptions and delays, generic communications, lack of post-purchase support, and an inconsistent omnichannel experience.

In order to address these challenges, organizations must prioritize customer-centric strategies, invest in better communication, and continually innovate their products and services to meet consumer demands.

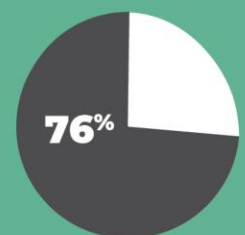
One way to achieve this is through intelligent, cloud technology that includes demand forecasting, real-time insights, customer behavior tracking, and more. These features provide an opportunity to build a stronger, more personalized relationship with customers, enhancing competitiveness in the long run.

## BENEFITS OF FULLY INTEGRATED SOLUTIONS



# 76%

**OF CONSUMERS** SAY THEY'RE MORE LIKELY TO PURCHASE FROM BRANDS THAT PERSONALIZE. (MCKINSEY & COMPANY)







## CONCLUSION

**IN AN INDUSTRY WHERE BUSINESS SUCCESS RELIES ON EFFICIENT PRODUCTION AND DISTRIBUTION, RELYING ON INEFFICIENT PROCESSES AND OUTDATED TECHNOLOGY SIMPLY ISN'T GOING TO WORK ANYMORE.**

The companies that are remaining competitive and successful are evolving to meet the needs and demands of their customers, streamlining supply chains, multi-channel strategies, and more behind the scenes.

It all starts with modern, cloud-based business solutions that offer the flexibility and scalability that consumer goods manufacturers need to be successful. Then, you'll need the right partner to guide you through the complexities of optimizing your business.

### MICROSOFT DYNAMICS 365 BUSINESS CENTRAL

Microsoft Dynamics 365 Business Central is a cloud-based ERP solution that can help consumer goods manufacturers and distributors streamline operations, improve customer satisfaction, and drive growth. It provides an integrated solution that allows consumer goods businesses to gain a full understanding of their inventory levels, supply and demand, as well as real-time costs and margins. Business Central integrates with several eCommerce platforms, such as Shopify, WooCommerce, Amazon, and more, allowing for a unified company and customer experience.

- Financial Management
- Supply Chain Management
- Sales
- Customer Service
- Inventory Management
- Project Management
- Operations



## Techminds Group LLC

Techminds Group LLC is a leading technology solutions provider specializing in IT consulting, software development, and digital transformation services. We empower businesses with innovative, scalable, and tailored solutions to drive growth and success in a dynamic digital landscape.

## READY TO TRANSFORM YOUR BUSINESS?

Don't let outdated processes hold you back. Our team is here to help you streamline operations, optimize your supply chain, and drive growth with the right solutions.

Contact us today to learn how we can support your success.



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