Bunzl Distribution

Solving problems for sales and purchasing teams by revealing new insights with analytics

Overview

The need
Bunzl wanted to leverage its data for improved business decisions – but gathering and analyzing data from 80 libraries in the ERP system was a huge task, making it difficult to efficiently co-ordinate visibility for national and local operations.

The solution
The company implemented the Bunzl Analytics Tool – a reporting and analysis platform built on IBM® Cognos® software, which unites the company's operational data and provides a single source of truth.

The benefit
Greater visibility across operations helps branch management teams match supply to demand, and national sales teams ensure that major customers' SLAs are met, while also providing deeper insight into each customer account.

For many businesses, operating on both a local and a national level requires a careful balancing act. On the one hand, it is important to allow each branch office to be as entrepreneurial as possible in addressing the demands of its local market. On the other, it's vital to ensure that all the branches can work together effectively to meet the needs of larger, national customer accounts.

This was the challenge faced by distribution and outsourcing specialist Bunzl Distribution. Each of its respective locations in North America had its own management team, and kept its own operational data in its own separate instance of the corporate ERP system. This created agility and flexibility at the local level – but it also meant that gaining insight across the whole organization was a complex and laborious task.

Stefani Fischer, Director, Business Intelligence at Bunzl, explains: "We wanted to preserve the entrepreneurial spirit of our branches, but also gain the ability to answer questions at the speed of business, and co-ordinate sales and purchasing across the whole of our North American operations."

"The real proof of the value of Cognos comes during our quarterly executive staff meetings. A large percentage of the senior leaders are now integrating insights from the Bunzl Analytics Tool (delivered via Cognos) during the course of their business performance presentations," says Stefani Fischer, Director, Business Intelligence at Bunzl.

Solution components

Software
- IBM® Cognos® Business Intelligence
- IBM Cognos TM1®
- IBM DB2®

Servers
- IBM Power® servers running IBM i

IBM Business Partner
- eCapital Advisors

Analytics provides the answer

Bunzl investigated several possible methods of improving visibility across its local and national operations. Most of the options seemed to be either too difficult to develop and maintain, or too inflexible to meet the needs of different types of users in different areas of the business.

However, when the company's finance team began looking for a new budgeting tool and began evaluating IBM Cognos TM1, Bunzl realized that another product in the same family – IBM Cognos Business Intelligence – could provide the answer to its operational reporting challenges too.

Working with eCapital Advisors and IBM, the Bunzl finance and business intelligence teams began parallel projects to implement the two IBM Cognos products. In both cases, these projects were delivered successfully, thanks to excellent teamwork between the three organizations.

Stefani Fischer comments: "The finance team has made a lot of progress with IBM Cognos TM1 – turning budgeting from a slow, manual, spreadsheet-heavy task into a much more detailed, reliable and automated process. And meanwhile, IBM Cognos Business Intelligence has really kickstarted a transformation in the way the operational side of the business uses data."

The IBM Cognos Business Intelligence platform – known internally as the Bunzl Analytics Tool, or BAT – is now the company's standard tool for all its dashboarding and analysis needs.

"There are so many things we want to do with BAT, so we had to find a way to prioritize," says Stefani Fischer. "We did more than 50 interviews with our sales and purchasing teams, asking them to tell us about the first thing they think about when they come into the office in the morning, and what really keeps them awake at night. We then started with the quickest wins that would have the biggest impact – in other words, the places where we had the data already, but the business had zero visibility of it."

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Enhancing vendor management analysis

The first project was to create a vendor management tool for the purchasing and sales teams. The tool produces reports that show information about each vendor, what products Bunzl has purchased from them, and how many of those products Bunzl has sold. This helps Bunzl's local branch management understand the demand and fill-rate for each product – which helps to make smarter purchasing decisions and gives the company a stronger position in negotiating with its vendors.

"Vendor management is a great example of gaining insight where there was none before," says Stefani Fischer. "Getting this information together from all 80 ERP libraries would be impossibly laborious without Cognos. Now it's a matter of a few clicks – so if a vendor suddenly asks for a meeting with one of our buyers, they can just generate a report and use it to have a productive conversation."

Improving national customer management

Bunzl's large strategic customers, which include some of the largest US retail chains, are managed by the company's national sales team. However, the company's local branches are responsible for actually delivering products to these customers' warehouses and stores.

The national sales team needs to ensure that Bunzl as a whole is delivering on its service-level agreements (SLAs) with these clients. In the past, this could be difficult: if a single branch was struggling to deliver what the customer needed, this would affect SLA performance – yet there was no easy way for the national sales team to find out which branch was having problems.

Now, the Cognos solution provides instant insight into Bunzl's overall SLA performance for its major customers, as well as key metrics for each individual branch. As soon as there is a problem, the national sales team can instantly start working with the affected branches to find a solution before it affects the SLAs.

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— Stefani Fischer, Director, Business Intelligence, Bunzl

Local customer business reviews

Bunzl has also been using Cognos to develop tools to help the local sakes teams, as Stefani Fischer explains: "Each branch conducts quarterly or half-yearly business reviews with its strategic customers – and gathering the data for those reviews can be a time-consuming, spreadsheet-based process.

"With Cognos, we have not only automated that process – we've also enabled them to generate an up-to-date business review whenever they want. So instead of a periodic review, they can now also use it as a day-to-day monitoring tool."

Excellent feedback from business users

Stefani Fischer comments: "The response from users has been excellent – we're seeing very high adoption of these new tools, and lots of positive comments. In some cases, users are finding that tasks which used to take 30 or 45 minutes in a spreadsheet are now a matter of two minutes and a few mouse-clicks."

In particular, the Cognos platform has won many supporters at the executive level. The project team made a conscious effort to prioritize projects that would make analytics useful for the company's senior leaders, and to provide the right training to help them serve themselves with the information they need.

"We gave one director some training on Cognos, and by the third day he was excitedly showing others what the tool could do," says Stefani Fischer. "This enthusiasm was infectious, because being able to pinpoint and solve problems before they have any impact on sales results is extremely powerful."

She adds: "The real proof of the value of Cognos comes during our quarterly executive staff meetings. A large percentage of the senior leaders are now integrating insights provided by the Bunzl Analytics Tool (delivered via Cognos) during the course of their business performance presentations."

Looking to the immediate future, Bunzl plans to develop new reports and dashboards to analyze other areas of the business, such as inventory levels in its warehouses. Stefani Fischer's team will also begin training a number of power users in the business, giving them the tools and skills to develop their own ad hoc analyses.

She concludes: "There is so much we want to do with Cognos, and the appetite for analytics is growing rapidly throughout the business. The real limitation now isn't the technology – it's finding the time, resources, and imagination to design and deliver the next generation of tools to help our business grow."

About Bunzl Distribution

Bunzl Distribution USA, Inc. supplies a range of products including outsourced food packaging, disposable supplies, and cleaning and safety products to food processors, supermarkets, non-food retailers, convenience stores and other users. Based in St. Louis, Missouri, Bunzl Distribution is the largest division of Bunzl plc, an international distribution and outsourcing group headquartered in London.

To learn more about Bunzl Distribution, please visit www.bunzldistribution.com

About eCapital Advisors

eCapital Advisors is an IBM Premier Business Partner and an award-winning performance analytics company. eCapital Advisors specializes in performance management and data integration solutions, enabling better business decisions using proven best-in-class technology and our trusted team of experts.

Please reach out to discuss an analytics success plan at ecapitaladvisors.com

About IBM Business Analytics

IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

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