



An ESKADENIA White Paper

July 2019

Why digital supply chain is crucial for the FMCG industry

Supply Chain Management

Executive Summary

The global supply chain industry is a powerful feat in the market today. As more industries are utilizing global markets and the trading economy, we are seeing the prominence of supply chain.

More people and businesses are depending on global trade. The trade economy has always been and will continue to be a powerful mechanism in the way the world is run. This means dependency for supply chain will continue to stay and grow. A sharing economy and a rise of on-demand logistics has made the industry more flexible and easier to do.

Thanks to the rise of technology, supply chain is also becoming more visible. It has allowed for data transparency to expand and thus, affecting the way organizations have the ability to gain visibility on real-time issues about their supply chain networks.

This combination has made it possible for supply chain to become more powerful and accessible. The changes in demands and economy along with the rise of technology has made all the difference. This expansion is driving change for faster results and flow, thus the rise of digitalization has become a major contributor of the supply chain market.

Supply chain management software is a powerful tool to support the constant developments of the economy and industries today. Such device can be defined as a software system designed to manage the business processes across the supply chain workflow. This will result in a fully automated and digital operation. From creating a digital archive to tracking each steps of a supply and demand process.

An example to take from this includes ESKA® SCM, a supply chain management software produced by ESKADENIA Software. By conducting a thorough observation of the development of this current system, results of how the software works, as well as the benefits it creates for FMCG industries may be well-defined.

This whitepaper presents a strong case for the usage of a Supply Chain Management System. FMCG companies are able to utilize the digitization of their business operations to create greater productivity and efficiency. Thus, the digitalization of such processes would most likely be the future for a majority of the logistics industry.

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Introduction

Emerging technologies are set to transform logistics and transportation, which will change the flow of supply chain as we know it. This change is already prominent amongst various FMCG companies today. The process of digitalization is becoming a core driver into the world of supply chain. It is almost impossible for FMCG companies to succeed anymore without the help of digitalization. With the amount of trade and increasing demands of goods and supplies, manual labour is no longer an option.

Technological assistance, from the most basic to more advanced systems, has evolved into various more complex devices. From systems that can automatically track moving goods to tools that can record warehouse goods, technological advancements has led to the rise of a fully digitalized process.

Supply chain management software are quickly emerging with on-demand warehousing and logistics. Evolving customer channels also play a great role when it comes to this new workflow. Thanks to a direct-to-consumer shift, there are greater opportunities and flexibility when it comes to supply chain operations, which means most FMCG companies require a tool that will support this dynamic environment.

SCM software works as a customized solution to automate a business' supply chain operation. All requirements can be defined through a setup process to fit specific company needs, where organizations can spend less time for more productivity. An SCM software has now become a major part in the way logistics operations are played. It creates a fully automated system for the FMCG industry; saving time, cost and ensuring the efficiency of their process.

The examination of such system will be done through this whitepaper in order to conclude its efficiency and benefits for the FMCG industry. By a thorough observation of an existing SCM system, ESKA SCM, and how it can work for FMCG companies, a clear view of how this software can help may be produced. A digitalized system may be truly beneficial to the FMCG sector and can be used to accelerate the supply chain industry. The goal is to understand how SCM software can help and how its deployment may function as the next standard for businesses today.

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Why SCM Software

Dysfunctional ties amongst technological infrastructures, as well as the **lack of integration** will cause a disruption in the way data is distributed and performed. Many organizations still lack the understanding of the current supply chain market and struggle with conflicting objectives.

The misunderstanding of objectives and lack of integration has made it hard to successfully accomplish one's goals. That said, there needs to be a system that helps to **unify data from different sources and ensuring greater communication** amongst various sectors. There needs to be standardization and simplification that supports the distribution of data amongst the various systems of the supply chain industry.

As with the example of ESKADENIA's supply chain management system, ESKA SCM, the system supports full integration and customization to ease data flow amongst different sectors within or outside the supply chain sector.

Through a setup module, FMCG companies can easily **define different criteria and factors** that they require **according to their specific goals and rules**. This will create a system that focuses on the needs of the FMCG organizations specifically, **eliminating any extra hassles and time wastage**. ESKA SCM creates a system that increases productivity and time efficiency. A unified integration system also supports simplicity when it comes to the automation of data. This allows for direct updates and greater accuracy rate.

In addition, **accurate analytics and reporting** also play a crucial role when it comes to a successful supply chain workflow. An SCM system can directly produce accurate reports and records of goods being transported and stored. ESKA SCM produces a reporting analytics feature that creates a summary of the logistics process. This can help FMCG companies to stay on top of their processes and business operations.

An SCM system can create a model that **supports more efficient planning, organization and structure**. ESKA SCM shows this by allowing a fully customized and integrated process. When implemented within the FMCG sector, we can see a smooth workflow amongst industries, as we can see with the example below.

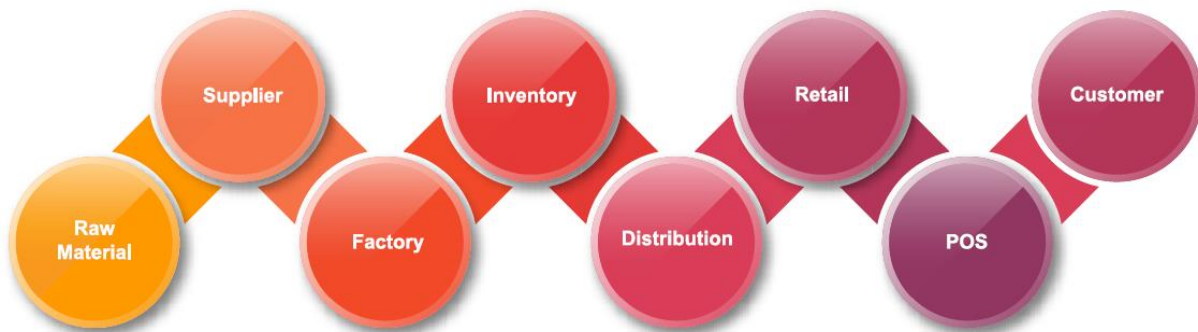


ESKA SCM (Inventory) integrated with pharmacies

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By utilizing a system that can optimize and push for greater productivity amongst different industries and sectors, organizations can ensure a cost-efficient and accurate process when dealing with goods and items.

Factors that will support digitalization



The supply chain workflow

The efficiency of a digital supply chain is based on the general supply chain workflow, as seen above. It focuses on factors that can maximize this workflow and accelerate customer provision.

Greater data distribution

The digitalization of data creates a more direct and accurate workflow that will support greater efficiency. **Data distribution** is an important factor for the success of a digital supply chain. Through an SCM system, the movement of data can be ensured through an automated process. Automation will result in direct data transfers with optimal updates. This means when FMCG companies are looking to conduct the most efficient steps to achieving their goals, they need to ensure information is being transported from one step to another.

From the suppliers to the customers, goods can only be transported accurately and in a timely manner with good data distribution. This can be done through the implementation of SCM system.

The deployment of ESKA SCM shows how data can be distributed through the different modules and features it provides. As seen in the table below.

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Module	Functionalities
Item Management	<ul style="list-style-type: none">✔ Categorize items with comprehensive information, based on item index.✔ Provide detailed pricing information, including who purchased it.✔ Define items and composites based on item assemblies.✔ Locate items and their source information.✔ Integrate with the General Ledger system for multiple account linkage.✔ Stock Method per Cataloge (FIFO,LIFO,FEFO AND LEFO)
Inventory	<ul style="list-style-type: none">✔ Build a dynamic structure for your warehouse through a hierarchy level design.✔ Keep a history of transactions based on serial numbers.✔ Support various types of inventory transactions, such as Receipt, Issue and Transfer.✔ Perform a number of operations on generated vouchers, such as modification, deletion and more.✔ Post vouchers to the financial system automatically.✔ Easily receive balance information at any time on any level.
Procurement	<ul style="list-style-type: none">✔ Generate orders for any approved POs.✔ Create price inquiries based on recorded POs.✔ Record received offers on a previously sent price inquiry.✔ Convert the most ideal offers into a purchase order.✔ Automatically create purchase orders based on approved requisitions or manually.✔ Control reorder levels for items based on their consumption rate, along with automatic PR creation.
Sales Management	<ul style="list-style-type: none">✔ Ability to define sales teams and its members, along with targets, and distribute them among different customer types or sectors.✔ Print sales quotation that are continuously stored in the company's records.✔ Convert quotations into sales order.✔ Support multi-sales order types (cash, commitment, consignment, credit and more).✔ Reserve stock quantities for certain orders.✔ Invoice generation with updated price list on various levels (shipment, customers, etc.).✔ Add charges to the invoices and credit notes.✔ Ability to issue the sold items through weighbridge process.✔ Perform automatic credit checking.

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Point-of-sale

- ✔ Support multi-stations allowing multiple cashiers to share POS machines.
- ✔ Support online/offline operations.
- ✔ E-points/ loyalty system.
- ✔ Create profiles for cashiers that will be using the system.
- ✔ Handle the initialisation of cash and station.
- ✔ Keep a record of all customers once their information has been defined.
- ✔ Easy to integrate with VISA/Mastercard machines.
- ✔ Automatically post invoices, vouchers and transactions in the Inventory and Financial system.

Maintenance Management

- ✔ Dynamic definition on all packaging materials.
- ✔ Easily receive any datasheets or support videos related to each assets to help the technicians
- ✔ Define detailed preventive maintenance procedures based on business needs.
- ✔ Conduct routine, scheduled or on-spot maintenance.
- ✔ Plan and schedule required assets, activities, repairs and spare parts for each service type.
- ✔ Allow technicians to log their technical feedback, time consumed and spare parts needed.
- ✔ Provide a maintenance alarm to keep track of any completed and non-completed tasks.
- ✔ Create a calendar for a detailed representation of tasks.

Each module showcases automated features to simplify data distribution from one step to the next. From creating records online to creating online notifications and tasks, the system creates a fully digitalized process of inventory, maintenance, POS and more. Data distribution can be easily conducted through this online method.

Productive and efficient features

As seen with the different features of ESKA SCM above, an SCM system can help to organize and **provide different tools for fast and efficient results**. ESKA SCM enables **real-time solutions in dealing with shipments and their receipts and invoices**. Thanks to a digitalized climate, there is now an abundance of tools that can help with various goals in the supply chain industry.

These tools and applications can accelerate planning and optimization. ESKA SCM uses various applications and modules that highly supports a digital climate, as well as pushes integration. ESKA SCM generates functionalities that will bring data directly and with best results to an FMCG business model. It can also support cross functionalities and sector by allowing full integration.

Deployment of advanced software will create a cycle that is not only efficient but fast-paced and reliable. Goods and supplies can now be delivered in half the time with better tracking and referencing. From organizing invoices to calculating warehouse storages, such systems have the power to support and optimize a digitalized change.

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ESKA SCM main modules

Process Unification

An **integrated system** is crucial in how to make a digitalized system work. By allowing **cross-functional processes**, goals and tasks can be easily accomplished. ESKA SCM showcases this functionality by supporting full integration networks, amongst other ESKADENIA systems, as well as external systems.

This ability for full customization makes it possible to support FMCG companies in various industries, whether for retail and hospitality or medical, education and more. Integration means greater data distribution with greater accuracy.

In order to make a digital climate work, there needs to be unification. Going digital should support faster data distribution amongst various channels, sectors and industries. This is what is going to make the FMCG organizations thrive and bring greater customer satisfaction.

One example to take from ESKA SCM may be its integration with ESKA Financial, their financial management system, which helps to process all payment processes and invoices produced from the system. Such integration creates greater efficiency, greater management and direct results.

SCM and manufacturing

The process of integration is a vital part of a successful SCM system. **Integration between SCM and manufacturing systems will complete the SCM cycle to its fullest.** As with the example of ESKA SCM, which integrates with their manufacturing management system, ESKA Manufacturing, the system works in unison with the manufacturing side to ensure items are delivered in stock and on time.

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This will also **help with any documentation and invoices that need tracking**, as such integration between manufacturing and SCM should result in tracking the item from when they were first packaged and sent for delivery to the arrival of the product itself. By directly having a relationship with the manufacturers, FMCG companies can ensure all logistics are taken care of from start to finish.

Conclusion

A digital landscape creates full flexibility for those who take advantage. Some of the core functionalities of ESKA SCM itself includes dynamic features and integration. These are what will make an SCM system fully optimal for FMCG businesses today. As society is changing and becoming more fast-paced, it is time to take advantage of new technological emergence, which means a fully digitalized process.

ESKA SCM works as a great example as how organizations can utilize and automated system and how it can accelerate and amplify a certain workflow. The faster and more efficient results are met, the greater customer satisfaction will be, and the less challenges will be faced. Operating an SCM system will deliver in an abundance of benefits, ready to modify and expand the supply chain industry today.

About ESKA SCM

ESKA® SCM (Supply Chain Management) system empowers organizations and customers to obtain better information and make smarter decisions. This includes applications in inventory and item management, purchasing, sales management, point of sale and maintenance management. ESKA SCM is built to handle all supply chain activities, including all logistics operations.

ESKA SCM creates a simpler form of supply chain management by creating a digitalized system that not only optimizes all processes but also saves cost and energy.

ESKA SCM covers the following areas:

- ▶ Item management
- ▶ Inventory
- ▶ Procurement
- ▶ Sales management
- ▶ Point of Sale
- ▶ Maintenance management

[Discover more about SCM software through ESKADENIA's SCM system, ESKA SCM.](#)

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About ESKADENIA

[ESKADENIA® Software](#) is a three-time [MENA Award](#) Winner & [CMMI®](#) level 3 certified company that is active in the design, development and deployment of a range of software products in the [Telecommunications](#), [Insurance](#), [Enterprise](#), [Education](#), [Healthcare](#), and [Internet](#) application areas. The company is based in Jordan and has sales activities in Europe, the Middle East and Africa; more than 85% of its sales are exported to the global market. ESKADENIA Software is a customer-oriented organization that assists enterprises and promotes businesses by use of highly effective IT strategies, solutions and tools. With customers in more than 25 countries and a retention rate of over 95%, ESKADENIA endeavors as a team to augment quality and customer gratification, build up perseverance, and foster innovation. ESKADENIA Software positively contributes and strongly believes in the crucial role of businesses in the development of their communities.