



FOOD AND BEVERAGE

ERP SELECTION GUIDE



ERP Selection Guide for

Food & Beverage

The benefits of using ERP (Enterprise Resource Planning) software in the food and beverage industry are hard to ignore. Once a business makes the decision to move forward, their main objective becomes choosing the right ERP solution that will take their business processes to the next level.

FOOD TRACEABILITY, COMPLIANCE, FRESHNESS, AND INGREDIENT TRANSPARENCY are all hot topics in the food and beverage industry. A real-time understanding of each of the above requires flawless execution of systems, processes, and data — or in other terms, the building blocks of an ERP system. Identifying the need for an ERP system to optimize your food and beverage operations is the first step. Next, you'll need to evaluate ERP software options based on your unique criteria, existing operations, and business goals and expectations to ensure your new ERP system delivers the insights you need to help transform your business.

ERP criteria for food & beverage companies

ERP systems are comprised of many moving parts that support business operations throughout the organization. You could say that their functionality is as complex as the business itself, as ERP systems are designed to manage and monitor everything from financial components to inventory to production and even sales and marketing.

This is true for any industry, including food and beverage. Even though ERP software is used by a variety of industries and companies, each business has its own unique requirements for an ERP system.

Having worked with companies in the food and beverage industry, and as a provider of food and beverage ERP software, NexTec has identified these essential criteria to help companies explore their ERP solution options.

ERP made for food & beverage objectives



ERP systems are used by small and large companies alike in a variety of industries, including food and beverage. This is a testament as to how powerful and essential ERP software can be for improving business operations, but it also begs the question as to how an ERP system can cater to so many diverse companies and verticals.

The answer: ERP software is rarely used right out of the box. Rather, it's best practice to find an ERP solution that caters to your industry and offers features and functionality that meet your unique needs, and that are proven and in production.

NexTec has 26 years of experience working with food and beverage companies to implement ERP systems. We built FoodBusiness ERP on Sage X3, a combination that offers the powerful features configured to fit the goals, needs, and objectives of our food and beverage manufacturing customers.

Scalable ERP solution

There's no doubt that deploying a new ERP system or replacing your existing ERP solution with FoodBusiness ERP is an investment in time, money, and effort. It's important that your ERP system can scale with your business as needs change. We know that your business will likely grow or adjust to market demands over time, and you should feel confident that your ERP software can keep up no matter how quickly or how much your business evolves.

This is one of the core advantages of FoodBusiness ERP. Any updates to the ERP's core operations are automatically transferred so that you won't have to upgrade to the latest features down the line.

As you add new customers, grow your product line, expand your talent force, your number of locations, or implement new processes and equipment, your ERP system should be able to accommodate you without having to jump through hoops or reinvent the wheel. It's a lot easier to add on to a well-developed ERP system than to worry about starting over every time you make significant business changes. Once you establish your company with FoodBusiness ERP, you'll be in a better position to maintain the benefits of ERP no matter how many growth spurts your company experiences.

Research shows that the top three reasons food and beverage companies choose ERP are:

✓	A need for collaboration (37%)
✓	A need for scalable applications (29%)
✓	A desire for dated technology structure (24%)

Essential features and functions

ERP systems are inherently feature-rich, encompassing every piece of your business operations and turning them into a cohesive enterprise. Though your specific functionality may look different compared to other food and beverage companies, the following features are typically standard with every F&B ERP software:

✓ Recipe or formula management

Food and beverage companies are defined by the products they create, but they're also held to high expectations from consumers and stringent requirements from regulatory agencies. Ensuring the right type and quantity of each ingredient in a recipe not only affects the taste, but also the product's nutritional value, a factor that's heavily subjected to oversight.

ERP systems can streamline recipe and formula management by tracking different versions of a product, alternative bills of materials, measurement unit conversions, and alternative manufacturing methods.

✓ Production planning & scheduling

Whether you produce one core product or a handful of items, there's a lot that goes into scheduling manufacturing runs: ensuring the availability of equipment, supplies, ingredients, and labor, to name a few. If you're running different products consecutively, there's the added factor of sanitizing equipment to reduce the potential for contamination with allergens.

Budgeting is another factor to consider. You want to allocate enough resources to each run to meet certain goals. You also need a clear way to set goals based on consumer demand so that you're not overproducing (which leads to waste) or under-producing (which leaves money on the table).

ERP software can track manufacturing runs and sales histories over time to help you improve your forecasting and production planning based on data, not guesswork.

✓ Inventory control

Keeping up with how much of each ingredient to stock, how to store it in the warehouse, shelf life, and other details is typically too much to manage with spreadsheets or other outdated tools. An ERP system simplifies inventory control by tracking inventory data in real time and giving you a bird's eye view into what you have in stock, from which supplier you ordered it, use-by dates, and more.

✓ Quality monitoring

Much of your reputation as a food and beverage manufacturer is the quality of your products. A lot of things can impact the quality of a finished product, including recipe accuracy, the freshness of ingredients, and accurate packaging and labeling. ERP software is capable of tracking quality metrics to keep customer satisfaction high.

✓ Product and ingredient traceability

Food traceability isn't just important to regulatory agencies. Consumers are increasingly curious about ingredient transparency and want to feel confident about the foods and drinks they're consuming. This includes, but isn't limited to, the quality of each ingredient, the country of origin, and even the farms from which fresh ingredients come.

Traceability is also essential in mitigating the impact of potential recalls. If there's an issue with a product or ingredient, tracing each item back through the supply chain in a timely manner can help companies find the source of an issue and take quick action.

✓ Supplier, vendor, and customer management

ERP software tracks relationships with your suppliers, vendors, and customers to help you find new opportunities to grow your business. Monitoring supplier and vendor connections may be able to help you improve sourcing costs by understanding what you're ordering from each partner and how much you're spending.

Tracking your buyer relationships may also help you identify new markets to enter or new audiences to which to cater.

✓ Cloud computing

Like many business software solutions, ERP offers both on-premise and cloud options, bringing a whole new level of functionality with cloud and hybrid models. Cloud computing eliminates the need for on-site hosting and server management. All data is stored in and accessed from the cloud, which also enables mobile data access. Companies are finding it easier to share data with teams in the field or outside of the organization.

The Cloud also allows for multi-site capabilities by uniting data in one place, no matter how many locations a company has. Business leaders can now get a truly comprehensive view of their operations as a whole or dial deeper into each location.

Features for process manufacturing

Automation

One of the most attractive benefits of an ERP system is the prospect of automating redundant or time consuming tasks. Automation eliminates the need for manual data entry or involvement, which frees up valuable labor hours to be put toward business growth.

As a result, automation can result in cost savings and make it easier to leverage your ERP system to its fullest potential.

Some of the most common automated tasks include:

- » Generating reports
- » Sending alerts to specific employees, such as when inventory runs low
- » Payroll, including calculating commissions or sales
- » Identifying trends in the business

Adaptability to the Internet of Things

Automation is better achieved when companies have employed the Internet of Things (IoT) within their manufacturing facilities. IoT relies on a series of internet connected devices that can send and receive data. For example, an IoT-enabled machine in your product line may signal when it's time for maintenance or count how many items have been produced in a single run.

IoT devices collect data and are a critical piece when it comes to expanding automation. Similar to other manufacturing facilities, food and beverage companies will likely become interconnected in the coming years. This serves to help business leaders oversee the manufacturing process from end to end to increase quality and lower operational risks.

Real-time data and analytics

Another highly sought-after benefit of a food and beverage ERP system is instant visibility into specific business areas at any given time. Because data is stored in the cloud, information is updated in real time so users can trust that they're pulling from the latest sources and insights.

ERP software can also develop insights between departments that might not otherwise have been possible. It breaks down silos that limit data to their specific departments, giving companies more control over their data and how they use it.

This level of insight can be extremely beneficial when examining the potential to add new products to your lineup, monitor sales figures, or identify trends or issues that could impact sales.

FoodBusiness ERP: Your F&B solution built on Sage X3



With more than 26 years of experience in ERP software and implementation, NexTec knows that selecting a powerful ERP system for your food and beverage company is only part of the equation. If you want to leverage your ERP solution to its fullest potential, it's essential to find the right implementation partner that can fine-tune your ERP system to your specifications.

NexTec built FoodBusiness ERP on Sage X3, but more importantly, we also have real world experience within the industries we serve. Our team of consultants brings to the table a deeper level of understanding of our food and beverage customers' needs and the business challenges you face every day. We want to be able to serve you with ERP features and functionality that make sense to the way you work and that helps you get the most from your money, time, and effort.

sage Partner



Contact us at FoodBusiness ERP
and schedule a demo to learn more.

SCHEDULE A DEMO



Contact us to learn more:
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About the NexTec Group

NexTec Group is an award-winning business software consulting firm with over 24 years in the agriculture and food industry, helping companies streamline food safety processes and ensure compliance. We specialize in implementing ERP, CRM, BI, Cloud and On-premise solutions that can manage product recalls and customer issues, track products, reduce food waste and improve operations. Contact us for a demo at foodbusinesserp.com

