QMetrix

Ballantyne
PURE CREAMERY

Making butter better with *personalised sales forecasting and pricing solutions*

> " *It has made the (pricing) process much simpler and incredibly more transparent. It's a really good tool actually. The system has given us a much more intelligent way to execute a process which is fundamental to good business.*"
>
> — Chris Pembrooke, Chief Financial Officer, Ballantyne

Ballantyne is an Australian family owned company with an 80+ year pedigree in the manufacture and distribution of fine foods. They supply both domestic and international markets.

They operate from their historic head office at Ballantyne Street, South Melbourne, and manufacture at its purpose-built facility at Laverton, Victoria. Ballantyne's principal activities include production of a range of packaged butter, dairy blend and margarine products, spray dried dairy products, sauces and other portion control packaged products.

Challenge

Ballantyne relied on the Movex ERP (M3) to manage their back office manufacturing, inventory and sales processes. Budgeting, forecasting and reporting were performed using many spreadsheets and legacy reporting tools.

To prepare sales forecasts, data was manually extracted from M3 into spreadsheets. These were distributed to the sales team for updates and then manually reassembled. The process was error prone, time consuming and inefficient.

The pricing review process also utilised spreadsheets with manual extracts from M3. The process was disjointed and inconsistent, with individual people treating pricing differently because there was no ready access to all the information they needed. This made it hard to assess the bottom line impact of pricing decisions.

Ballantyne needed a system which would close the loop between M3 and forecasting and reporting systems. The management team also wanted the ability to input data and perform 'what if' analysis in a user friendly interface.

They needed:

- To change their manual and inefficient budgeting process

- A better pricing review process to understand impacts of pricing changes

- A way to forecast accurately and with confidence

- To close the loop between transactional and reporting systems

Solution

New system and process to reduce labour intensive forecasting, budgeting and pricing processes, and increase efficiency

When Ballantyne approached QMetrix, we saw an opportunity to solve their challenges while also vastly improving the sales forecasting process. We recommended and implemented IBM Planning Analytics (TM1).

Sales Forecasting

The solution extracts actual sales from M3 and presents this together with a pre-populated 18 month forecast by customer and product. This allows the sales team to input only changes to their forecast month on month, vastly reducing effort.

Each salesperson gets their own view of the data showing only products and customers relevant to them, with any new products and customers added automatically. They can quickly assess the impacts of their forecast volume changes on sales revenue and gross margin.

Once complete, forecast data is imported into M3 to drive Materials Requirements Planning.

Because of how easy it is to use, Ballantyne has been able to adopt a rolling monthly forecasting process. With accurate sales forecasting, they have reduced the likelihood of overstocking inventory and reduced the possibility of not meeting sales demand.

Pricing

The pricing solution takes current pricing and standard costs from M3. The account manager then inputs new pricing, in conjunction with freight, insurance and other costs, by product and by customer.

Users can then view the impact of pricing and cost changes on product margin because forecast volumes are integrated into the same model. This allows the team to assess the full impact of pricing decisions on the bottom line and provides the executive team with full visibility throughout the process.

Ballantyne's solution

IBM Planning Analytics

Budgeting and Planning consulting
Learn more

Impact

For Ballantyne

Each salesperson receives a personalised view of data relevant to them, so they can quickly assess impacts of their sales and forecasts

Significant improvements to data quality, with the ability to perform what-if scenarios and understand the full impact of decisions before making them

Adoption of a rolling monthly forecasting process ensuring alignment with market conditions, operation plans and less reliance on annual budgets

Managers can model their price changes and have an immediate view of the impact of their proposed price on forecasted margins

QMetrix

QMetrix provides professional advisory services that empower our clients to operate with the agility needed in today's business environment. Our corporate Budgeting and Planning, Master Data Management, and Business Intelligence and Analytics solutions help to drive better business performance.

We work together with clients to achieve the right outcome for their unique business, providing end-to-end solutions from analysis to design and delivery. We serve clients across Australia and have offices in Melbourne, Sydney, Brisbane and Perth.

Learn about QMetrix's Budgeting and Planning solutions →

1300 785 336
info@qmetrix.com.au
www.qmetrix.com.au