


# Britvic Ireland

“With Cognos, we’ve been able to adopt an enterprise management strategy that enables us to understand our market better, helping us to improve the way we target our customers and analyse and optimise performance.”

*Pat Brennan, Business Support Manager (Sales) at Britvic Ireland*



Britvic Ireland (part of Britvic PLC) is an Irish-based company that traces its origins back over 150 years. Owing several of Ireland’s most recognised brands, Britvic Ireland holds a leading market position in the soft drink and mineral water sectors.

Britvic Ireland manufactures, distributes, and markets Irish brands such as Club, Mi-Wadi, and TK, as well as Ballygowan mineral water, and also holds the franchise for 7-Up and Pepsi.

## Challenges faced

The FMCG market is made up of organisations aggressively seeking new ways to gain competitive advantage within the industry. In a bid to remain at the forefront, Britvic Ireland needed to put into place a strategy to improve their sales performance.

One initiative was to change the focus away from a traditional volume-led business strategy, towards a more focused one, targeting profitable customers and products. To support this change, Britvic Ireland needed to simulate the change in revenue patterns and expected margins as a result of changing marketing and sales programs across the regions.

“Effective promotional campaigns are critical in the soft drinks business, and we needed to measure how effective product promotions were,” says Pat Brennan, Business Support Manager (Sales) at Britvic Ireland. “We required a solution that provided real-time and easy-to-read sales information to better understand the buying trends of customers before, during, and after a promotion.”

With thousands of customers and a large portfolio of products, understanding profitability levels required a detailed analysis of sales data, which is crucial for determining performance success.

### Industry:

- Manufacturing and distribution of soft drinks

### Geography:

- Ireland

### Information needs:

- Forecasting, planning, and reporting

### Solution

- IBM Cognos 8 BI
- IBM Cognos 8 Planning

### Benefits:

- Breakdown of the impact of promotional activity, enabling finance users to forecast revenue patterns and expected margins
- Easy navigation through sales information, allowing drill down and discovery of problem areas and report design to highlight issues
- Empowerment of the finance department, freeing up IT staff resources
- Ability for analysts to use sales data to identify which lines of the business are more profitable

The finance department was tasked with identifying which customers and products were profitable in order to plan and forecast for the future. Limitations with spreadsheets and a lack of collaboration capability meant the process was very time-consuming and prone to error. The reporting requirements also meant that the finance team was heavily dependant on IT. A solution was needed that would offer the flexibility to issue standard reports, but also allow users to develop their own reports in a user-friendly environment. With users dispersed across the country, the reporting solution also had to support a distributed reporting environment.

## Strategy followed

Britvic Ireland approached Colman Computer Services Ltd, who have over twenty years experience in providing solutions, to design and develop a performance management solution that would meet their forecasting requirements.

A solution from Cognos, an IBM company—including IBM Cognos PowerPlay and IBM Cognos Planning—was selected because it provided Britvic Ireland with a fully integrated solution that facilitated both financial planning and reporting.

The Cognos interface was well laid out for reporting and analysis, providing a more intuitive and user-friendly experience. As Britvic has a number of offices around the country, a key advantage was that all sales reports were available through Web browsers, meaning that users had instant access to company data. Additional features such as easy-to-use calculations and the ability to graph the data with a single mouse click were also seen as key benefits.

With Cognos, Britvic can bring together the individual financial and operational plans for all its business activities into one unified system—ensuring more control over costs, revenues, and profitability. The technology can also handle large volumes of data and its scalable architecture means that it can support Britvic as its business grows.

## Benefits realised

Finance users are now able to plan the business based on profitability as all overhead costs and rebates are allocated to products and customers.

The datamart created for Britvic acts as a platform and repository for all sales reporting and planning data. Information is fed from the ERP system on a nightly basis, which means that the process is now streamlined with reduced dependence on spreadsheets—ultimately reducing user dependence on IT.

Customer profitability by product is available, showing gross and net revenue, gross margin, sales, distribution, and product overheads down to net margin. Analysts are now able to use this information to identify which customers or lines of business are more profitable.

The information is easy to access, saving significant time and resources when it comes to monthly reporting. Previously, this took one person two days to compile, and involved downloading more than 40 extracts from a sales analysis system to a spreadsheet. This information is now available immediately after the month is closed.

“Britvic Ireland’s own brands and franchise brands are well established in the marketplace but growth has been relatively static,” says Brennan. “Promotional activity is critical to maintaining and growing market share, particularly for the introduction of new lines. The availability of daily sales information enables us to assess which promotions work in different locations. Cognos technology enables us to break down the impact of promotional activity.”

Finance users can easily navigate their way through the sales information of 11,000 customers and 1,200 products. This intricacy means that they can drill down to discover problem areas and design reports to highlight the issues.

The software’s ease of use was also evident, as end-users were up and running after just half a day of training. This has meant user groups are now practically self-sufficient in accessing information, freeing up IT resources.

“The rollout of Cognos software has been a success, laying down a solid foundation for future projects, in particular the implementation of a Cognos performance management solution,” says Paul Rainey, Head of Information Technology at Britvic Ireland.

Following the success of Cognos technology in enabling financial planning, it will be further used in the production department to facilitate demand and materials planning—IBM Cognos 8 BI is currently being implemented for specific projects at Britvic Ireland.

## About Cognos, an IBM company

Cognos, an IBM Company, is the world leader in business intelligence and performance management solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in February 2008. For more information, visit [www.cognos.com](http://www.cognos.com).

