



DULUXGROUP PNG SAP BUSINESS BYDESIGN DEPLOYMENT PROVIDES SALES UPLIFT AND INCREASED DELIVERY RATES

Company Type: Decorative Coatings Manufacturer and Distributor
Employees: 110
Revenue: US \$20 million
Founded: 1968



OVERVIEW

DuluxGroup PNG is one of the leading suppliers and manufacturers of paint and industrial chemicals in Papua New Guinea (PNG). Its operations are based out of Lae in Morobe Province, and Port Moresby in the National Capital District, with oversight from its head office in Australia. The company is supported by salespeople operating throughout PNG. To give more visibility into DuluxGroup PNG operations to both the Australian office and local management team, DuluxGroup PNG engaged the services of SAP Gold Partner, Acclimation, to oversee the deployment of SAP Business ByDesign.

Key Outcomes

- Delivered sales uplift of 5-10 per cent
- Increased 'delivery in full' rates from 84 per cent to over 95 per cent
- 80 per cent reduction in stock adjustments from PGK500'000 to less than PGK100'000 per year





The Challenge

Centralising online tools for increased visibility over DuluxGroup PNG operations

With limited oversight and visibility from its Australian-based head office, DuluxGroup PNG was operating largely independently, with insufficient reporting and system integration between the operations. Without sufficient oversight of DuluxGroup PNG's overall financial and operational performance, the wider business group struggled to efficiently support and manage the growth of the PNG division. In addition, the division

was experiencing sales, supply, and inventory issues as a result of inefficient technology solutions. With DuluxGroup Australia and New Zealand already using SAP, the business decided to upgrade the PNG system. Centralising its online tools was considered a critical step for DuluxGroup PNG to create proposals more easily, communicate with the PNG team more effectively, process orders, and remotely check inventory.

The Solution

Integrating business streams for more accurate forecasting and forward planning

As an SAP Gold Partner with a proven reputation in the industry, Acclimation was strongly recommended to DuluxGroup PNG as the ideal implementation partner for the SAP Business ByDesign rollout. Acclimation took the time to get to know the business, working closely with the PNG team for a smooth deployment process. Implementing the SAP Business ByDesign system has provided significant advantages to the DuluxGroup PNG team. While the

incumbent system only provided top-line results for review and analysis, SAP Business ByDesign lets DuluxGroup PNG extract more detailed data on products and stock and helps decision-makers to better understand the data available. This increases accuracy when forecasting and forward planning. The sales team is now also being trained to set more accurate delivery dates by using the SAP Business ByDesign system.

The Impact

Increasing sales and maintaining market share in a shrinking PNG market

By deploying SAP Business ByDesign across DuluxGroup PNG's operations, Acclimation provided more visibility and control across the business for both the Australian head office and the local PNG team. The solution gave DuluxGroup Australia access to real-time reporting that let it easily track results and collaborate more effectively with DuluxGroup PNG. In PNG, managers gained more visibility over sales, inventory, cashflow, historical data, and forecasts.

By integrating inventory, orders, sales, manufacturing, and shipping, DuluxGroup PNG accelerated deliveries and increased 'delivery in full' rates from 84 per cent to more than 95 per cent, as

well as reduced out-of-stock issues. With access to new tools and information, local salespeople working across PNG were also empowered to more efficiently turn around accurate quotes, delivering a sales uplift of between five and 10 per cent. Access to inventory analysis also let the team identify and reduce stock adjustments by more than 80 per cent, decreasing the cost from PGK500'000 (AUD\$194'000) to less than PGK100'000 (AUD\$38'000) per year.[1]

Implementing SAP Business ByDesign let DuluxGroup PNG maintain market share in a competitive market by providing data and insights that could be used for more informed decision-making on forecasting, stock, and production.



“The implementation was smooth and working with Acclimation has been a true partnership. SAP Business ByDesign gives us full control and lets us move faster. With data and insights at our fingertips, we can make informed decisions on forecasting, stock and production to help us maintain market share in a competitive market.”

DuluxGroup PNG General Manager, Simon Barstow