

# TekLink enables a food manufacturing major to understand better the effects of inflation/deflation on profit margins



Case Study



## Business Challenges and Objectives

- Understanding the effect of inflation of raw materials on manufacturing costs and margins was one of the most critical business challenges.
- The client also required a dashboard for the business leads from Procurement Finance Team to analyze the year-on-year impact of inflation/deflation at different organizational levels, product groups, and customers.
- The existing manual process was cumbersome and repetitive, consuming several weekly person-hours.
- The SAP BW required granular-level data for analysis, with no archiving or partitioning in place, making the process extremely intensive.

## Client

- The client is one of the fastest-growing companies in the food industry. They produce cookies, crackers, components, and other baked foods and snacks. They are also one of the largest contract packagers of food products.

## Industry

- Food Services

## Function

- Finance Controlling

## Technology

- Data Visualization



## The Solution

- The TekLink Team recommended and implemented a cloud-based PowerBI solution using SAP BW as the data provisioning database.
- As part of the solution, the procurement operational data was loaded into a data mart, reducing the data volume while enhancing the data retrieval performance.
- Using BEx Queries, the required information was extracted from the data mart into PBI, enabling automated data refreshes and eliminating manual data assimilation and validation.
- The Team developed the visualization based on the finalized standards.



## Outcomes and Benefits

- The business has an automated, repeatable, and quick analytical solution to address the impact of inflation/deflation of raw materials costs on profitability.
- The solution helped the business preempt contractual negotiations with customers to remediate potential impact on profitability.
- The business team has time on-hand to focus on specific areas of concern highlighted by the KPIs on the dashboard.