

Distributor Management with Wings Accounting: NGK Spark Plugs Case Study

Project

Distributor Management for Secondary Sales

Client & Background

NGK Spark Plug Co., Ltd. (Japan) is the world's leading spark plugs manufacturing organization. The company's products are technologically most advanced and popular. They are used in automobiles, motorcycles and general-purpose engines across the world by almost all major OEMs as original equipment and are acclaimed for incomparable technology, performance and quality.

When NGK launched their products in India, it decided to setup a chain of Distributors who would be networked on a single system for billing, collections and inventory. NGK desired to gather secondary sales and other data from Distributors easily and quickly. This was essential for superior planning and strategising.

Considering the nature of its Distributors and the volume of their businesses etc, NGK did not desire to pursue the traditional way of setting up a Supply Chain Management solution but chose a simpler solution and which its Distributors would adopt easily.

Solution

After due analysis, NGK decided on an ingenious solution. It chose to deploy Wings Accounting with each Distributor and Wings Central, the multi-branch software, at its head office.

The objective was to offer to the Distributors a simple software in which were entered all NGK related transactions like sales, purchases, collections and inventory. This data was to be aggregated at the head office periodically.

Implementation

Over a period of a few months, all Distributors were covered so that Wings Accounting was installed and implemented with them. A single set of pre-defined product masters and price lists were embedded in the initial system so that Distributors got ready to use software.

Quick implementation, 2 days or less, led Distributors to go live.

Wings Central was deployed at the head office along with a decent internet connection.

Distributors use the system to maintain their NGK transactions exclusively on the software. Every evening the Distributors use ordinary dial up connections and connect to the Central Server at NGK.

Wings Accounting generates incremental files containing only the data which was entered or edited after the previous upload. The incremental files get uploaded to the Central Server when the connection is established. This takes about 5 minutes per Distributor.

Wings Central automatically aggregates data from all Distributors (after the upload) and generates many reports for management. These reports give the Company management an immediate and comprehensive insight into the business being done by the Distributors.

Reports & Analysis

Wings Central generated highly useful reports and analysis for the company from out of the Distributors' data. The important reports (among many), include:

Benefits

NGK derived huge benefits out of the system. These include:

1. A single system across all Distributors ensured uniformity, standardisation and critical discipline in the Distribution chain. All Distributors on a single system itself resulted in considerable value.
2. A 2-day implementation with Distributors ensured that the roll out with them was smooth and quick.
3. Distributors were able to upload very small packets of data to the Central Server since Wings Accounting uploaded only incremental files and not the entire data. This they were able to do over ordinary dial up connections, spending just a few minutes every day. This made the system very practical and inexpensive.
4. The software solution was very stable and robust. All Distributors were offered remote support by Wings, over the internet or phone, and it worked very well. Wings Central itself aggregated data from Distributors easily without needing any technical management.
5. Wings Central generated highly useful reports and analysis for management.
6. Consolidated Secondary Sales Analysis from Wings Central is of huge value. NGK is able to understand the movement and behaviour of goods from the Distributors to the retailers.
7. Calculation of reward points based on the secondary sales information is made easy.
8. The system incidentally ensures geographical territory discipline .

9. NGK is able to do Sales Forecast using the information from the Wings Central.
10. NGK is able to do Production Planning using the information from Wings Central.

NGK has complete Retailers database of all its distributors in one system.

Conclusion

Wings Central has helped NGK India by providing critical downstream information it needs to compete in today's competitive business. Wings Central software has helped NGK streamline its supply chain and build closer relationships with its customers and making its supply chain more responsive, efficient, and profitable.

NGK Comments

This is what Mr Sudipto Sanyal, General Manager – Sales & Marketing, of NGK Spark Plugs (India) Pvt. Ltd., has to say about Wings:

“ We are using Wings Accounts and Wings Central in our company since 2007. These products are very useful in terms of generating various reports for Management Information System. We are able to generate a lot of reports and can analyze part-wise specific movement of products within our product range, uniform pricing is maintained, customer classification is done and inventory management at the distributor level. These reports are also helpful in calculating the actual sale to retailers from the distributor which further helps in calculating points etc. for our after-market schemes. Our distributors also found it very simple to operate and user-friendly.

The entire Wings team has been very co-operative and helpful in implementing the above in our company. The services of Wings are also very prompt and supportive.”