Gustav Alberts analyzes gross margin flow with DeltaMaster

Highlights

Analysis of invoice items and logistics costs

Automated variance analysis

Calculation of price and quantity effects

Gross margin analysis

Credit note analysis using the data mining method Comparator

KPI comparisons through Small Multiples

Microsoft SQL Server/Analysis Services

Using DeltaMaster, Gustav Alberts analyzes gross margin calculations to clearly detect costs and variances down to the smallest of details. Data mining methods detect correlations that otherwise would have never come to light.

Gustav Alberts, a manufacturer of metal solutions, offers a growing range of over 6,500 products for renovating and beautifying homes and gardens. The family-owned German company founded over 160 years ago today employs approximately 450 employees.

In-depth, transparent sales analysis

To increase data transparency and interlink business departments, Gustav decided to extend its existing IT systems with the analytic front end DeltaMaster. "We primarily use the application to analyze our sales data," explained Heike Wüsthoff, Management Accountant at Gustav Alberts. "With DeltaMaster we can evaluate sales much more efficiently than in the past."

Before users can analyze the data in DeltaMaster, master and transactional data is first transferred from SAP ERP and imported into Microsoft SQL Server. This data is enriched with further information before it is loaded into Microsoft Analysis Services, where users can access it through the intuitive front end of DeltaMaster.

The entire sales team, from managers to inside and field sales representatives, works with DeltaMaster. The heart of the application is a visualization of the entire gross margin flow, which categorizes changes in gross margin for a product as a price effect and quantity effect.

To maintain clean values for price changes, DeltaMaster breaks down the value effects even further. The company separates all invoice-related surcharges and discounts such as shipping or new customer discounts from the pure price effect. "For us, it was important to increase the transparency of our data," Wüsthoff explained.

The benefits for sales are clear. Users can instantly spot bonuses, special rates, shipping costs, and other sales deductions and allocate them directly to individual products. "Years ago, we had to add the freight costs at a flat rate and couldn't make direct allocations to individual articles," Wüsthoff added. "With DeltaMaster our calculations are much more precise."

Automated variance analysis

Using predefined links in the model, users can easily examine variances in gross margin in more detail. With a single click, they can view the variance per country, article group, or business partners. "This allows us to detect previously unknown correlations on our own," Wüsthoff responded proudly. "The automated analyses focus our attention on what is really important." With DeltaMaster, users can compare current values with those from the previous month, year, or quarter.

Clean, data-dense reporting with Small Multiples

Gustav Alberts also uses Small Multiples to visualize data comparisons. These reports repeat a specific chart type and arrange it in a recurring series of tiles. This reveals, for

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Heike Wüsthoff, Gustav Alberts

example, revenue variances from month to month for various article groups in a clear, data-data dense format. "We use Small Multiples to compare product groups with each other and categorize the development of individual product groups in comparison to the entire product range," Wüsthoff explains.

Credit note analysis with Comparator

Gustav Alberts also examines its credit notes in detail using Comparator, a data mining method that places the revenues of credit notes next to each other to make them comparable. DeltaMaster then searches all dimensions and levels of the underlying data model to find out where one of the two measures acts very differently. Users can quickly spot which customer group, for example, generates a relatively low percentage of revenues and a very high percentage of credit notes. Once the customer group with an unusually high rate of credit notes has been identified, users can then analyze the underlying causes to find solutions and optimize processes.

One tool for many departments

Aside from sales, other departments at Gustav Alberts also work with DeltaMaster. Product development, for example, analyzes article statistics, product ranges as well as sales for new products launched in the past year.

The delivery rate is one of the most important performance indicators at Gustav Alberts. "Delivery bottlenecks can result in fines," Wüsthoff continues. "With DeltaMaster, we can check if atypical sales lead to fluctuations in our sales numbers."

The company also uses the software to carefully examine logistics costs. DeltaMaster shows, for example, how the invoice items have changed over time. Today's customers, for example, place orders more frequently but in lower quantities. This behavior, in turn, affects logistics costs.

Due to the large amount of data and complexity of its logistics processes, Gustav Alberts also added a logistics model back in 2014. This model generates KPIs for daily HR planning in the picking areas. DeltaMaster also helps with warehouse optimization by analyzing access frequency, picking times, and the number of picks.

Further references

Companies of all sizes and industries rely on DeltaMaster. Other clients in the construction and building materials sector range from metal goods manufacturers such as ABUS, Conmetall, and Gühring to building material and tool manufacturers including Berker, VELUX, wolfcraft, and Würth International.

DeltaMaster – Software for analysis, planning, and reporting

Efficient reports with graphic tables

Interactive analyses from a built-in analytic library

Automated variance analysis

Support for all popular databases

Report distribution through the Web, to tablets, or as a PDF

Patented, award-winning software (e.g. BARC Best Practice Award Business Intelligence 2013 and 2015 in Germany and 2014 in Austria)

One tool for everyone: from report consumers to power users!

Business Intelligence with DeltaMaster: Look, see, do