BI Customer Success Story:
SOG Specialty Knives Uses Analysis Cubes to Achieve Business Intelligence

The Business Need

SOG Specialty Knives started some 25 years ago with a simple philosophy–to create innovative products that stood apart from the pack. While the company has grown, the commitment to that philosophy has remained constant. SOG Specialty Knives was acquired by a private equity group in January of 2009, putting in place a new management team which had a need for information to meet their objectives of further business insight into sales and profitability, which was not previously easily accessible.

Identifying the Right Business Intelligence Tool

The Resource Group, SOG Knives' Microsoft Dynamics® GP Partner, recommended deploying Analysis Cubes. The cubes provide greater access to sales data, allowing deeper insight into which customers were top performers with regard to sales and profitability. In addition, the cubes would easily rank top selling items within each customer. This allowed SOG to determine which new SKU's being introduced in the following year would sell best based upon successful historical sales of similar products.

The Results

Deployment of the Analysis Cubes for Microsoft Dynamics GP allowed the sales department to quickly and easily pull complete sales information by customer, item and period. As part of the sales forecast and annual budgeting, SOG could analyze what top customers did in terms of dollars, units and SKU's. This data is now easily pulled via a cube report pivot table and summarized in a concise and orderly fashion.

Prior to implementing Analysis Cubes the process was to run a separate report for each customer and a set period then export to Excel. Analysis Cubes now allows the same sort of data, but offers several advantages. Periodicity allows the pulling of data by day, week, month, quarter or year. It also provides subtotals by period as well as a summary across all periods.

"We have gained the insight across all customers and product lines to analyze our data in a quick and easy manner saving time and resources that can now be spent developing the business."

Greg Matty
Controller
SOG Specialty Knives

The Resource Group

Business Insight = Better Management

"An example would be sales for our top customers by month with totals for each year and summary total for 2009 through 2011," says Greg Matty, Controller of SOG Knives. "In SOG's case, pulling data like this drives annual sales forecasts which in turn drives our budgeting process. In addition, all monthly reports for sales reps and vendors are created in a similar manner," continued Matty.

Enhancing Microsoft Dynamics GP
Beyond the implementation of "the cubes," The Resource Group built two reports that use the cubes as their data source. Our weekly sales summary report contains six worksheets. Three of the tabs are for sales by item for the most recent week, month to date and year to date. The remaining three worksheets provide sales information for a selected range of customers, also by week, month and date. The item report is broken out by product category, in our case knives, tools and a 3rd category called Toollogic, a recent addition to the SOG line.

"Where this report excels is in not only pulling data from the cubes, which is easy enough to do, but summarizing the sales data across like items," says Matty. "So if we have five different SKU's that we want to consider as one group of products, we add a common identifier to the five items as well as a generic description like, 'knife' or 'tool.' The cube report returns the necessary data for these five items summarized as if it was one item that was sold. The completed report provides ranked sales data by the common identifier broken out into one three main sections, "knife," "tool" and Toologic. This report is then circulated to the management team every Monday so they can track which groups of products are our best sellers," explains Matty.

"Although the initial sales summary cube report was written by The Resource Group, it is easy for us to add new customers or items to the report an outside person. This saves money and cuts turnaround time substantially," continued Matty.

The Conclusion
Overall, both of these aspects of cube reporting have saved much time and allowed easy access to a large volume of data. The cube database updates nightly and accessing this data is nearly instantaneous as opposed to having to wait for thousands of rows of data to export.

"By having this data and reporting available to us, we are able to closely analyze how our customers and sales reps are performing as well as which items or groups of items are selling well or need to be discontinued," says Matty. "Prior to this, we would only pull data on an account by account basis as it took so much time to accomplish. Now we are able to gain the insight across all customers and product lines in a quick and easy manner saving time and resources that can now be spent developing the business."

For more information on Business Intelligence for your business, contact The Resource Group at 425.277.4760, visit www.resgroup.com or email info@resgroup.com.

Company:
SOG Specialty Knives

Business Solution:
Microsoft Dynamics GP
  Financial Series
  Analysis Cubes
  Sales Order
  Purchase Order
  Inventory
  Bank Reconciliation
  Bill of Materials
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