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VINHA

Wine Distributor Streamlines Sales, Purchasing, and Inventory Processes With Odoo ERP

Vinha is an online wine distributor located in Sintra, Portugal, with operations spread throughout the EU and other European countries.

Vinha carries over 2,000 types of wines and spirits, and has structured their website with the goal of helping customers easily sift through options with accuracy and speed. As highly knowledgeable experts, Vinha provides customers with product insights such as the best mixes for each wine, the right temperature for maximum enjoyment, and ideal storage intervals. They were also the first web-based wine store to use the Vivino rating system—the premier wine marketplace/community that features ratings from over 10 million wine lovers and aficionados.

In the last few years, Vinha has undergone significant changes in circumstance that have led to a more than notable growth spurt throughout their operations. In 2019, Elisio Santos, Vinha's owner and mastermind behind all things wine, purchased the business with the intention of radically scaling Vinha's potential as a distributor. Elisio invested in a proper warehouse equipped to handle Vinha's upward movement, and brought on Pedro Sarmento, Vinha's current operations manager, to help manage the initiative alongside a few other Vinha personnel.

While exciting, these fruitful changes created a considerable amount of fatigue within Vinha's business processes, which in turn placed Vinha in exactly the right position to reconsider how they executed and managed their operations. In particular, Elisio and his team became interested in automating sales and purchasing, creating full visibility over inventory, and finding a tool that accurately calculates margins. What follows is the story of Vinha and OSI's collaborative effort to implement and optimize Odoo ERP software for streamlined management of Vinha's processes.

Situation

After Elisio took the helm, Vinha's overall growth consistently showed increases of hundreds of percentage points per quarter, with the promise of continued growth pressing firmly onward into Vinha's future. However, this sudden burst in expansion put strain on the tools and techniques they'd been using to conduct business.

Vinha's product catalog had grown from 600 to more than 2,000 stock-keeping units (SKUs) over the course of a single year, causing their WooCommerce/spreadsheet setup to fall short when maintaining visibility over stock. In the wine industry, varying brands, types, and years constantly fluctuate in value, meaning that an inability to track inventory with 100% accuracy can result in waste and underpricing. Put simply: Vinha was looking for better visibility over inventory turns so that product aging never becomes a problem.

Vinha's tools before Odoo:

+ WooCommerce + spreadsheets to manage their online store

+ No system for accurately calculating margins.

+ InvoiceXpress for invoicing

+ Manual process to purchase replacement inventory and keep the warehouse stocked

Additionally, Vinha's order numbers piled up to the point of requiring daily purchases from many different suppliers, and each weekend Vinha experienced peak order volume. This resulted in an inconvenient amount of extra hours spent processing these orders before the picking team could resume work. Though this is certainly not too bad of problem to have when it comes to your business's livelihood, these increases contributed to a clog in Vinha's processes and created delays.

To sum up, Vinha's substantial growth put their resource planning and warehouse management techniques under an overwhelming amount of pressure, and this caused Elisio and team to seek out better techniques for streamlining the company's processes. Vinha partnered with OSI to implement an ERP system run in Odoo, with a custom configuration that simultaneously addresses Vinha's present needs while setting them up for future success.

" We were using a lot of our time doing tasks that I thought should be done by an automatic system. It was almost impossible to keep track of all the changes. This was the main driver to get reliable information that gives us the tools to decide over prices, over stock, and over assortment. "

ELISIO SANTOS
GENERAL MANAGER, VINHA

Approach

Ensuring Vinha's operations adjust proportionately with their success

Our Odoo experts worked closely with Vinha's managerial leads—Pedro Sarmento, Oliver Fontein, and of course Elisio Santos himself—to work out exactly the right Odoo configuration for simplifying processes. By finely tuning Odoo to meet Vinha's situation, they would be able to conduct business using effective stock, purchasing, and margin-calculating methods, with more than enough room to continuously optimize as demand continues.

> *Odoo helped us to control visibility, margins, and stock. Before Odoo, we had to do everything by hand. Now, it's much better.*
>
> **PEDRO SARMENTO**
> **OPERATIONS MANAGER, VINHA**

From making supplier orders to e-commerce and fulfillment, Vinha's processes were in exactly the right place to receive OSI's Odoo ERP treatment, which was launched in accordance with our tried and true procedure for solidifying a successful ERP project:

Analyze

Vinha and OSI's collaboration focused on identifying the specific benefits they would be able to reap by implementing an Odoo system. Together, we outlined their processes and conducted collective brainstorms to imagine Vinha as a company run with and/or aided by Odoo.

Optimize

Soon, it became clear that Vinha was in need of integrating a tool that allowed them to automate sales orders in WooCommerce, improve purchasing processes, effectively manage the full extent of their large inventory with full visibility, integrate or replace InvoiceXpress, and act on reporting/analytics to drive process improvements in their e-commerce and inventory optimization efforts.

Automate

Integrating Odoo with Vinha's existing processes poised them for automation across each of their key problem areas. These being: Sales, purchasing, inventory, invoicing, and overall e-commerce functionality. With Odoo integration nurturing each of these, Vinha would wield the power to clear bottlenecks and drive a more fluid operation.

Transition

Vinha and OSI worked together to create enhanced processes that could more effectively accommodate their mammoth inventory and high demand. With ample time provided for Vinha to adjust to their new Odoo system and iron out the kinks, we anticipated that the Vinha + OSI collaboration would result in a well oiled sales, purchasing, inventory, and e-commerce machine, sufficiently greased and ready to foster success.

" I was happy when we decided to go with Odoo. You can have actionable, real-time insights into what's going on in the warehouse and sales. "

OLIVER FONTEIN
MANAGEMENT, VINHA

Initiating the right tools, goals, and configuration for optimum performance

Vinha's tools after Odoo:

+ WooCommerce connector with Odoo for automated creation of sales orders to trigger a more optimized process of picking, packing, and shipment.

+ The Odoo inventory management functionality to track Vinha's 2,000 SKUs, integrated with Odoo financial accounting.

+ Customization of Odoo to provide the choice of either integrating with or replacing InvoiceXpress.

+ The Odoo Purchase module to improve purchasing processes such as usage of automated re-ordering rules, more efficient vendor shipment tracking, stock reception, and storage in documented aisle, shelf, and bin locations.

+ Reporting and analytics to drive process improvements in the eCommerce and inventory optimization effort.
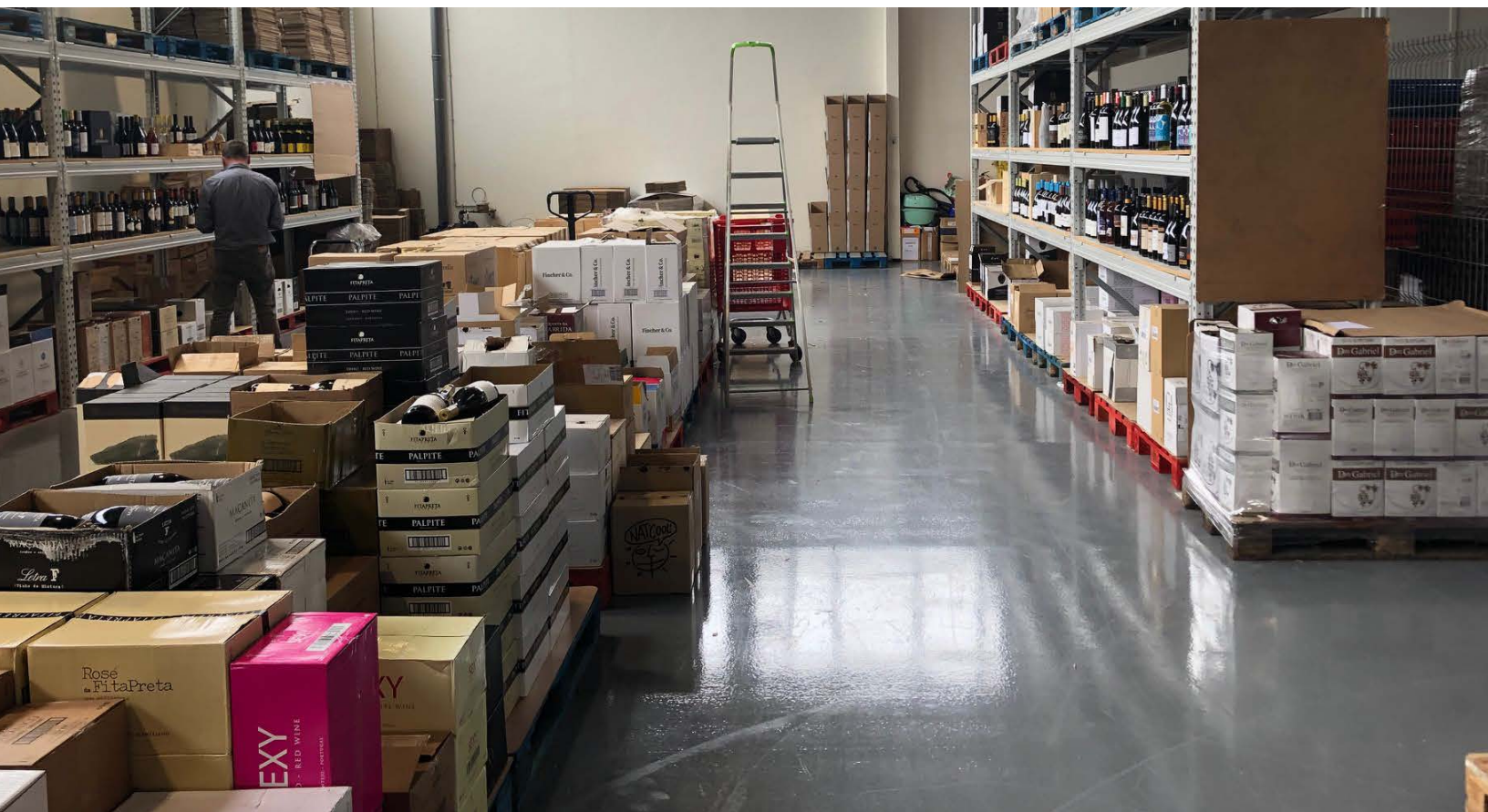
The central goal for configuring Vinha's Odoo system was to the identify key problem areas in their previous processes and address them with a carefully tailored integration. Each of the following goals were successfully carried out and are continuously being tested and reconfigured to meet Vinha's needs.

STREAMLINE THE ORDER FULFILLMENT PROCESS

A significant part of Vinha's deliveries are order-to-buy. This means that Vinha procures from suppliers when customer orders are placed. Using their previous methods, this was a manual and time-consuming process that tended to fall short when order volumes became overwhelming. With Odoo, Vinha is now able to streamline this process by proposing and tracking supplier orders automatically.

VISIBILITY ON SALES MARGINS

Most references have low margins, and on top of that, discounts and delivery costs apply. With this in mind, it is critical for any business to understand margins obtained per product and order, after direct costs are accounted for. Odoo provides this information by allowing the Vinha team to keep a record of the actual product costs, with the added benefit of estimating packaging and delivery costs. Vinha's Odoo system can now use this information to report accurate margins per product and order, giving Vinha the ability to adjust pricing and quickly make decisions on their delivery charge policy.

CONTROL SUPPLIER BILLS

Our experts configured Odoo to ease some of the strain and complexity of controlling supplier bills manually. A process was put in place to automate supplier orders, control the quantities received, and check the received invoices against the received quantities and agreed prices.

VISIBILITY OVER SLOW-MOVING STOCK

As noted earlier, wines of varying brand, type, year, etc., are constantly fluctuating in value and demand. For a distributor like Vinha, this creates the need to always keep track of what's in inventory. With accurate inventory data produced by the purchase and sales transactions, Vinha now has real time visibility on existing stock, and has complete visibility over corresponding value and cycle times.

Results

OSI and Vinha worked together to implement key fixes throughout every fixture of operations that was unable to support growth. Now, with Odoo, Elisio and his team will be able to work through their newly configured Odoo-supported processes and make tweaks where necessary.

It's fair to say that Vinha's Odoo implementation went as smooth as any ERP system implementation could go. But what we, OSI, are truly the most proud of is the chance to have formed a steady working relationship with Elisio, Pedro, and the rest of the Vinha team. When it came time for Vinha to consider an ERP, they could have gone with any other integrator out there, but chose above all else to go with OSI.

We're honored that Vinha chose OSI as their partner in implementing a tailor-made Odoo ERP system, and we look forward to continuing to help bring their business a superior level of ERP operability.

" The relationship has been more than professional. They [the OSI team] are available whenever you need them. The whole team does everything they can to make things happen. "

ELISIO SANTOS
GENERAL MANAGER, VINHA

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AN URSA COMPANY

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🌐 opensourceintegrators.com

✉ contact@opensourceintegrators.com

📞 480-462-OPEN