An Approach to Remodel the Fast Moving Consumer Goods Distribution in Sri Lanka

Improving current efficiencies in Key Performance Indicators

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Declaration

This research thesis is submitted by me in the fulfilment of the requirement to qualify for the Master of Science in Information Management. I do hereby certify that the information regarding this Master of Science in Information Management thesis is up to the rules and regulations of Sri Lanka Institute of Information Technology. Here with I sincerely certify that this research report is my independent work and does not contain work of any other person without due acknowledgement. I also declare that this report has not been submitted in the pursuance of any other qualification or award.

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Abstract

The Fast Moving Consumer Goods selling industry is one of the most profitable and sustainable businesses in the world. Specially, considering the south Asian region and the current Sri Lankan context, the FMCG product redistribution is identified as a process which is broadly decentralized and performed with many complexities which are yet to be addressed for a better outcome from the business. Current issues in managing people, handling quickly altered inventories, having up to date but secured sales data and having the accurate set of master data in hand to conduct the business has become very challenging for the top leadership. The possible revenue losses due to the lack of best practices in the above highlighted areas are identified as very high. During this research a study was conducted to do a detailed study on the current Sri Lankan FMCG redistribution business and the working models. The outcome of the intended existing business model study has helped the researcher to identify the problems in each segment in the current business and then to propose a new business model which has been proven with tested results on its success. Finally, the intention of this research was to introduce a new business model for Sri Lankan FMCG driven industries which can be easily adopted and be practiced for a better outcome from their businesses than before.

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2.0 Definitions, Acronyms, and Abbreviations

FMCG	Fast Moving Consumer Goods
KPI	Key Performance Indicators
B2B	Business to Business
3PL	Third Party Logistics
IT	Information Technology
SFA	Sales Force Automation
DMS	Distributor Management System
PC	Personnel Computer
SKU	Stock Keeping Unit