Epicor® eBook

6 Digital Technologies Transforming Distribution

Contents

Introduction

Technology is the Catalyst

An essential part of Digital Transformation is identifying which technologies can best help you unlock new opportunities and equip your business to absorb future challenges.

This eBook will introduce you to six key technologies essential to Digital Transformation, what to consider when choosing each solution, and how to track and measure their performance.

You'll learn the basics of:

- eCommerce

- Cloud

- Enterprise Content Management

- Data Analytics & Visualization

- Smart Shipping

- Electronic Data Interchange

- The Power of Integrations

Digital Technology 1: eCommerce

How eCommerce technology enables Digital Transformation

eCommerce technology is a good first step for distributors to consider at the start of a digital journey. By taking their business online they now allow customers and prospects to view, select, and purchase products online. With this step into eCommerce technology, they can quickly transform their presence from bricks and mortar to include a web presence that isn't just a website, but an entry point for customers to interact with them.

eCommerce opens up a new and more convenient way for you to interact with your customers, who are increasingly moving away from traditional ordering methods, using features like customer portals.

"We've experienced consistent double-digit growth and our eCommerce software is an integral part of that growth. It's our digital face to the world."

James Davis, President | Industrial Specialties Mfg.

What to consider when choosing eCommerce technology:

- **Customer-friendly:** provide a rich experience to users with guest and account logins, product browsing before login, list-building, and easy-to-use search

- **Support business-to-business (B2B) customers:** the ability to provide access to see special pricing, make fast repurchases, make payments on their accounts, request a quote through RFQ forms

- **Integration with sales team:** use eCommerce to boost your sales teams' efforts by providing access to account information and data such as purchase history, transactional repeat business, service calls, and custom discounting

- **Security:** customer and company information is secure with HTTPS, user IDs, and passwords

- **Reinforce marketing:** newsletter signup, product recommendations, and targeted pop-ups ensure customers are informed and supported throughout the lead cycle

- **Integration with your ERP:** eCommerce seamlessly integrates with your ERP to ensure the accurate and automatically updated product information, order and shipment details, pricing, and inventory levels

What you can track:

- **Increased revenue:** capture new transactional sales leads and business that wouldn't otherwise be economical, and benefit from increasing the average order size of field sales

- **Reduced cost of sales:** by allowing self-serve transactions through eCommerce, eliminate the cost and administrative work of sales reps and staff processing transactions, all while shortening the average sales cycle

- **Faster go-to-market:** introduce new products faster and easier by launching via eCommerce and digital channels, while also providing the ability to rapidly test product mix, messaging, and pricing

- **Improved customer experience:** customers benefit from a faster and more convenient purchasing experience, allowing them to browse and buy from anywhere at anytime
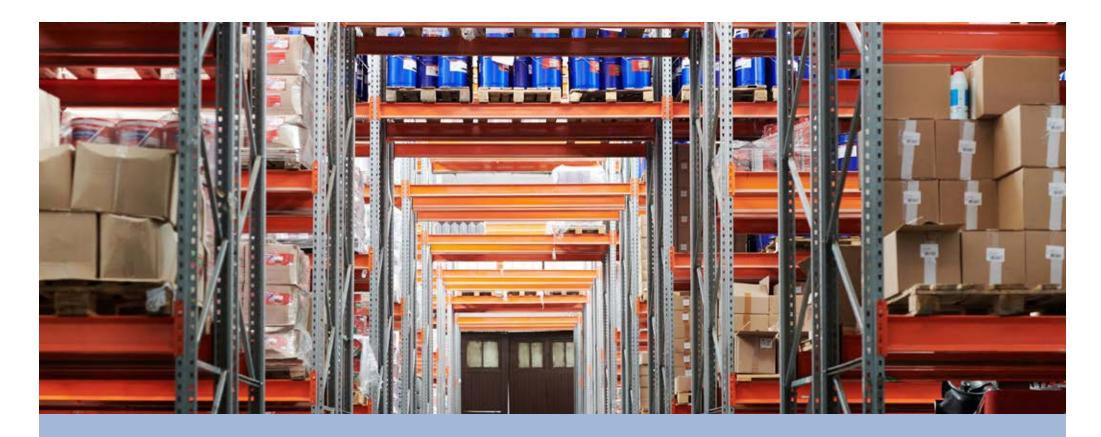
Digital Technology 2: Cloud

How cloud technology enables Digital Transformation

Using cloud-based software makes services and applications available to users on-demand via online servers, as opposed to being provided from your business' on-premises servers. For example, when your ERP system is built on and delivered via the cloud, your digital journey is accelerated because you can run and grow your business without having to worry about key issues that haunt on-premises deployed systems, like upgrades that include cumbersome customizations, a server refresh, or the threat of ransomware.

Moving to the cloud is a great step to digital realization because technology providers can nimbly move on-premises, closed systems to an agile, flexible, on-demand cloud infrastructure, all in a clearly defined timeline. No longer is this move an insurmountable obstacle. It can be approached in stages to get you on the path to scaling an IT investment for real business returns. Your IT resources can be dedicated to move from a static technology environment to a technology ecosystem that provides business insights and action to keep your customers happy.

"By choosing the cloud option we moved to a modern ERP and got out of the hardware management business. We don't have to pay to update servers or move our legacy technology along with all the expensive customizations to new servers – it would have been costly."
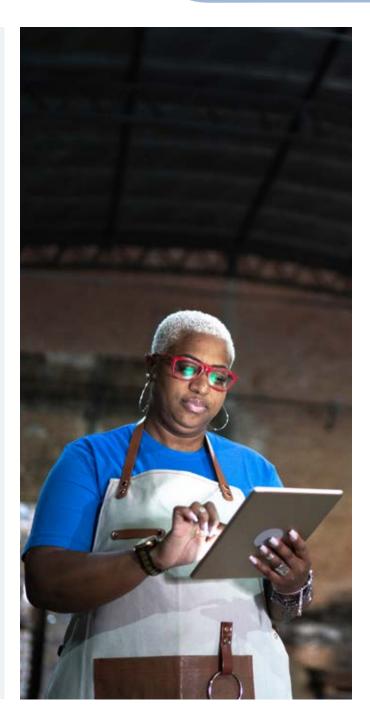
Scott Young, President | George E. Booth

What to consider when choosing Cloud technology:

- **Provider Support:** the amount and types of investment the Cloud provider makes in their platform on an annual basis

- **Availability:** the reliability of the system to provide industry-standard uptime to match or beat competitors

- **Scalability:** if the system can keep pace with growth needs

- **Accessibility:** the ability to easily integrate into other technology in your environment

- **Flexibility:** options to use cloud capabilities that support your specific operation, including as it changes in the future

What you can track:

- **Reduced operational costs:** capture new transactional sales leads and business that wouldn't otherwise be economical, and benefit from increasing the average order size of field sales

- **Decreased security costs:** with Cloud solutions, your vendor makes security their top priority, allowing your team to focus on growth

- **Reduced administration:** free your IT department from the burden of administrating a database, operating system, or applications

- **No more hardware:** eliminate the need for hardware – and the risk and maintenance that comes along with it – as you scale and grow

- **Automatic upgrades:** get the latest releases on a regular cadence, avoiding periodic and manual organization-wide updates

- **Higher employee satisfaction:** support initiatives such as remote work easily

Digital Technology 3: Enterprise Content Management

How enterprise content management enables Digital Transformation

Enterprise Content Management (ECM) makes managing your business' documents easier, faster, and with greater consistency and control. Documents and files that used to be unstructured are now stored centrally and made available to your employees and customers. You can rest easy knowing that the latest versions are always in use – reducing the pain and headache of paper documents, version control, and locating files.

What to consider when choosing ECM technology:

- **Security:** granular settings that put you in control of who can access and edit documents

- **Ease of Use:** users can navigate your ECM with speed and usability with little to no training

- **Collaboration:** files can easily be shared and edited with others

- **End-to-End Lifecycle:** features to capture, store, publish, and track/audit documents

- **Integration:** connect with other systems like your ERP and services easily

What you can track:

- **Improved Productivity:** faster, easier document discovery and management to boost productivity

- **Customer and Supplier Experience:** build better relationships and improve sales cycles by providing quick access to information

- **Error Reduction:** by streamlining document discovery and critical information for decision-making

"ECM allows us to spend less time handling the hard copies of invoices, filing, and document retrieval. It's dramatically reduced the workload needed for these processes."

Linda Larsen, Business Systems Admin | Precision Valve & Automation

Digital Technology 4:
Data Analytics & Visualization

How data analytics and visualization enables Digital Transformation

Data Analytics and Visualization help unshackle you and your team from the grind of data collection and static reporting. This technology, which can be fed directly from your ERP, brings numbers to life through dynamic reporting and compelling visualizations that help you pay proactive attention to revenue, expenses, and other KPIs that matter.

With real-time analytics delivered digitally, businesses can stay connected to their revenue and performance numbers and be able to make informed decisions promptly. The way you manage your business will be transformed because your decisions are backed by quantifiable insights.

What to consider when choosing Digital Analytics & Visualization technology:

- **Designed Interface:** for faster reporting, consolidation, customization, and drill-down of key data

- **Customization options:** to add, calculate, and visualize the numbers that matter most in the way your organization uses them, such as EBIT, margins, and ratios

- **Cloud-based with secure access:** available from anywhere for those with access and administrative permissions

- **Multiple sources:** an ability to bring a range of data sources together from across your business including your ERP – and even externally – to reveal what's really going on

What you can track:

- **Time savings:** fast and easy monthly reporting, consolidations, comparisons, customized statements, and permission-setting

- **Reduced reporting admin:** automatically report, analyze, and track numbers for legal and non-legal entities like branches, area departments, and specific product lines

- **Faster, better decision-making:** a single source of truth that is always up to date, without the headache and errors of managing static spreadsheets

"Data is now more important than ever. My declaration was that we need a single source of truth, so every bit of data we have is going to funnel through our data analytics engine. Now we've got a myriad of dashboards and much more sophisticated forecasting. That's really important in an environment like this."
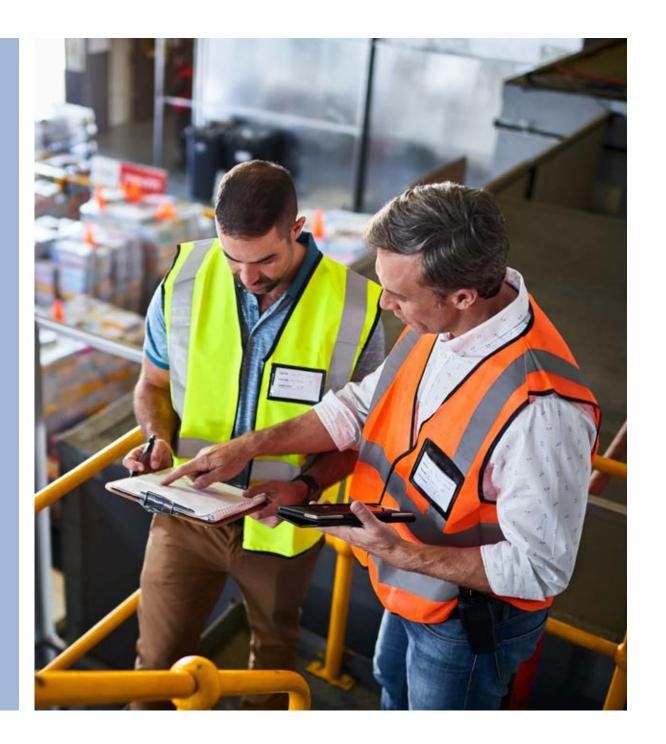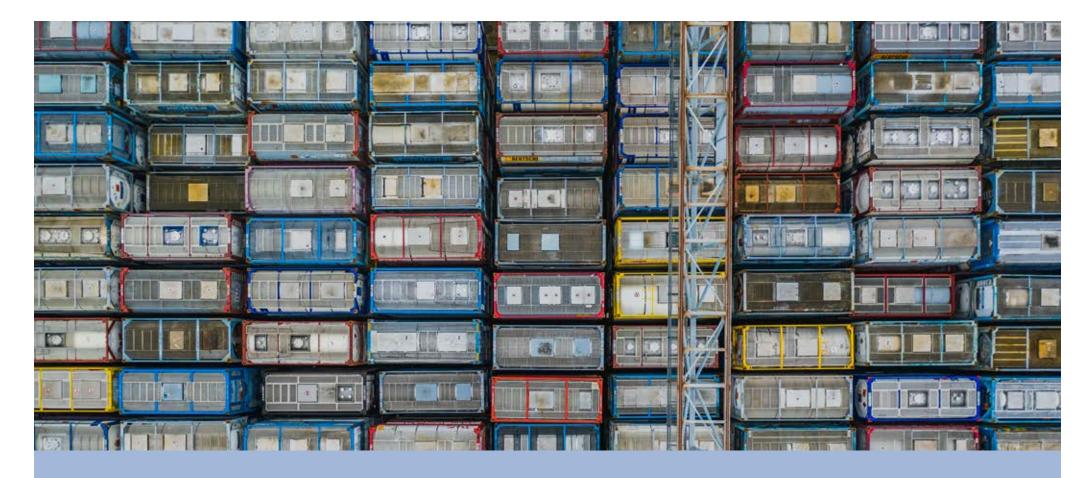
John Wiborg, CEO | Stellar Industries

Digital Technology 5: Smart Shipping

How smart shipping enables Digital Transformation

Smart Shipping technology is another way to venture into your digital journey. It enables you to process shipping transactions faster and more efficiently, critical when the pace of order fulfillment is growing every day and sales are happening faster than ever.

When shipping integrates with your ERP, details are automatically pulled in, shared with carriers via the web, and estimated for freight charges and tracking information. All of this automatically appears in your ERP system in real-time, letting you process any shipment using any licensed carrier all from the same screen. You'll see a significant reduction in errors associated with manually taking datafrom the carrier to your ERP system. And finally – if integrated – all this triggers automated invoicing of freight charges. The most important end outcome is: your employees are better equipped to handle inquiries from customers anxiously waiting for deliveries, transforming how you serve your customers.

"When we integrated our shipping with ERP, we quadrupled sales, reduced shipping days from four to one, and vastly improved productivity. This is our foundation to thrive in this hyper-competitive environment."

Mary Porter, CEO | Emergent Safety Supply

What to consider when choosing Smart Shipping technology:

- **Designed Interface:** for faster reporting, consolidation, customization, and drill-down of key data

- **Support for multiple carriers:** to enable rate shopping and provide customers with options at the time of quoting, ordering, or shipping

- **Automation:** to instantly trigger bill of lading generation, email notifications, invoicing, and other key points in the shipping workflow

- **Easy to use interface:** help ensure your Smart Shipping technology is adopted and loved by employees, carriers, and customers

- **Integration with ERP:** seamless connections to your ERP system ensures a quick process of shipping transactions more efficiently

What you can track:

- **Reduced overall freight spend:** benefit from improved shipping productivity; do more with less by automatically streamlining multiple tasks into a single workflow

- **Elimination of errors, surcharges, and fines:** manual errors no longer lead to poor estimations

- **Improved customer service:** provide customers with the best rates and multiple shipping options at multiple points throughout the sales cycle; seamless email notifications as orders are processed and shipped

- **Reduced onboarding and training time:** with automated processing, benefit from less training on fewer workflow steps
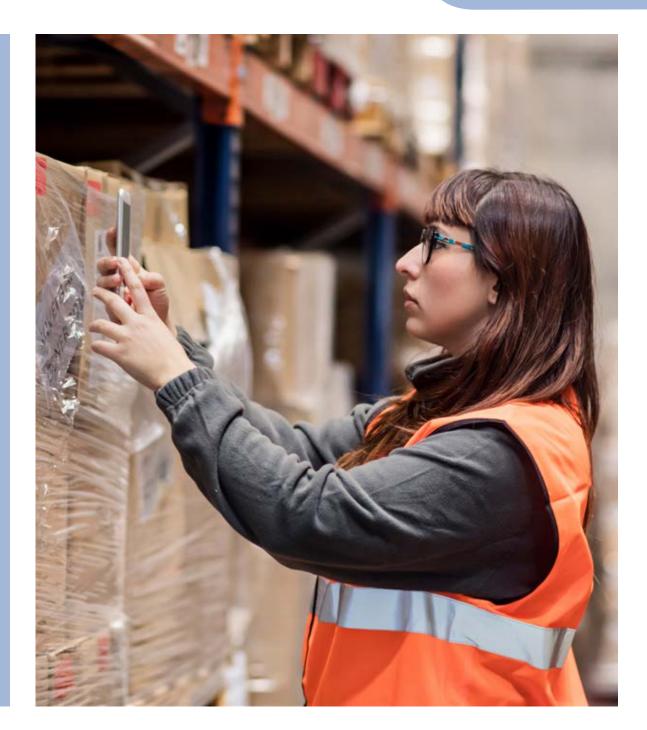
Digital Technology 6: Electronic Data Interchange

How electronic data interchange enables Digital Transformation

Electronic Data Interchange (EDI) is a set of standards that defines common formats for information to be exchanged electronically between two organizations that do business together – or "trading partners." It allows companies to speak the same language electronically and communicate more efficiently to be digitally connected.

EDI eliminates paper-based process and manual processing – and the inefficiencies that come with it – by automating the electronic flow of information in packets of formatted data. It has become a global standard for information exchange between trading partners.

Documents exchanged through EDI may include invoices, purchase orders, advance shipping notifications, student transcripts, healthcare claims, and many more. By considering EDI technology, a distributor is no longer on an island; you establish yourself into the supply chain.

What to consider when choosing EDI technology:

- **Supports trading partners:** consider how many trading partners will you need to exchange EDI with, the types of transactions required, and the frequency. These will drive the mapping, translation, and communications requirements best for your business.

- **Integration with back-office systems:** to ultimately realize the full benefits of EDI, integration with your business systems is critical. Ensure the EDI you choose can receive and share information with these systems. Additionally, if some manual data will be required, look for a system that allows this as well.

- **Resources and commitment:** depending on the team, resources, and time available to deploy and manage EDI, you may consider a range of options including web-based, managed services, installed software, or cloud-based. Cloud tends to be the best option for companies looking for flexibility and control without the IT overhead.
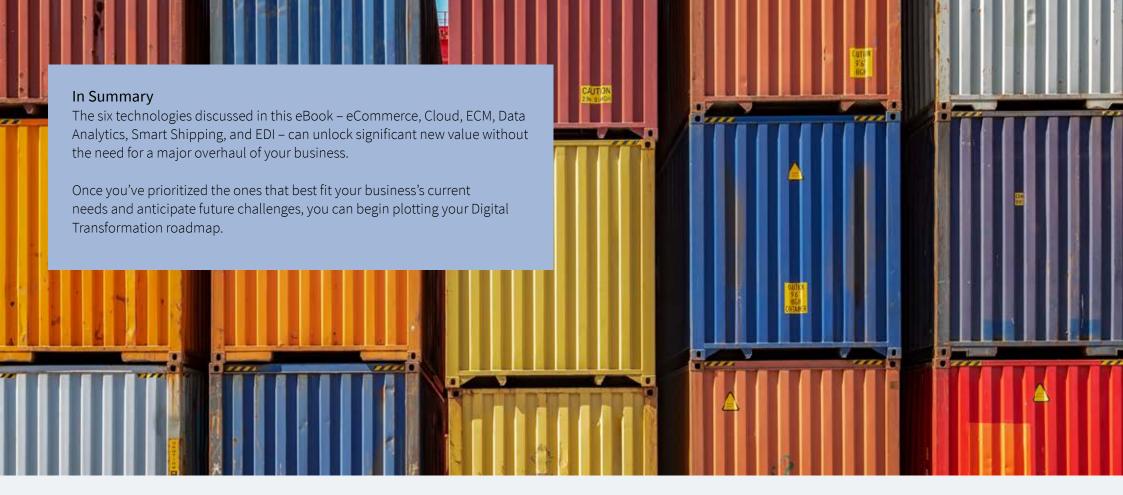
What you can track:

- **Cost savings:** automating the flow in information, and reducing human manual work, savings on overhead, printing and paper, data entry errors, inventory, and penalties and chargebacks.

- **Partner collaboration:** because data sent via EDI is never physically 'touched' the likelihood of errors is greatly reduced, promoting stronger relationships between trading partners. More importantly, valuable partner information is visible faster and easier with inventory status, forecasts, and more.

- **Improved efficiency:** sending information via EDI takes just seconds or minutes. Partners can act on received data immediately and with less manual work, meaning more efficiency for both you and them. This is even more true when integrated with your internal business and accounting systems.

- **Greater security:** information exchange becomes more secure using encryption and other security protocols.

"I used to spend a ton of time trying to find the data to dispute chargebacks, but now it's so easy to locate the data and extract the right information."

Lori Julius, Vendor Compliance Manager | Lifetime Brands

In Summary

The six technologies discussed in this eBook – eCommerce, Cloud, ECM, Data Analytics, Smart Shipping, and EDI – can unlock significant new value without the need for a major overhaul of your business.

Once you've prioritized the ones that best fit your business's current needs and anticipate future challenges, you can begin plotting your Digital Transformation roadmap.

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We're here for the hard-working businesses that keep the world turning. They're the companies who make, deliver, and sell the things we all need. They trust Epicor to help them do business better. Their industries are our industries, and we understand them better than anyone. By working hand-in-hand with our customers, we get to know their business almost as well as they do. Our innovative solution sets are carefully curated to fit their needs, and built to respond flexibly to their fast-changing reality. We accelerate every customer's ambitions, whether to grow and transform, or simply become more productive and effective. That's what makes us the essential partners for the world's most essential businesses.

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