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Achieving Excellence

HOW SUCCESSFUL DISTRIBUTORS
USE TECHNOLOGY TO WIN IN
A DIGITAL ECONOMY

Achieving Excellence:

How Successful Distributors Use Technology to Win in a Digital Economy

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Introduction

Distributors are facing a far different business landscape today than they were even just three years ago.

Customer buying behavior has shifted, supply chain snarls continue to create challenges, and technology is now central to increasing profits and staying competitive. Distribution companies of all sizes are scrambling to keep up with all the changes and learn how to be successful in the "new normal."

This guide offers a detailed look at the individual components of business success in a digital climate and explains how the right technology–and a well-planned implementation roadmap–will help your wholesale distribution company achieve excellence with customers, employees, and business stakeholders. And because 2023 ushers in an array of marketplace uncertainties, we highlight key trends that successful distributors must understand in order to make sound operational decisions.

Transforming the Customer Experience

Creating an experience that keeps your customers satisfied and loyal to your distribution business requires more today than it did 20 or 30 years ago.

Back then, proximity alone generally meant customers were unlikely to defect to a competitor. Today, customers are more educated with more choices than ever, and are swayed by criteria far beyond geographic location. Even more challenging, customers increasingly make their buying decisions over the computer without much input from an actual salesperson, putting pressure on the strength of a company's digital branding.

Ultimately, the overall experience customers have with their distributors drives the final selection. Successful distributors are the ones who obsess over customer experience and ensure that when people do business with them, they come away feeling great about the company, the products, and the staff.

3 Ways Technology Transforms Customer Satisfaction with Your Distribution Company

Whether you're starting from scratch or looking for ways to improve your current approach, using technology as the foundation of your customer experience strategy can lead to positive results in three primary ways:

GO BEYOND DATA. BE INFORMATION-DRIVEN.

Distributors tend to make decisions that impact customer experience through one of three lenses. First, and arguably the least reliable, is through "tribal knowledge" – anecdotes and opinions derived from the collective wisdom of staff who have been doing their jobs for decades, and therefore believe they know their customers better than anyone else. Personal experience can't be completely discounted, but this subjective lens is often devoid of reliable facts on what customers like and don't like, and doesn't translate into measurable, scalable insights. At its extreme, operating through the faulty lens of tribal knowledge can lead to huge gaps in a company's ability to understand its customers, leaving them blindsided when those customers leave for the competition.

The second lens through which distributors make customer-focused decisions is through data. No one will argue with the importance of data as it pertains to informed decision-making, but data on its own is raw, unanalyzed, and even unrelated. Similar to the issue created by tribal knowledge, raw data is devoid of the proper context for truly strategic decision-making.

There is a third and more robust approach to consider, and that is an *information-driven* approach. Successful distributors invest in quality technology that processes, analyzes, and structures raw data in a way that records consumer behaviors without bias, impressions, or personal feelings. Objective context around customer buying habits, their decision-making processes on products to purchase, and choices they make when weighing the benefits of a variety of products and vendors eliminates the risks and inefficiencies inherent in decisions driven by simple numbers or personal opinion. And, this information doesn't disappear when an employee walks out the door.

Decision-making through a lens of data translated into relevant, actionable analysis in the form of *information* is far and above a superior strategy to any other when creating a powerful customer experience.

STOCK THE RIGHT PRODUCTS IN THE RIGHT QUANTITIES.

Balancing and managing inventory is a chief concern–and challenge–for any distributor. Stories abound of emotion-driven inventory decisions by an employee who elected to overstock based on a single past experience of product shortage. The resulting deadstock doesn't just occupy valuable space in your warehouse. It also ties up your working capital and leaves you vulnerable to inventory gaps that drive customers into the arms of competitors.

This is why successful distributors use technology–and the information it produces–to improve purchasing decisions. They know what percentage of their stock is moving quickly versus how much hasn't moved in 12 months. Spikes in orders received can drive alerts while there is time to react. By investing in the right products at the right time and avoiding products that are too similar, distributors can simplify demand planning, deliver on demand, and provide a stellar customer experience–simultaneously.

Even if business is currently good, look at your data through a critical lens, ensuring the information it yields is reliable, certain, and useful. Go through your warehouse, and identify items you should get rid of to free up space for the products that matter. Your customers (and your profit margins) will thank you.

PROACTIVELY OBSERVE AND RESPOND TO CHANGES IN CUSTOMER BEHAVIOR.

Don't wait until a customer has already defected to find out what went wrong. Instead, keep an eye on their buying behaviors so you detect changes early. Once you notice something is awry, intervene immediately, get feedback from your sales team, and find out what they might have missed. By taking proactive measures to understand your customers' purchasing habits and expose patterns quickly, your team can make the appropriate course corrections before they establish new relationships with the competition. In the end, you'll increase your client retention rates.

How Information Powers the Customer Experience

Here's a real-life example of how an information-driven approach to managing your distribution business enhances both the customer experience–and company profitability:

Let's say your data shows that you generate twice as much revenue from Customer A as compared to Customer B. While your impulse might be to focus your energies on the former, the right information and context may steer you in a different direction. For instance, your analytics may reveal that to retain Customer A, you've had to offer discounts, absorb payment delays, and accept quick returns. Customer B, on the other hand, generates significantly more profit as they pay their bills on time, keeps most of the stock they order, and exhibits other behavior that incurs lower operational costs relative to Customer A. While both customers are important to your bottom line, this deeper-level understanding of customer patterns can help teams prioritize efforts more strategically, which, in this example, would mean allocating time towards maximizing Customer B's business and changing Customer A's buying behavior.

In the end, a positive customer experience is a powerful way to create and maintain a true competitive advantage–and impact your business for the long term.

Building Your Employee Experience Strategy

The best distributors in the industry make creating a positive employee experience a top priority for management.

That's because it's closely correlated with increased productivity. Moreover, companies with satisfied employees also tend to have happier customers.

A positive employee experience also results in lower turnover, a greater ability to attract top talent for open positions, and a reputation as a great company. People thrive at work when they know what they're trying to accomplish, understand how their actions and choices impact the business and have the technology they need to reach their goals. For many local and regional distributors, having a consistent contact available to your customers is important in helping drive customer loyalty. It is human nature to be more comfortable with people that we already know, even if that person is calling or emailing to collect on an invoice.

Here, we'll discuss how the right technology can deliver an employee experience that drives your business forward.

Minding the Gap:
Tying Technology to Employee Performance

Whether you're implementing a new technology or working on a strategy to better utilize what you already have, you might find yourself facing an all-too-common challenge: despite the benefits technology promises, your team hasn't optimized its offerings. Often, this happens when people don't tie the technology and the capabilities it produces to their success. Put another way, they can't visualize the relationship between using the tools within a given solution and the performance levels they are expected to achieve.

To overcome these obstacles, take the time to train your team members on how the technology will measurably impact their own experience with the company. Also, demonstrate the rewards associated with greater performance. For example, make sure your sales team sees that using the technology at their discretion positively impacts their individual commissions.

Creating a positive employee experience means understanding that company profitability alone is not enough to motivate your staff. People need to see how the tools they're using make a difference in their quest to achieve their own work-related goals. When your team knows how their individual performances contribute to the overall goals, you'll garner greater employee buy-in.

4 Ways the Right Information Results in a Positive Employee Experience

Here are four benefits of choosing the right technology that yields the right information, ultimately turning employees into advocates:

THEY'LL SPEND TIME WHERE IT MATTERS.

Let's go back to the real-life example from the first chapter about customer experience, in which you generate twice the revenue from Company A as compared to Company B. When looking at a single variable, in this case revenue, sales staff in charge of these accounts may erroneously determine that more time and energy is better spent on Customer A, which could in turn have the effect of driving down overall profitability. The difference between technology that simply spits out data and technology that provides valuable, contextual information is that the latter arms employees with the right information to make the best decisions on how to work differently with each customer.

THEY'LL BE ARMED WITH THE RIGHT INFORMATION TO MAKE CONNECTIONS BETWEEN RESULTS AND BEHAVIOR.

Let's say you have a distribution company manager whose feedback to their employees goes something like this: "I've been looking at our bottom line. Improve it. I need X number to be better." Without ideas on what the staff can do to change this number, the directive is setting the team up for failure. Employees need to understand the actions and inputs that contribute to the results in order to effectively control the outcome. The right information allows them to make these connections. And, critical for employee experience, they can tie their own behaviors back to their achievements, feeling empowered to find areas for improvement and to make positive changes.

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THE OBJECTIVES THEY'RE GIVEN WILL APPLY PERSONALLY TO EACH TEAM MEMBER.

Most distributors don't give individual employees their own objectives. Instead, they focus on either the team as a whole or, worse, only on the company overall. When you sit down with each staff member and talk about their individual goals, they will feel aligned with the company mission and see how their contributions count. Furthermore, individual KPIs provide motivation, improve the team's ability to strategically plan for success, and guide each employee's choices and actions.

EVERYONE WILL KNOW THEIR OBJECTIVES ARE ACHIEVABLE.

The most robust technology provides distributors with comparatives and other information that allows managers to see how each salesperson, warehouse, branch, division, and region is performing relative to their peers. Not only does everyone have the information they need to achieve their objectives and believe in their ability to do so, but comparatives also shine a light on each part of the business, down to the employee. This raises everybody's game, from high performers to those who are continuously falling short. Better still, the former will be galvanized by the reality that no one can fly under the radar and everyone is pulling in the same direction.

Comparatives also offer a lifeline to those seeking to improve their performance. The right technology will provide information and insight into why performance is suffering, which is crucial for changing both customer and distributor behavior going forward.

In the end, the right resources empower internal teams to succeed, thereby contributing to and improving the overall employee experience. Profitability isn't the only factor distributors should focus on. To reach your goals, you need to take a balanced, holistic view of your company, including the productivity levels and satisfaction of the people who work for you.

Driving Performance with KPIs

Over the last few years, distributors have had more than their fair share of challenges, ranging from supply chain disruptions, inventory issues, unpredictable consumer behaviors, labor shortages and more.

As these challenges appear to be here to stay, the businesses that will succeed are those that are revisiting their success strategy and making plans that take the "new normal" into account.

Whether you just started working on a business strategy roadmap or are already implementing changes, having some way to measure the health of your distribution company is essential. Otherwise, how will you know whether your new approaches are working? Key performance indicators, or KPIs, are metrics that will help you evaluate how effective your processes are. Some examples include inventory turns, "Perfect Order" ratios, order return rates, surplus stock percentages, and on-time shipping rates. These metrics, and many others, are necessary for making informed decisions and adjustments to your strategy so you can achieve your business goals.

Which KPIs Are Important for Distributors to Prioritize?

To get an accurate picture of how well your business strategy is progressing, you need to track and measure the right KPIs. The exact ones you select will depend on your strategic and operational goals. But when you're just getting started, it can be helpful to know which metrics represent the core measures successful distributors prioritize. Below is a categorized list of some of the key performance indicators beyond the basic financial measurements that we recommend as a starting point to professionals in the distribution industry:

» **ORDER MANAGEMENT**

This category covers the entire process that occurs when a customer places an order, starting from the time you receive it to the day their items are delivered. KPIs distributors use to measure order management performance include but are by no means limited to:

- **Fill Rate**
- **On-Time Delivery**
- **Accuracy Percentage**
- **Perfect Order (which is a combination of the first three)**
- **Average Number Lines Per Order**
- **Lost Sales as a Percentage of Total Sales**

The most informative view of your business is one that is holistic and balanced. Perfect order and its components focus on those areas of procurement and delivery that impact customer experience and retention. Average lines per order addresses customer behaviors that drive operational costs. And lost sales, broken into categories, is often an indicator of systemic issues around product stocking choices, pricing, or customer relationship management.

» **INVENTORY MANAGEMENT**

You'll need these KPIs to measure how well the stock in your warehouses is moving. Important performance indicators in this category include:

- **Inventory Turns**
- **Turn & Earn/GMROI**
- **Inventory Mix**
- **Long-Term Surplus Percentage**
- **Fill Rate**
- **On-Time Delivery**
- **Percent Inventory Committed**

These KPIs help you understand how effectively you are using your inventory investment dollars. Driving turns often impacts fill rates and on-time delivery. Surplus or dead stock also impacts turns, and inventory mix helps you understand where your purchasing choices may be misdirected.

» **SALES**

The bottom-line numbers you look at on a regular basis don't tell the whole story about how well your sales team and the processes they use are performing. Specific KPIs you should look at include:

- **Growth from new customer acquisition**
- **Growth from new product offerings**
- **Growth from established accounts and products,**
- **Growth Potential Index**
- **Period over Period Sales and GM Percentage Improvement**
- **Turn & Earn/GMROI**

Sustaining growth demands efforts at winning new customers as well as developing existing customer accounts. Similarly, new products must be evaluated and offered. Tracking the results from all of those efforts is important, and then balancing that with your ability to support your growth financially, either with existing cash generating resources or with new capital or debt. The above KPIs provide this critical insight.

» **VENDOR MANAGEMENT**

This category refers to your trade vendors and the supply chain processes that occur between the time you place your orders and the time you receive them at the warehouse. Key performance indicators that will help you understand how your vendors are performing include:

- **Percent Lines Returned**
- **Supplier On-Time Delivery and Accuracy**
- **Supplier Fill Rate**
- **Freight Spend as a Percentage of Sales**

Internal purchasing decisions as well as your suppliers' failures can often sit at the root of issues in filling orders, both complete and on time. It's important to understand all causes, and just as you measure how well you are meeting your customers' expectations, you must evaluate how your suppliers are meeting your expectations. Knowledge is power when negotiating pricing and choosing suppliers.

Armed with KPIs like these, you'll be able to figure out which processes are working well, identify problem areas, and compare your current performance to past years.

4 Tips to Implement Distribution KPIs Correctly

Now that you know some of the specific KPIs you should regularly be assessing, it's time to understand how to implement these correctly to produce accurate information. Below are four concepts to help you stay aligned:

FOCUS ON A FEW SPECIFIC AREAS AT A TIME.

It's great that you're eager to get everything on track, but resist the temptation to make a huge list of KPIs and take them all on at once. Biting off more than you can chew at the beginning is one of the leading reasons distributors fail when implementing new processes. Instead, focus on a few of the measurements above and get them working well before you move on to others. The change management process only works when each new piece has your full attention. It's better to demonstrate success early in order to set the stage for future changes. In fact, the most successful distributors are those who recognize the value in continuous improvement, where they look for the true constraints within their business and then focus on removing them.

TRUST THE INFORMATION YOU'RE RECEIVING.

As Chapter 1 illustrates, there is a pointed difference between data and information. Data is simply the raw numbers. Big Data is a large accumulation of those raw numbers. Most distributors don't have data scientists on their staff who can sift through each row and column of data to create relevant, meaningful, and actionable insights - their technology of choice must do that for them.

Choose a toolset that has been designed for your industry and that effectively processes, analyzes, and structures data to make it meaningful and useful in the full context of your business. Such a tool will give you accurate, comprehensive information to measure the performance of your business.

Once you've distilled the mountain of data into the few key points that make up each KPI, it's important to trust it, even if what it says goes against your expectations and biases. Trust, of course, is generated when you validate the message, and that in turn changes your perceptions and biases.

By relying on technology to do what it does best, which is processing and structuring data, you can focus on what you do best, which is making informed decisions that impact your business.

TURN DATA INTO ACTIONABLE INFORMATION.

Having information to tell you what is happening within the business is vitally important, but what is more important is being able to understand exactly why those results are occurring so that steps can be taken to alter the future. It's not enough to measure for the sake of measuring. It's all about improving your company's performance – and the right technology can empower you to do just that.

EDUCATE YOUR TEAM.

In order for employees to be information-driven caretakers of decisions, they need to know what they're looking at. And to do this, they need to master regular use of any tools you've implemented across the company. Often, teams only know how to complete specific functions in one particular way. To maximize the power of data, they need to be educated on how the features of the software will help them do their jobs, what the data really means relative to their goals and those of the company, and how to use the data to make the right choices. The best solutions embed information that explains the numbers–not just displays them. This helps get at the root causes and core data, so take the time to teach employees and management alike what the numbers mean and how they are derived.

When you understand the root cause of any issues around your business processes and associated decisions, you can more productively address those issues as opposed to when addressing through guesswork. Remember, go slowly and select the KPIs that are most important to your company first. From there, you'll make strategic choices that will lead to cycles of continuous improvement and overall success.

Best Practices to Ensure a Successful Technology Implementation

The preceding chapters make the case for technology to serve at the forefront of your business planning.

Selecting the right solution can enable your company to reduce costs and operational inefficiencies, boost performance and productivity, enhance the employee experience, and even transform the customer journey. But selecting the right technology is only part of the equation. The implementation strategy is an important determining factor in how effectively any given solution can impact overall company performance.

A well-planned and smartly implemented roadmap will lead to the following:

1. **Clear directives to team members on what they must do to help realize company objectives**
2. **Efficient and effective implementation of any change required**
3. **Proper allocation of resources.**

The **ISOC™** approach is a proven method that lays the groundwork for effective implementation. It considers your company's unique constraints and ensures you yield the highest rewards possible in the shortest time frame. Here, we'll discuss the steps involved in the process, as well as the major benefits it carries.

How to Implement the ISOC™ Methodology

ISOC embraces the following at its core: Initialize, Stabilize, Optimize, and Capitalize. It's an approach intended to help you simultaneously adopt technology and manage change in your business. Below is a general overview of how each step works.

» **INITIALIZE**

Decide on your short-and long-term business goals. What do you want to accomplish? This step will likely take the most time out of the entire process. Without it however, you won't be able to track the progress of your new technology implementation. During this phase, you'll decide which employees will be core members of the change management team and what their responsibilities will be.

» **STABILIZE**

During this phase, it is important to seek feedback from key users and address any shortcomings in the solution. Make sure core processes are functioning as they should by reviewing KPIs. How well are the changes working for them? Do team members feel comfortable with the software, and do they have an in-depth understanding of the data it's producing?

» **OPTIMIZE**

Talk with your customers and your team. Have they noticed any improvements in your services since you started implementing changes? Do they have any feedback about what else should be improved? Take this feedback from your team and customers and apply it to your processes. Do the same with the information from your key performance indicators. By making careful, informed tweaks to the changes you've made and to your technology, you'll optimize your strategy, ensuring your projects will help you reach your goals.

» **CAPITALIZE**

Now comes the fun part: Reaping the rewards of your hard work. As you streamline your processes and raise your profits, you'll find yourself utilizing your data to identify new areas to capitalize on and find ways to further expand on existing initiatives.

Remember: Full adoption and proper use of the implemented technology is a crucial part of achieving success with the ISOC approach. Always allocate adequate time and resources for change management and adoption. No solution will be successful without adoption and effective integration into your business' ecosystem.

What Are the Benefits of Following the ISOC™ Process?

This time-tested philosophy has been a game changer for many mid-sized wholesale distribution companies looking for a way to improve their bottom line. Here are just a few of the advantages of investing your time in strategic planning and following the steps:

» **THE SOLUTIONS ARE CUSTOMIZED TO YOUR BUSINESS.**
Wholesale distributors differ by their needs, the industries they serve, and the processes they employ to keep things running smoothly. The ISOC philosophy is designed to uncover and address these nuances early in the implementation.

» **YOU WON'T HAVE TO OVERINVEST TIME OR MONEY IN ACHIEVING THE OUTCOME YOU EXPECT.**
Every minute you invest in planning saves time in the end by helping you avoid misstarts, restarts, refactoring and lackluster results. ISOC makes it easier to allocate the right amount of resources that won't drain you – and produce positive results.

» **YOU CAN EXPECT THE TIME FRAME FOR SEEING RESULTS TO BE REASONABLE AND PREDICTABLE.**
Nobody wants to implement a solution to improve their business and then wait years to see results. The ISOC methodology helps you focus on the right steps so you can achieve the short- and long-term fruits of your labor.

» **YOU CAN EFFECTIVELY MANAGE THE RISK ASSOCIATED WITH A NEW TECHNOLOGY IMPLEMENTATION.**
Every distributor has their own level of risk tolerance. ISOC minimizes your exposure by helping your team 'walk before you run'. It allows you to gain momentum with early wins, building adoption and confidence as you move through the process.

What does success look like?

So, what does successful implementation look like? Let's look at an example profile distributor to help you visualize the end result:

Too often, only a few key employees have deep and exclusive knowledge of the business, its customers, and its suppliers. This isn't bad on the surface, but it leaves the business vulnerable in important ways.

Ellen knows her customers' product needs and always ensures that her company is prepared to meet them. That is exceptional–we all need employees like Ellen who care about great customer service! But what happens if Ellen leaves the business? Instead of that key information being locked inside Ellen's brain, the business would be much better off with a technology solution that will allow her to capture that information, preserve it in context, and directly feed it to the procurement team.

That theme can be repeated a dozen times in every area of your business, and technology is the tool that casts light in the right direction. A great solution will not only capture, preserve, and disseminate information across teams, but it will also provide the context for which customers need what and how often, and will remind your team to periodically check whether the contextual information still applies.

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A successful implementation will arm your best employees with tools to support their best efforts, and provide insights about your organization's current processes. It will not simply replicate what has been happening for years. With the business requirements identified, a successful implementation should leverage the new technology to allow your company to process efficiently and effectively and be able to grow without having to proportionately add resources. A successful implementation will create processes that:

- **Allow Ellen (and maybe customers) to maintain customer-specific forecasts that are taken into account when analyzing replenishment needs**
- **Place products in optimal warehouse locations that are tracked within the system**
- **Provide an automated electronic update of pricing and costing records based on manufacturer data**
- **Enable an automated A/R collection process that considers customer-specific grace days before emailing a customer**
- **Produce executive dashboards that monitor performance against company goals that include the ability to scope into the offending transactions**

Investing time and effort into outlining a clear technology adoption strategy will ensure you gain a competitive advantage over other distributors, improve the efficiency of your team and processes, increase customer satisfaction, and produce higher profits.

CHAPTER 5

Industry Trends that will Drive Operational Decisions

If the pandemic taught distributors anything, it was that adaptability and technology are keys to success.

Technology is required to operate efficiently and compete effectively. The right solution improves customer service and helps your business save money, thus improving your bottom line. It will also help you weather the storm of supply chain issues, which have pushed the industry into an era of perpetual unpredictability.

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3 Major Industry Trends Distributors Should Factor Into Their Planning

As you get to work on your customer experience, employee experience, operational procedures and technology plan, knowing the trends that wholesale distribution industry experts are predicting for 2023 will ensure a smoother path forward. Here are three big ones.

1

YOUR BIGGEST COMPETITORS WILL BE DIRECT-TO-CONSUMER MARKETPLACES.

The supply chain problems created by the pandemic spooked businesses and consumers alike, with many attempting to cut wholesale distributors out of the equation entirely and attempt to sell directly to their customers. Direct-to-consumer (D2C) marketplaces have grown at astonishing rates, and that's not expected to slow down. D2C methods of selling include dropshipping platforms, e-commerce websites, and even social media.

So, how can your distribution company stand out from D2C marketplaces? Again, the answer lies in leveraging technology to create exceptional customer and employee experience, and support overall company performance. The right technology can provide the most direct path for companies to demonstrate value and relevance to their customers. Wholesale distributors who are leaders in online selling have strong data forecasting abilities. They also use technology to improve logistics and cut down on customer wait times. They are the ones who will beat their direct-to-consumer competitors and thrive in 2023.

2

B2B PERSONALIZATION IS ESSENTIAL TO STAYING IN BUSINESS.

You may have heard this term crop up in the last few years: "B2B personalization." It's become a major buzzword in the distribution industry. Simply put, your business customers expect you to understand their individual needs. But demonstrating knowledge of their overall industry is no longer sufficient. You'll need to offer them personalized prices, rebates, and even discounts that map to their unique operational circumstances. And, they'll expect to communicate with you via their preferred channel. By "preferred channel," industry trends suggest video, in-person meetings, and e-commerce platforms are the communication paths to focus on. To stay competitive, your distribution business will need to offer and be adept at working with customers via all three of these communication modes. This is your cue to incorporate video into your business and optimize that e-commerce web platform now.

In a world where technology most often removes the human element from our business dealings, it's more important than ever to find ways to use technology to enhance the human connection. People buy from people. Relationships matter. Your supplier is more likely to prioritize your orders if they know you. Your customers are more likely to remain loyal to your business if they have a personal connection.

Video conferencing is pervasive in the world today and while it comes with pitfalls, companies should be leveraging it throughout their organizations to foster person-to-person connections with suppliers and customers. While your competitors are automating people out of the equation, set your business apart by using technology to bring the human connection back!

DISTRIBUTORS NEED TO GET ON BOARD WITH OMNICHANNEL SELLING.

Omnichannel selling, or the practice of selling your products both online and off, is one area where the distribution industry is lagging. The retail industry, for instance, was an early adopter of omnichannel selling, and many companies have stayed in business, expanded their customer base, and increased their profits because of it. This method of doing business has been successful because of its customer-centric approach, which has proved to be an advantage in a world where consumers can educate themselves and place orders without salesperson input just by getting out their mobile devices.

Here, technology is the essential ingredient for distributors to effectively compete with D2C marketplaces, and even with traditional retailers. Customers want their expected buying experience no matter how they interact with your business, whether it's in person, on your e-commerce platform, via social media, or on a video chat meeting. You need to ensure that no matter how customers choose to work with you, their experience is seamless and lives up to a new generation's expectations. To achieve this, personalization is key: The modern consumer wants their data to be shared across all the platforms a company uses so they can view their order history, store credit cards, and enjoy easy shopping each time they buy something from you. By adopting and implementing a technology solution that is intuitive for end users, incorporating results-driven business intelligence, and producing insights that focus on your core business objectives, you'll succeed in this endeavor. The right solution will help you adapt to changing business landscapes and even predict and correct problems before they spiral out of control and cause operational inefficiencies or even stunt growth and profitability.

Distributors Need Technology to Increase Their Bottom Line

Ultimately, your strategy for success in the distribution industry needs to embrace multiple components:

- **Adopting technology**
- **Creating a customer-centric experience that is both seamless and personalized**
- **Measuring your company's performance via KPIs**
- **Understanding the data your tech solution provides so you can make informed decisions**
- **Ensuring a positive employee experience in order to retain your team and attract top talent**
- **Selling across multiple channels to retain customers and attract new ones**

While this list may seem intimidating, the right technology selection and implementation strategy can mean the difference between simply spending time and money versus a smart allocation of resources and achieving your objectives. Setting your priorities, educating and empowering your employees, understanding your customers, and implementing a goals-based framework are the priorities of distributors who are surviving–and even thriving– in today's economy.

About E&A

We created Earnest with one goal in mind: to drive exceptional business profitability.

More than an implementation, software and advisory firm, we help midmarket manufacturing and distribution companies improve their operational efficiency and bottom-line results by making the most of their ERP technology. Our proprietary software turns off-the-shelf ERP products into powerful workhorses customized to address the intricacies of your business. And with over 45 years of business performance and ERP experience, nobody is better positioned to guide customers through the challenges of building an operational competitive advantage. At Earnest, we help you see, streamline and profit from your business like never before.

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To learn more about E&A, please visit our website at www.earnestassoc.com