

Overcoming eCommerce Challenges in Distribution

BUYER DEMANDS ARE CHANGING. TODAY'S BUYER EXPECTS A **PURCHASING EXPERIENCE** that takes place digitally, through omnichannel sales models and with minimal in-person interaction. On top of this, buyer confidence in today's market is rooted in a low-effort, digital experience that includes an endless assortment of products and fast and reliable delivery.

To improve profitability and give buyers what they expect, distributors turn to eCommerce solutions and other technology like Enterprise Resource Planning (ERP) software.

Challenges in eCommerce for Distributors

Distributors need to digitize and prepare their operations for the digital buyer. But many distribution businesses have been slow to modernize, relying on manual tools like

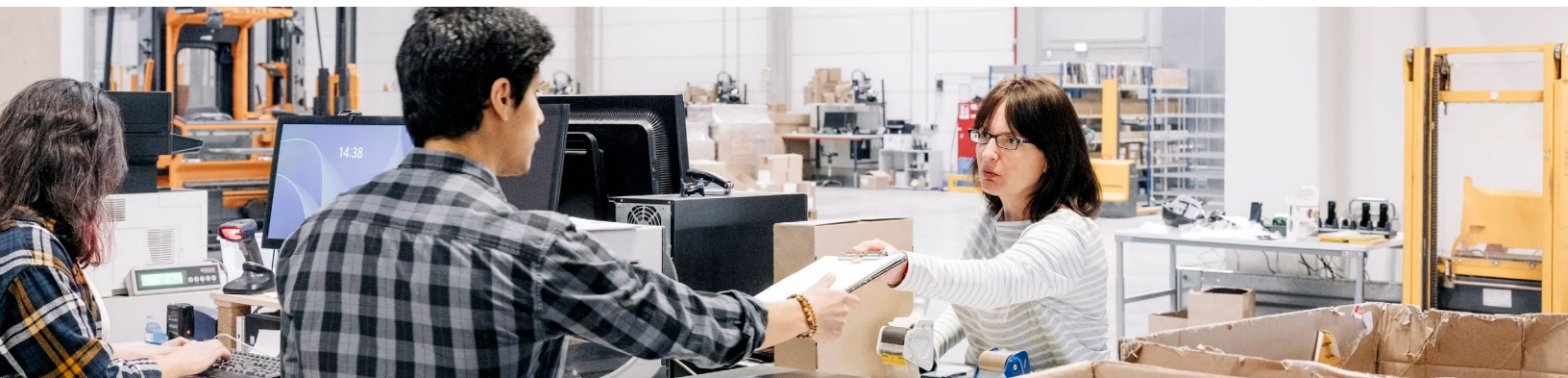
spreadsheets or legacy systems to manage their sales, order fulfillment, transportation and warehouse operations. This leads to errors and inefficiencies that distributors competing in today's economy can't afford.

Challenges include:

- » **Siloed Data:**
When distributors utilize disparate, legacy solutions or manual processes to collect customer information, track sales order data, monitor inventory levels and coordinate delivery information, they end up with siloed data that lives in a vacuum, making it impossible to gain any real insights into how an organization is operating as a whole.
- » **Inefficient Processes:**
Without a central system (like an ERP) managing critical business processes, distributors run into inefficiencies in their eCommerce operations. These inefficiencies include repeated data entry, inventory checks and rechecks, re-ordering processes, manual pricing adjustments and more.
- » **Negative Customer Experience:**
eCommerce customers expect a simple, streamlined user experience. This is difficult to provide without modern tools in place to create a consistent buying experience with accurate, up-to-date product descriptions and pricing information.



How Distributors Address eCommerce Challenges



When an ERP and eCommerce solution work together, distributors can improve customer service, increase operational efficiency and gain valuable insight into their business.

Here's a look at how leading distributors overcome common operating challenges:

1. Better Data Leads to Better Business

When distributors have access to real-time data about their supply chain, they can make more informed business decisions when it comes to partner relationships, market strategies, supply and demand patterns, operational budgets and more.

With a modern ERP solution and integrated eCommerce platform, distributors can:

- » Measure results and gain insights with real-time reports and role-based dashboards.
- » Utilize real-time data and automated notifications to uncover how different situations impact sales, order fulfillment, transportation and warehouse operations.
- » Manage budgets with detailed views into operating costs.
- » Stay connected with mobile apps to approve timecards, expenses and requisitions.

2. Connecting Departments and Processes for Greater Efficiency

By nature, an ERP solution is designed to connect data, departments and processes into a single unified solution. This means all aspects of a distribution business – including inventory, labor, purchasing, warehousing and costing – share and access the same real-time information, promoting more fluid workflows and superior data integrity.

Distributors who utilize ERP and integrated eCommerce solutions enjoy greater operational efficiency because many tedious, time-consuming and manual tasks can be streamlined and automated.

Picture the process of selling a product: a customer purchases a car part from an online automotive store. The store's ERP solution captures all the customer's information, including payment details, and checks to see if that part is in stock. It then virtually reserves that part to be shipped to the customer. The ERP system notifies the store's shipping department that an order

has been placed and sends along the mailing details as well as a packing slip and shipping label. As the order is being prepared, the ERP system lessens the store's inventory count by one and alerts manufacturing partners that more product is required.

An ERP and eCommerce solution automates the process of departmental information sharing. A customer's information doesn't need to be repeatedly entered into multiple systems at every step of the sale, inventory doesn't need to be checked and rechecked and new products are ordered as needed.

3. The Internet of Things (IoT) is Reshaping the Supply Chain

To accommodate the modern shopper's expectations surrounding the buyer experience, distributors must utilize modern tools to provide a personalized, speedy and accurate service for consumers. This includes features such as buying recommendations based on purchasing history, intuitive search options, customer-specific pricing and product substitutes.

To ensure a superior customer experience, an ERP system and eCommerce platform work together to provide the following:

Inventory Availability

Modern business solutions track inventory in real time, regardless of where it is stocked (including in reserve, across warehouses or within vendor-managed inventory locations). An ERP will allocate stock for firm orders, provide lot and serial number tracking for traceability and compliance, and ensure inventory accuracy with real-time communication between the back office and warehouse.

Delivery Date Estimates

ERP solutions support robust inventory replenishment operations with integrated purchase order and vendor management functionality to provide customers with accurate delivery dates. The coordination between website storefront and backend ERP platforms is paramount to getting accurate, up-to-date information into the hands of demanding consumers. Native connectors that pass inventory data to the web storefront or POS device simplifies this process.

Product Information

Consumers regularly conduct online research when contemplating a purchase, which makes it critical that a distributor's website include item descriptions, images, color/size/style options, specifications, pricing with calculated shipping and taxes, and reviews. An ERP solution with integrated eCommerce functionality will store comprehensive item information and integrate directly with webstores accessible by anyone from any device over the web.



The NexTec and Acumatica Difference

To thrive in today's economy, distributors must be able to provide customers with a digitally based buying experience that is simple, efficient and streamlined. To do this, leading distributors turn to Acumatica Cloud ERP and integrated eCommerce solutions.

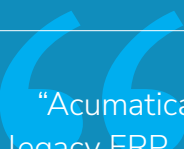
Acumatica's Distribution Edition helps distributors automate processes and reduce errors in purchasing, order fulfillment, inventory tracking and customer support. Integrations with top eCommerce solutions including Shopify, Unilog and TrueCommerce allows users to manage their back-office with Acumatica while creating an exceptional customer experience on the front-end.

NexTec Group is a gold-certified Acumatica

implementation partner with almost 30 years' experience in the consulting industry.

We take a holistic approach in integrating the many moving parts of our clients' businesses to remove the manual guesswork and improve their ROI. As leaders in our industry, we bring a unique advantage to our distribution clients that allow us to:

- » Focus on providing the best software options.
- » Leverage our experience in ERP and the industries we serve.
- » Support our clients' key business initiatives.
- » Drive tangible growth across our clients' businesses.



"Acumatica's interface and workflows are much more fluid and straightforward than our legacy ERP. As a result, we streamlined our pick, pack and ship processes and have reduced labor hours to fulfill by 30%...We're now able to process 1,000s of order in a day."

- Casey Lassiter, ERP Manager, cbdMD



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About the NexTec Group

NexTec Group is one of North America's largest and most experienced technology consulting firms, specializing in industry-specific solutions for mid-sized organizations. For nearly 30 years, NexTec has been a trusted partner to businesses, delivering, implementing, and supporting the core Enterprise Resource Planning (ERP) and Business Intelligence (BI) solutions they need to scale and grow. With seasoned consultants from coast to coast, and a premium portfolio of innovative business management solutions including Acumatica, we help you get the most out of your technology investments.

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