



# EDI Buyer's Guide



Understanding ERP  
and Business Needs



ERP Evaluation and  
Selection Strategy



Integration, ROI,  
and Future Readiness

Businesses often face significant challenges that can impede growth and operational efficiency. Time-consuming manual data entry, disconnected systems, and managing orders across multiple channels can lead to errors, delays, and increased operational costs. Additionally, meeting retailer EDI requirements often necessitates a shift to automated processes, adding another layer of complexity to supply chain management.

As supply chains become more complex, EDI provides the technology needed to connect your systems, trading partners, demand channels, and customers. Finding the right EDI provider is essential to overcoming these challenges, scaling your business, and achieving your goals.

In this guide, we'll cover what you need to know about EDI, how different EDI offerings work, and what to look for in a provider. You'll also find links to additional educational resources and a printable checklist to use when evaluating different EDI vendors.

## What is EDI?

EDI is an acronym for [Electronic Data Interchange](#), which is a standard protocol that allows disparate business systems & revenue channels to communicate end-to-end, automatically. Essentially, EDI creates a bridge between your internal systems, your partners' systems, and a variety of sales platforms, such as online marketplaces or eCommerce storefronts. By automating the transfer of data between these systems, EDI can quickly process large order volumes, eliminate errors and delays, and streamline communications across your supply and demand channels.

## What Needs EDI

EDI has been around since the 1980s, but as the push for digital and agile supply chains increases, EDI has become an integral part of the business landscape. Today, EDI transactions account for nearly 80% of all B2B electronic sales. Some businesses need to use EDI because it's required by major retailers like [Walmart](#) and [Target](#). Others choose to use EDI to accelerate their order processing and scale their business operations. EDI is used by both B2B and B2C businesses, including manufacturers, suppliers, distributors, wholesalers, retailers and others.

Wondering if EDI is right for your business? If any of these conditions apply to you, you're in the right place:

- My product just got picked up by a major retailer who requires EDI
- Time-consuming manual processes are stopping my business from growing
- I'm frustrated by having to retype every order from one system into another
- I need to be able to manage my orders remotely
- I'm overwhelmed by emails, PDFs, and faxes
- I want to make my business more efficient and productive



EDI makes order processing much faster and easier because all our order data is handled automatically, which also reduces the potential for errors.

Blast Zone

## Types of EDI Solutions

This list touches on several popular EDI software and solution options. However, many vendors offer a combination of approaches to better serve their customers' diverse needs.

### EDI Networks

#### Value-Added Network (VAN)

VANs are a more traditional connectivity method through which a business sends transactions between multiple trading partners. VANs use a virtual mailbox to manage incoming documents, which must be manually checked and processed by the receiving party. These networks are becoming less popular as new connectivity methods are adopted by trading partners, such as AS2, AS3, FTP, SFTP and others.

#### Multienterprise Commerce Networks (One-to-Many)

These networks emerged most recently. They provide a modern, unified approach to support omnichannel and the growing need of enterprises to connect with many supply and demand channels, including EDI, eCommerce, online marketplaces, suppliers, retailers and more.

#### Single Channel Networks (One-to-One)

This type of network generally supports EDI only, with few exceptions, and provides all the components required for EDI, such as mapping, translation, and connectivity to trading partners. As companies expand to sell via multiple channels, such as digital commerce marketplaces and drop ship programs, they may find that single-channel networks restrict their omnichannel growth.

## EDI SYSTEMS

### On-Premises EDI

On-premises solutions use physical, on-site servers to deploy EDI software, offering businesses complete control over their solution, including security and data access. Businesses can choose to house their servers on-location, or use a “hosted” solution, where the servers reside in a third-party data center. Businesses choosing to maintain their own servers will need to invest heavily in IT, while those using a third party may split maintenance and security responsibilities.

On-premises EDI is generally deployed by companies with significantly high transaction volumes—up to millions per month—which justifies investment in internal IT and mapping resources instead of outsourcing EDI needs. However, this option is becoming less popular as alternative fully managed service EDI solutions are offered.

### EDI in the Cloud (Web EDI)

Web-based EDI uses the cloud instead of physical on-premises servers. In addition to reducing IT needs and hardware and software costs, web-based EDI lets users manage their EDI from anywhere with wi-fi. Because the software is continually updated and backed up in the cloud, there's also no need for costly new software installations.

### End-to-End Integrated EDI

This type of EDI solution enables streamlined communications between trading partners by eliminating the need for multi-vendor solutions. End-to-End EDI combines a value-added network with trading partner maps and an EDI system that directly connects to demand channels and business systems such as ERPs.



# Benefits of Integrated EDI



## Eliminate Manual Effort and Errors

Integrated EDI facilitates the translation and transmission of order data, so you don't have to waste time with retyping. In addition to accelerating order processing and fulfillment, integrated EDI also speeds invoice and payments processes, so you can quickly recognize revenue.



## Improve Supplier Relationships

No more lengthy phone calls or back-and-forth emails. EDI provides automated, accurate trading partner communications to ensure the right shipments get to the right locations, on time, all while reducing chargebacks.



## Reduce Lead Times and Inventory Levels

EDI allows you to send and receive documents in a fraction of the time, which can drastically reduce delivery turnaround times. Plus, EDI documents like [Advance Shipping Notices](#) help you stay informed of incoming deliveries, so you can get ahead of stock shortages. Better collaboration.



## Cut Costs

EDI enables your business to scale while simultaneously reducing overhead, personnel requirements and time spent managing orders. With electronic document processing, you won't need to spend on paper, document storage, or postage.



## Position Yourself for Success

Hundreds of top retailers and e-tailers require EDI documents from their vendors. By using automated, compliant EDI, you'll be able to offer better service at lower prices, making you more attractive to new trading partners.



## Common EDI Codes

There are [hundreds of EDI codes](#) used for a range of order processing communications, but most businesses will use only a small subset of them regularly. The codes listed here are some of the most used EDI transaction sets across all industries.

- EDI 850 – Purchase Order
- EDI 855 – Purchase Order Acknowledgement
- EDI 856 – Advance Ship Notice
- EDI 810 – Invoice
- EDI 846 – Inventory Inquiry/Advice
- EDI 940 – Warehouse Shipping Order
- EDI 945 – Warehouse Shipping Advice
- EDI 997 – Functional Acknowledgement

## What to look for in an EDI Provider

At this point, you understand what EDI is and how it can help your business. You're thinking about the types of EDI solutions that will work best for your business and exploring your options. So, how can you tell which EDI provider is right for you? Use the key elements below when judging different vendors, so you can feel confident in your final choice. You can also use this list to re-evaluate a current provider who may not be providing exactly what you need!

### 1. Experience

How long has your provider been offering EDI? Have they worked with companies of your size, in your industry? How long have they worked with organizations using your ERP? If you're choosing EDI to meet a trading partner mandate, have they worked with that partner before? Can they show proven success for a business like yours? Make sure the providers you're considering understand how to address the specific needs of your business.

## 2. Total Cost of Ownership

To ensure you're getting the best value, you'll want to find an EDI provider with flexible options that can meet your current and future needs. Keep in mind that while some vendors might have higher up-front costs, others will require more long-term spending. We recommend calculating the total cost of ownership based on 3-5 years of use to get the best understanding of different solution prices.

While most EDI providers will allow (and encourage) upgrading, many will not allow downgrades during slow periods; a provider who offers both can help you manage costs through market shifts. Additionally, many EDI customers are surprised by hidden fees, so it's essential to review the fine print of your SOWs and contracts to see what services are or are not included. Here are a few fees to look out for:

- What is the price per transaction, both included in the allotment and more importantly, the fee per transaction when you go OVER your allotment? This is an area companies are hoping you don't catch as you pay a huge overage charge once you exceed your allotment.
- How much does the provider charge per trading partner per month?
- Per document subscription charges.
- User or labeling subscription charges.
- Upgrades and updates that are either not included or do not include services to assist with the migration.
- Network Transaction Plans that don't allow you to upgrade, or more importantly downgrade until the end of a yearly agreement.

## 3. ERP Integrations & Connectivity

Make sure the EDI provider you choose has a proven history and understanding of your ERP technology. You should also ask potential vendors about their support system. The best vendors handle all their integrations in-house, but others rely on third-party consulting firms, which can be a hindrance when dealing with technical questions and concerns. Your ERP needs may change as your business evolves, so you should ask about the process if you want to switch or upgrade other systems. You want a solution that can fit into your existing model but can also transfer to other systems with minimal disruption.

## 4. Solution Features

Your business needs may be very different from someone else's, so it's imperative to know what kind of features each EDI solution has. Here are a few examples of EDI solution features you might find important:

- A network of trading partner maps that are automatically updated to stay compliant
- Reporting and advanced analytics
- Support for translating PDF and emails into EDI

## 5. Security

Whether you choose a hosted or cloud-based EDI vendor, security is key to protecting your business transaction documents and sensitive information. Features such as at-rest encryption, SOC certifications, GDPR compliance and data retention/disaster recovery help keep your data safe.

## 6. Scalability

Maybe you're just starting with EDI, or maybe you have a host of demand channels and supply chain processes on your mind. Choosing a provider with multiple supply chain solutions enables you to easily expand your integrations, without needing to juggle multiple providers. Common products/services EDI providers also offer include:

- [eCommerce/Marketplaces Integrations](#)
- [Drop Shipping](#)
- [Vendor Managed Inventory](#)

## 7. Customer Support

When something goes wrong, you need an EDI partner who will answer the phone, ready to help. Some vendors outsource their support; limited hours, hold times, transfers between operators, and a lack of specific technical knowledge make it difficult and frustrating to resolve issues. Instead, we recommend finding a provider with in-house customer support, in which the employees are directly experienced with your systems and can answer your questions and concerns quickly.

Ask prospective vendors about their support systems, including availability and contact methods. You'll also want to inquire about proactive monitoring and updates that can sniff out and solve problems before you even see them.

## 8. Reputation & Recognition

Unfortunately, you can't rely on a business's website or sales representatives to give you a holistic view of their business. To understand how a company measures up against the competition, you'll want to look at accredited third-party, independent websites and research organizations for more details. These can range from in-depth reports to product comparisons, to verified customer reviews.

Here's a list of established third-party evaluation and review sites you can use to see how industry experts and customers feel about your prospective vendors.

- Gartner, Inc. – Independent Research Firm with Reports on Different Vendors
- IDC, Inc. – Independent Research Firm with Reports on Different Vendors
- G2 – Highly Respected Software-Focused Review Site
- Capterra – Highly Respected Software-Focused Review Site
- Better Business Bureau – Customer Reviews and Complaints Center



# EDI Provider Evaluation Checklist

Finding the right EDI provider is a complex process—in addition to price, you'll need to consider service models, software deployment, integrations and more. This checklist is designed to help you compare different providers in key product and service areas. Make sure to add your own business-specific questions in the blank spaces at the bottom for a personalized checklist.

| SELECTION CRITERIA                    | TRUECOMMERCE                              | VENDOR 2 | VENDOR 3 | COMMENTS |
|---------------------------------------|---|----------|----------|----------|
| Number of employees                   | 1000                                      |          |          |          |
| Headquarters                          | United States                             |          |          |          |
| Locations                             | North America, UK & Ireland, Europe, Asia |          |          |          |
| Years of Experience                   | 25+                                       |          |          |          |
| <b>Customer &amp; Analyst Reviews</b> |   |          |          |          |
| BBB Complaints                        | None                                      |          |          |          |
| G2 Rating                             | 4.5/5                                     |          |          |          |
| Capterra Rating                       | 4.5/5                                     |          |          |          |
| Gartner Peer Insights Rating          | 4.6/5                                     |          |          |          |
| Gartner Magic Quadrant                | ✓   |          |          |          |
| IDC MarketScape                       | ✓   |          |          |          |
| <b>Software/Platform Features</b>     |   |          |          |          |
| Pre-Mapped Trading Partners           | 180,000+                                  |          |          |          |
| Supported Transaction Types           | All Transaction Types                     |          |          |          |
| Supported Transaction Standards       | EDI, EDIFACT, XML, CSV, PDF               |          |          |          |
| Communication Type                    | As1, AS2, FTP, sFTP, FTPS, HTTPS          |          |          |          |
| Multi-User Support                    | ✓   |          |          |          |
| Cloud-Based Architecture              | ✓   |          |          |          |
| Advanced Analytics and Reporting      | ✓   |          |          |          |
| Asynchronous Processing               | ✓   |          |          |          |
| Alerts                                | ✓   |          |          |          |
| Events Scheduling                     | ✓   |          |          |          |
| Data Retention                        | ✓   |          |          |          |

| SELECTION CRITERIA  | TRUECOMMERCE   | VENDOR 2 | VENDOR 3 | COMMENTS |
|---|--|----------|----------|----------|
| Mobile Devices Support  | ✓  |          |          |          |
| Exception Management  | ✓  |          |          |          |
| <b>Integrations</b>   |  |          |          |          |
| <p>Even if you aren't choosing an integrated solution, we recommend you look into vendors' integration capabilities, which may become important as your business grows. Integrations can range from cloud platforms like marketplaces and eCommerce storefronts, to back-office systems such as accounting, ERP, WMS, TMS, OMS and IMS systems.</p> |  |          |          |          |
| ERP/Accounting Systems  | Acumatica, Microsoft Dynamics, Sage, QuickBooks, NetSuite, SAP and more      |          |          |          |
| Online Marketplaces   | 100+ connections, including Amazon, Ebay, Rakuten, Houzz, Walmart and Target |          |          |          |
| eCommerce Platforms   | Shopify, Magento, WooCommerce and BigCommerce                                |          |          |          |
| <b>Services</b>   |  |          |          |          |
| Implementation Provided by Vendor or Third Party  | Provided by TrueCommerce   |          |          |          |
| Remote/On-Site Implementation   | ✓  |          |          |          |
| New Partner Mapping   | ✓  |          |          |          |
| Trading Partner Testing   | ✓  |          |          |          |
| EDI Testing   | ✓  |          |          |          |
| Integration Testing   | ✓  |          |          |          |
| <b>Integration Capabilities</b>   |  |          |          |          |
| <p>EDI solutions come with a variety of integration features that offer data control and efficiency. Consider each vendor's ability to provide these functions, which may be helpful as your business scales.</p>   |  |          |          |          |
| API and Service-Based Integration   | ✓  |          |          |          |
| File Integration  | ✓  |          |          |          |
| Item Translation  | ✓  |          |          |          |
| Price Validation  | ✓  |          |          |          |
| Customer Creation   | ✓  |          |          |          |
| Sales Module  | ✓  |          |          |          |
| Purchasing Module   | ✓  |          |          |          |
| 3PL Module  | ✓  |          |          |          |
| Inventory Module  | ✓  |          |          |          |

| SELECTION CRITERIA  | TRUECOMMERCE   | VENDOR 2   | VENDOR 3   | COMMENTS   |  |
|---|--|--|--|--|--|
| In-House or Third-Party Integration Development   | In House   |  |  |  |  |
| <b>Support</b>  |  |  |  |  |  |
| 24/7 Support Availability   | ✓  |  |  |  |  |
| Regional and Global Support   | ✓  |  |  |  |  |
| Included Maintenance  | ✓  |  |  |  |  |
| Proactive Mapping Updates   | ✓  |  |  |  |  |
| Proactive Transaction Monitoring  | ✓  |  |  |  |  |
| Chat Support  | ✓  |  |  |  |  |
| Knowledge Base/Self-Training Tools  | ✓  |  |  |  |  |
| Optional On-Site Service  | ✓  |  |  |  |  |
| Defined SLAs  | ✓  |  |  |  |  |
| <b>Solution Evaluation</b>  |  |  |  |  |  |
| When discussing your EDI solutions with key stakeholders, consider use cases and how each provider executes on those needs. Use the space below to evaluate your use cases. |  |  |  |  |  |
| Use Case #1   | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> |  |
| Use Case #2   | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> |  |
| Use Case #3   | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> |  |
| Use Case #4   | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> |  |
| Use Case #5   | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> | Met <input type="checkbox"/><br>Not Met <input type="checkbox"/><br>Work Around <input type="checkbox"/> |  |
| <b>Cost of Ownership</b>  |  |  |  |  |  |
| Different EDI providers have different up-front and monthly fees. To accurately compare them, we recommend looking at the total cost for the first 3 years.                 |  |  |  |  |  |
| <b>Year 1</b>   |  |  |  |  |  |
| Set-Up Fees   |  |  |  |  |  |
| Recurring Fees  |  |  |  |  |  |

| SELECTION CRITERIA  | TRUECOMMERCE | VENDOR 2 | VENDOR 3 | COMMENTS |
|---|--------------|----------|----------|----------|
| <b>Year 2</b>   |              |          |          |          |
| Set-Up Fees   |              |          |          |          |
| Recurring Fees  |              |          |          |          |
| <b>Year 2</b>   |              |          |          |          |
| Set-Up Fees   |              |          |          |          |
| Recurring Fees  |              |          |          |          |
| <b>Total 3-Year Investment</b>  |              |          |          |          |
| <b>Additional Products/Services</b>   |              |          |          |          |
| Vendor Managed Inventory Software   | ✓            |          |          |          |
| Supplier Management Platform  | ✓            |          |          |          |
| eCommerce Integrations  | ✓            |          |          |          |
| <b>Security</b>   |              |          |          |          |
| Protecting the confidentiality and integrity of both your and your partners' data is essential. Make sure the vendors you consider can both protect your data from outside influences and recover it in the case of an emergency. |              |          |          |          |
| Encryption at Rest  | ✓            |          |          |          |
| Two-Factor Authentication   | ✓            |          |          |          |
| User Activity Log   | ✓            |          |          |          |
| SOC Certification   | ✓            |          |          |          |
| GDPR Compliant  | ✓            |          |          |          |
| SOC-Certified Data Centers  | ✓            |          |          |          |
| Disaster Recovery   | ✓            |          |          |          |
| <b>Your Questions</b>   |              |          |          |          |
| 1.  |              |          |          |          |
| 2.  |              |          |          |          |
| 3.  |              |          |          |          |
| 4.  |              |          |          |          |

\*TrueCommerce fields updated October 2025



Phone: 888.430.4489  
 www.truecommerce.com  
 sales@truecommerce.com

