



14 Questions Distribution Company CFOs Must Ask When Evaluating Cloud ERP

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In today's digital world, distributors must take control of their data to increase visibility, reduce risk and react quickly to changing market conditions. Through cloud-based ERP, every size distribution company can seize the opportunity to modernize operations and compete with the best.

We understand the problems wholesale distributors face. Customers demand premium service but don't want to pay premium prices. Suppliers are increasing costs. Disconnected silos of data cost you time and don't give decision makers the real information they need.

Your success depends on greater visibility across the supply chain and the ability to optimize stock levels, drive supply planning and be more responsive to customer expectations. The secret is finding an agile, flexible distribution system that will centralize information and empower your employees.

In this eBook, we'll help you ask the important questions—and tell you what to listen for—to find the best solution for your distribution business. Making the right choice through your evaluation of cloud-based ERP systems could mean the difference between business failure and financial success.

The questions

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1. Will service reps have centralized access to customer information and history?
2. Will we have insight into line-item pricing and margins?
3. How will we improve trade management?
4. How will demand planning and forecasting accuracy improve?
5. How will eCommerce integrate into ERP?
6. Will we have 360° visibility across the supply chain?
7. Can we easily track orders from end-to-end?
8. How will warehouse productivity increase?
9. How will we optimize shipping across locations and warehouses?
10. What management decision support tools are included?
11. How will we better predict customer behavior?
12. How will we deliver complete, real-time information to our remote workforce?
13. How will our data be secured?
14. Will the ERP solution evolve to meet changing business requirements?



1. Will service reps have centralized access to customer information and history?

Customers today expect answers fast. Sales and service reps need access to centralized, easy-to-understand information so they can help customers place orders, check order status and confirm delivery—in the first call, without being put on hold.

As you evaluate ERP systems, ask the vendor if your agents will be able stay

one step ahead of customers through the order process and beyond with:

- Access to customer history, including quotations and notes.
- Insight into inventory availability across locations with estimated shipping times.
- Line item pricing with associated margins and discounts.

2. Will we have insight into line-item pricing and margins?

In the information age, sales reps should have data to support real-time negotiations so they can close sales on the first call. Managers should be able to continually monitor profitability—down to the line-item detail—to optimize your product lines.

Your ERP system should make it easy for both managers and sales people in

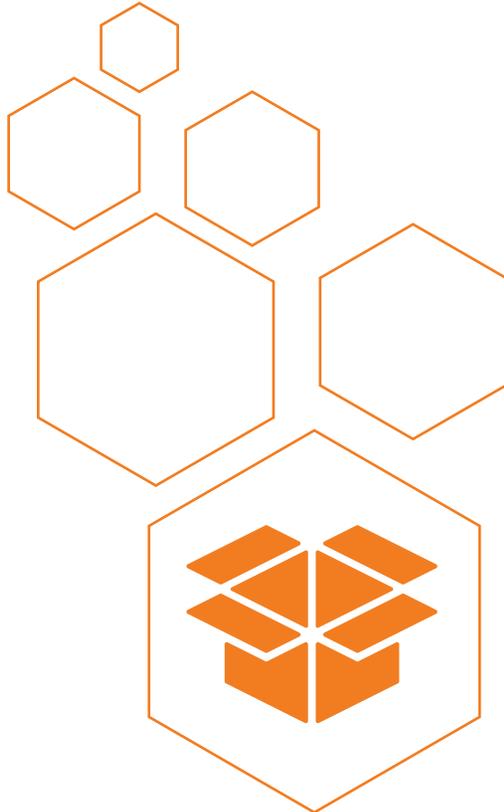
to access pricing and margin data, no matter where they are working.

- Support margin-based pricing, especially in markets with volatile supplier costs.
- Get creative with pricing while maintaining order margins.
- Offer manufacturer promotions to customers when they hit the market.

Fully integrated CRM, ERP, WMS and TMS ensure consistent data to deliver better customer service and improve productivity across the organization.

3. How will we improve trade management?

Collecting more and more data doesn't help the business unless you put that information to work. By combining and analyzing data from across the business, you can boost product margins and sales by creating promotions, vendor agreements, commission structures and rebates that increase sale values.



Your ERP should support flexible trade management practices to:

- Maximize sales by building creative pricing strategies.
- Comply with constantly changing price rules driven by your supplier agreements.
- Support creative incentive programs for your distributors.

With visibility across distribution, sales and marketing systems, you can be innovative with products and promotions to meet rising customer expectations.

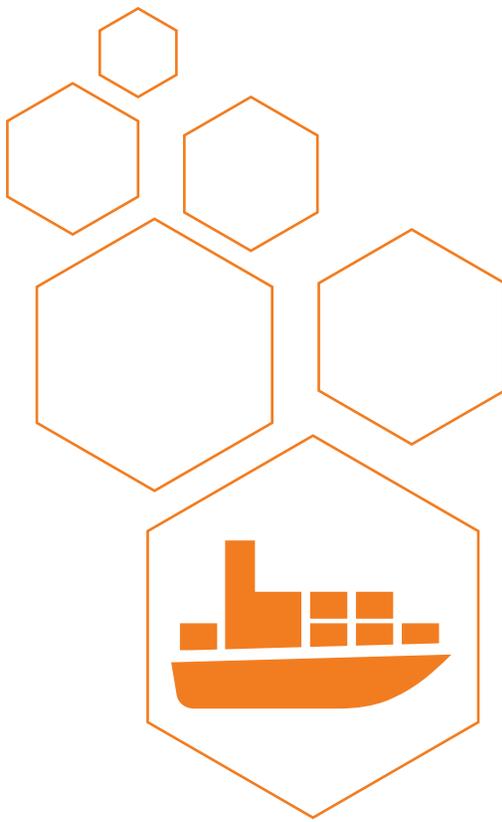
4. How will demand planning and forecasting accuracy improve?

To remain competitive, your business must use sales, inventory and economic data to proactively meet changing customer preferences and market conditions.

The ERP systems you evaluate should break down traditional data silos to integrate critical data across every department. The system should build on

historic and supply chain data to:

- Improve forecasting and provide visibility into sales trends, pipelines and inventory.
- Monitor inventory replenishment to avoid out of stock situations.
- Help you better predict customer behavior and foresee supply chain interruptions.



5. How will our eCommerce solution integrate into ERP?

Distributors today must provide a great shopping experience across all channels. Your business can't provide a consistent customer experience across channels if you are still trying to manage online and offline systems separately.

With fully integrated financial, operations and eCommerce management systems, customers and

employees will have online visibility into inventory, orders, fulfillment and billing information so your organization can:

- Take advantage of new business models and channels of distribution
- Improve product decisions with cross-channel sales analysis.
- Support order fulfillment across all of the channels you serve.

6. Will we have 360° visibility across the supply chain?

With multi-channel operations and a complex supply chain, distribution companies need to bridge information across the supply chain to provide a complete view of interconnected operations. To truly manage supply chain performance, you need full visibility across the entire distribution and retail network, including external business partners.

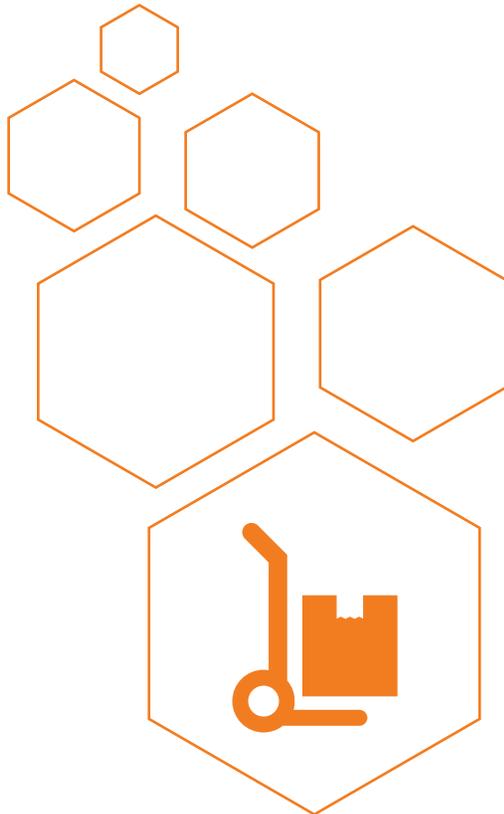
Ask the vendor if their ERP will:

- Provide alerts when delays or interruptions of incoming materials will impact production.
- Reduce costs, inventories and lead times by shifting to a demand-pull rather than product-push orientation.
- Enhance supply chain collaboration to bring new products to market faster.

Achieve peak efficiency from supplier to warehouse to customer with full visibility across the supply chain and your organization.

7. Can we easily track orders from end-to-end?

To deliver the kind of service that customers expect, distributors must have visibility into orders from beginning to end. The systems of the past that create silos of data—disconnected sales, inventory and shipping—simply can't support modern business practices.



Your ERP system must be able to:

- Support responsive order entry with visibility into inventory and schedules at the line item level.
- Provide visibility across locations to optimize shipping times, minimize costs and accelerate order fill rates.
- Track promised inventory to avoid shortages.

Real-time data helps managers spot trends, prevent issues and deliver great customer experiences.

8. How will warehouse productivity increase?

As with all other functions of a modern ERP system, data collected across the organization should help performance in the warehouses. Collecting data through integrated wireless devices, you can optimize inventory across storage locations and material handling within warehouses.

ERP systems should be able to optimize:

- Picking routes from multiple picking locations.
- Picking rules based on inventory status, item type, area of warehouse and/or customer.
- Replenishment that supports efficient picking.



9. How will we optimize shipping across locations and warehouses?

To maintain profits as your company grows, with multiple business units and warehouses, you need to coordinate data across all entities. Complete inventory information—in-stock, available and on order—across all locations allows service reps to set expectations and build customer confidence.

The ERP systems you evaluate should demonstrate they can:

- Show availability across multiple warehouses.
- Generate sales and purchase orders automatically across your subsidiaries.
- Include inventory status of vendors in addition to in-house items.

10. What management decision support tools are included?

To make the best decisions possible, your managers need information presented in a meaningful way—specific to their role in the organization. As you evaluate ERP, look for understandable, role-based dashboards that help managers monitor performance, optimize operations and identify exceptions.

Dashboards should help managers focus on decisions like:

- Targeting specific promotions to customers based on purchase history.
- Track trends in customer service calls to proactively solve problems.
- Support individual data analysis to spot trends, exceptions and outliers.

Create a finely-tuned supply chain by putting your real-time data to work—collecting and combining it with powerful analysis tools.

11. How will we better predict customer behavior?

Forward-looking distributors are harnessing their customer data to understand and predict customer behavior. The ERP system you select should have analysis tools built on integrated data to help you personalize your engagement with customers.



With the right analytics tools, including machine learning, you can:

- Target specific promotions to customers according to their purchasing history and business value.
- Create pricing models that support proactive negotiations that protect margins and close sales faster.
- Use historic sales data to predict additional products and services that customers might find useful.

With fully integrated CRM and ERP, you can know what your customers want before they do.

12. How will we deliver complete, real-time information to our remote workforce?

With complete information sales reps can work proactively with customers. When a shipment is stuck on a cargo ship that has been delayed by weather, letting the customer know immediately gives them time to adjust schedules.

The ERP solution you choose should empower your sales team to:

- Enter notes in one place instead of switching applications
- Provide inventory status and estimated delivery dates.
- Check credit status, order history and pertinent promotions available.



13. How will our data be secured?

Security has become a critical decision point for every technology investment distributors make. The responsibility to protect customer data as well as securing corporate data is prompting many distributors to look to the cloud.

Cloud-based ERP from a trusted company like Microsoft allows you to focus on the business without worrying about technology. You can manage

operations with the most up-to-date business tools to:

- Avoid business disruption from costly upgrade projects.
- Give employees secure access to the information they need to be productive anywhere.
- Ensure the security of customer data to meet regulatory requirements.

14. Will the ERP solution evolve to meet changing business requirements?

With today's cloud-based business management systems, distributors are able to access the most current innovations to keep pace with the evolution of digital business. Forward-thinking distributors are moving from reactive to proactive in product and pricing strategy and managing their supply chain strategically with modern ERP solutions designed for the industry.

To help you compete, your ERP should:

- Provide the analytics tools to identify evolving trends and monitor competitive landscape.
- Provide an adaptable platform to meet market demands and innovate in real-time.
- Support expansion through new channels and into new markets.

Be agile and stay ahead of the competition with systems that easily adapt to fluctuating business needs.

Solutions for the wholesale distribution industry

At Western Computer, we understand the problems wholesale distributors face. Customers demand premium service but don't want to pay premium prices. Suppliers continually increase costs. Disconnected silos of information cost you time and money and don't answer your critical business and distribution questions.

Microsoft Dynamics 365 for Operations enables distributors like you to make smarter decisions quickly through an intelligent user interface, providing access to real-time insights and analysis. With flexibility to support your business growth without the headaches of IT, Dynamics 365 will simplify operations and allow your teams to do business anywhere, anytime.

Western Computer has helped hundreds of distributors connect their core business systems and improve supply chain management to be more competitive. We know the distribution industry—you have to run as lean as possible to beat the competition, and we know how to get you there.

Please contact us at info@westerncomputer.com or 805-581-5020 to learn more or set up a personalized demo.

www.westerncomputer.com

Container Management Improves Distribution Margins

Watch this short video to find out how you can improve purchasing decisions, improve landed cost estimates and avoid missing promised delivery dates.



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