7 Easy Steps

for Applying Distributor Analytics

WHITE CUP

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Wholesale distribution is a complex and increasingly competitive business. To increase revenue, you must give your team easy, real-time access to sales information. But often, that information is buried deep in an ERP system, and extracting it without the right tools can be tedious. Choosing and deploying the right distributor analytics package is only part of what it takes to be a successful data-driven organization.

Fortunately, sophisticated business analytics solutions exist that provide real-time distributor insights that increase your revenue. Software solutions integrate your business system and give your team point-and-click access to your data through interactive reports, dashboards, and scorecards.

Here are seven easy steps to help your team successfully implement and utilize business analytics that create sales opportunities and drive revenue.

Step 1

Pick the Right Distributor Analytics Tool for the Job

As with any job, it's key that you choose the right tool to get the best results.

ERP systems are great at helping you manage inventory, orders, and your supply chain. However, they don't provide real-time, easy access to KPIs or the drill-down capabilities your team needs to solve problems and discover opportunities.

If you're going to be a data-driven organization, you need to find an analytics solution to fill the gap. But not all solutions are created equal. Some, even those supposedly designed for distributors, take a lot of time, energy, and technical expertise before they start paying off.

Look for a solution with pre-built content that's designed specifically for distributors. Content like customer scorecards, vendor scorecards, price override reports, and branch manager dashboards. That way, you're not starting from scratch and get immediate value "out of the box".

It's essential that any tool you use integrates easily with your ERP system, so you can be up and running quickly with minimal impact on your IT team.

Step **#2**

Don't Get Overwhelmed

Your distribution business has many moving parts. A comprehensive analytics solution can provide insight into all areas. Looking at the big picture of inventory management, sales, and pricing, can be overwhelming. Here are a couple of battle-tested strategies you can use to focus your efforts and get started:

Set Goals

Start with a very specific goal in mind and use analytics to help you meet it. For example, your goal may be to grow revenue by 35% over the next year. Understand who needs what metrics and rollout the appropriate dashboards, scorecards, and reports. Now you can find problem areas or opportunities and make any course corrections to meet your target.

Outline Your Needs

An analytics solution may provide scores of reports, dashboards, and scorecards, but that doesn't mean you need to use them all or roll them out at once. Pick a few examples to try, get feedback, make modifications, and then expand your rollout.

Step #3

Have a Strategic Plan and a Champion

It's critical that there is buy-in for this approach from your management team, a structured rollout plan, and someone in the driver's seat.

Here are some concrete steps to keep you on the right track:

Make it strategic: The discussion about analytics should be an integral part of your ongoing strategic planning process.

Assign a champion: Find someone who understands your business needs from analytics and assign them to drive the project. That person can be from the business or IT side of the house.

Have a phased roll out: Roll out to a pilot group, gather feedback, make any necessary modifications, then broaden the reach to a larger geographical area, different user roles, or a different goal or problem.

Train your team: Have face-to-face or online training sessions to explain how to use the tools and what's expected of them. Develop exercises that require the use of your distributor analytics solution. Training will provide the opportunity for feedback and speed up adoption.

 Have regular check-ins: Schedule regular meetings with your management team to report on progress and gather feedback.

Step #4

Find a Distributor Analytics Package for Everyone

Most of your team members are not techies. It's important that the distributor analytics tool you provide is easy to use. Make it challenging, and people won't get the most from the tools you provide, or worse yet, not use them at all.

Look for solutions with interactive dashboards, scorecards, and reports that give the big picture and the ability to drill down into the details without needing a degree in information technology.

You might need to tap into your IT team to get the initial implementation taken care of or to add additional functionality, but you shouldn't need to go to them each time someone wants a new report or to track a new metric.

Step #5

Empower Your Team Through Transparency

The most significant impact distributor analytics can have on your organization is the ability to empower each team member. It's crucial that transparency and accountability are incorporated into your company culture.

Arm your people with the right tools that reveal the extensive metrics and the underlying details, and they will solve problems and find opportunities to excel.

In contrast to being something to fear, increased transparency and accountability are incredibly exciting and energizing. For many, this will be the first time they have had timely, actionable data at their fingertips. With that comes the opportunity to make a real impact and drive positive change that can be recognized and rewarded.

Of course, it's important to ensure that the distributor analytics solution you choose gives you granular control. Your team can see the information you provide through transparency and still maintain control of your data.
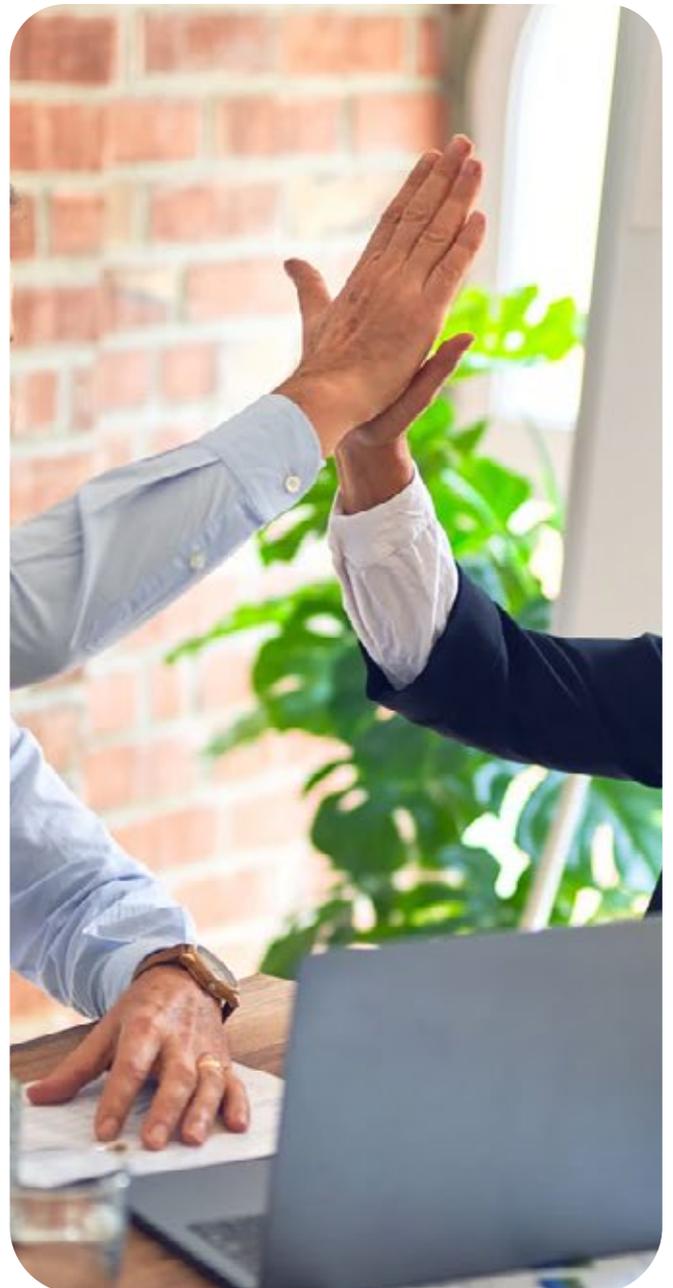
Step #6

Use Distributor Analytics to Keep on Top of Pricing

It's key to take a strategic approach to price to maintain margins in an increasingly competitive landscape. Still, you often have no real insight into how the pricing you set is performing or why prices are overridden. Often the information you get on overrides comes too late to impact current business.

Here is another excellent opportunity for you to use analytics to make a significant impact on your business. An effective analytics solution gives you visibility into price overrides and margins at a summary and drill-down level.

With this information, you can understand the story behind price overrides as they happen. You then have the chance to take action. Maybe a particular rep needs to be brought into compliance with your pricing strategy, or it could be a sign from the market that your pricing needs to be adjusted

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Step #7

Give each Team Member What They Need

You have many different job roles across your organization. It's essential to consider those as you design and roll out your analytics solution.

Look for a package that has pre-built content around job roles. This will save you a lot of time and money, as you won't be starting with a 'blank sheet of paper' each time you roll out tools to a different job role. Flexible solutions will allow you to easily customize pre-built content so that it can be tailored precisely to your needs.

In addition to different jobs, people also have other work styles. Maybe one person is very comfortable running reports and customizing their dashboards, whereas another just wants a report emailed to them daily. Some of your team always have access to their PC, while others may need mobile access to their analytics tools.

> The solution you choose should accommodate all differences, so you'll have happy team members who will eagerly adopt and use the tools you've provided for them.
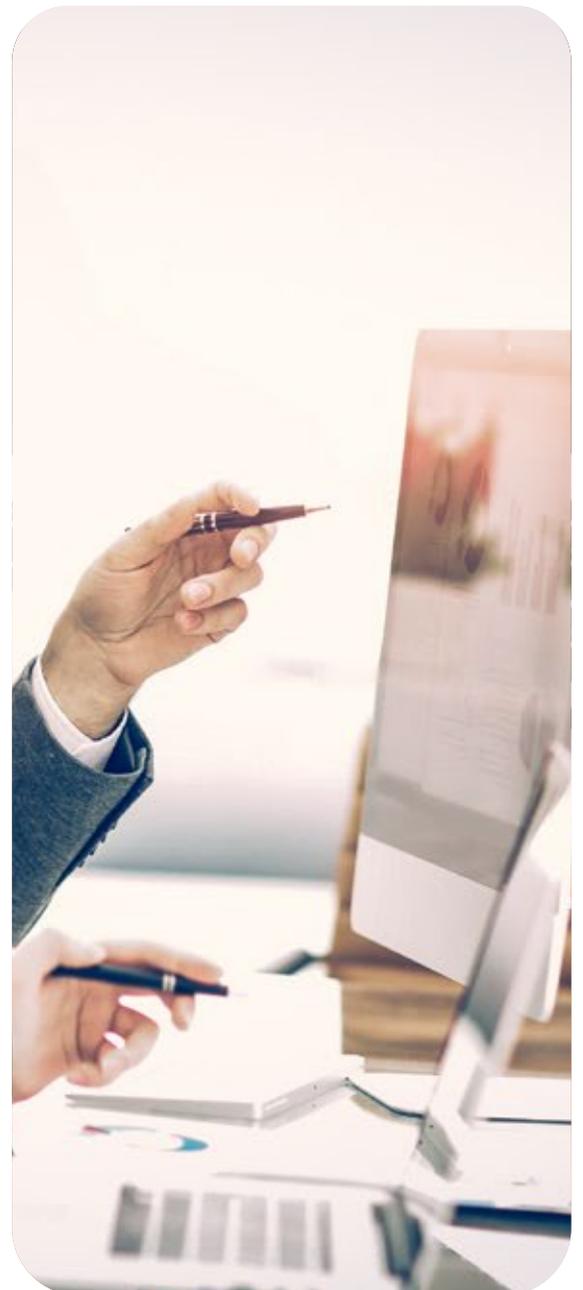
Bringing it all together:

Existing customers are your most powerful and, simultaneously, your most predictable source of revenue. The key to tapping into that revenue is by gaining insight into your customer data in a way that's relevant and actionable by your sales team. These seven steps are just the starting point. From here, you will need to choose the right platform for you and your ERP system.

About us

White Cup turns a distributor's sales pains into profit gains. Our CRM, Business Intelligence (BI), and Pricing software make it easier for you to sell more, keep more profit, and beat the competition. With over 20 years of experience, White Cup is trusted by more than 1,000 customers globally.

To learn more, visit whitecupsolutions.com.

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