

Wholesale Distribution Companies Run Better on NetSuite.



Wholesale Distribution Industry KPIs that Matter

Sponsored by



Improved Results from Businesses Like Yours

 Business Visibility	360° Visibility & Actionable Insight	↑ Increased 50% - 80%
	Collection Time for Accounts Receivables	↑ Improved 30% - 50%
 Financial Management	Revenue Performance	↑ Increased 2% - 10%
	Gross Margin Performance	↑ Improved 1% - 5%
	Time to Close Financial Books	↓ Reduced 30% - 55%
	Days Sales Outstanding (DSO)	↓ Reduction 5% - 20%
	Accounting Staff Productivity	↑ Increased 30% - 50%

KPI improvements are estimates based on discussions with NetSuite customers

Improved Results from Businesses Like Yours



Inventory Management

Inventory Costs	↓ Reduced 20% - 30%
Obsolete Inventory Carrying Costs	↓ Lowered 20% - 40%
Fulfillment Rates and Back Orders	↑ Improved 75% - 85%
Planning Cycle Times	↓ Reduced 20% - 30%




Customer Management

Customer Back Orders	↓ Reduced 60% - 80%
Delivery Efficiency	↓ Reduced 75% - 90%
Shipping to Customers	↓ Reduced 75% - 90%

KPI improvements are estimates based on discussions with NetSuite customers

Improved Results from Businesses Like Yours

 IT Management	IT Support Resource Costs	↓ Reduction 50% - 75%
	Cost to Purchase and Maintain Servers	↓ Reduction 100%
	Business Continuity/Disaster Recovery Costs	↓ Reduction 50% - 75%

KPI improvements are estimates based on discussions with NetSuite customers

Cloud-Based Business Solutions Suite Delivers Key Performance Improvements

Real-time business visibility and end-to-end business management

Many firms—including those in the wholesale distribution sector—have achieved more efficient and agile business operations by using cloud-based ERP

Executive Summary

There are few hard boundaries confining the industry sector in which wholesale distributors operate. Many sellers – be they wholesalers or retailers – have warehouses and distribution operations, and much variety exists within the distribution function itself. Some distributors do little more than drop ship standard items from warehoused inventories when orders arrive, while others are actively engaged in the design, manufacture, customization and/or sale of the products they distribute.

Whatever the variations on the theme, wholesale distributors face challenges ranging from tight margins to supply chain and delivery-carrier dependencies. Succeeding in this demanding and fast-paced sector requires that companies operate with high efficiency and low error rates. Wholesale distributors that don't closely track and optimize their core operations can put critical business relationships at risk, seriously undermining their profitability and growth potential.

Project-Based Metrics Are Critical for Wholesale Distribution Firms

Aligning business operations to meet these challenges

Business Partner Challenges

- **Supplier partners:** Wholesale distributors must track product availability, costs and quality from manufacturers and other suppliers.
- **Retailer partners:** Wholesale distributors may have to manage different forms of relationships with retailers, ranging from simple drop-ship order fulfilment to providing customization and other value-added services.
- **Carrier partners:** Wholesale distributors must depend on third-party carriers to deliver the correct products on schedule and undamaged.

Operating Challenges

- **Inventory:** Ensuring that inventories are stocked to meet current and future demands, while limiting overstocking and item obsolescence, are critical requirements.
- **Reporting:** Workers ranging from the finance team to warehouse-floor supervisors and workers need accurate, real-time reports spanning the full range of relevant operations.
- **Orders and Shipping:** Orders for goods must be rapidly processed and goods from inventories must be correctly packaged and shipped from the distribution centers closest to the customers' addresses.
- **Customization:** ERP, CRM and other functions must be easily customized to match individual company business processes and requirements.



Average Deal Size



Reduction in DSOs



Unlimited Expansion



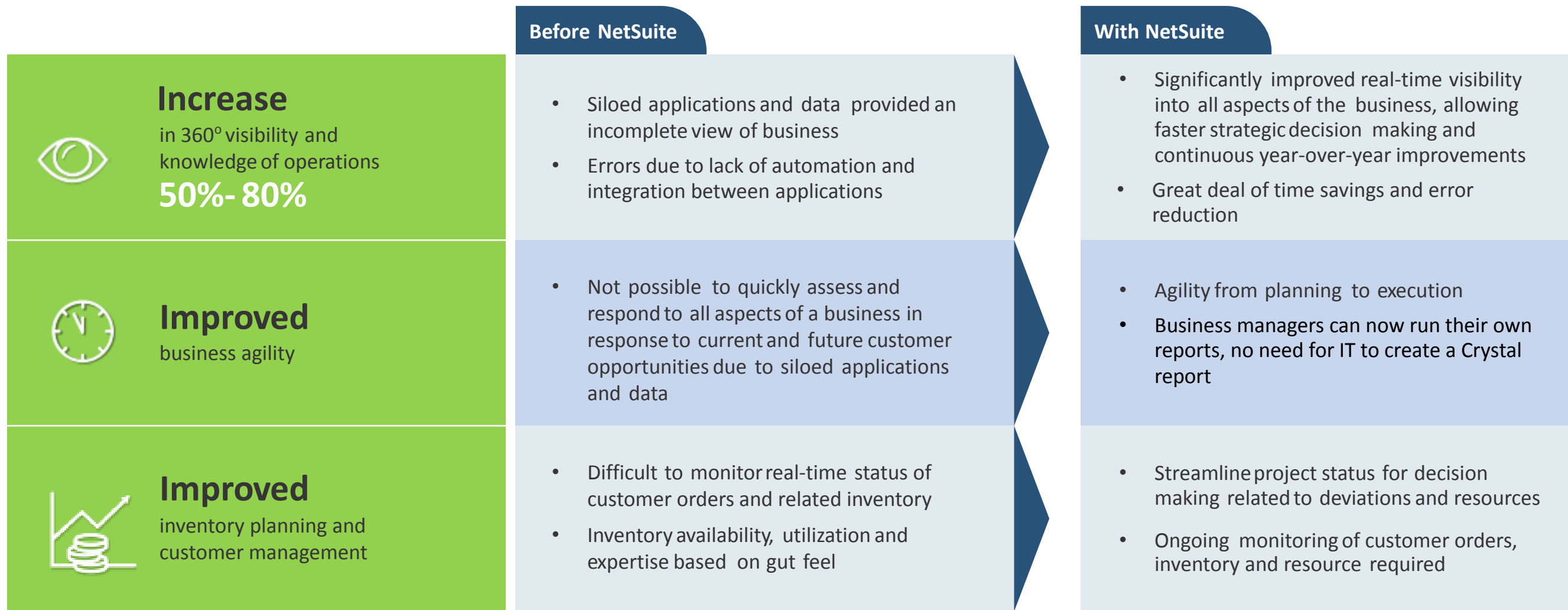
Revenue Growth



Intelligent Order Orchestration

Business Visibility

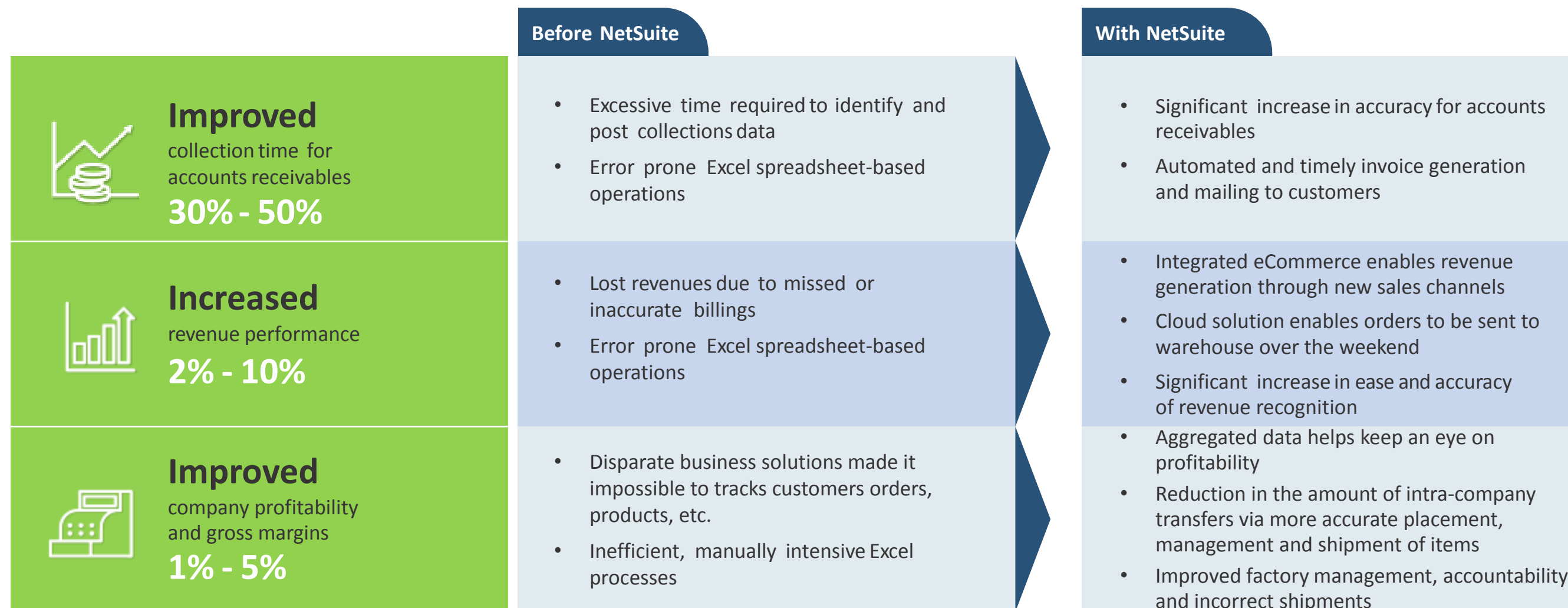
Business value for company management



KPI improvements are estimates based on discussions with NetSuite customers

Financial Management (1 of 2)

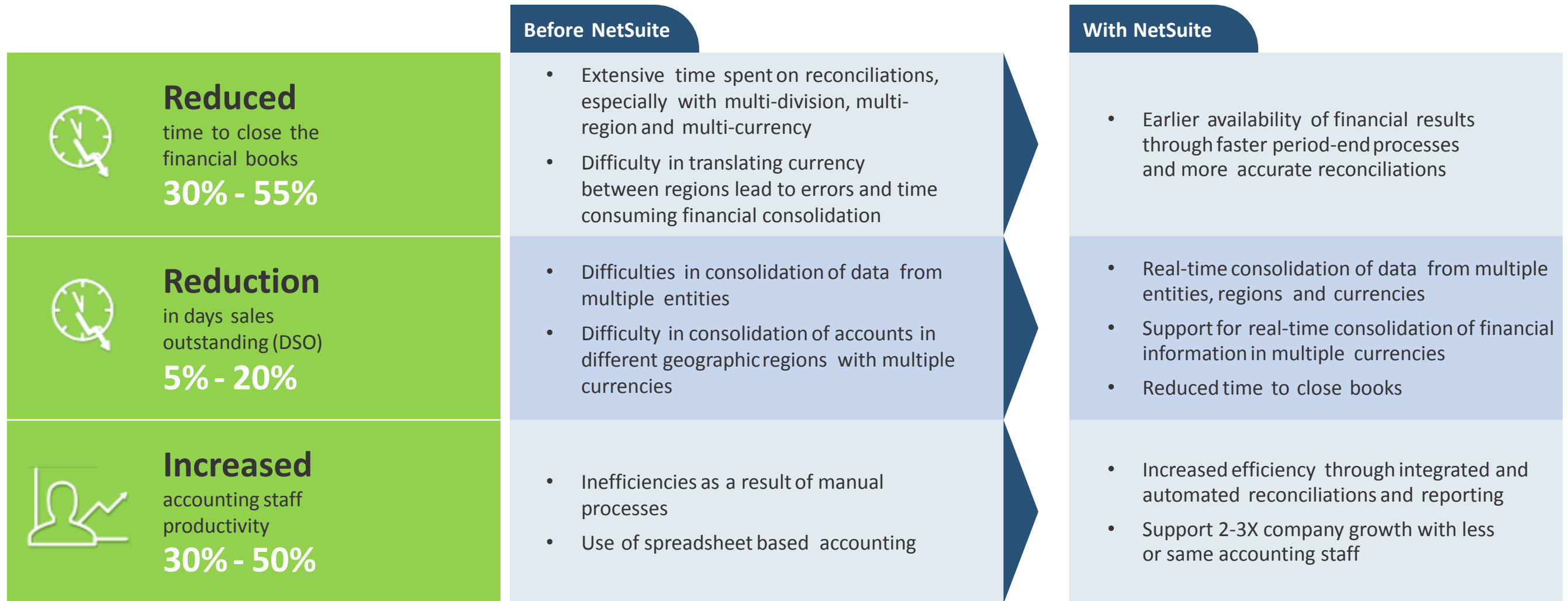
Business value for revenue analysis and management



KPI improvements are estimates based on discussions with NetSuite customers

Financial Management (2 of 2)

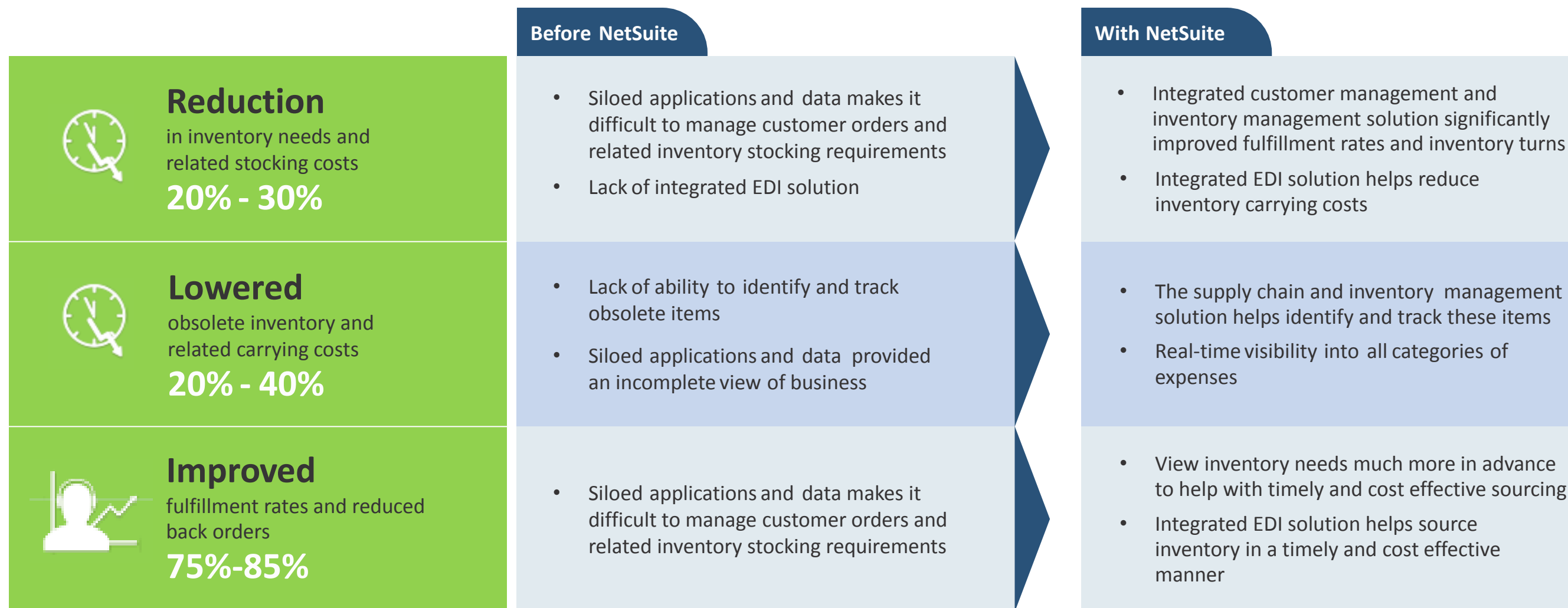
Business value for accounting department



KPI improvements are estimates based on discussions with NetSuite customers

Inventory Management (1 of 2)

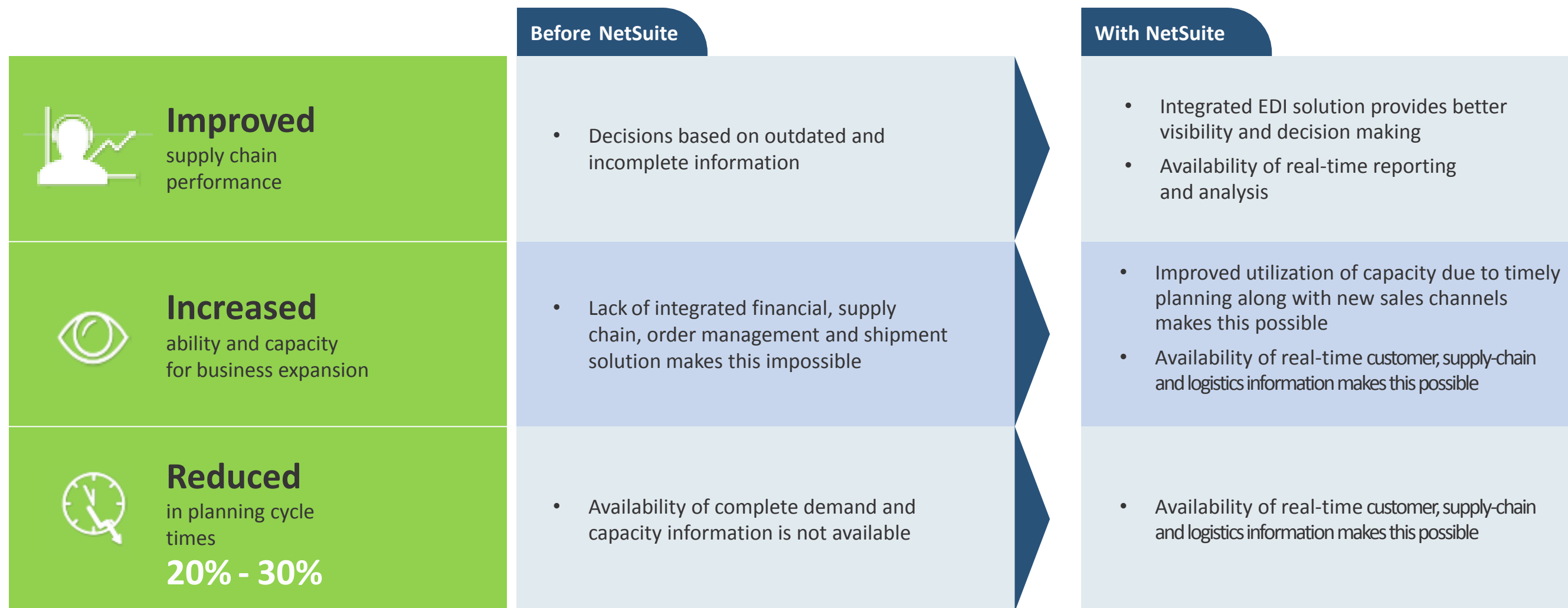
Business value for demand-driven supply chain



KPI improvements are estimates based on discussions with NetSuite customers

Inventory Management (2 of 2)

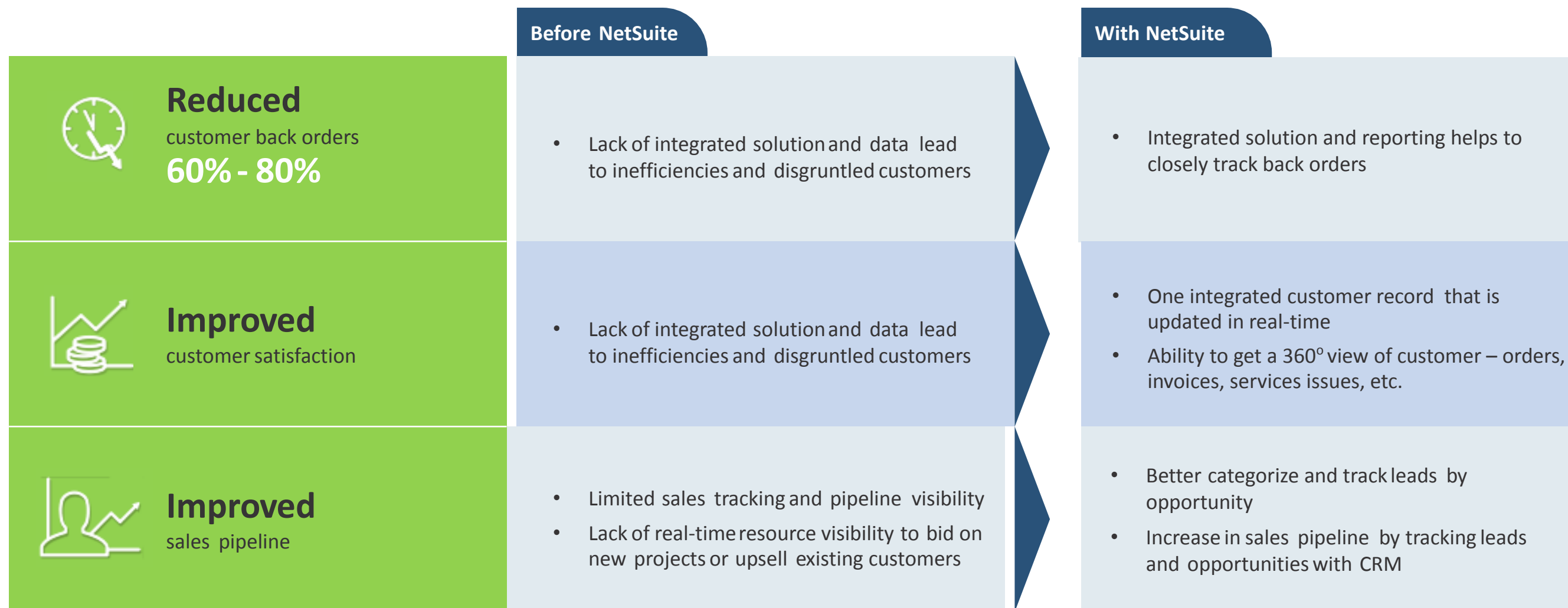
Business value for demand-driven supply chain



KPI improvements are estimates based on discussions with NetSuite customers

Customer Management (1 of 2)

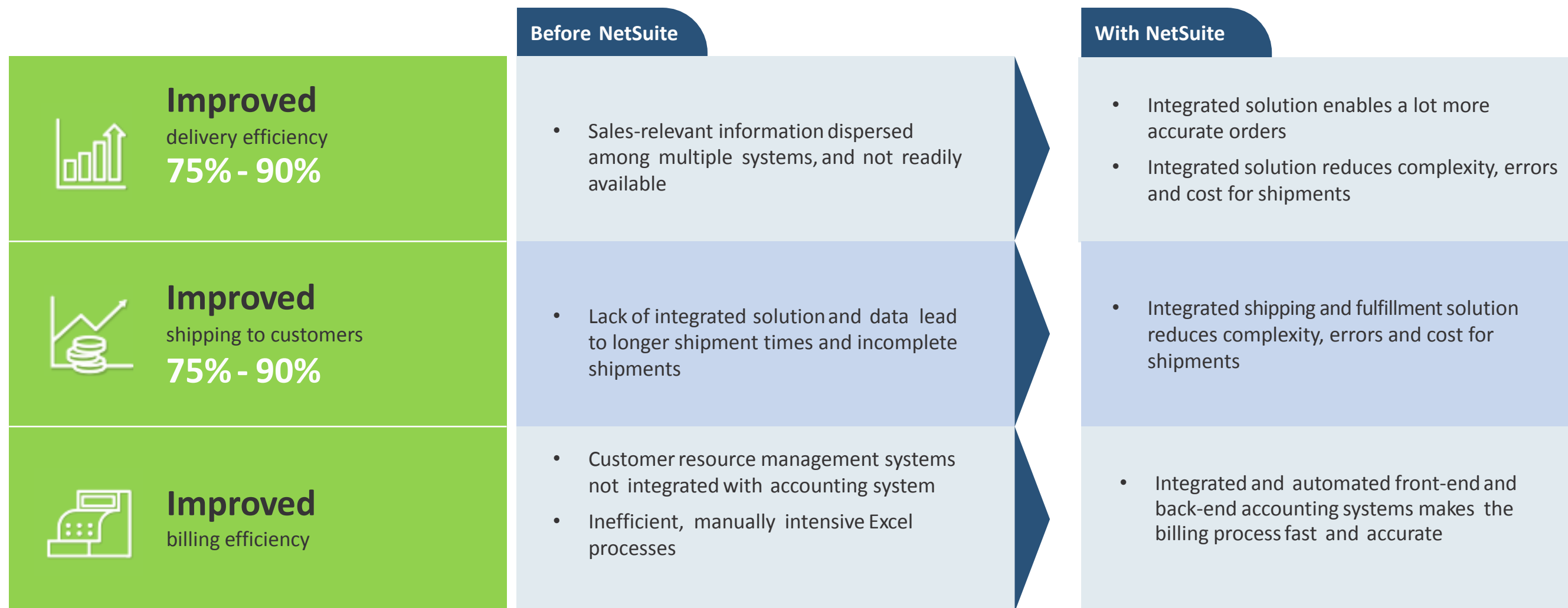
Business value for customer segmentation and cost analysis



KPI improvements are estimates based on discussions with NetSuite customers

Customer Management (2 of 2)

Business value for customer segmentation and cost analysis



KPI improvements are estimates based on discussions with NetSuite customers

IT Management and Resources

Business value for company operations

 <p>Reduction in number of IT support people, IT cost savings of 50% - 75%</p>
 <p>Eliminated the need and cost to purchase and maintain servers 100%</p>
 <p>Reduction in need for business continuity/ disaster recovery solution 50% - 75%</p>

Before NetSuite

- IT resources needed to implement, maintain and update on-premises ERP solutions
- IT resources needed to install and maintain server hardware and software
- Capital expenditure required to acquire and maintain servers for on-premises ERP application
- Ongoing management and maintenance costs
- IT resources and infrastructure needed to support business continuity/disaster recovery
- Implementation is complex and costly

With NetSuite

- Cloud-based solutions eliminate need for internal IT staff to support ERP application, on-premises servers
- Faster to implement for productive use of ERP solution
- No need for IT capital expenses as NetSuite is a cloud delivered solution
- Greatly reduced management and operational costs
- Business continuity/disaster recovery are a “built-in” benefit of the NetSuite SaaS solution
- NetSuite has redundant data centers to support business suite and data availability at no additional cost to customers

KPI improvements are estimates based on discussions with NetSuite customers