

To reimagine business models, distributors focus on **four strategic priorities** that require new business capabilities.

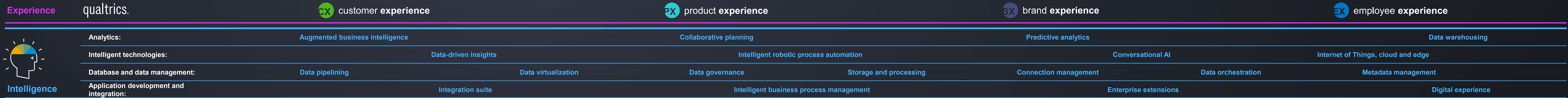
In the experience economy, **wholesale distribution companies** need to reimagine business models and business processes to find new revenue and profit sources by:

- Reinventing the business from a warehouse of products fulfilling demand to an information-centric company that uses customer feedback and new business models to gain competitive advantage
- Addressing operational inefficiencies proactively and impacting bottom-line results while becoming easier to engage in business



	Supply chain planning	Procurement	Supply chain execution	Marketing and sales	Service	Human resources	Finance
Value-added services distributor	<ul style="list-style-type: none"> <li>Improve efficiency, automation, and replenishment</li> <li>Create new, product-as-a-service business models</li> <li>Connect IoT devices with business processes and back-end systems in real time</li> </ul>	<ul style="list-style-type: none"> <li>Handle customer requests for nonstock items quickly and efficiently</li> <li>Maintain a unified vendor data model that provides a single accurate record for each supplier</li> </ul>	<ul style="list-style-type: none"> <li>Optimize customer service levels and track inventory end to end with enhanced logistics</li> </ul>	<ul style="list-style-type: none"> <li>Streamline marketing operations by giving employees insight to understand customer needs</li> <li>Enable faster selling by dynamically configuring and bundling complex offers</li> <li>Boost delivery performance with embedded logic that automatically matches supply of an ordered item with demand</li> </ul>	<ul style="list-style-type: none"> <li>Provide on-demand field service management to enable faster service, improve service efficiency, and boost customer satisfaction</li> <li>Manage light production, kitting, and subcontracting to support high-quality, value-added product services</li> <li>Streamline service-parts fulfillment processes</li> <li>Analyze performance of assets, optimize maintenance strategies, and secure asset information</li> </ul>	<ul style="list-style-type: none"> <li>Align employee performance and goals for an engaged, high-performing workforce</li> <li>Procure and manage contingent labor and services</li> <li>Assess and forecast skill gaps</li> </ul>	<ul style="list-style-type: none"> <li>Identify the most profitable customers, products, and channels to make more-informed decisions</li> </ul>
"Anything, anywhere, anytime" distributor	<ul style="list-style-type: none"> <li>Reduce operational costs, increase revenue and customer satisfaction by optimizing device availability, utilization, and replenishment of goods for inventory at customer locations</li> <li>Extend your digital ecosystem by connecting smart devices to core business processes and back-end systems</li> <li>Enable proactive decision-making for materials requirements planning in response to changing demand</li> </ul>	<ul style="list-style-type: none"> <li>Purchase smarter and meet vendor requirements by optimizing orders using load build functionality</li> <li>Gain the visibility you need to continuously evaluate the right mix of suppliers to best serve your customers' requirements</li> </ul>	<ul style="list-style-type: none"> <li>Manage transportation requirements by planning, optimizing, tendering, and settling freight; booking carriers; and managing forwarding orders</li> <li>Comply with international trade and hazardous goods requirements</li> <li>Automate warehouse and distribution operations</li> <li>Perform allocation management, order promising, replenishment, and deployment</li> </ul>	<ul style="list-style-type: none"> <li>Become the go-to entity in an area by extending the product portfolio and providing a specialized marketplace</li> <li>Deliver the right order – right on schedule – by collaborating enterprise-wide in real time</li> <li>Prioritize customers through business rules for back-order processing</li> <li>Draw insights from customers at every touch point to make data-driven decisions to increase loyalty</li> </ul>	<ul style="list-style-type: none"> <li>Engage customers on their buying journeys through omnichannel communications and service</li> <li>Provide extensive self-service features to the digital-savvy customer</li> <li>Solve customer issues in one interaction</li> <li>Drive customer feedback to issue resolution in no time</li> </ul>	<ul style="list-style-type: none"> <li>Engage candidates to attract the best talent</li> </ul>	<ul style="list-style-type: none"> <li>Get detailed, instant insight into product costs and margins to maintain a profitable product portfolio</li> <li>Improve service by empowering customers with a payment portal and e-billing</li> <li>Improve revenue and avoid defaults with real-time credit evaluation and management</li> </ul>
Solution-oriented distributor	<ul style="list-style-type: none"> <li>Reduce total logistics costs by leveraging predictive insights to eliminate stock-outs</li> <li>Collect and rationalize internal branch-stocking requests and external customer demand streams, detect patterns, and intelligently sense, adjust, and analyze demand plans</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate on fulfillment of orders, change orders, confirmations, cancellations, advance shipping notices, and related notifications</li> <li>Support automated and manual processes for managing contracts, source lists, purchase information records, quotations, and requests for quotations</li> </ul>	<ul style="list-style-type: none"> <li>Protect business interests by committing orders in batch mode in back-order processing according to priorities</li> <li>Meet delivery commitments by integrating order scheduling, promising, and execution in real time</li> </ul>	<ul style="list-style-type: none"> <li>React quickly to opportunities with real-time market and performance insights</li> <li>Move to new ways of selling, including bidding with complex bills of materials combining products and services</li> <li>Enable new consumption-based business models</li> </ul>	<ul style="list-style-type: none"> <li>Provide detailed product information and a single customer view to an expert team</li> <li>Bring company experts together to solve customer requests</li> <li>Increase collaboration among internal and external teams for collaborative project work</li> <li>Plan and monitor projects integrated with logistic and financial processes</li> </ul>	<ul style="list-style-type: none"> <li>Design and manage an agile organizational structure for successful business execution</li> <li>Develop plans for a diverse and skilled workforce that leads business into the future</li> </ul>	<ul style="list-style-type: none"> <li>Align product costs and quotations with strategic targets</li> </ul>
Empowering the modern employee	<ul style="list-style-type: none"> <li>Improve collaboration between sales, marketing, and demand-planning teams</li> <li>Obtain deeper insights into demand with robust statistical algorithms</li> </ul>	<ul style="list-style-type: none"> <li>Improve decision-making for inventory planners with data-driven machine learning tools embedded in daily purchasing tasks</li> <li>Collaborate to resolve invoice exceptions automatically by using a cloud-based business network</li> </ul>	<ul style="list-style-type: none"> <li>Improve customer satisfaction by using real-time inventory information to provide accurate order commitment dates while protecting companies' business priorities and profitability goals</li> </ul>	<ul style="list-style-type: none"> <li>Provide internal sales with relevant insights, contacts, and collaboration</li> <li>Enable focus on leads with the highest propensity to convert them to customers</li> <li>Use data for quick and accurate insights on incentive programs</li> </ul>	<ul style="list-style-type: none"> <li>Reduce repetitive tasks with automated dispatching and ticket handling</li> <li>Provide full transparency and a detailed overview into service performance</li> <li>Use customer service bots so service agents can focus on more-complex customer inquiries</li> </ul>	<ul style="list-style-type: none"> <li>Engage people and streamline HR processes for added efficiency</li> <li>Speed time to productivity of new hires and internal transfers</li> <li>Use data to understand what is driving internal process efficiency and employee satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Support financial and operational decision-making with software analytics</li> <li>Provide support for the planning, execution, monitoring, and analysis of period-end closing tasks</li> <li>Manage accounts payable and accounts receivable processes in a highly efficient way</li> </ul>

Typical business benefits*	Supply chain planning	Procurement	Supply chain execution	Marketing and sales	Service	Human resources	Finance
<ul style="list-style-type: none"> <li>Cost due to stock-outs: -20%–25%</li> <li>Supply chain planning: -3%–5%</li> </ul>	<ul style="list-style-type: none"> <li>On-time delivery: +10%–30%</li> <li>Inventory levels: -25%–30%</li> </ul>	<ul style="list-style-type: none"> <li>Order fulfillment issue resolution: -50%</li> <li>Days in inventory: -10%–12%</li> <li>Total logistics cost: -10%–12%</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction: +10%–20%</li> <li>Qualified sales leads closed annually: +20%–26%</li> </ul>	<ul style="list-style-type: none"> <li>Contact center agent utilization rate: +6%–9%</li> </ul>	<ul style="list-style-type: none"> <li>Employee turnover: -28%</li> <li>Revenue per employee: +56%</li> </ul>	<ul style="list-style-type: none"> <li>Total logistics cost: -10%–12%</li> </ul>	



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SAP S/4HANA®	<ul style="list-style-type: none"> <li>Live material requirements planning</li> <li>Production planning (kitting)</li> </ul>	<ul style="list-style-type: none"> <li>Operational purchasing</li> <li>Collaborative sourcing and contract management</li> <li>Invoice and payables management</li> <li>Supplier management</li> <li>Procurement analytics</li> </ul>	<ul style="list-style-type: none"> <li>Real-time inventory management</li> <li>Basic warehouse management</li> <li>Basic shipping</li> <li>Available to promise</li> </ul>	<ul style="list-style-type: none"> <li>Order and contract management</li> <li>Sales and solution billing</li> </ul>	<ul style="list-style-type: none"> <li>Returns and refund management</li> <li>Service core</li> </ul>	<ul style="list-style-type: none"> <li>Time recording</li> </ul>	<ul style="list-style-type: none"> <li>Core accounting</li> <li>Cost management and profitability analysis</li> <li>Basic financial operations</li> </ul>		
Business areas	<ul style="list-style-type: none"> <li>Extended planning</li> </ul>		<ul style="list-style-type: none"> <li>Extended warehouse management</li> <li>Transportation management</li> <li>Advanced available to promise</li> </ul>	<ul style="list-style-type: none"> <li>Cost recovery and rebates</li> <li>Pricing administration</li> </ul>			<ul style="list-style-type: none"> <li>Financial planning and analysis</li> <li>Accounting and financial close</li> <li>Treasury management</li> <li>Accounts receivables and payables and invoices</li> <li>Commodity management</li> <li>Governance, risk, and compliance</li> </ul>		
Operations	<ul style="list-style-type: none"> <li>Integrated business planning: <ul style="list-style-type: none"> <li>Sales, inventory, and operations planning</li> <li>Demand sensing and planning</li> <li>Response and supply orchestration</li> </ul> </li> <li>Supplier network collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Strategic sourcing and supplier collaboration</li> <li>Business network</li> <li>Guided end-user buying</li> </ul>	<ul style="list-style-type: none"> <li>Global batch traceability</li> </ul>	<ul style="list-style-type: none"> <li>Marketing cloud</li> <li>Commerce cloud</li> <li>Sales cloud</li> </ul>	<ul style="list-style-type: none"> <li>Cloud solutions for customer service teams and field technicians</li> </ul>	<ul style="list-style-type: none"> <li>Core human resources and payroll</li> <li>Time and attendance management</li> <li>Human capital analytics</li> <li>Talent management</li> </ul>	<ul style="list-style-type: none"> <li>Governance, risk, and compliance</li> <li>Financial services network</li> <li>Digital payments add-on</li> </ul>		
						SAP Concur	SAP Fieldglass	SAP SuccessFactors	SAP Ariba