

Going from Digital Laggard to Digital Leader

The digital transformation imperative





Transform how your enterprise works

Your customers have likely implemented — and even escalated — digital programs in the past few years. So why haven't you? It's past time for you to re-define how your business engages with customers in the brave new digital world.

Embracing digital transformation (DT) requires an investment in connectivity and versatile solutions that result in improved productivity and effectiveness for personnel across all facets of your business and that deliver better outcomes for your customers.

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Digital infusion confusion

What do we mean by Digital Transformation?

In our digitally-infused world, "digital" can mean different things to different people. While there isn't a one-size-fits-all definition, the term "digital transformation" — also referred to as DT — is the integration of digital technology, people and processes into all areas of a business to bring value to customers and achieve affordability, efficiency and scalability.

Some may feel "digital transformation" has become an overused buzzword, but the term itself is irrelevant. What matters most is for businesses to transform in response to a dramatically changing world and replace manual with automated processes.

What's so special about DT?

When it comes to embracing digital technology, the wholesale distribution industry has lagged behind other industries. Any distributor who has been in business for a long time and uses legacy processes, outdated software applications and aging architecture is ripe for DT.

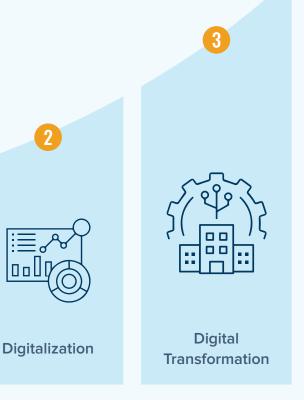
The pandemic demonstrated and accelerated the need to make significant changes to business operations and work environments, quickening the adoption of emerging technologies.





Is DT the same as Digitization and Digitalization?

While often mistakenly used interchangeably, these 3 terms refer to different things.



1. Digitization

The conversion of information in physical form into a digital format that can be used in digital processes and workflows.

2. Digitalization

Uses digital data to streamline processes and reduce workload. Digitalization — which can't be accomplished without digitization — improves business processes, models and activities, and transforms the entire organization.

3. Digital transformation

Leverages digitization and digitalization to reshape how organizations use digital technologies to create new business models and add value to the customer experience.



Digitization

What can DT do for me?

Digital transformation allows you to reinterpret your existing — and possibly old-fashioned — operating models, processes and practices to become a more agile business that ensures timely communications and provides consultative value to your customers.

The results are in. See how DT can help distributors like you:

Streamline

processes and ensure consistent functionality across multiple departments

Optimize

planning, inventory, logistics, decision-making and procurement capabilities based on real-time data

Minimize

risk and downturn

Eliminate

manual record keeping and obstacles related to hardware-dependent infrastructure

Improve

order fulfillment

Compete

against larger wholesale distributors and manufacturers selling direct in your area



Outwit, outperform and outlast

Much like contestants on the hit reality TV series "Survivor" who must surpass physical and mental challenges to avoid elimination, distributors need to overcome such obstacles as supply chain disruptions, product shortages and everchanging customer demands and buying behaviors to stay in business. DT is all about surviving and thriving — increasing productivity, improving efficiency and reducing costs — in the face of numerous impediments.

Distributors who underestimate the need for DT do so at their own peril.

Learn more about the impacts of supply chain drain on your business.

A lesson learned from the pandemic:

The pivot to DT is essential to achieve greater visibility, agility, efficiency, flexibility and competitiveness.





Be involved to evolve

Because change accelerates so quickly, digital transformation is constantly evolving to keep up. It's important to maintain momentum and make course corrections as needed to adjust for competitive challenges and ever-changing customer preferences. Keeping your customers at the center of your DT efforts helps keep everyone energized and focused. Where to start?

Get your digital transformation started with these basic questions:

- ? What's broken?
- ? How did it become broken?
- ? Can digitalization fix it?
- ? What's the impact of change?
- ? What specifically needs automating?

The intersection of DT and CX

As a distributor, you need to adapt strategies and changes that will favorably impact every customer interaction — both online and offline. Renovating customer experience (CX) in the digital landscape may sound daunting, but DT can help you deliver a unique CX along with new and improved ways of accounting, buying, delivering, managing, planning, selling, warehousing and more.

Your DT journey will give you a deeper understanding of your customers' needs, challenges and processes, allowing you to analyze every step taken by the customer, with data that can be collected, organized and shared throughout your organization. The days of customer knowledge only residing with the sales or customer service teams are in the past.

When it comes to CX, DT helps distributors:



Boost customer loyalty and satisfaction



Deliver value-added services



Improve response to customer demands



Build add-on sales



Provide more accurate sales forecasts

Improving CX – getting closer to customers and staying close – is an essential goal for digital transformation.



Get sales booming at scale

DT can simplify sales, making your sales team more agile and efficient. Once realigned, your sales team will be empowered to make more data-driven decisions, achieving deeper, more meaningful customer interactions that produce desired outcomes faster.

DT helps you sell at your best to:

- Increase revenue
- Reduce sales costs
- Focus on more profitable deals and bigger wins
- Build more long-term customer relationships



Once a nice-to-have, now a necessity

What was once considered a "nice-to-have" has become a necessity. And what may have once been a multi-year DT initiative now can be accomplished in months. Today, drones are making deliveries, robots are filling orders and driverless vehicles are navigating cities and towns across the country.

Meanwhile, Amazon Business, launched in 2015, has become a dominant force in distribution, with global annual sales exceeding \$25 billion. Learn more about new approaches to transform your wholesale business.

While many wholesale distributors already benefit from automated planning and execution processes and data and analytics that deliver predictive analytics and optimization, others are still relying on spreadsheets or obsolete solutions and struggling with operational inefficiencies.

From shaky ground to groundbreaking

Digital transformation results in tangible outcomes that break new ground, enhance business quality, pave new roads of innovation and boost current offers and services.

If you're just getting started with your DT journey, make sure your approach includes a clear alignment with strategy, personnel, skills and technology. When done right, your wholesale distribution business will be more closely aligned with the ever-changing customer demands and behaviors in the digital world in which we live.

DT is a complex process that changes how your enterprise works, goes to market, prioritizes trends, meets customer demands, increases efficiencies and remains profitable.





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Chris Wiesen has 35 years of experience in Industry and Technology working for companies such as Birds Eye Foods, ConAgra and Keebler as well as SAP and TCS. Chris is a recognized subject matter expert and thought leader for Sales and Marketing solutions, business processes and best practices in the areas of Brand Marketing, Ecommerce, Omnichannel, Pricing & TPM, Sales Incentives, Commissions, Billbacks, Chargebacks, Rebates, Big Data, Insights, Analytics and much more. He graduated with a BS in Finance and Production Management from Ball State University.

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