



NATIONAL ASSOCIATION OF
ELECTRICAL DISTRIBUTORS

DISTRIBUTOR TECHNOLOGY BENCHMARKING REPORT



2018

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METHODOLOGY

The *NAED Distributor Technology Benchmarking* survey was administered in the fall of 2017 to NAED distributor members. The survey contained questions concerning website functionality, technology usage, and stances on pressing technological issues. NAED received 110 responses from NAED distributor members.

HOW TO USE THIS REPORT

The data within this report can be used to gauge where your company stands regarding the deployment of technology relative to other electrical distributors. This report is divided into eight subjects:

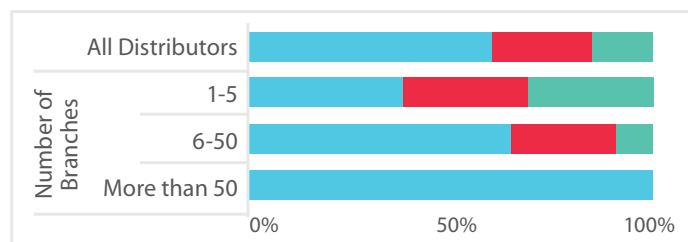
1. *Estimated Customer Website Usage*
2. *Distributor Website Functionalities*
3. *Mobile Technology Deployment*
4. *Other Technologies in Use*

5. *Data Sources*
6. *Data Breaches*
7. *Technology Personnel*
8. *Stance on Technological Issues*

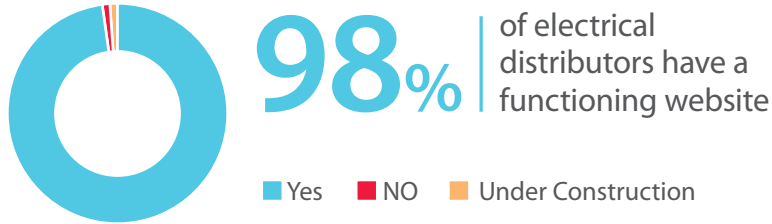
The graphical data contained in this report are aggregations of all distributors. However, some data show a significant difference based on distributor size. Where data differed based on distributor size, a segmented graph is displayed later in the report with three divisions based on number of branches: 1 to 5, 6 to 50, and more than 50 branches. If no segmented graph is displayed for a data measure, there was no statistically significant difference based on distributor size. The sample size for graphs divided by distributor size is slightly less than full sample size due to some respondent attrition during completion. The reduced sample for the divided data visualizations is 79.

Segmented graphs are displayed if there was a significant difference based on size of distributor

Sample size = 79 for segmented graphs based on number of branches



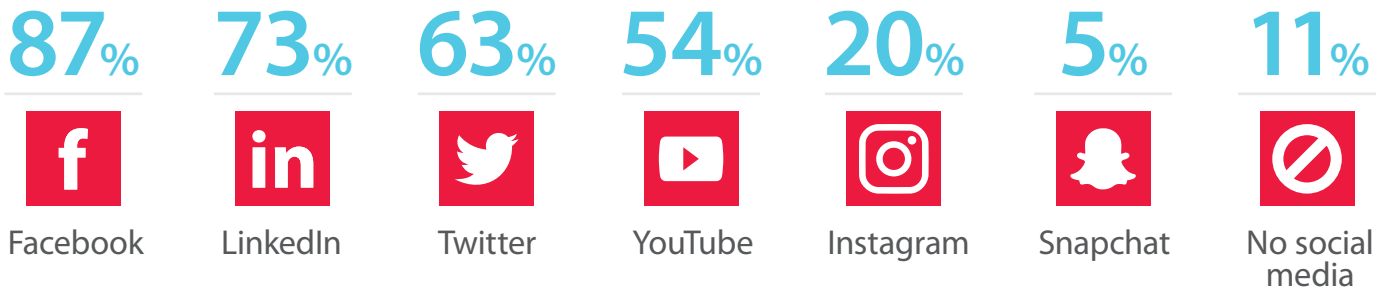
KEY STATISTICS



40% of distributor websites have the ability to place orders and make payments online for product



Social Networks Used by Distributors

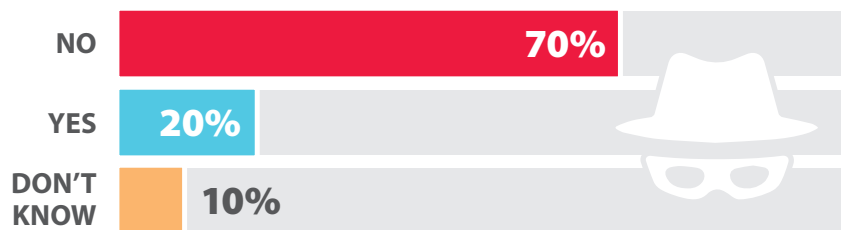


On average, **1/5** of a distributor's customer base visit their website in a typical month

On average, **8%** of a distributor's total sales come via online e-commerce in a typical month

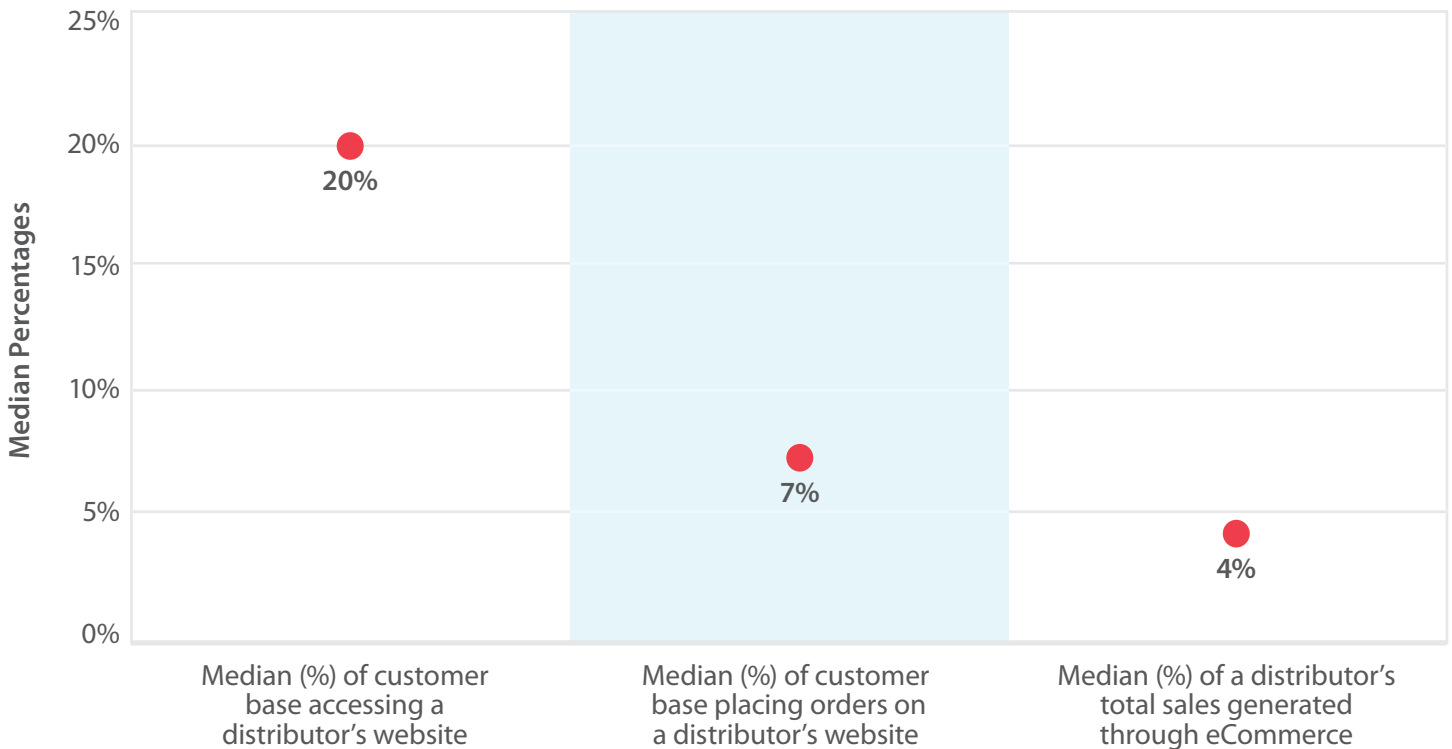


In the past year, has your company been hacked, experienced an unauthorized online intrusion, or another type of data breach?



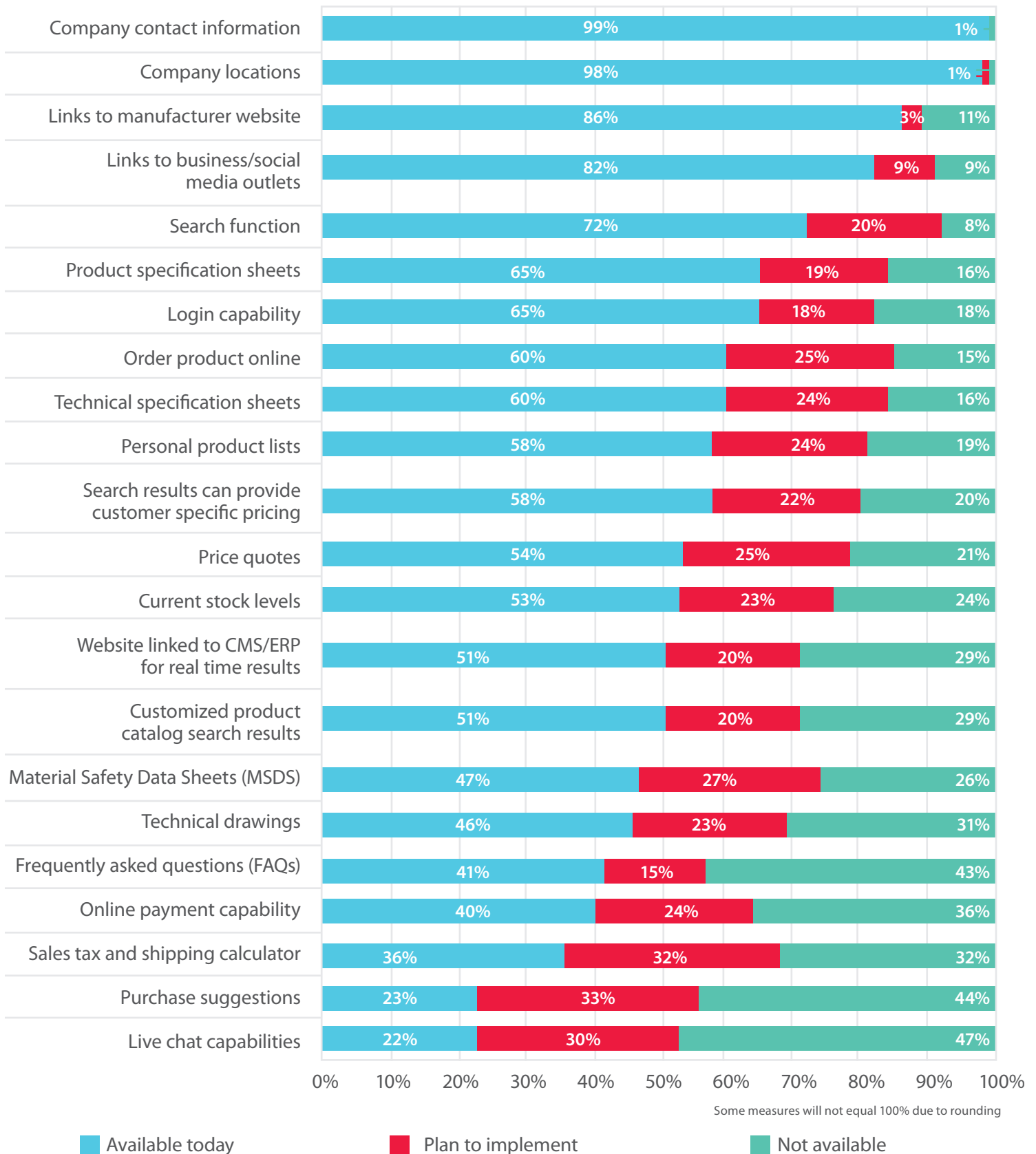
ESTIMATED CUSTOMER WEBSITE USAGE

MEDIAN PERCENT OF DISTRIBUTORS WITH AN ECOMMERCE PLATFORM REGARDING THE FOLLOWING



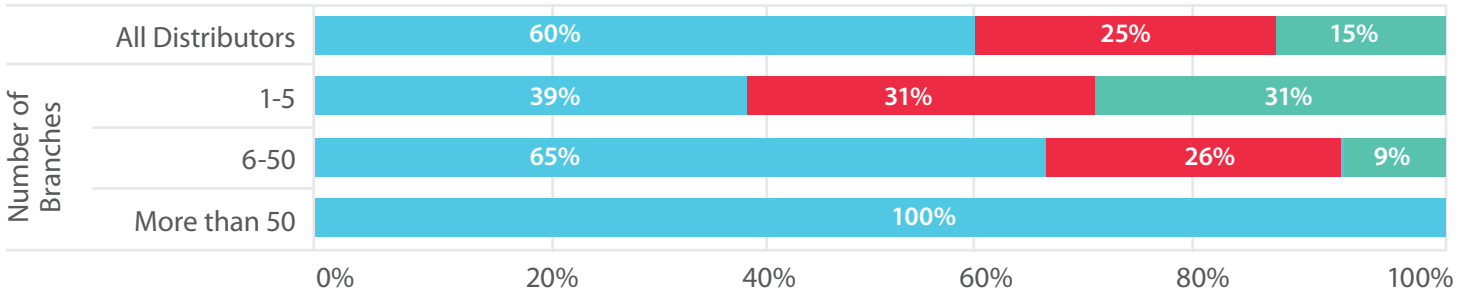
Note: Median percent of customer base placing orders and total sales generated through eCommerce only includes companies with those capabilities

DISTRIBUTOR WEBSITE FUNCTIONALITIES

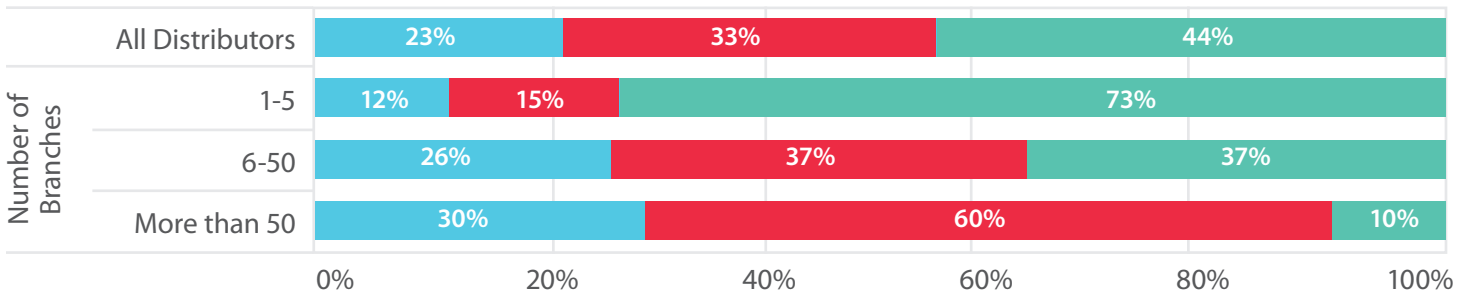


SELECT FEATURES SEGMENTED BY COMPANY SIZE

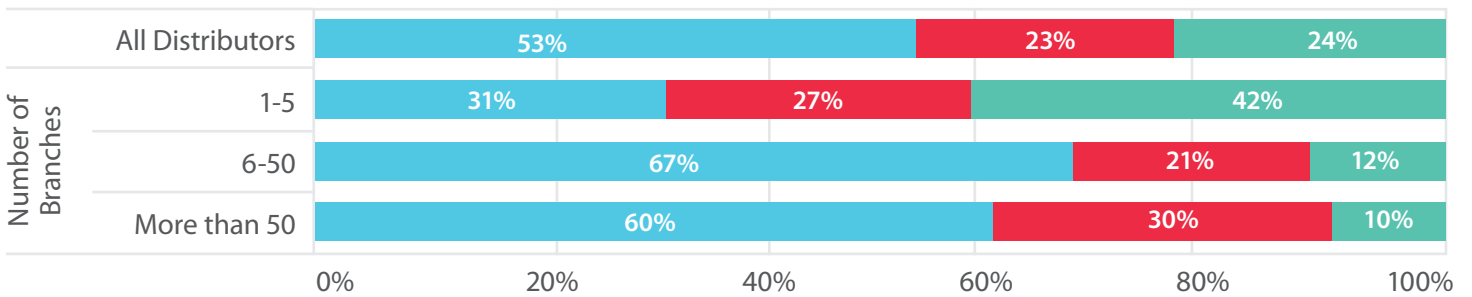
ORDER PRODUCT ONLINE



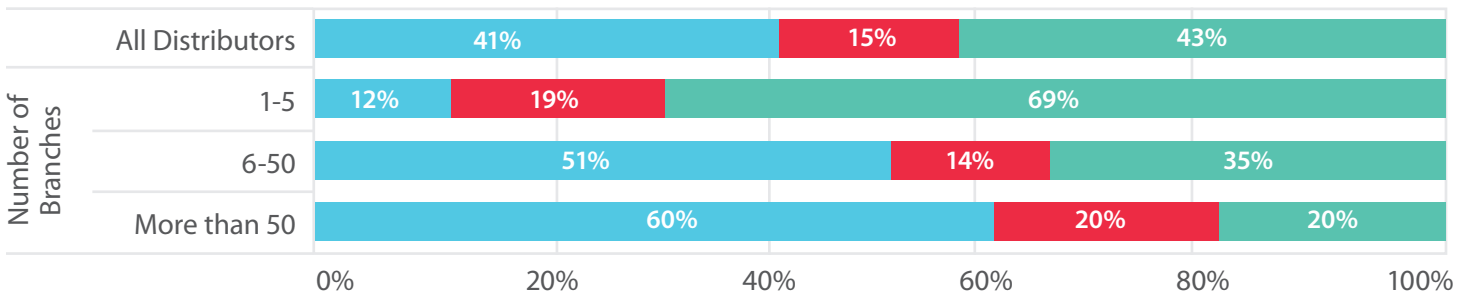
ONLINE PURCHASE SUGGESTIONS ("OTHER ITEMS PURCHASED WITH THIS PRODUCT")



CURRENT STOCK LEVELS



FREQUENTLY ASKED QUESTIONS (FAQS) ON WEBSITE



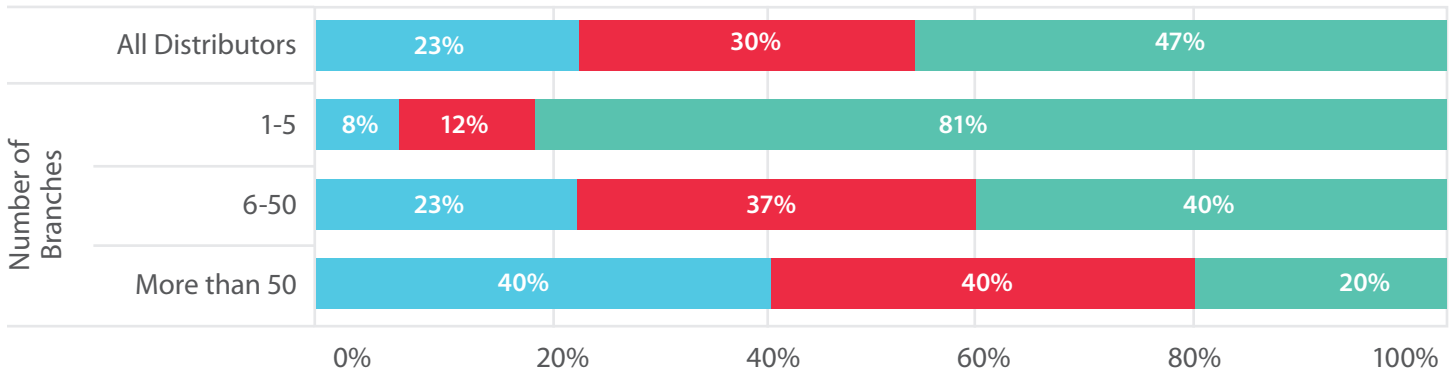
Available today

Plan to implement

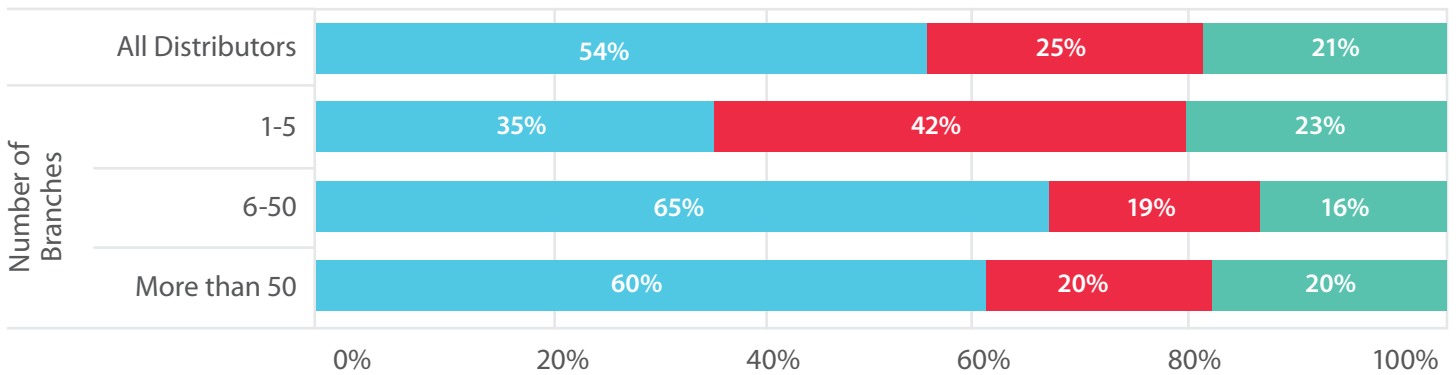
Not available

SELECT FEATURES SEGMENTED BY COMPANY SIZE

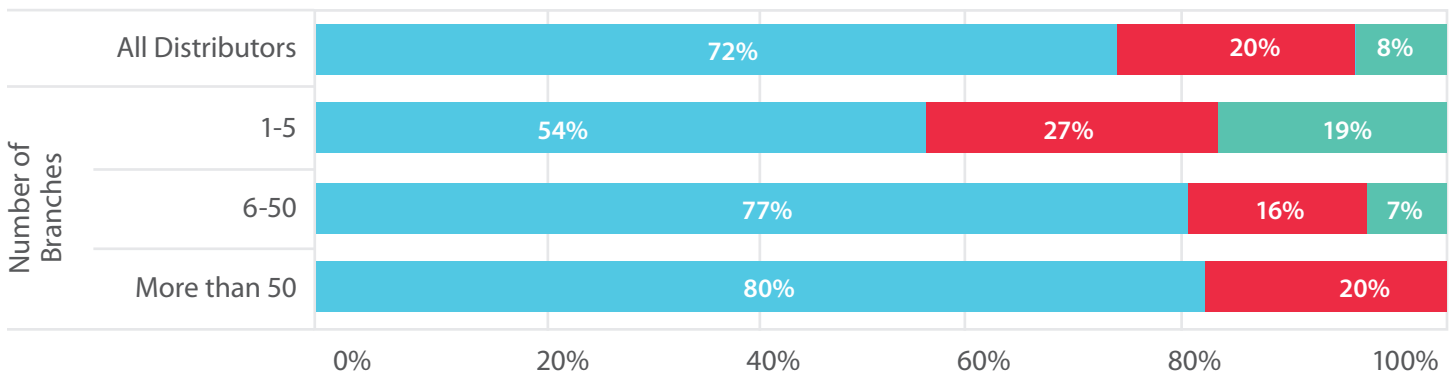
LIVE CHAT CAPABILITIES



PRICE QUOTES



SEARCH FUNCTION



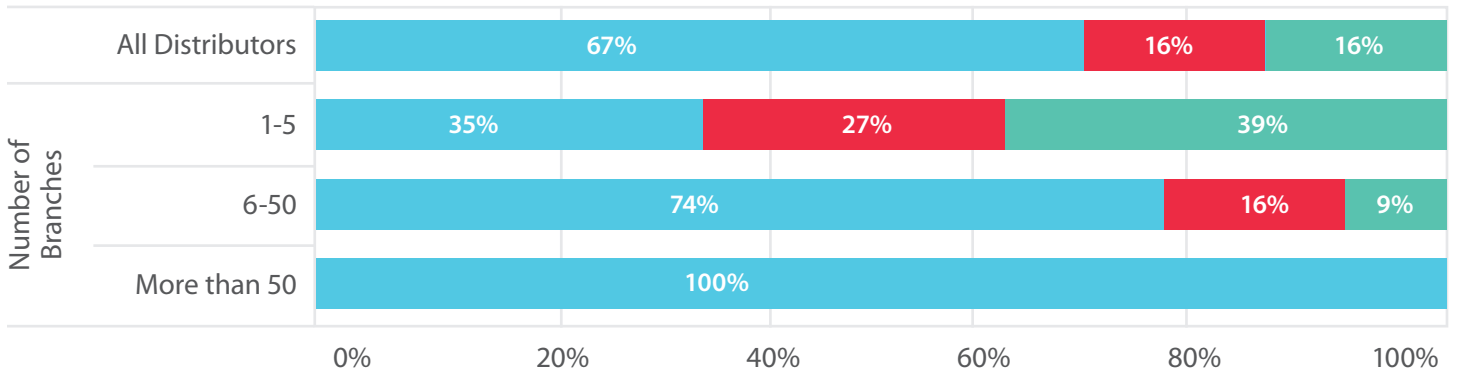
Available today

Plan to implement

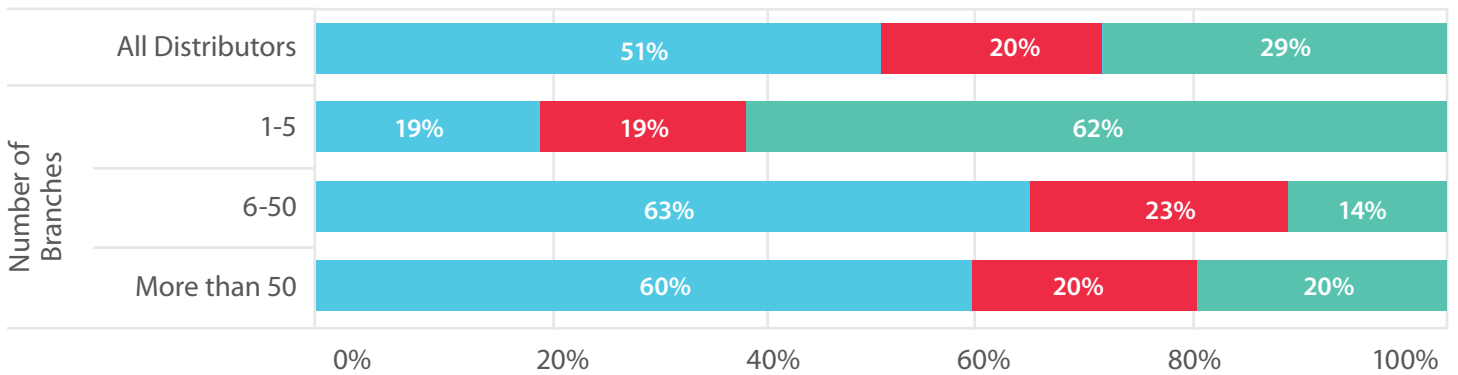
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SELECT FEATURES SEGMENTED BY COMPANY SIZE

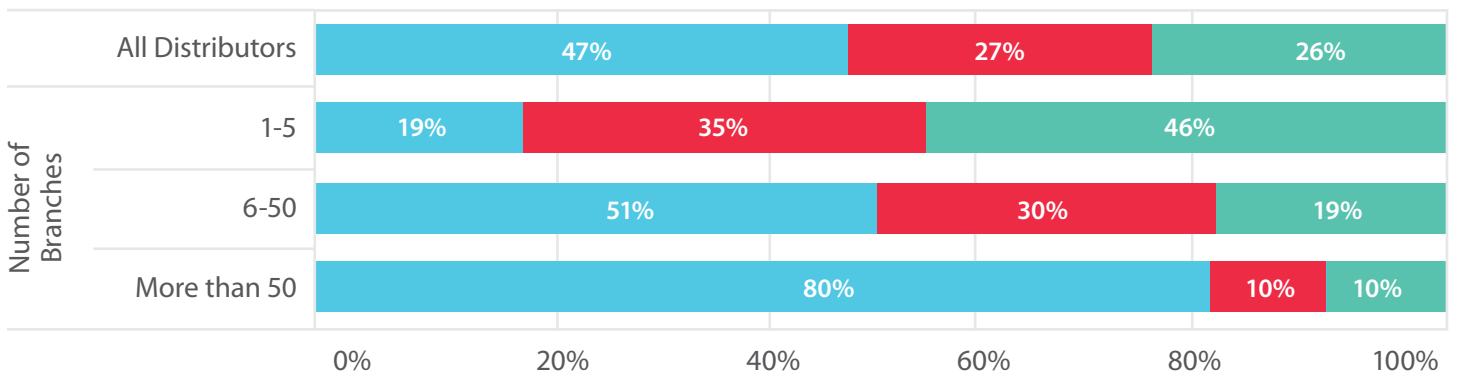
LOGIN CAPABILITY



LINK TO CMS/ERP FOR REAL TIME RESULTS



CUSTOMIZED PRODUCT CATALOG SEARCH RESULTS



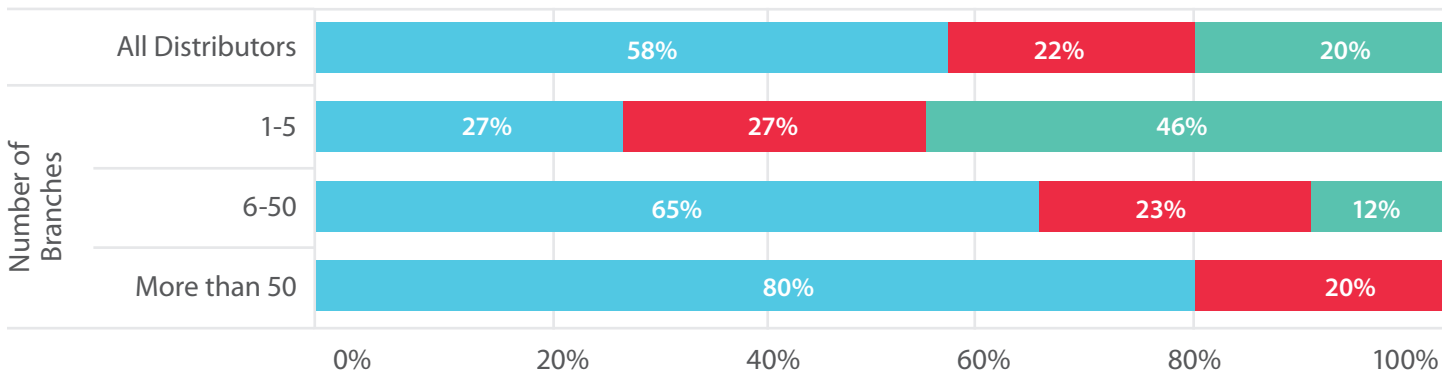
Available today

Plan to implement

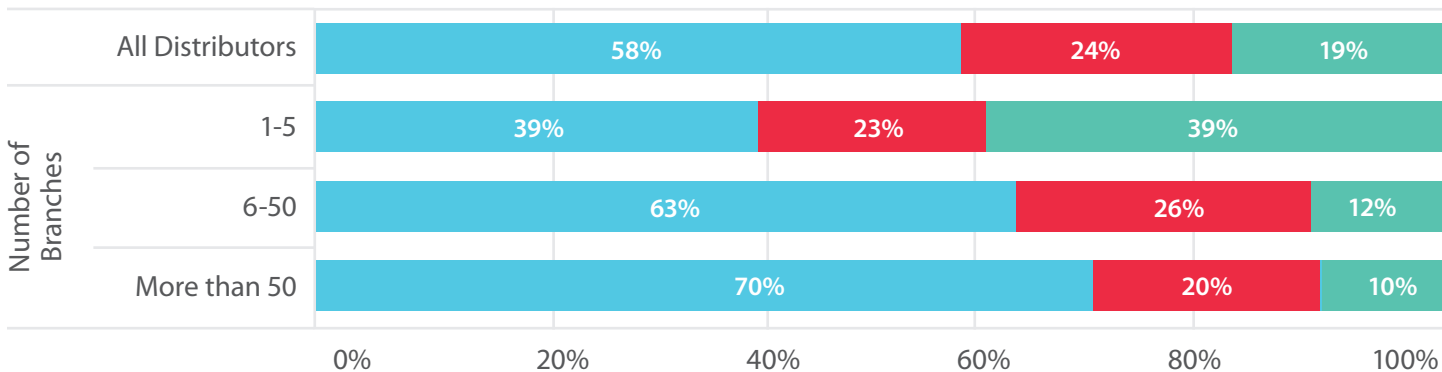
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SELECT FEATURES SEGMENTED BY COMPANY SIZE

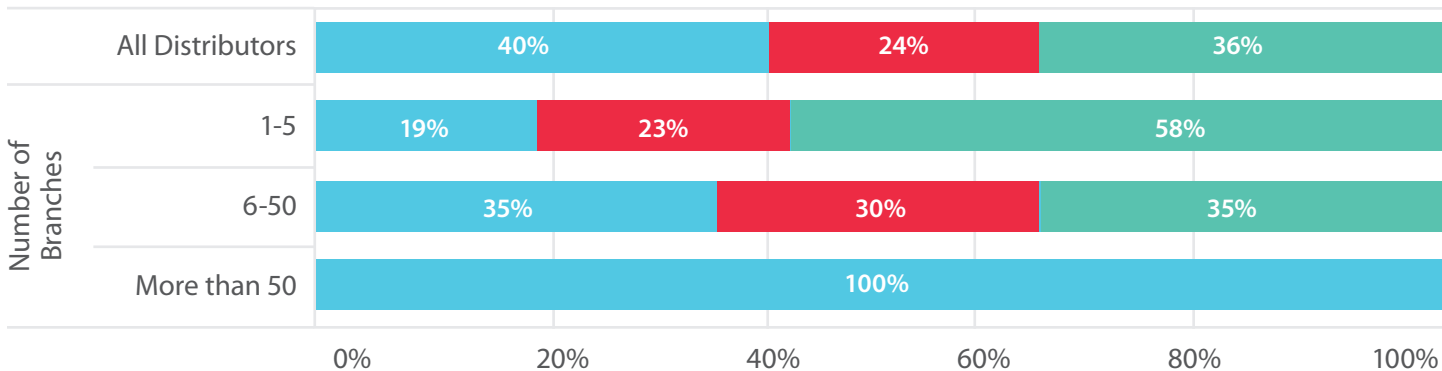
SEARCH RESULTS PROVIDE CUSTOMER SPECIFIC PRICING



PERSONAL PRODUCT LISTS



ONLINE PAYMENT CAPABILITY



Available today

Plan to implement

Not available

FOR DISTRIBUTORS WITH A WEBSITE SEARCH FEATURE (72%), THE FOLLOWING SPECIFIC SEARCH CAPABILITIES ARE AVAILABLE

Search by Manufacturer/
Brand name

78%



Search by Manufacturer
part number

75%



Search by Product
category

74%



Search results provide
product images

71%



Search by Customer
part number

59%



Search by Customer
Brand name

44%

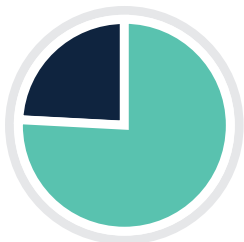


Search results provide
product comparisons

26%



WHAT ELSE CAN YOU DO ON A DISTRIBUTOR'S WEBSITE?



Look at pictures of products | **76%**



Check prices or request a quote | **66%**



Find the nearest branch with materials in stock | **56%**



Review invoices, statements or pay invoices | **55%**



Check order status, follow orders or manage jobs | **44%**



Download application and installation guides | **43%**



Schedule, track or verify receipt of shipments | **35%**

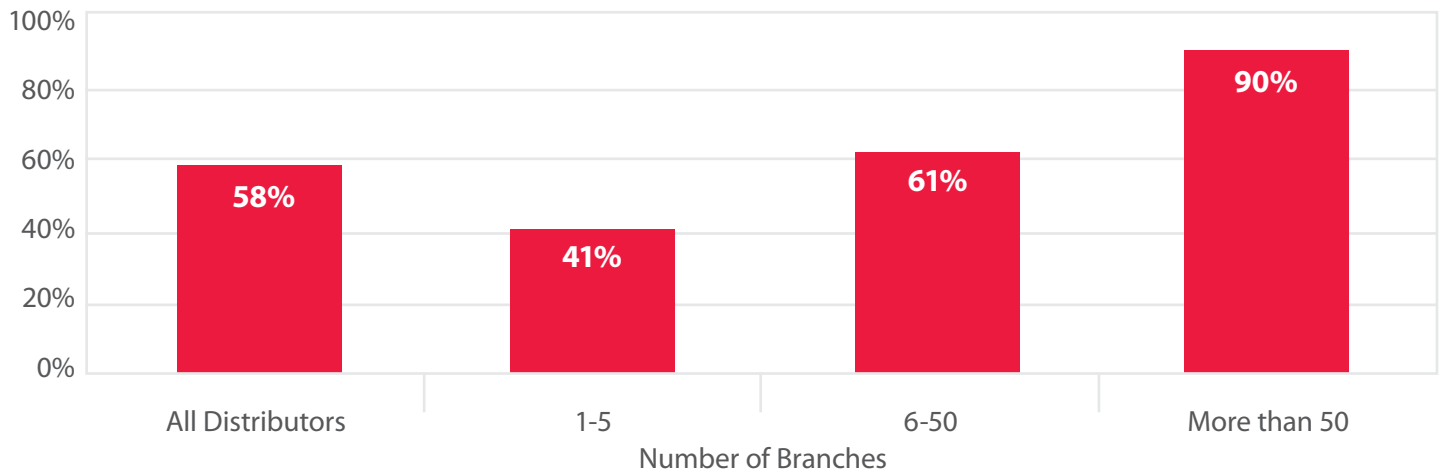


Receive technical support | **33%**

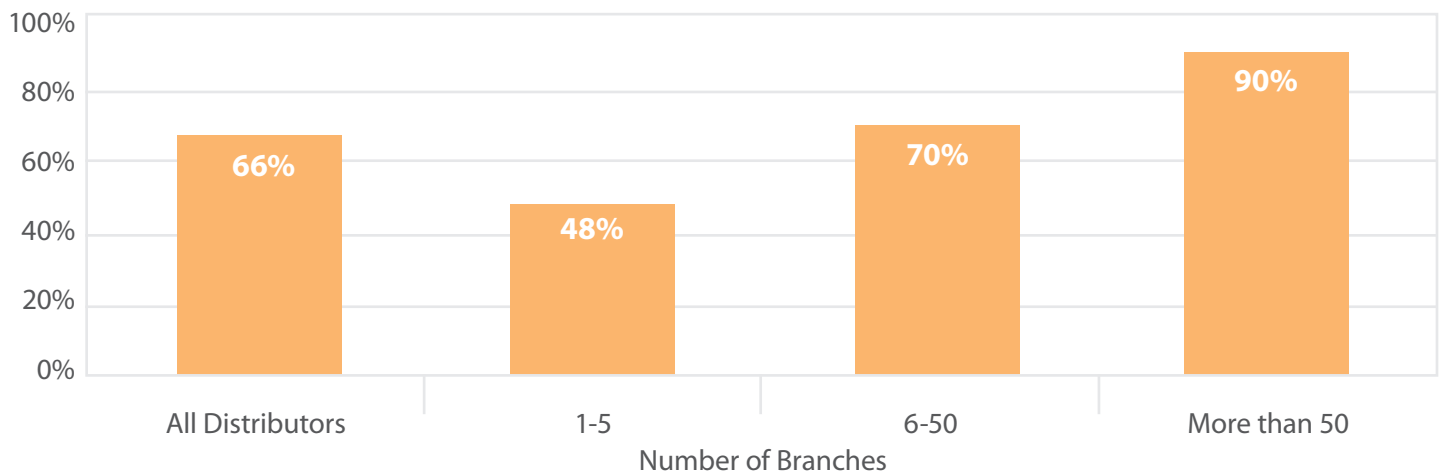


Document shipping damage, defective products or request return authorization | **10%**

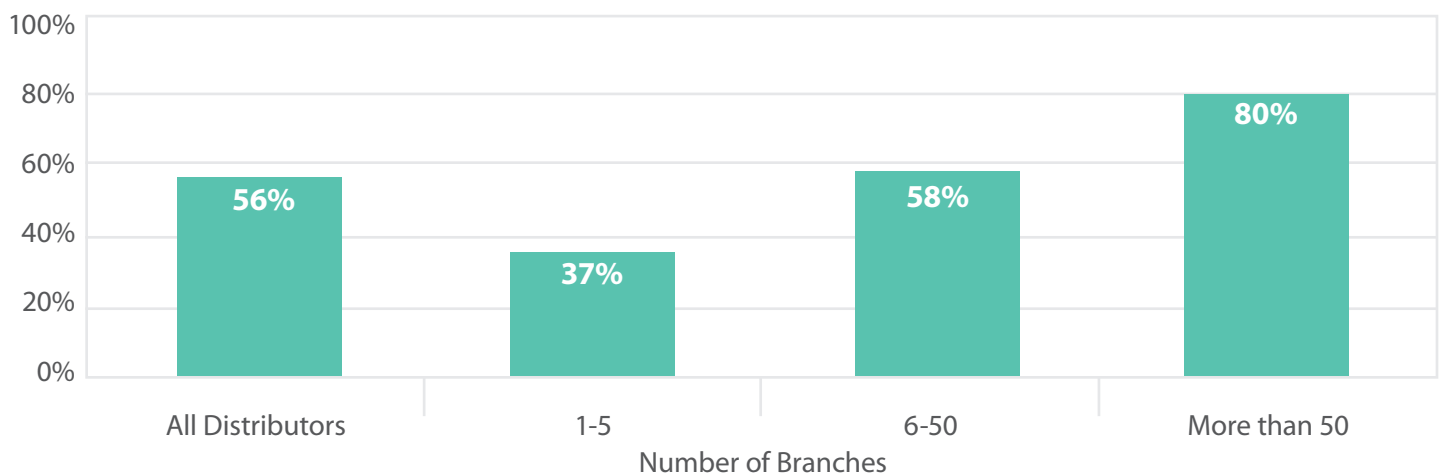
RESEARCH PRODUCTS OR APPLICATIONS



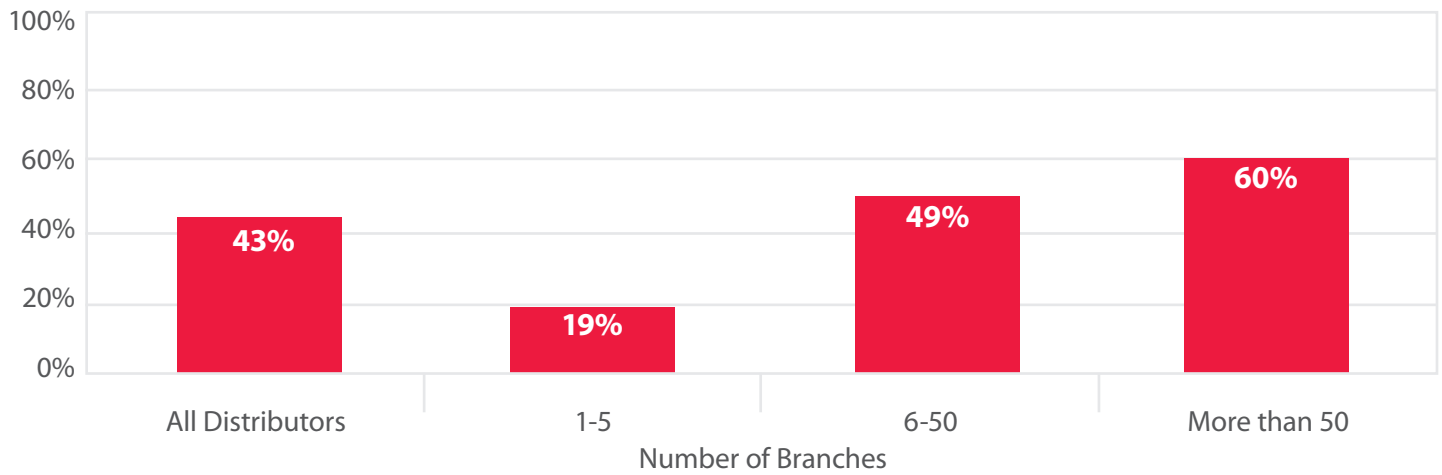
CHECK PRICES OR REQUEST A QUOTE



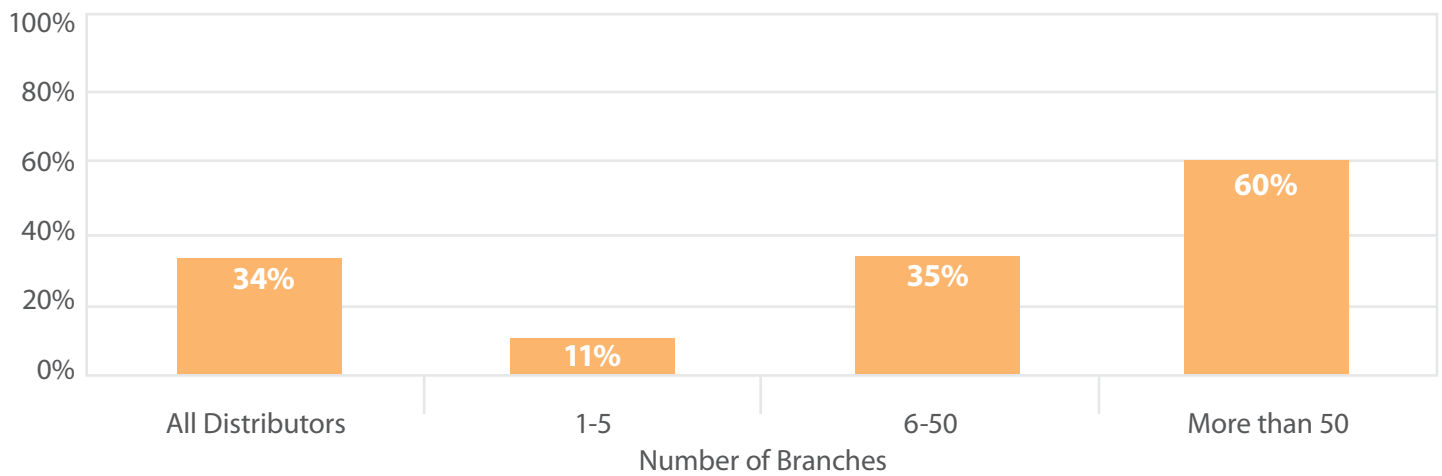
FIND THE NEAREST BRANCH WITH MATERIALS IN STOCK



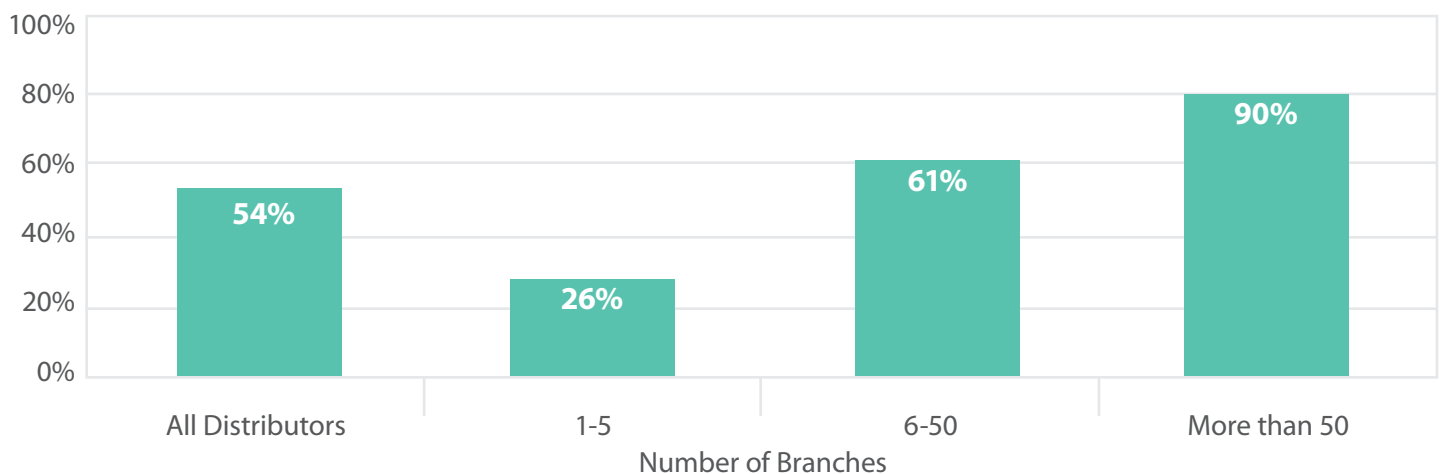
CHECK ORDER STATUS, FOLLOW ORDERS OR MANAGE JOBS



SCHEDULE, TRACK OR VERIFY RECEIPT OF SHIPMENTS



REVIEW INVOICES, STATEMENTS OR PAY INVOICES



DISTRIBUTOR MOBILE TECHNOLOGY DEPLOYMENT

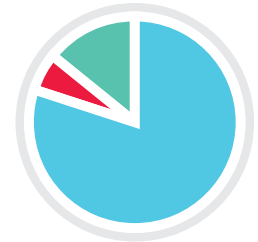
STATUS ON THE DEPLOYMENT OF MOBILE TECHNOLOGY



Company Smartphones | **94%**
6%



Company Laptop Computers | **94%**
2%
6%



Company Tablet Computers | **80%**
6%
14%



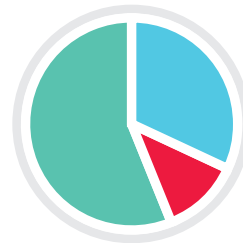
Mobile Device Oriented Website | **62%**
20%
18%



Company Mobile Device Applications (Apps) | **55%**
20%
25%



Mobile Device Security Policies | **45%**
16%
39%



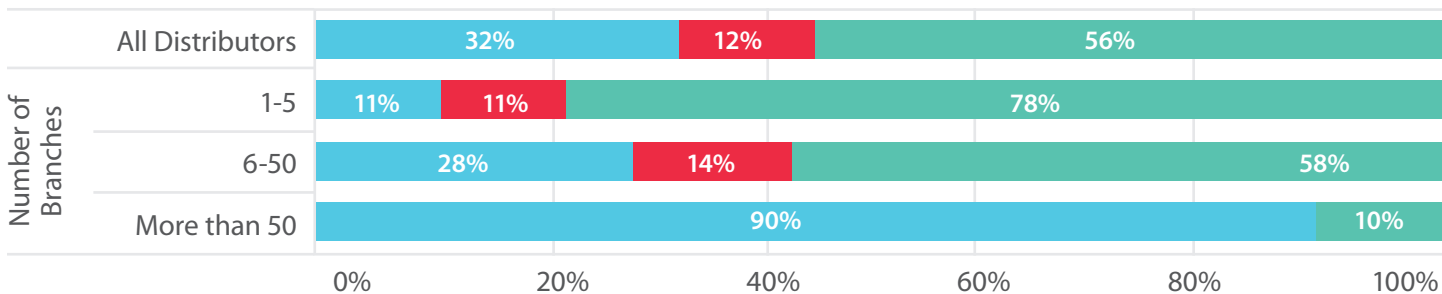
Mobile Device Management | **32%**
12%
56%

Available today

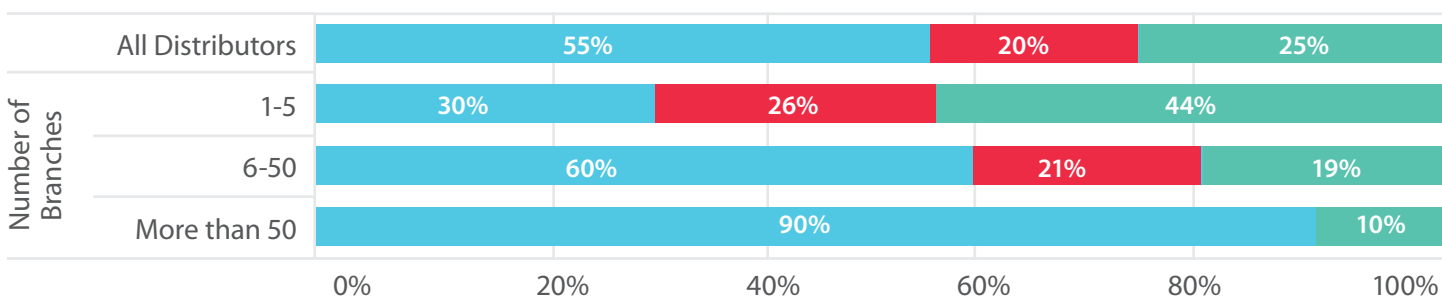
Plan to implement

Not available

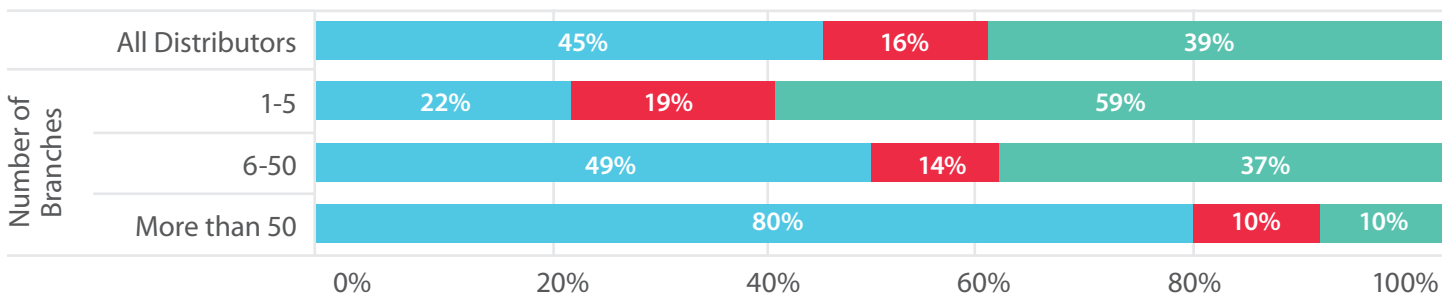
MOBILE DEVICE MANAGEMENT (MDM)



COMPANY MOBILE DEVICE APPLICATIONS (APPS)

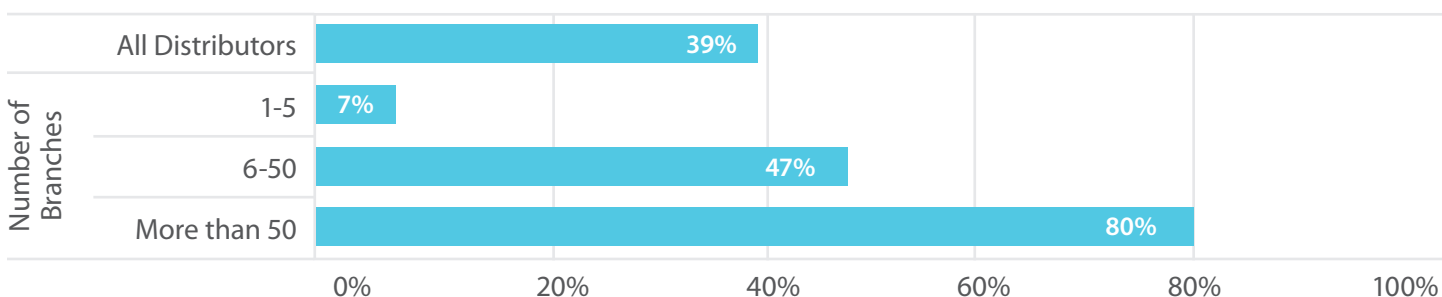


MOBILE DEVICE SECURITY POLICIES

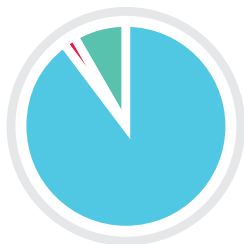


■ Available today
 ■ Plan to implement
 ■ Not available

COMPANY SUPERVISES OR REGULATES THE LICENSE, DISTRIBUTION OR MANAGEMENT OF APPROVED APPS TO EMPLOYEES



OTHER TECHNOLOGIES USED BY DISTRIBUTORS



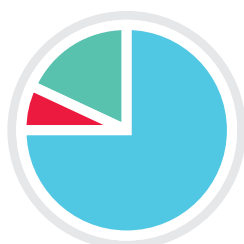
Electronic Data Exchange (EDI) | **89%**
2%
8%



Bar Coding/Scanning | **80%**
7%
13%



Online Meetings/Web Conferencing | **80%**
4%
17%



VoIP Phone Services (Skype, etc.) | **75%**
7%
18%



Warehouse Management Systems (WMS) | **70%**
8%
21%



Customer Relationship Management (CRM) | **54%**
19%
27%



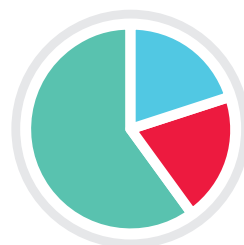
GPS Locating Software | **52%**
12%
36%



Truck Routing Software | **48%**
13%
39%



Wireless Inventory Control (RFID) | **45%**
8%
47%



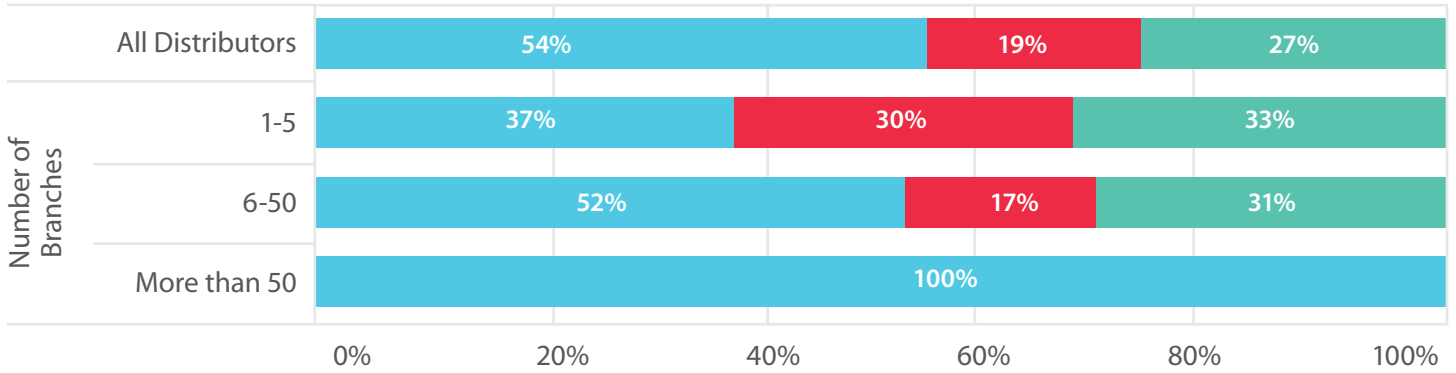
Sales Force Automation | **20%**
20%
60%

Available today

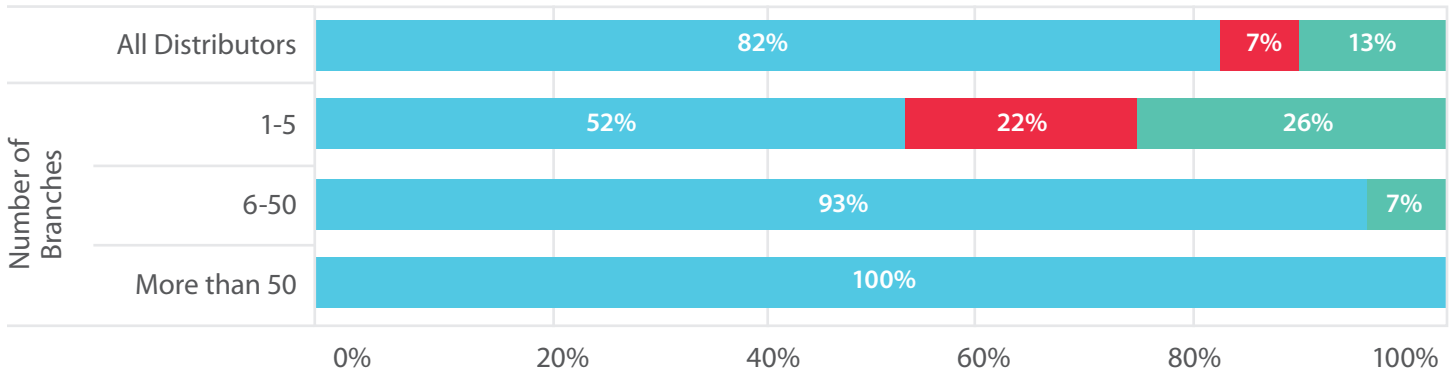
Plan to implement

Not available

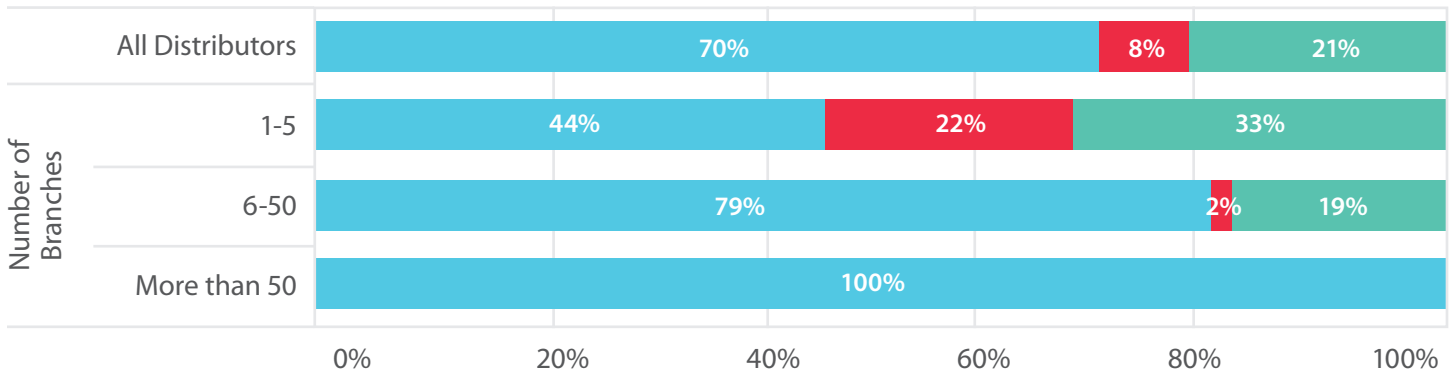
CUSTOMER RELATIONSHIP MANAGEMENT (CRM)



BAR CODING/SCANNING



WAREHOUSE MANAGEMENT SYSTEMS (WMS)

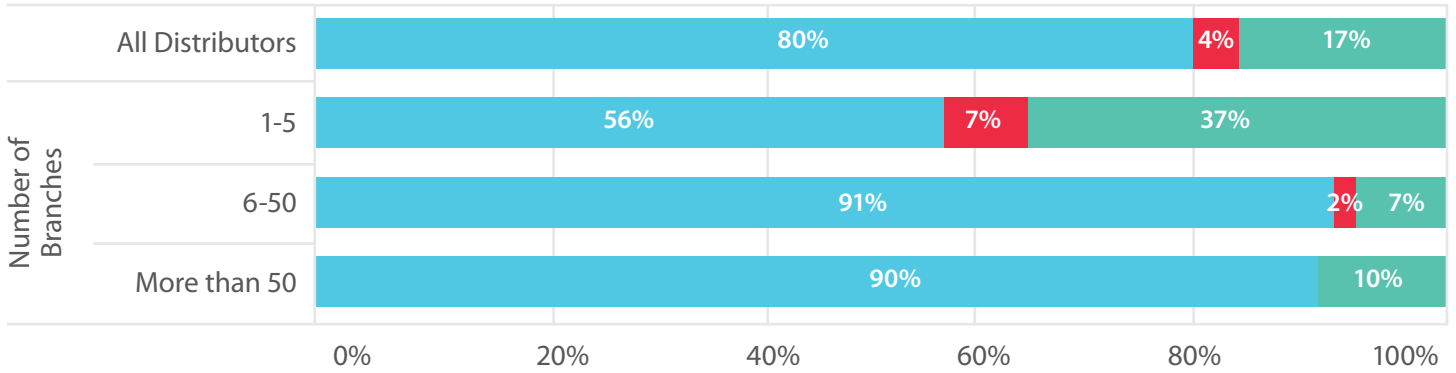


Available today

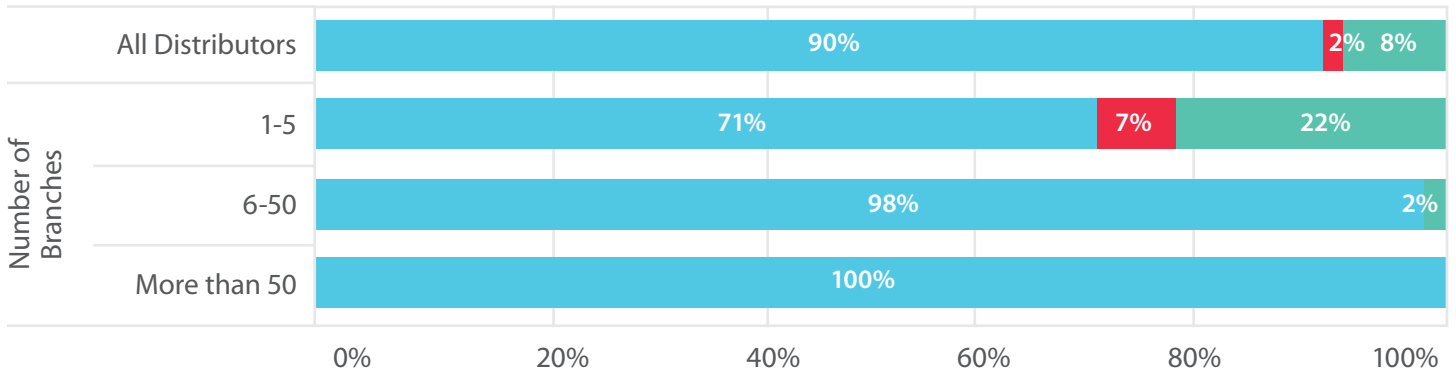
Plan to implement

Not available

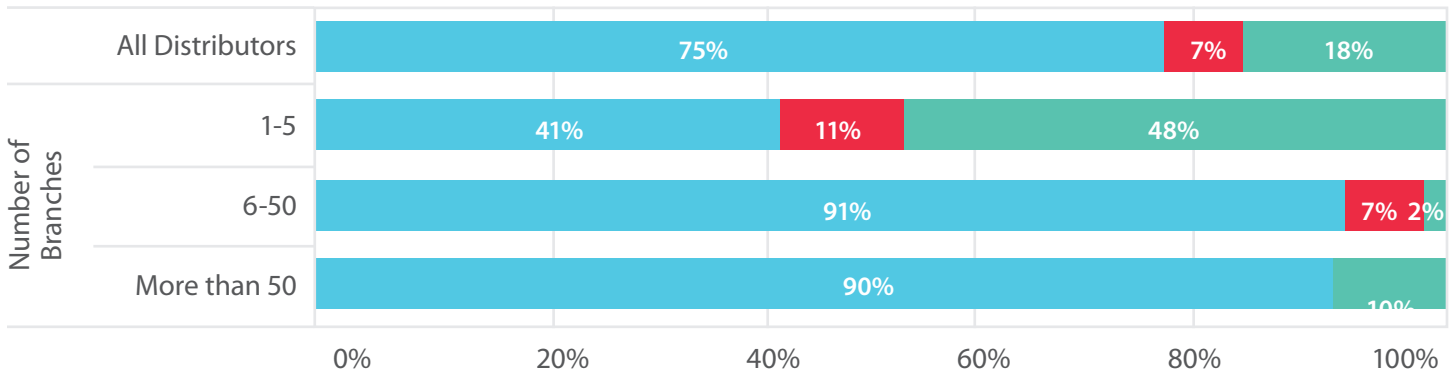
ONLINE MEETINGS/WEB CONFERENCING (TELESPAN, ETC.)



ELECTRONIC DATA EXCHANGE (EDI)



VOIP PHONE SERVICE (SKYPE, ETC.)

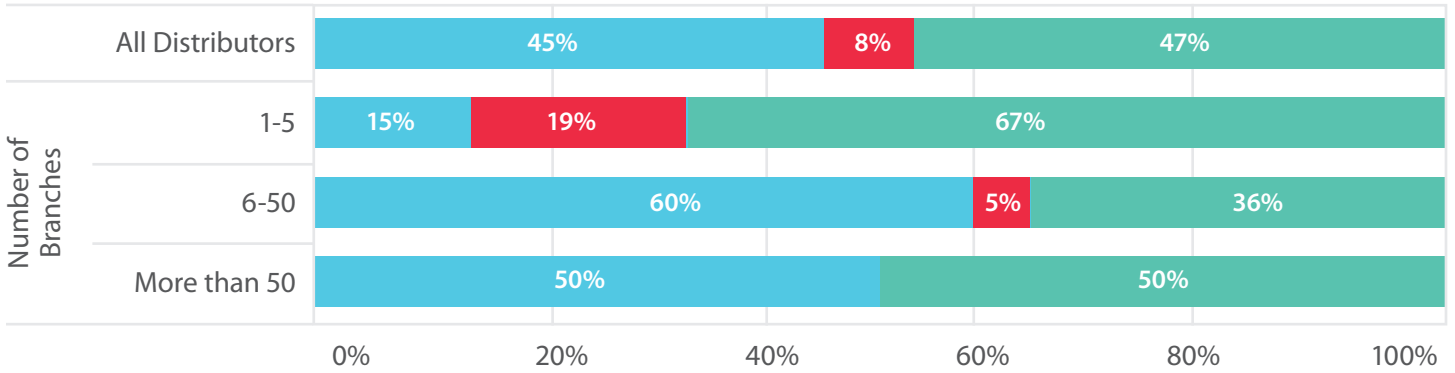


Available today

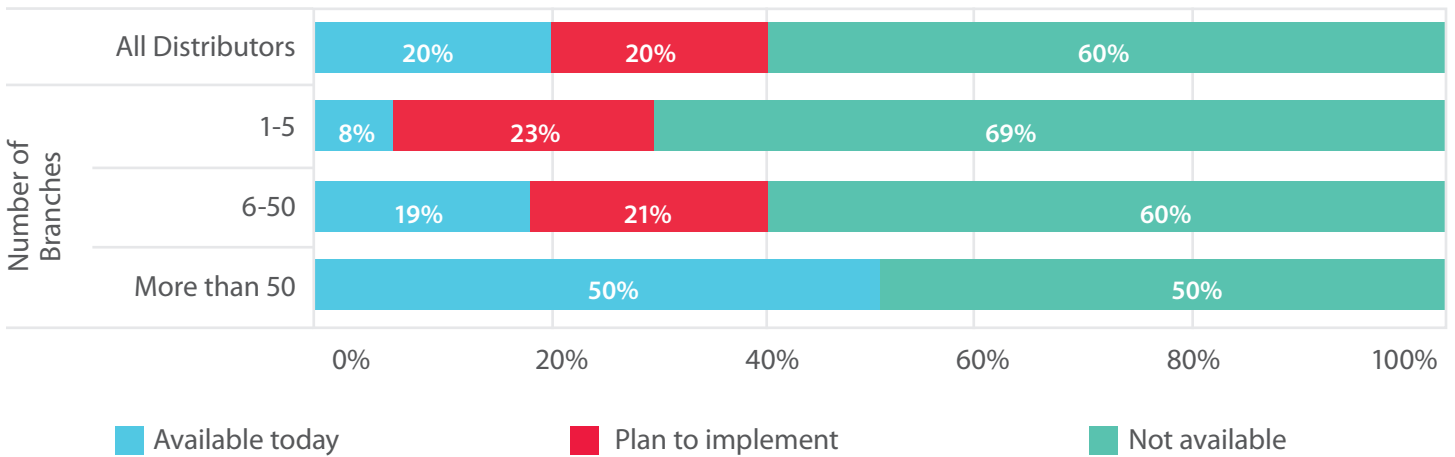
Plan to implement

Not available

WIRELESS INVENTORY CONTROL (RFID)



SALES FORCE AUTOMATION (SFA)



SOCIAL NETWORKS USED BY DISTRIBUTORS

87%



Facebook

73%



LinkedIn

63%



Twitter

54%



YouTube

20%



Instagram

5%



Snapchat

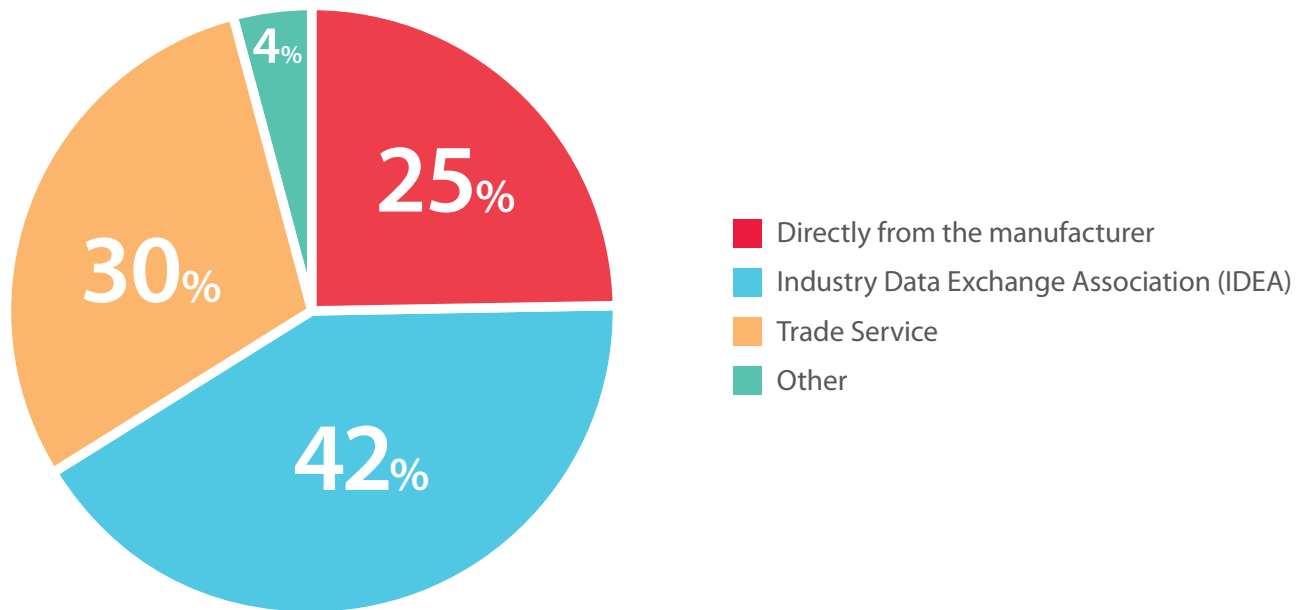
11%



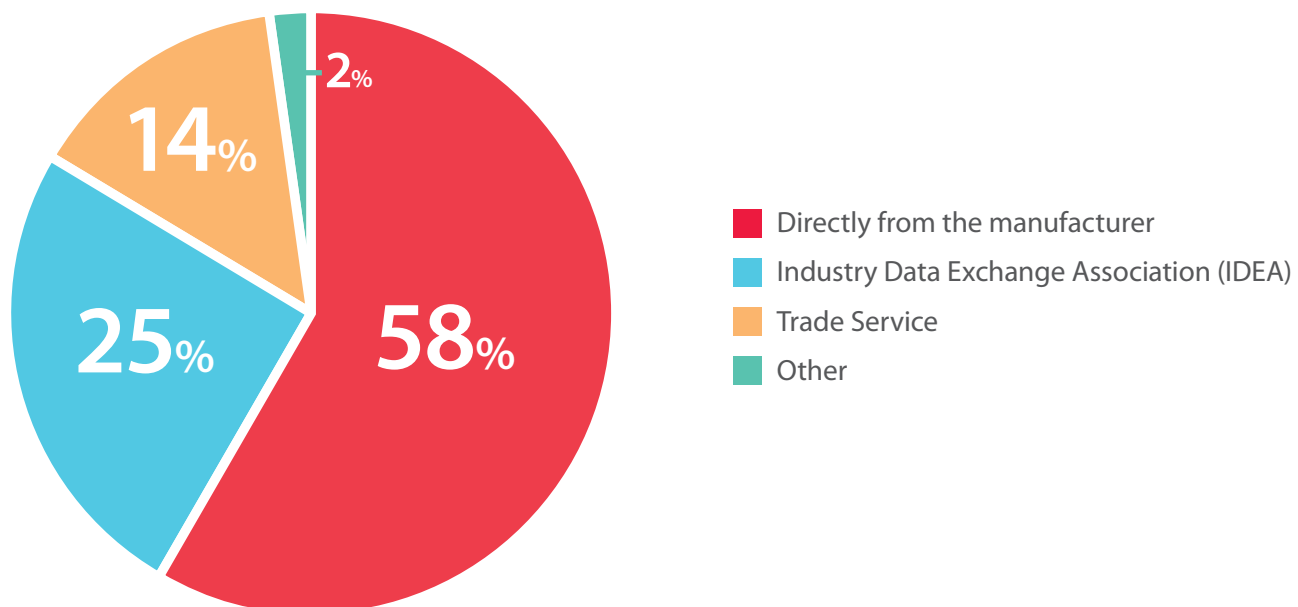
No social media

DATA SOURCES

PRIMARY SOURCE OF MASTER PRODUCT FILE INFORMATION

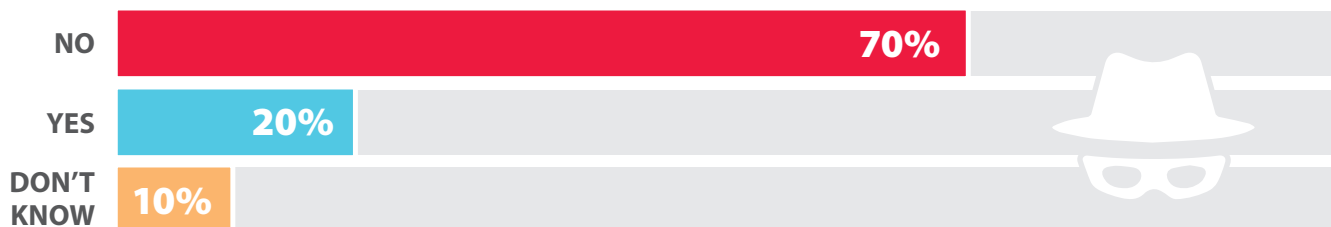


PRIMARY SOURCE OF PRICING INFORMATION



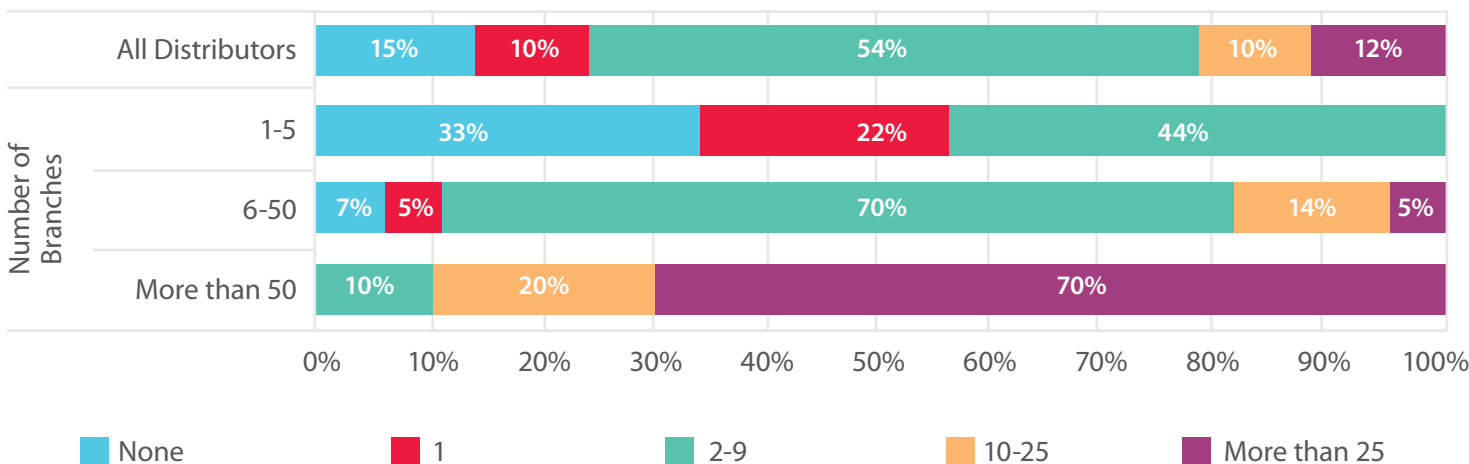
DATA BREACHES

In the past year, has your company been hacked, experienced an unauthorized online intrusion, or another type of data breach?

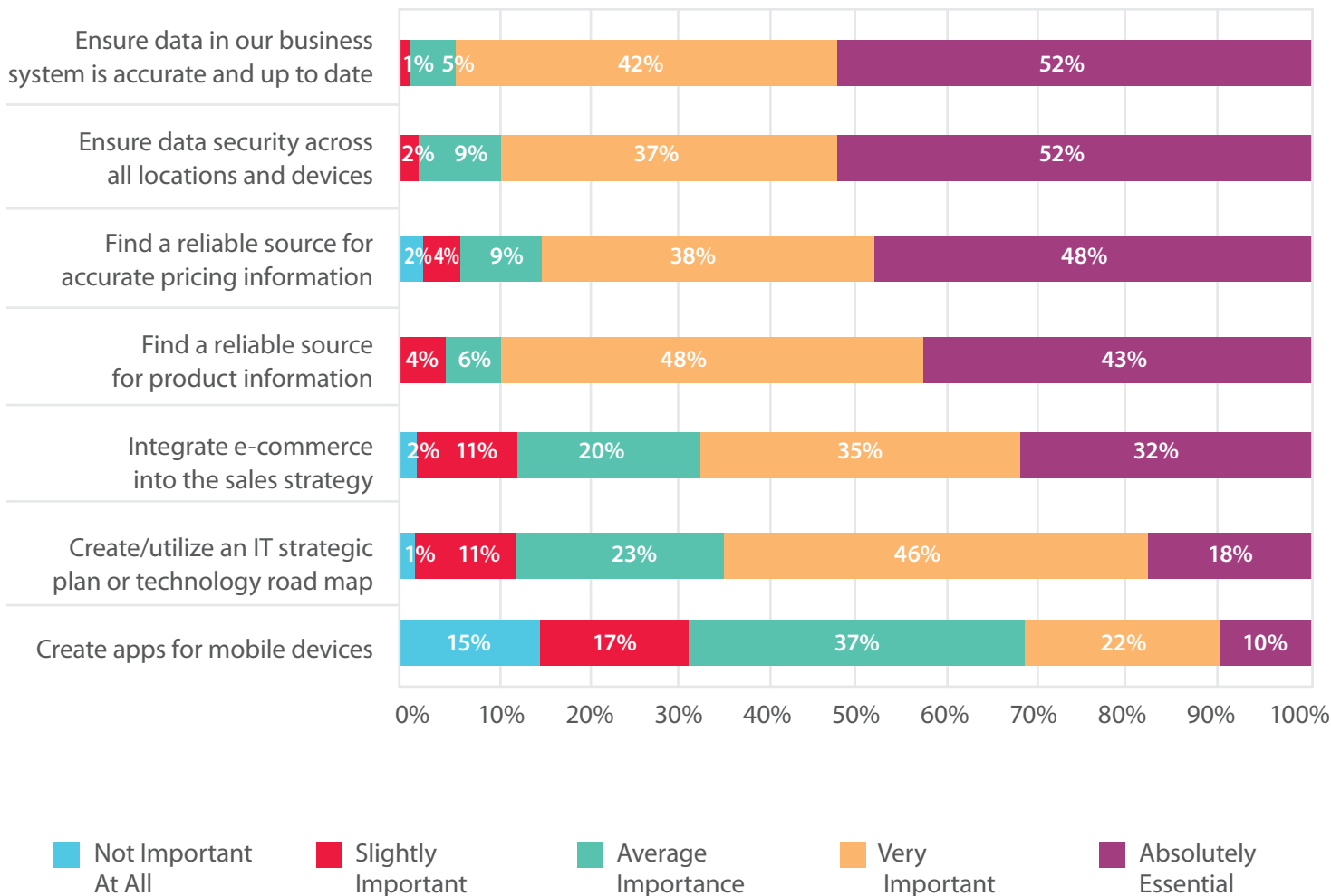


TECHNOLOGY PERSONNEL

FULL-TIME EQUIVALENT (FTE) INFORMATION TECHNOLOGY (IT) PERSONNEL

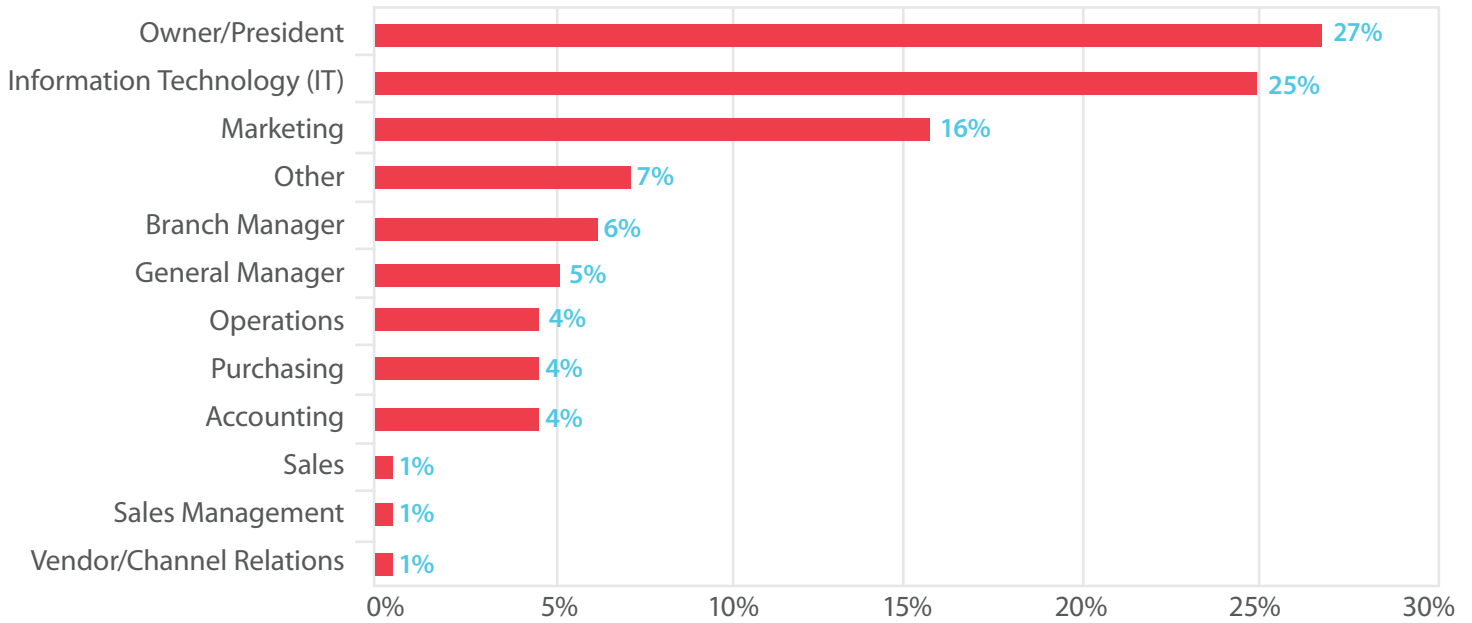


STANCES ON TECHNOLOGY ISSUES

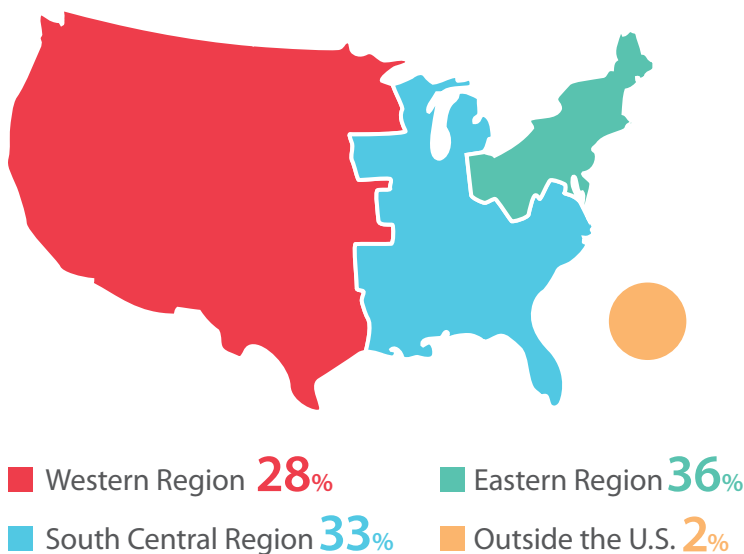


PARTICIPANT DEMOGRAPHICS

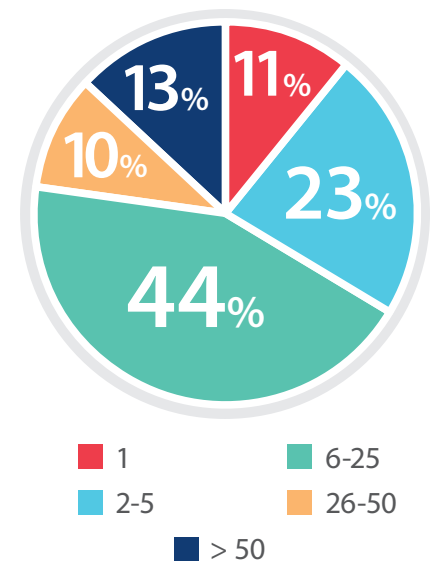
JOB POSITIONS



NAED REGIONS



NUMBER OF BRANCHES



*Note: all numbers rounded

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RESEARCH FOUNDATION**

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