Newsletter Vol. 84 - Introduction

Softengine News is dedicated to keeping you up to date with the latest information regarding SAP Business One systems, Softengine solutions and Best Business Practices.

What's New?

Spotlight on Omnichannel: The current "buzzword" - What is it?

Omnichannel is a hot topic that's getting a lot of attention. At first, the retail business comes to mind. Yet, omnichannel is not just for retailers. It is a business strategy to connect with prospects, customers, suppliers, employees, investors, shareholders and media.

Omnichannel means delivering a consistent experience throughout that journey—from discovery, to transaction, to post-transaction engagement—and ensuring that the experience is as smooth as possible.

What distinguishes the omnichannel customer experience from the multichannel experience is that there is **true integration between channels on the back end**.

According to the National Retail Foundation's 2015 State of Retailing Online report omnichannel and mobile are top priorities for brands this year.

For "business-to-consumer" (B2C) example, when a store has implemented an omnichannel approach, the customer service representative in the store will be able to immediately reference the customer's previous purchases and preferences just as easily as the customer service representative on the phone can or the customer service webchat representative can. Or the customer can use a desktop computer to check inventory by store on the company's website, purchase the item later on with a smartphone or tablet and pick up the product at the customer's chosen location.

When we think of "business-to-business" (B2B) purchasing experiences we think of offline transactions taking place between a manufacturer and a retailer or wholesaler. Today, more than half of B2B trading partners make one out of every two purchases online, whether utilizing "electronic-data-interchange" (EDI) networks or website portals and shopping carts.

Our consumer buying experience with Amazon created a challenge for B2B businesses. B2B customers want the same fulfillment options i.e. next-day delivery (soon same-day delivery) and self-service access to accounts and orders is as important.

Consumer products companies must be able to respond rapidly to market opportunities that are developing at ever faster rates. They need to establish a platform that enables innovative products to be brought to market quickly, compelling offers to be available at the point of demand, and inventory availability wherever, whenever consumers want to buy – all while optimizing core business functions.

Omnichannel approach to sales aims to provide the customer with a seamless shopping experience whether the customer is shopping online from a desktop or mobile device, by telephone or in a bricks and mortar store.

While omnichannel B2B commerce does have its challenges, existing technology can help. B2B businesses must provide a consistent trading partner experience that flows smoothly across platforms and channels. Whether your buyers are using a desktop or using their mobile device to order goods, the selling-buying link should be smooth and connected.

Often, the biggest challenge to overcome is largely organizational rather than technical. Companies who have a separate department per each sales channel but fail to integrate across channels make it difficult for their customers to do business with them.

B2B suppliers must be one step ahead of their buyers. Initiatives such as real-time inventory availability, pricing and cost information must be implemented. Anticipating your customer needs when it comes to product mix and availability fulfills customers' expectations.

By providing sales force with mobile sales tools to showcase visually your product catalog, take orders while upselling and cross-selling, drive promotions you will increase sales. Your B2B customers that are staffed with "millennials" prefer a self-service web portal so they can easily order from you when needed from a desktop or mobile device 24/7.

The most consistent requirement for successful omnichannel implementation starts with **inventory management**. Full visibility in the back-end, across all locations (physical warehouses and logical designations) will provide information necessary to achieve it.

SAP Business One is ideally architected to connect and integrate multiple points of entry with a **single source of truth** – that is, all the operational and financial data will be in one centralized database, thereby streamlining all business processes of your enterprise. Information such as "Open To Sell", "Available to Promise and by When", "Work In Process" (WIP) –"Open Purchase Orders and Production Orders", "Future Orders (Committed)", "In-Stock (multiple warehouses)", "On-water" will be readily available to the sales force.

Other benefits of single source of truth will include improved customer experience, better allocation strategies and forecasting, reducing size of inventory, more accurate replenishment – all resulting in a higher bottom line.

For more information about Omnichannel and how SAP Business One fulfills it, please contact Barry Lederman: 818.704.7000, blederman@softengineusa.com.