

EPICOR
Industrial Supply
Contractor Supply

WEBINAR

TECHNOLOGY INVESTMENTS AND ROI

EPICOR | INDUSTRIAL SUPPLY MAGAZINE | CONTRACTOR SUPPLY MAGAZINE



David Gordon,
Channel Marketing
Group



Rich Vurva
Industrial Supply
magazine

Today's Presenter



- ▶ President, Channel Marketing Group
 - Started 18 years
 - Prior
 - SourceAlliance.com
 - IMARK
 - Performance marketing industry
- ▶ Work with distributors & manufacturers in construction & industrial trades
- ▶ Focused on helping companies accelerate growth

www.channelmkt.com

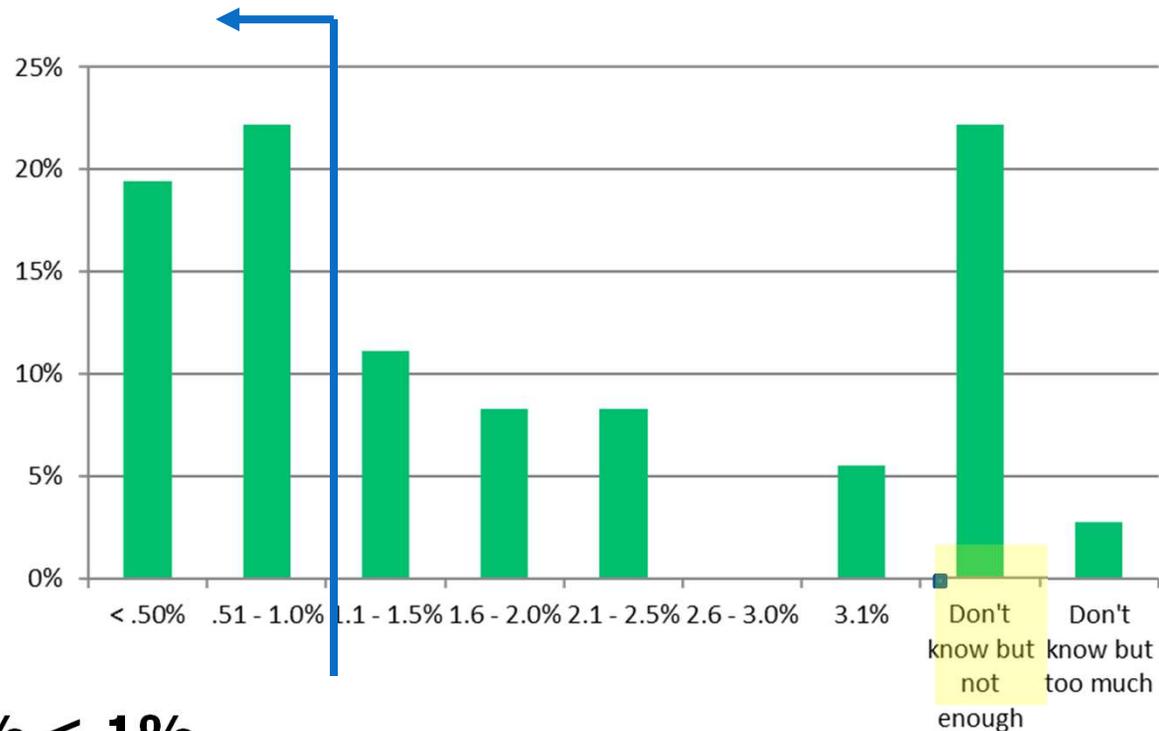
Today

- ▶ What are distributors investing in?
- ▶ Who makes the decisions?
- ▶ Projecting & measuring?
- ▶ How to budget for technology expenditures



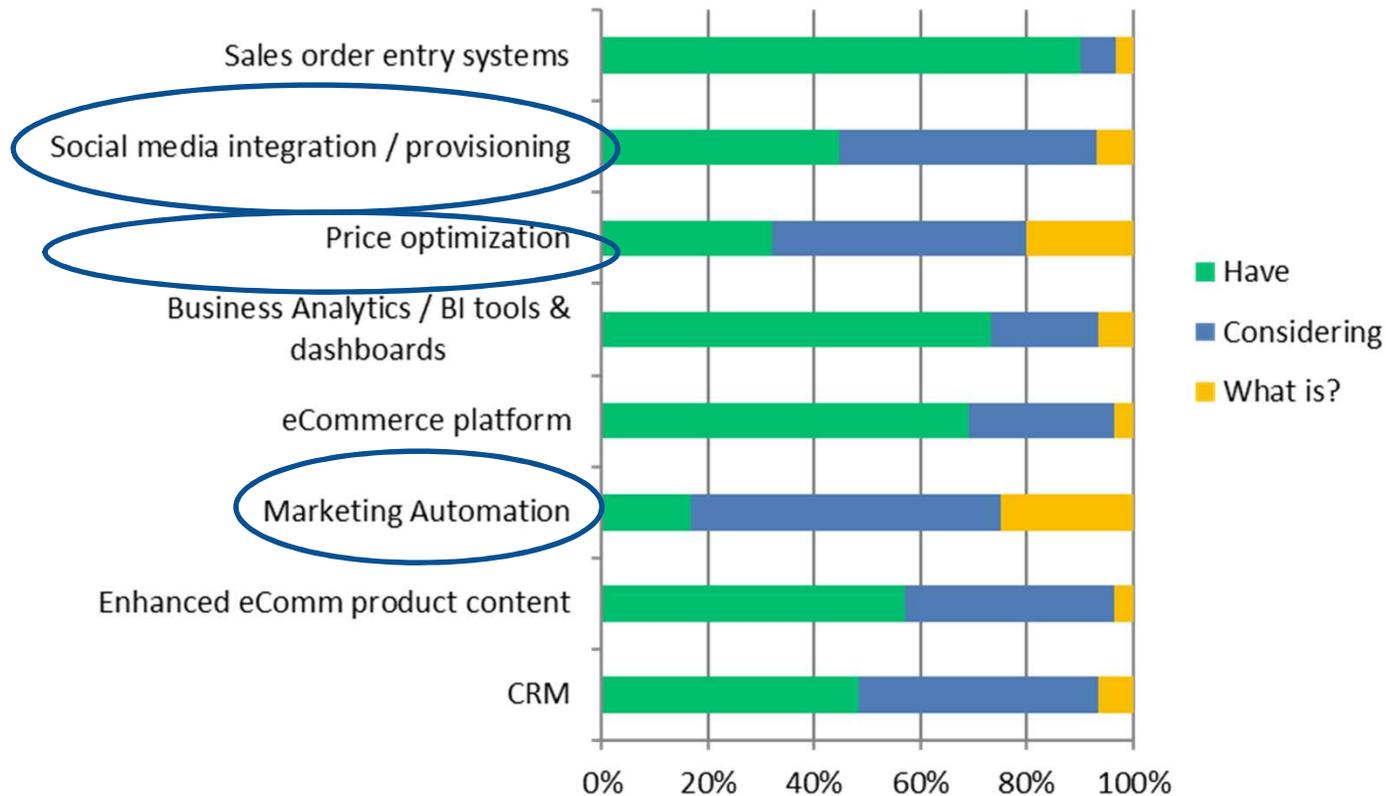
SURVEY SAYS

Distributor Tech Investment



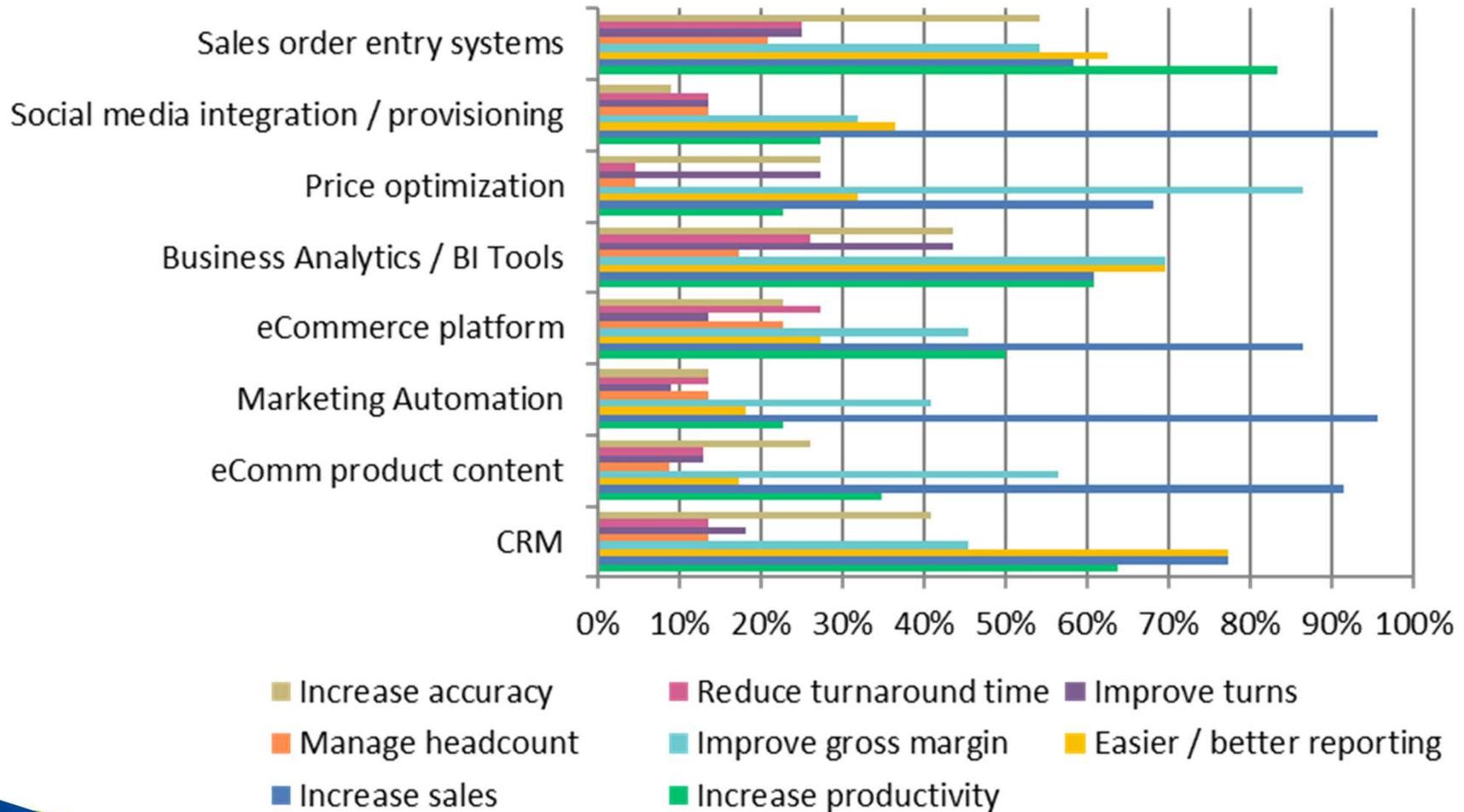
- ▶ **42% < 1%**
- ▶ **22% believe "not enough"**
- ▶ Only 3% state "too much"
 - Highlights awareness that technology investment is needed and tech usage is
 - an expectation and
 - the future for distribution viability.

Investing in Business Development



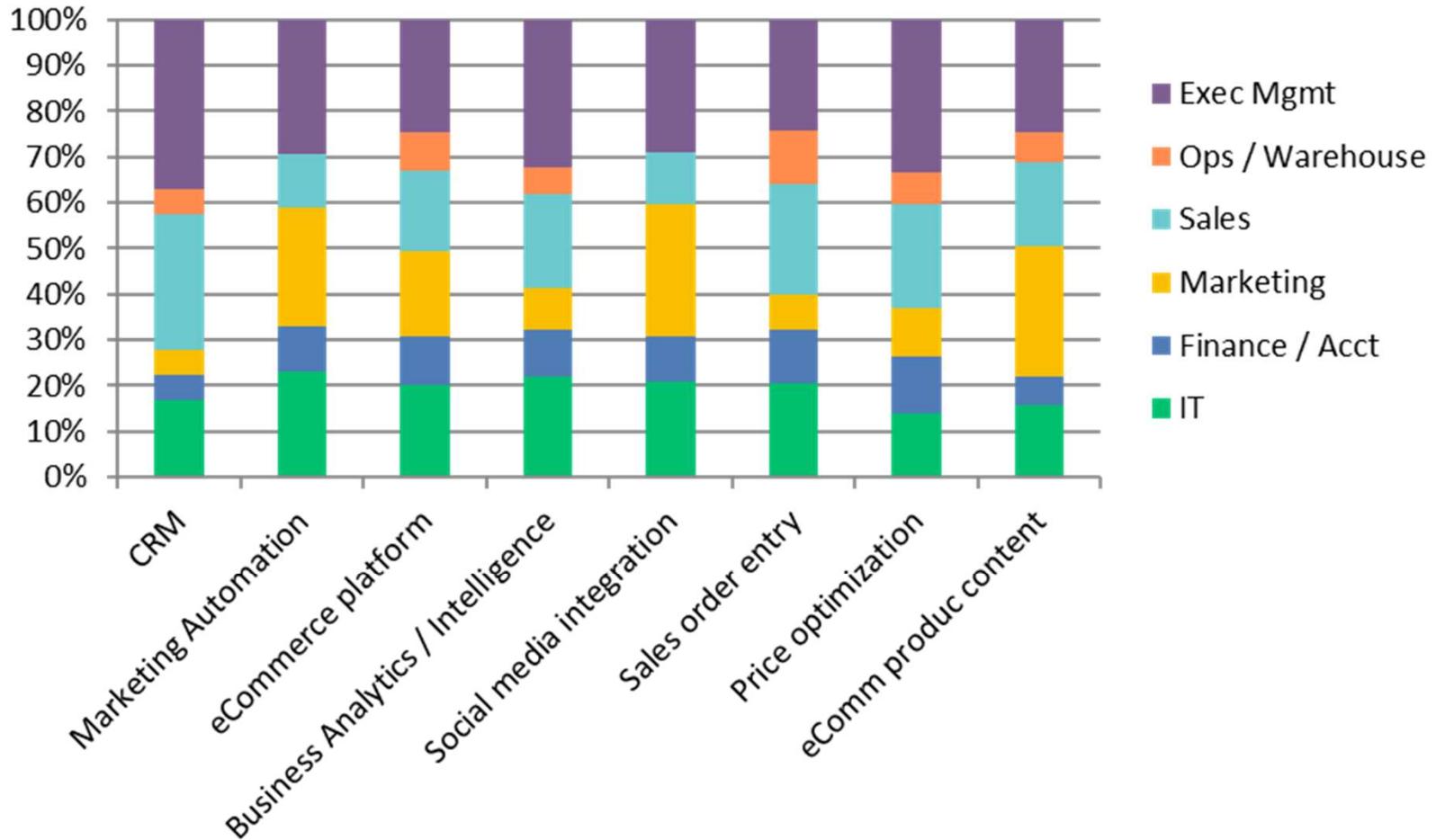
▶ Thinking about tomorrow ... look at **blue**

ROI Criterion for Business Development

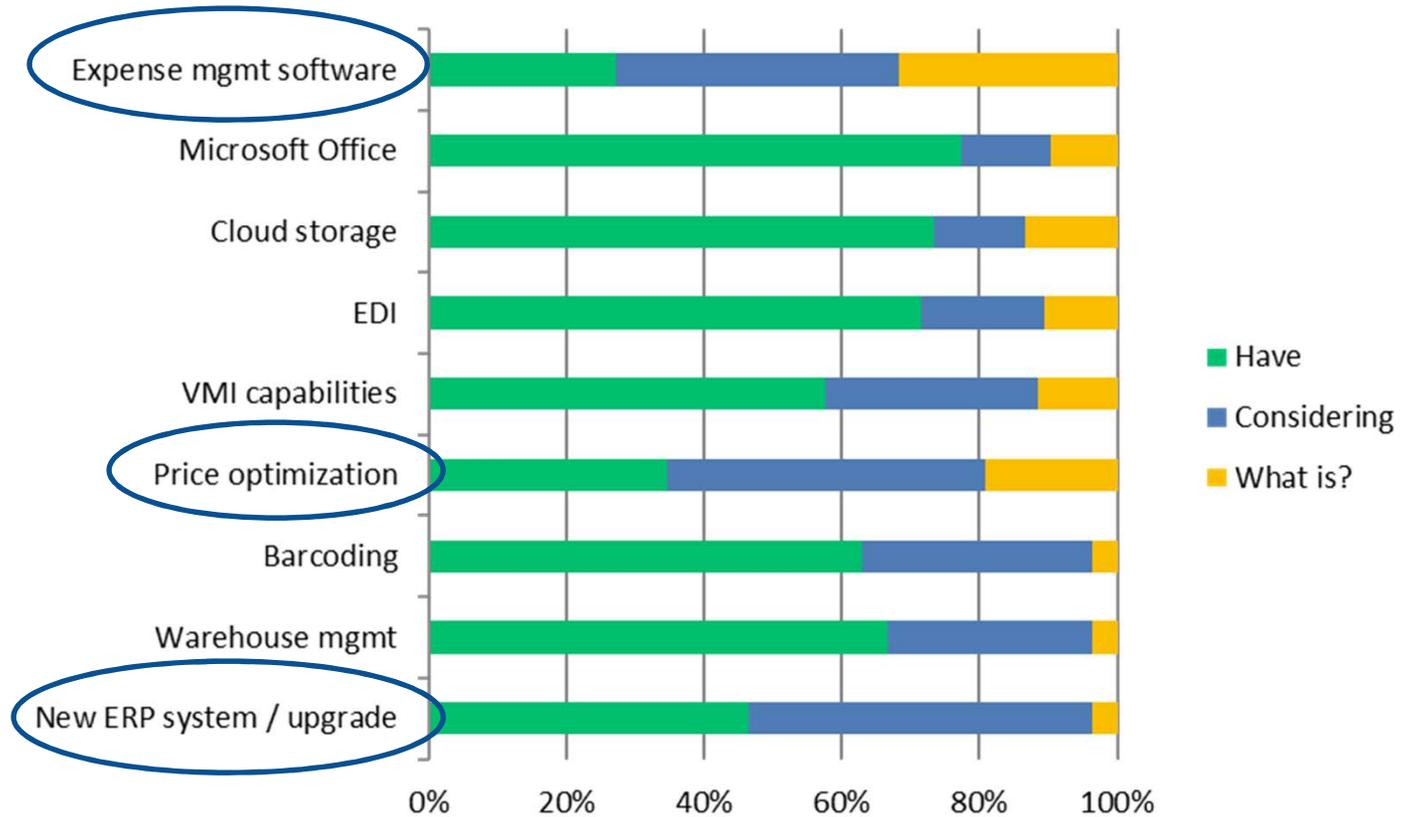


Business Development “Decision-Makers”

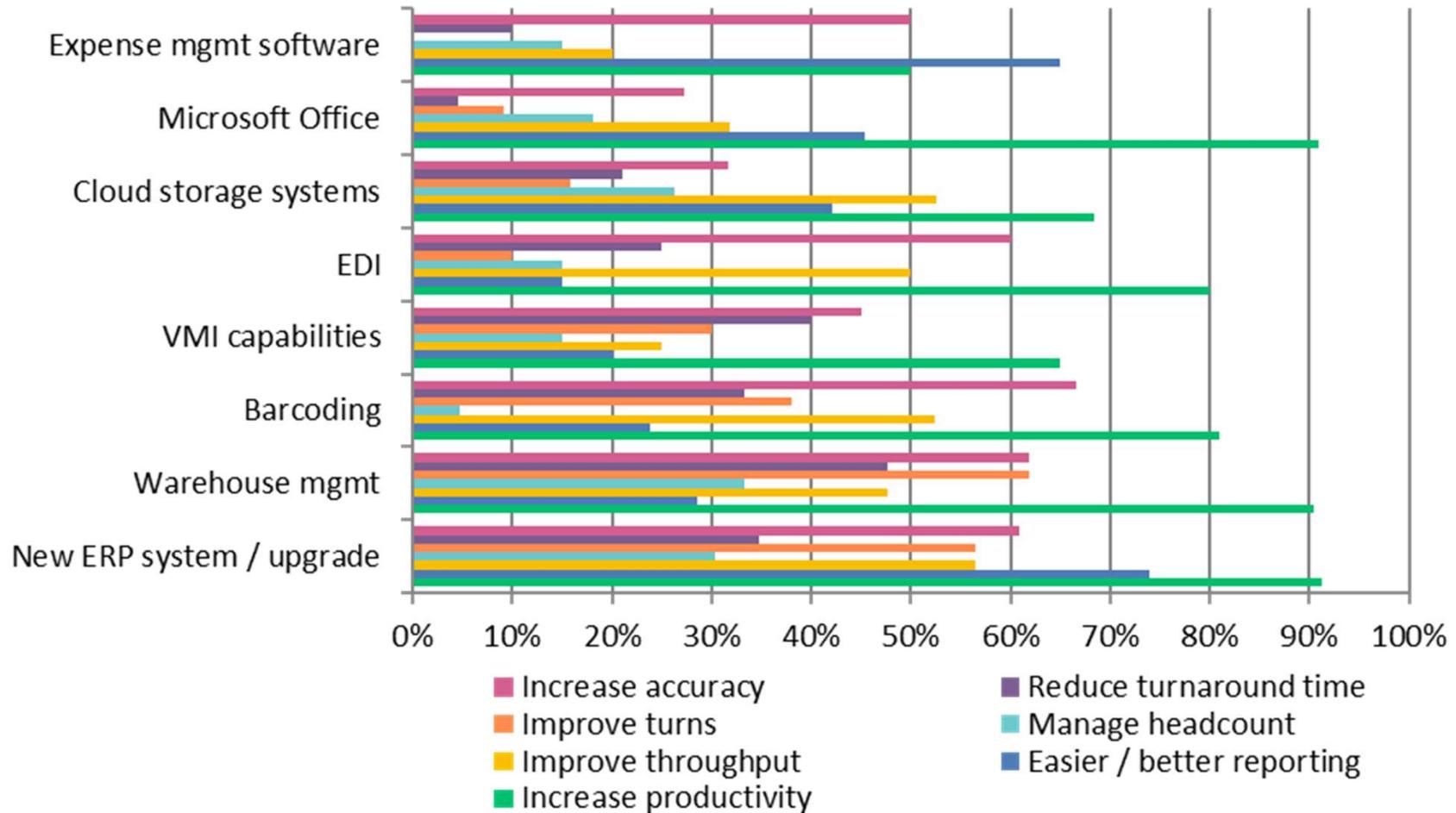
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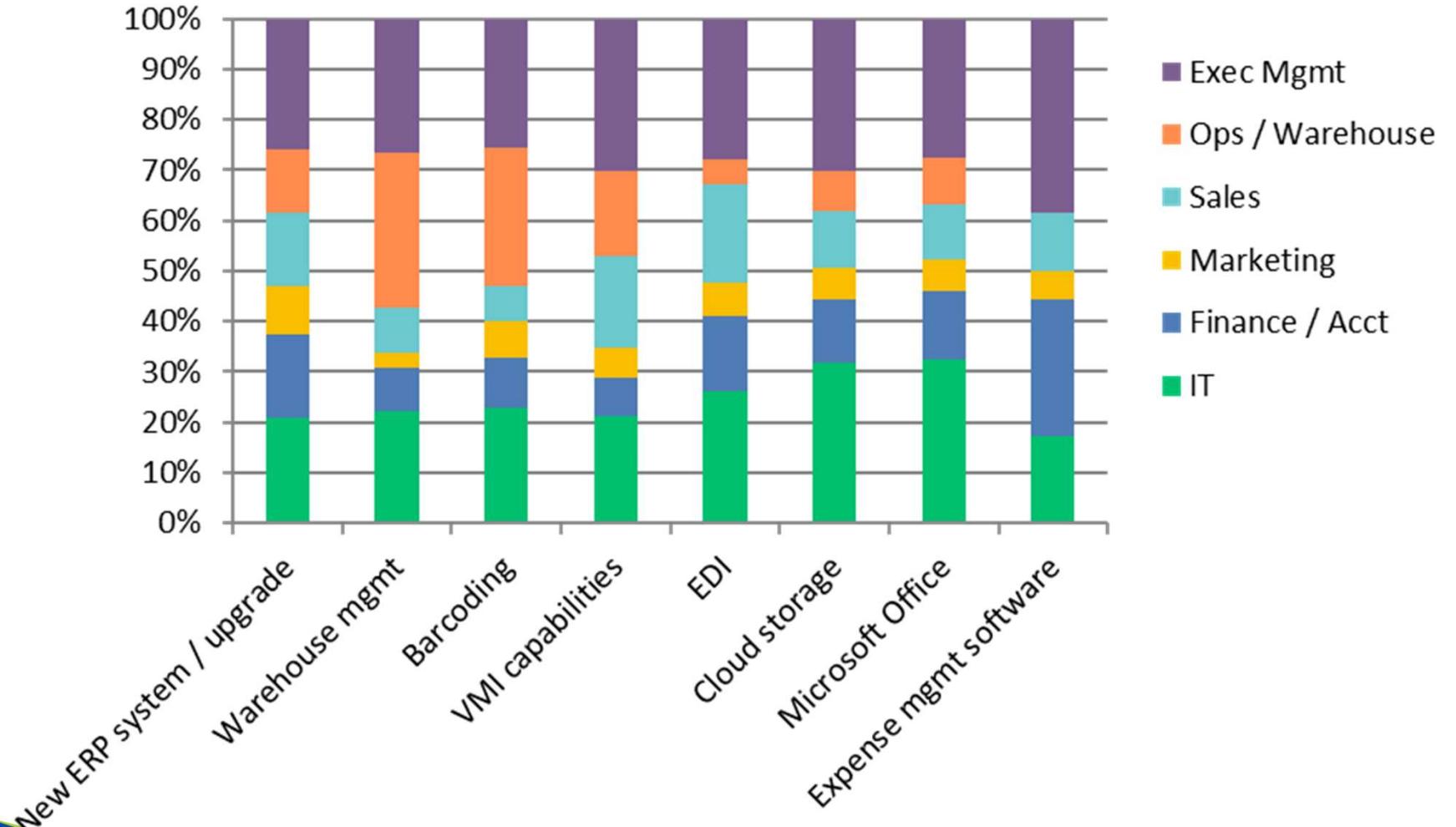
Investing in Operations



ROI Criterion for Ops



Ops “Decision-Makers”



Tech Challenges & Frustrations

Tactical Tech Frustrations

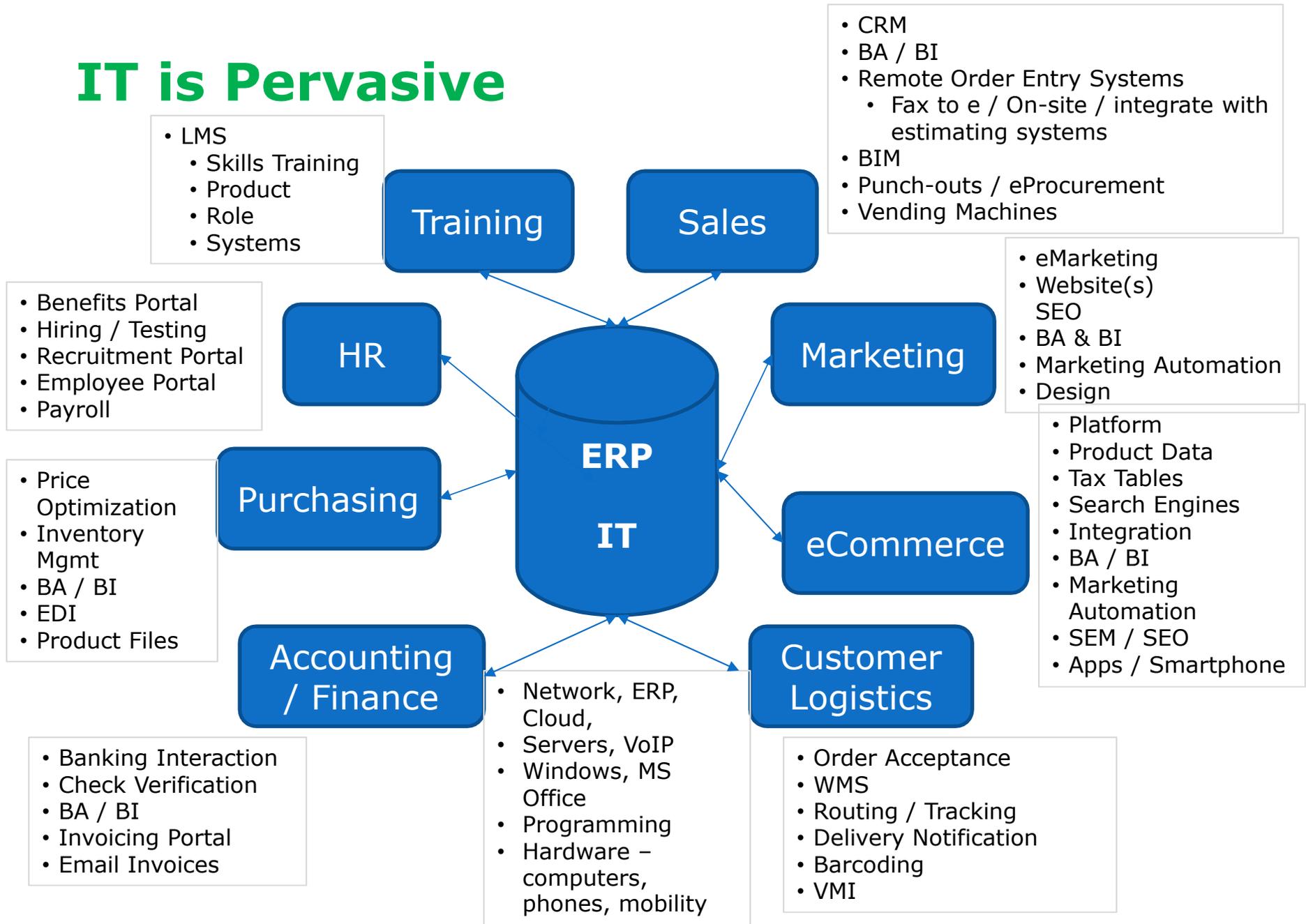
- ▶ Speed / Cost
- ▶ Conversion Experience
- ▶ ERP Integration
- ▶ Optimizing Product Databases
- ▶ Tech Implementation
- ▶ Employee Ability to Adapt & Time to Adopt

Strategic Tech Challenges

- ▶ Continued demand / Resource Issue
- ▶ Continued Investments
- ▶ eCommerce / Digital Marketing
- ▶ ERP
- ▶ Price Simplification / Optimization
- ▶ Robustness and What to implement
- ▶ Staying Knowledgeable
- ▶ Training Issues

YOUR ECOSYSTEM TECHNOLOGICAL OPPORTUNITIES

IT is Pervasive

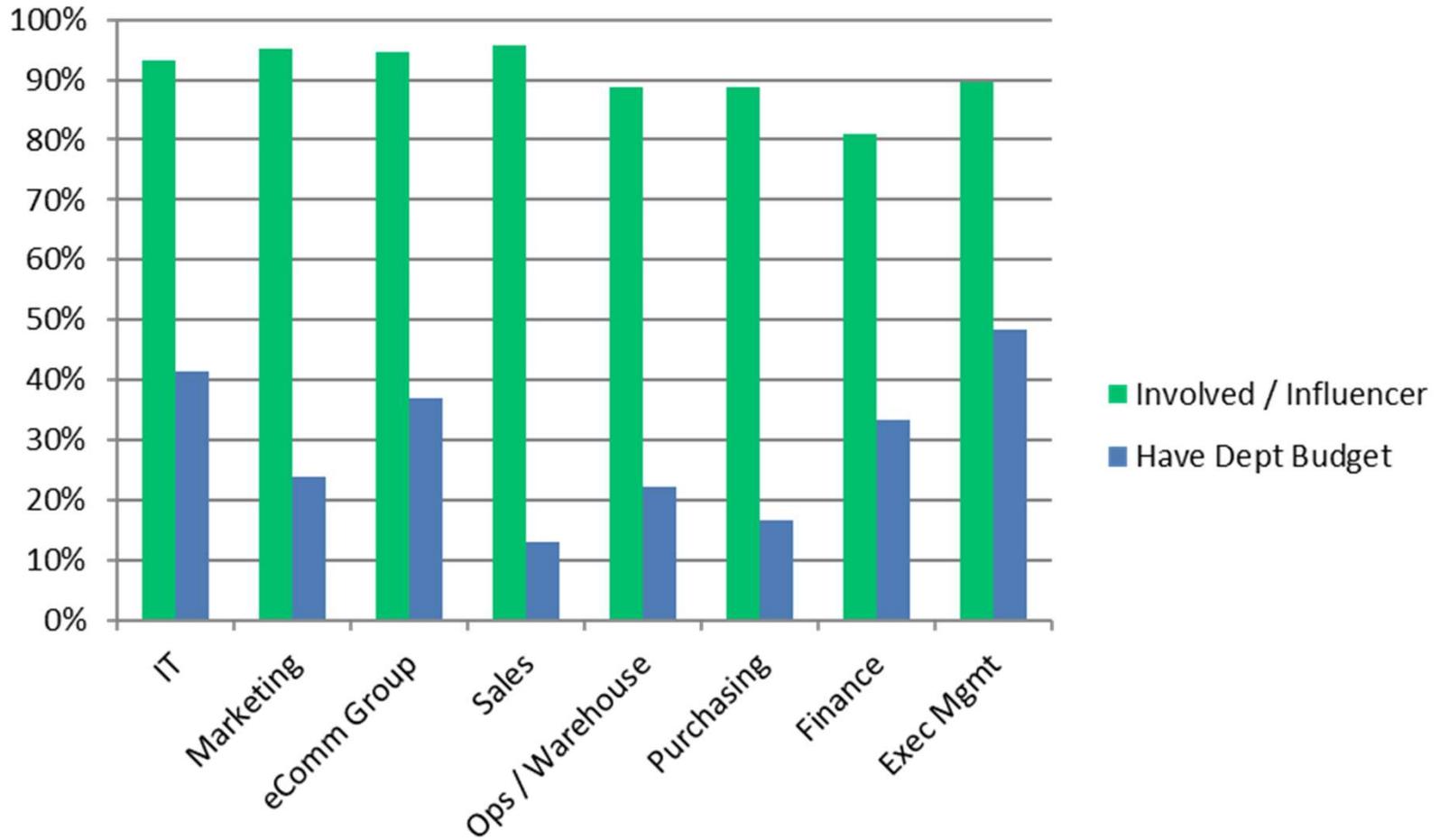


Within Your Ecosystem

- ▶ Technology taking over budgets
 - Hidden expense in departments
 - Compatible?
- ▶ IT spend growing as a % of company expenses ...
no longer IT department

- ▶ Key to enhancing your ecosystem
 1. Integration
 2. Think about tomorrow ... scalability & expandability ...
but don't buy for maybe
 3. Beware of systems on subscriptions ... are they being
used?

Everyone Has / Wants a Say



2018 Technology Priorities

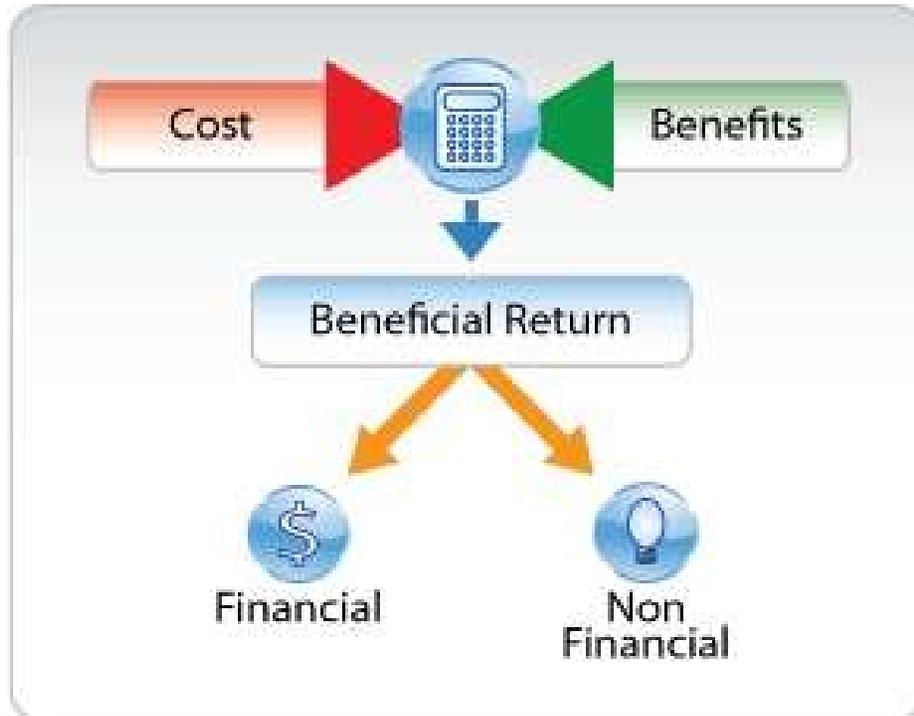
1. eCommerce
2. ERP
3. Website
4. Digital Marketing
5. Infrastructure (Cloud, Windows 10)
6. eCommerce Adoption
7. CRM

Things to think about

- ▶ Google is Your Friend
- ▶ Understand why you think you need before you seek
- ▶ Search to buy vs. being sold
- ▶ Be ready to implement before you buy ... Don't buy and then delay
- ▶ Evaluate on features you will use, not that *you could use*



Measuring ROI



Return on:

- Investment
- Time
- Influence
- Experience
- Happiness
- Quality
- Ease of Doing Business
- Employee Satisfaction
- Sales

Know the how

▶ Consider

- “About five years ago, I asked the head of my children’s school how well standardized tests work. He responded with this question: **How will you use the results?** That will tell you how well the test works. Pretty informative answer.”

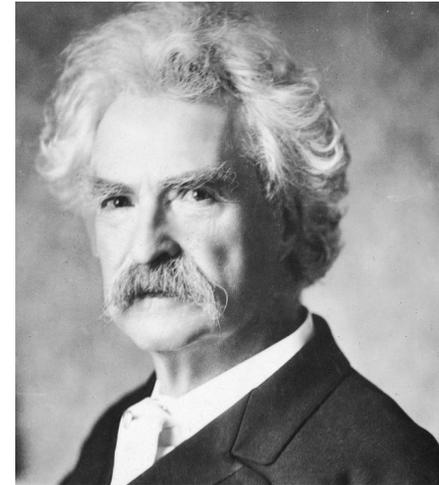
- https://www.huffingtonpost.com/elizabeth-evans/teacher-evaluation-numbers-dont-lie_b_5454425.html

- Knowing the “how” can help determine your ROI.



Carroll D. Wright
(1889)

***"Figures will
not lie, but
liars will
figure."***



Mark Twain
(1912)



ROI

- ▶ Projections
 - ▶ Quantitative / Qualitative
 - ▶ Creates friction as becomes more integrated & integral to your ecosystem
-
- ▶ Track on usage and value proposition to your company

**“PROJECTIONS” MEAN ... IF
YOU DO THIS / IF YOUR
CUSTOMERS DO THIS**

**THE QUESTION IS...
WILL YOU?
THEY?**



Don't Fall Into the Self-Supported Sales Trap

- Ask for their questions, develop your own estimates
- You know your company, your customers and what you want (and can do)

11 Key CRM / MA Questions to Ask

1. Are the key features you need included?
2. How long is the contract?
3. What are the payment terms?
4. Are you looking at price AND total cost of ownership?
5. What's the word on the street?
6. Is it an "open" or "closed" platform?
7. Are there integrations available to work with the tools you use?
8. Do the built-in analytics meet your needs?
9. Can you get up and running quickly?
10. Is there quality support, both initially and ongoing?
11. What's the long-term outlook for the platform?

CRM & MA

What is your expected usage?

How many marketing users?

How many sales users?

How many admin users?

Total Users (calculated): 0

How many contacts/leads do you manage?

How many new contacts/leads do you expect to add over the year?

Total Contacts (calculated): 0

What features are you looking for?

The features below are some of the core functions of a marketing automation platform.

- | | |
|---|--|
| <input checked="" type="checkbox"/> Behavior-Based Automation | <input checked="" type="checkbox"/> Email A/B Testing |
| <input checked="" type="checkbox"/> Behavior-Based Lead Scoring | <input checked="" type="checkbox"/> API Access |
| <input checked="" type="checkbox"/> Behavior-Based List Building | <input checked="" type="checkbox"/> Google AdWords Integration |
| <input checked="" type="checkbox"/> Built-in CRM | <input checked="" type="checkbox"/> Revenue Reporting |
| <input checked="" type="checkbox"/> Integration with 3rd-Party CRMs (like Salesforce) | |

- What do you *need*?
- What is the value?

CRM, MA, eMail ... Choice is Good & Daunting!

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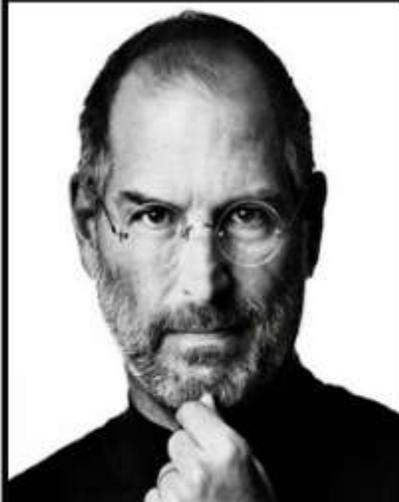
What CRM solution do you use?



- Microsoft Dynamics, Salesforce.com, Sharp Spring, i-Sales, SMP, Constant Contact, Mail Chimp, iContact, Tour de Force, etc.
- ▶ A fraction of the market
- ▶ Others also have as “part of their offering”
- ▶ What are you using CRM for? Or do you want marketing automation? For traditional application, don't buy until you have adoption process determined.

Marketing Automation's ROI

- ▶ Value of
 - Communicating regularly?
 - To more people?
 - Promotional benefit / reinforcement / uplift?
 - Corporate branding?
 - Targeted eCampaigns?
 - Print cost savings?
 - Increased conversion?
 - Sales generation?
 - Information sharing?
 - Customer engagement?
 - Timeliness?



I have a great respect for incremental improvement, and I've done that sort of thing in my life, but I've always been attracted to the more revolutionary changes. I don't know why. Because they're harder. They're much more stressful emotionally. And you usually go through a period where everybody tells you that you've completely failed.

**Each company, and person,
has their own style.**

**But don't get paralyzed ...
do something.**

"Practice the philosophy of continuous improvement. Get a little bit better every single day." —Author unknown



Budgeting

- ▶ Prior Year
 1. Essential and Need
 2. What not used?
 3. Budget Based Upon Priorities Solicited from Departments
 - Or part of department budgets
- + Cost justify
 - Quantitative and/or qualitative
 - If re-engineering, may be able to do cost/benefit analysis



Never Enough!



THANK YOU