


DIGITAL OPTIMIZATION'S VALUE TO THE SUPPLY CHAIN

THE **FUTURE** OF ORDER MANAGEMENT





THIS GUIDEBOOK WAS DESIGNED TO HELP SUPPLY CHAIN LEADERS FOCUSED ON CUSTOMER AND ORDER FULFILLMENT **EVALUATE THE BENEFITS OF AUTOMATION SOLUTIONS** AND THEIR NECESSITY WHEN **BEGINNING A DIGITAL OPTIMIZATION PROJECT**. AS YOU WORK TO IMPROVE YOUR CURRENT PROCESSES, LOOK TO THIS GUIDEBOOK AS A PATHWAY TO SUCCESS.

DIGITAL OPTIMIZATION

WHAT IT MEANS FOR SUPPLY CHAINS

Supply chain leaders are under growing pressure to boost the bottom line and improve customer experience. In an increasingly competitive business environment, this can be difficult. Enter digital optimization. Defined by Gartner as the ***“process of using digital technology to improve existing operating processes and business models”*** — its popularity has surged over the past few years due, in part, to its ability to help supply chain leaders increase efficiency and better navigate modern challenges.

While digital optimization takes many forms, supply chain leaders focused on customer fulfillment have found success in AI-powered automation solutions — particularly in order management. Working in tandem with existing systems, these solutions use a mix of digital technologies to eliminate low-value tasks and streamline front-end order management activities that impact the supply chain. That means less time spent on mundane, repetitive tasks and more time improving capabilities to support new opportunities and building stronger relationships.



**75% OF
COMPANIES
CONSIDER DIGITAL
TRANSFORMATION
OF THE SUPPLY
CHAIN
“IMPORTANT”
OR “VERY
IMPORTANT”¹**

¹ GT Nexus & Capgemini Consulting (2016). The Current and Future State of Digital Supply Chain Transformation. Retrieved from: https://www.capgemini.com/consulting/wp-content/uploads/sites/30/2017/07/digital_transformation_report_capgemini-consulting_0.pdf

CUSTOMER FULFILLMENT CHALLENGES

GAPS IN ORDER MANAGEMENT

Companies cannot afford continuous supply chain problems ... literally. A single misstep can lead to serious consequences down the line. While the challenges may be complex, most originate from a single source: poor order management. If you're hoping to create an environment of supply chain excellence, it all starts with achieving efficiency in order management.

SOME OF THE **BIGGEST CHALLENGES** MANUAL CUSTOMER FULFILLMENT TEAMS FACE ARE:

ERRORS

Human error is inevitable in a manual environment and results in: reprocessing orders, having to issue credits, reshipment of goods, paying for same-day air expenses, and unhappy customers.



HIGH COSTS

Certain areas are well-known to drive up costs, like: errors from hand-keying in data, breaks in chain-of-custody jurisdiction, equipment and labor, logistical issues and time to fix them.



POOR COMMUNICATION

Lacking a central, collaborative platform makes it difficult for various teams and departments impacting the supply chain to communicate in an effective way.



NO VISIBILITY

No central queue for order management means visibility is zilch. This leaves supply chain owners at risk of missing customer SLAs, inaccurate demand planning, and no upstream visibility for distribution centers.



LOW CUSTOMER SATISFACTION

From lack of transparency over their orders to delays in product delivery, bottlenecks associated with manual environments can negatively impact customer satisfaction in many ways.



CUSTOMER & EMPLOYEE CHURN

Processes relying on manual methods leave both staff and customers underwhelmed and looking elsewhere for a superior experience.



AUTOMATED ORDER MANAGEMENT

TRANSFORMING THE SUPPLY CHAIN

Imagine consolidating all of order management to a single, user-friendly platform without staff members having to perform repetitive, time-consuming manual tasks. Orders are automatically entered into the workflow, data accurately extracted, created in the ERP, tracked from start to finish and electronically archived for future retrieval. That's automation in a nutshell, but here's a breakdown of what exactly it entails:

1

ORDER RECEPTION

All submitted orders regardless of type or format (e.g., email, fax, EDI, portal, etc.) are entered into the appropriate queue for electronic processing.

2

DATA EXTRACTION

AI-driven technology like machine learning extracts relevant data from image files and even recognizes orders and other documents for faster, more accurate processing.

3

ERP INTEGRATION

Data and workflows are connected to existing ERP systems either on site or on demand, supporting seamless integration.

4

E-ARCHIVING

Orders are automatically archived and linked back to the ERP/business system for as long as specified.

5

ANALYTICS

Real-time metrics are displayed on dashboards customizable for each user, enabling full visibility from beginning to end on important KPIs like order backlog.



CUSTOMER IMPACT

FINDING SUCCESS WITH AUTOMATION

Companies of all shapes, sizes and industries stand to gain from adding automated order management to their supply chain — like the ones below have. While they all benefit from 100% visibility into orders and custom reporting tools to better plan and monitor operations, they have different stories to tell. Here's a snapshot of some of the benefits they achieved through digital optimization.

4 COMPANIES. 4 INDUSTRIES. 4 BENEFITS FROM AUTOMATED ORDER MANAGEMENT.



- **Reduced** employee overtime (OT) hours
- **Manage** growing order volumes without new hires
- **Reduced** turnaround time for order acknowledgements
- **Eliminated** nearly all fax machines

[READ FULL STORY >](#)



- **70%** lower order management costs
- **99%** order accuracy rate
- **80%** faster order processing
- **65%** time savings for customer service managers

[READ FULL STORY >](#)



- **43%** reduction in cost per order
- **Early** identification of pricing and transportation errors
- **Removed** risk of order entry delays removed
- **Accelerated** cycle time

[READ FULL STORY >](#)



- **Nearly** one day faster delivery times
- **Decreased** late fees
- **80%** less time spent on order entry
- **Maintained** headcount with growing order volumes

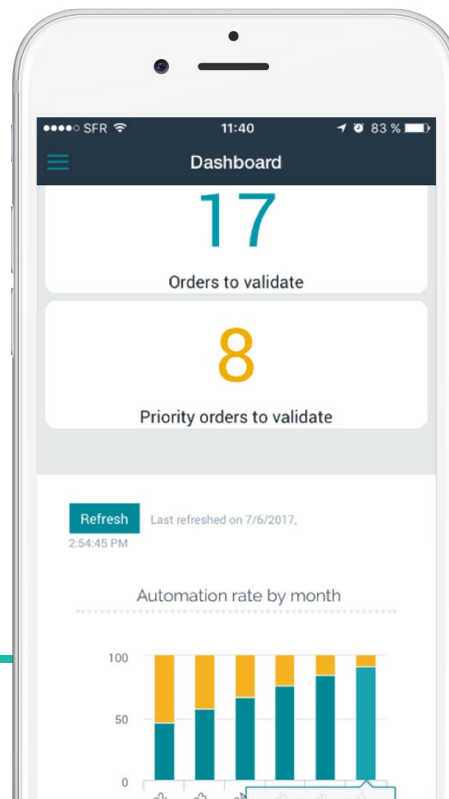
[READ FULL STORY >](#)

BENEFIT TO GET BEHIND

INCREASED SPEED

Supply chain teams put a premium on speed, and for good reason. Slowdowns result in shipping errors, same-day air costs and damaged customer relationships due to unmet SLAs. This is where AI-driven solutions work their magic. Because data is automatically extracted from orders using machine-learning technology, order processing time is greatly diminished and critical bottlenecks are avoided. The faster an order is processed, the more quickly it can be fulfilled.

It's more than speed, though — it's exceeding your customer's expectations. Consistently providing quick and accurate delivery of goods boosts customer satisfaction. This is just as much of a benefit to your company as it is to customers. Rapid delivery incentivizes repeat business.



“WE HAVE **REDUCED** THE NUMBER OF ORDER ENTRY ERRORS DUE TO MANUAL HANDLING AND **SPED UP** OUR PROCESSING TIMES. AS A RESULT, WE HAVE BEEN ABLE TO INVEST MORE TIME ON HIGHER-VALUE TASKS, WHICH HAS LED TO AN **INCREASE** IN CUSTOMER SATISFACTION.”

LUIS FERNÁNDEZ-PALACIOS
ORDER MANAGEMENT MANAGER |
HEINEKEN SPAIN

BENEFIT TO GET BEHIND

GREATER ACCURACY

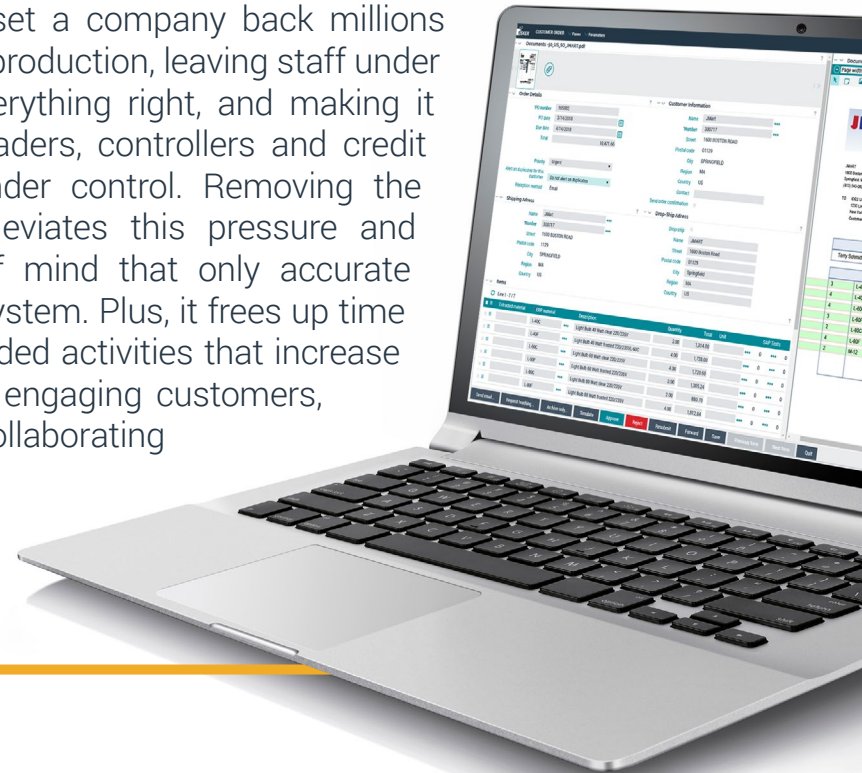
“ESKER ALLOWS US TO
BE **VERY ACCURATE** WITH
OUR ORDERS, WHICH
IS IMPORTANT TO US.
CUSTOMERS ARE RECEIVING
THEIR ORDERS **FASTER** AND
WE ARE **SPENDING LESS**
TIME PROCESSING THEM
AND **CORRECTING ERRORS**.
EVERYBODY WINS.”

JOE BOWDEN
BUSINESS ANALYST |
IPC GLOBAL SOLUTIONS

Human error is the biggest cause of data inaccuracies according to 49% of organizations.² Order errors are intrinsic to manual processing methods. An AI-driven solution works to correct that, though. Using smart technology like machine learning and deep learning, information is accurately pulled directly from every order (no matter the format) and automatically verified against master data, nearly eliminating all errors and nipping downstream drama in the bud by addressing the source of the problem — manual order entry.

Seemingly small errors can set a company back millions and possibly even shut down production, leaving staff under immense pressure to get everything right, and making it a priority for supply chain leaders, controllers and credit managers to keep errors under control. Removing the need to hand-key orders alleviates this pressure and gives management peace of mind that only accurate information is entering their system. Plus, it frees up time for staff to spend on value-added activities that increase job satisfaction (e.g., actively engaging customers, monitoring priority orders, collaborating with other departments, etc.).

² Experian (2018). 2018 Global Data Management Benchmark Report.



BENEFIT TO GET BEHIND

ENHANCED VISIBILITY & COLLABORATION

Traditional order management offers the bare minimum when it comes to analyzing and sharing information — not the case with an automated solution. A digital solution comes equipped with customizable dashboard and reporting tools, allowing users to quickly tap into a wealth of knowledge surrounding order management. Live visual analytics make it easy to monitor staff productivity, demand plan and communicate with different departments.

Bringing together the numerous teams involved in the supply chain with a central platform creates a streamlined, efficient process. Staff are able to work together, avoiding problems and capitalizing on opportunities that may have otherwise gone unnoticed. The best part? A mobile app offers users the ability to monitor activities, place orders, etc., wherever they may be.



“OUR DISTRIBUTION CENTER
CAN NOW SEE HOW MANY
ORDERS ARE IN THE QUEUE
AND USE THAT DATA TO
FORECAST SUPPLY CHAIN
AND STAFFING NEEDS.”

AMY ARGENTINE
DIRECTOR OF CUSTOMER
EXPERIENCE | PARTS TOWN





61% OF ORGANIZATIONS
SAY THAT FORMING BETTER RELATIONSHIPS WITH THEIR
CUSTOMERS PROVIDES A COMPETITIVE ADVANTAGE.³

³ Experian (2018). 2018 Global Data Management Benchmark Report



"A SPECIFIC FEATURE THAT HAS BEEN WELL RECEIVED BY OUR CUSTOMER SERVICE TEAM IS THE ABILITY TO QUICKLY AND EFFORTLESSLY RETRIEVE ARCHIVED SALES ORDERS. THIS NOT ONLY SAVES TIME, BUT IT ALSO PROVIDES A HIGHER LEVEL OF SERVICE TO OUR CUSTOMERS BY BEING MORE FLEXIBLE AND RESPONSIVE."

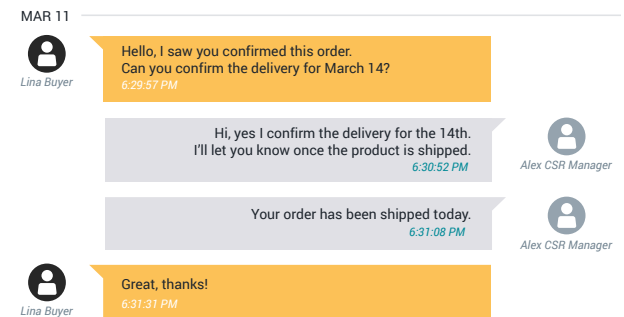
PETER LANGWORTHY
HEAD OF CUSTOMER SERVICES
EUROPE | GE HEALTHCARE

BENEFIT TO GET BEHIND

BOOSTED CUSTOMER SATISFACTION

The harsh reality today's companies face is simple: Satisfy customer's needs and wants or get passed over for someone else who does. For this reason, supply chain staff play an important role in driving business success. With a small margin of error, automation is essential to enable fast and accurate delivery of goods while adding value by empowering customers with self-service options.

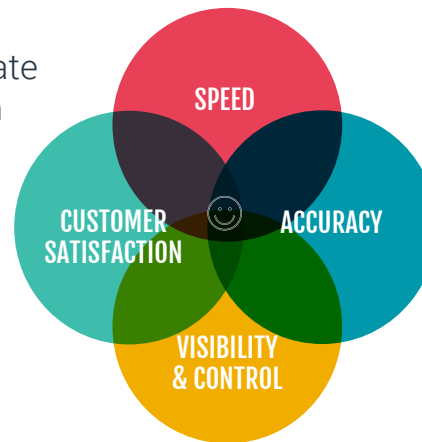
A self-service portal offers customers the ability to do things like access order information, order from an e-catalog, place recurring orders and contact staff — boosting loyalty thanks to a streamlined process. Companies that are easy to do business with not only reap the benefit of happy customers, they enjoy faster goods delivery, more responsive and productive staff, and quicker dispute resolution. This all results in greater profits and an improved bottom line.



BENEFIT TO GET BEHIND

IMPROVED BOTTOM LINE

The goal of digital optimization is to create a more efficient supply chain — one with as few bottlenecks and blind spots as possible. The combination of faster order processing, greater accuracy, more visibility and collaboration, and greater customer satisfaction does just that and, ultimately, paves the way for the most strategic benefit of all: an improved bottom line.



An easy way to lift sales and lower costs, AI-driven automation helps customers scale without the constraints of a typical ERP system. It opens the door for new business opportunities, allowing companies to worry less about budget and more about improving their offerings, focusing on customers and planning for the future. At the intersection of speed, accuracy, visibility and collaboration, and customer satisfaction, an improved bottom line is a benefit every company can get behind.



“... AUTOMATION OF DOCUMENTS IN OUR ORDER-TO-CASH CYCLE SUCH AS SALES ORDERS AND INVOICES WILL **REDUCE** ERRORS, **LESSEN** THE LOAD ON OUR OWN STAFF AND **SPEED** PAYMENT CYCLES — AND WHEN YOU’RE TALKING ABOUT MORE THAN A MILLION DOCUMENTS A YEAR, THAT ADDS UP TO A **SIGNIFICANT IMPACT ON THE BOTTOM LINE.**”

DIRECTOR
GLOBAL ENABLEMENT SERVICES |
WHIRLPOOL



\$5-15 IS THE AVERAGE AMOUNT
SAVED PER ORDER WHEN AN AUTOMATED SOLUTION
IS FULLY IMPLEMENTED.⁴

⁴ APOC (2017). Automating the Sales Order Entry Process: Real-World Pressing Support for a Cogent Business Case.

CONCLUSION

In modern business, digital optimization is not a want. It's a need. Supply chains can no longer rely on outdated methods of order management to remain competitive. The longer companies wait to implement a digital optimization project, the farther behind they fall.

Taking action now means:



FASTER
processing
speeds



LOWER
operational
costs



GREATER
reporting &
visibility



BETTER
customer
relationships



MORE
new business & expansion
into new markets

Digital optimization shouldn't seem scary or overwhelming — it's here to make your job easier and supply chain more efficient. Rather than acting as a separate entity, it incorporates every part of the supply chain in order to create a single, fluid operation. No more silos, bottlenecks or slowdowns. An AI-driven solution drives business success via order management success.

Automation makes it as simple as one order, one delivery, one invoice. Because supply chain excellence shouldn't be complicated.

WHO IS ESKER

When talk of digital optimization turns to action, you'll want a company like Esker by your side. A global company and leader in providing automation solutions, we're experts in helping companies along their digital optimization journey. We offer AI-driven technology that promotes greater efficiency in nearly every business process — order management, accounts payable, accounts receivable and more.

Our team of 500 employees is spread all around the world alongside our over 11,000 customers that rely on us to help them build stronger, more efficient business processes. You may recognize some:



GE Healthcare

SANOFI

ASSA ABLOY

Web: www.esker.com | Blog: blog.esker.com



RELATED CONTENT



eBOOK:

IMPROVING THE CUSTOMER EXPERIENCE

How Order-to-Cash Automation Unites Your Most Strategic Teams

INSTANT DOWNLOAD >

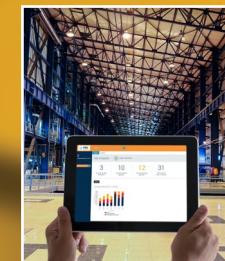


ARTICLE:

4 REASONS

Supply Chain Leaders Are Investing in Order Management Automation

INSTANT DOWNLOAD >



WHITE PAPER:

MASTERING SUPPLY CHAIN MANAGEMENT

In an Evolving Life Sciences Landscape

INSTANT DOWNLOAD >

