



Electrical Industry eBook.

How actionable insights drive customer
retention in the Electrical Industry

Phocas.
Got data. Get results.

Table of Contents.

| | |
|--|-----------|
| How actionable insights drive customer retention in the Electrical Industry | 3 |
| Customer retention starts with Business Intelligence | 4 |
| What is BI? | 5 |
| The benefits of BI | 5 |
| Case study: AEL Electrical Distributors | 6 |
| Case study: Mid-Island Electrical | 8 |
| Case study: United Electric Supply | 10 |
| BI is all about business performance | 12 |
| Why Phocas for Electrical Suppliers and Distributors? | 13 |
| Get in touch | 14 |

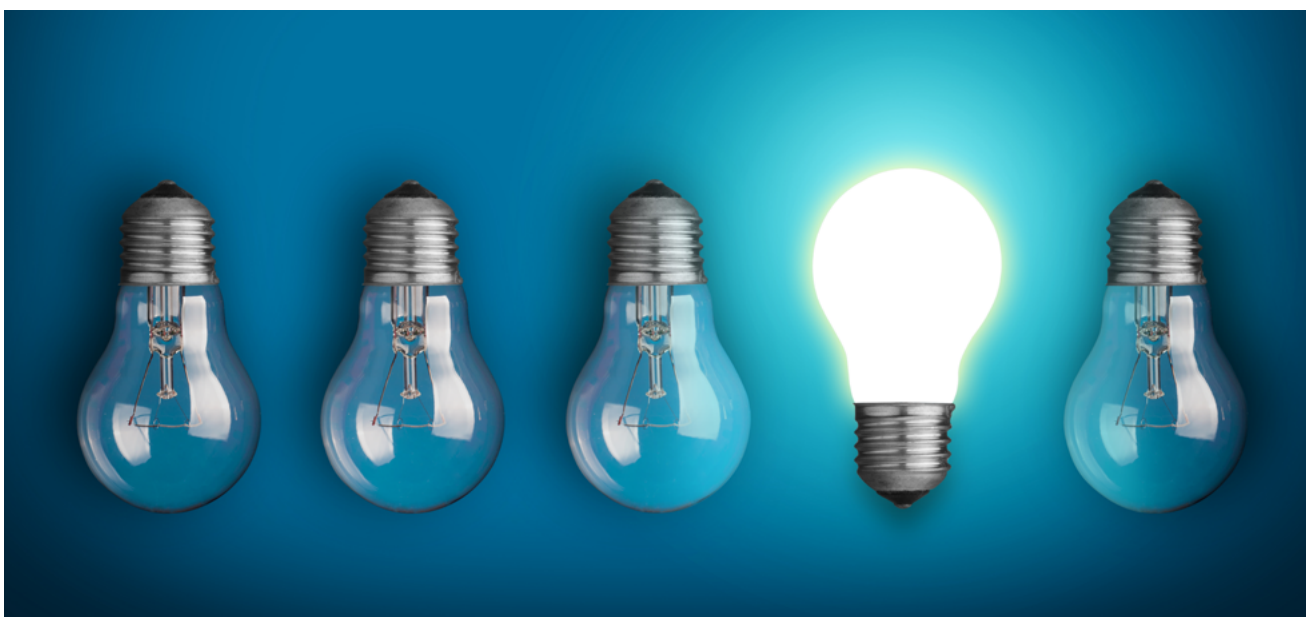
How actionable insights drive customer retention in the Electrical Industry.

The benefits of BI for Electrical Suppliers and Distributors

Electrical suppliers and distributors are not unlike other businesses today. You face intense competition, a battle for talent and an ongoing struggle to understand your overall business performance.

Many of you are in the middle of your own digital transformation that is putting emphasis on technology to help manage growing product lines, marketing promotions, emerging sales relationships and complex supply chains.

The electrical supply and distribution industry is still a relationships business so while you work hard to integrate technology into your day-to-day operations, you are likely facing a demand for a higher level of service. A face-to-face meeting and a handshake are important to starting and maintaining a partnership, but in today's marketplace, you must do more to ensure your customer relationships and sales flourish. You must understand your customers' businesses and needs, and in modern times, that begins with business intelligence.



Customer retention starts with Business Intelligence.

It's no secret that the low-hanging fruit for your sales team are existing customers.

According to [Gartner](#), 80 percent of your future profits will come from 20 percent of your existing customers. [eConsultancy](#) found that 70 percent of companies believe that it is cheaper to retain a customer than acquire a new one while [Bain Company](#) reported that a 10 percent rise in customer retention can yield a 30 percent increase in the value of a company.

In today's business environment, customer retention starts with business intelligence. Many electrical suppliers and distributors use ERP systems to integrate their complex business systems, as well as collect internal and external data into a single location. Unfortunately, while their ERP systems are great at aggregating data, they lack the ability to turn the data into timely, actionable insights that can strengthen their understanding of their business, as well as their customers and their needs. Actionable insights allow companies to respond quickly and intelligently to business trends, as well as the threats and opportunities involving their customers.

“**Information is only useful if it helps you make better decisions.** By aligning information requirements with strategic needs you create a foundation for better performance measurement, competitive intelligence and effective decision making.”, wrote [KPMG](#).

“**One of the biggest business myths is that more data will automatically improve performance.** Consequently organizations are spending millions on updating information systems that are fundamentally flawed. Executives are literally drowning in a sea of data when what they really need is greater insight.”

An ERP system is valuable in helping manage business processes, aggregate and automate the flow of data and facilitate collaboration. To capitalize on the volumes of data stored in ERP systems and enhance the analytical and reporting power of the information, electrical suppliers and distributors are turning to business intelligence (BI) systems, such as Phocas Software.

What is BI?

Whether you're an electrical equipment supplier or distributor, the ability to quickly meet market demands begins with analyzing business information.

Our world produces trillions of gigabytes of data every day, and it has never been more important to capture, manage and analyze data to improve your ability to serve your customers.

BI systems gather data from systems and silos from across your enterprise and consolidate it into a single source of truth for your entire business. BI transforms your raw data into actionable insights so you can make data-driven decisions that can augment customer sales and service. BI lets you drill into your data with only a few clicks, and get insights in a matter of seconds. The aggregated information allows you to generate reports so that you can quickly analyze the data to make quick and informed business decisions.

Electrical parts are as many as they are varied. The volume of data moving across your organization and between customers and partners can seem overwhelming. For many companies, tracking purchases, transfers between branches and warehouses, returns and all the complexity associated with invoicing and margin calculations, as well as discounts and promotions can seem a daunting and time-consuming process. These are the tasks BI is built to handle.

Benefits of BI.

Business intelligence solutions provide dozens of benefits that improve your ability to better understand and serve your customers.

With a modest investment in BI, you can improve on time in full (OTIF) metrics, revenue and cost control; give management, logistics, accounts and buying teams the ability to drill into valuable data for their own needs; and analyze current and historical data to identify trends in sales and demand to inform forecasts and estimations.

Phocas lights up the data of AEL Electrical Distributors.

AEL is a specialist electrical distributor based in Aberdeen, Scotland specializing in the supply of control, automation and hazardous area electrical equipment to the oil and gas, marine, petrochemical, renewable and energy sectors.

Client [EAL Electrical](#)

Sector Electrical

HQ Location Aberdeen, Scotland

Challenge

The lack of valuable information from its current data management and CRM systems was hampering the ability of the management team and business development team.

Solution

During their evaluation process for a Business Intelligence and CRM system AEL looked into Sage, Salesforce, Microsoft SharePoint and Phocas. When asked why AEL chose Phocas above its competitors AEL said, *“Phocas was offering the best deal financially, implementation wise and the ability of the software as a whole.”*

Benefits

One of the interesting ways that AEL uses Phocas is to analyze its On Time in Full (OTIF) percentages. As a result OTIF has allowed AEL to better manage its suppliers. This is due to AEL now being able to track the OTIF score of each supplier in a much easier manner than was previously possible. Before Phocas, AEL would have had to pull over 10 different reports weekly to calculate the percentage. Phocas allows AEL to manage its supplier OTIF percentages by clicking only two or three buttons. Phocas then calculates the data and produces either a graph or spreadsheet with the requested data.

“**Phocas is the best tool for reporting on data generated by the sales team, logistics team, accounts team and the buying team.**

Phocas is able to translate boring dates, figures and spreadsheets into a dynamic program which allows links between different data and contacts within the CRM System.”

There are several other benefits of BI for electrical suppliers and distributors interested in improving customer sales and retention.

This eBook will provide more details about of them.

1. Reveal patterns in customers spending habits.

Understanding what your customers are buying and not buying is critical to your ability to deliver the right products at the right time for the right price.

Phocas Software gives you instant visibility into your customers buying habits, which allows you to see patterns so that you can be more responsive to their needs. This means your customer will not have to worry about you running out of stock of a specific light bulb, cabling system or fuse holder because you are aligning sourcing and distribution activities based on their buying data.

The ability to see what a customer is buying also provides an opportunity to offer complementary products. Phocas helps identify gaps in the product mix within your customer's spending habits so you can increase the basket share of the customers' sales and reduce competitor activity. For example, if your customer buys florescent lamps, it should also be buying ballasts, or if you have a customer that buys enclosures, it should also buy fuses.

Phocas also provides online and mobile access to customer data, allowing your sales representatives the ability to review customer spending analytics at home, the office, a coffee shop or even in real time when they are with a customer.

You will be better equipped and informed about your customers. You can speak to recent orders, review any supply chain issues, ask about the quality of the products and review upcoming sales. When you understand your customers' buying needs you can raise your customer service to a new level.

Mid-Island Electrical increases productivity with Phocas.

Mid-Island Electrical Supply is the principal industrial electrical distributor in New York City, the Hudson Valley and Long Island.

Client [Mid-Island Electrical](#)

Sector Electrical

HQ Location Commack, NY

ERP System Epicor Eclipse

Challenge

Mid-Island has thousands of active accounts at any one time and their previous data tools did not give a holistic view of their business landscape. The company's Eclipse ERP has some inherent reporting features, but getting to the data was a cumbersome process.

Solution

Phocas bolts onto Mid-Island's Epicor Eclipse ERP system to make it more the system more friendly and create comprehensive reports with very little effort.

Benefits

Sales use Phocas to isolate sales issues to determine if the company is adding or losing customers, and to isolate low margin accounts. The Automotive Manager uses Phocas for projections, analysis of automation product lines and Gap Analysis. Phocas also provides visibility and analysis of customers and products and will allow Mid-Island to rationalize the customer base and prevent too many resources from going to customers where rewards are not that good. The company's efforts can now be focused on customers that subscribe to their business model, make them money and help them be more efficient.

“Overall, Phocas allows you to very quickly identify where we are losing opportunities and thus indirectly affecting the bottom line. **The ease of using Phocas affords us to micro manage more from a sales perspective that we might not normally do from the reporting feature in the Eclipse system.** At the end of day it helps productivity across the whole organization.”

Billy Wresch, Vice President with Mid-Island Electrical.

2. Use intelligence to help you retain customer sales.

Actionable insights in Phocas can also alert you to any major changes in your customers' purchasing behavior.

It's important that you recognize these changes so that you don't lose sales to competitors. Phocas allows you to drill down into the transactional information so that you can recognize when a long-time circuit breaker customer, for example, stops buying them from you.

With the information, you can ask your customers the right questions, and review any product availability, pricing changes or logistics challenges that may have influenced their decision to stop buying.

- 1 How fast are orders being fulfilled?
- 2 Are deliveries being made on time? If not, why?
- 3 How likely are your customers to purchase from you again?

Phocas enables you to dig into the numbers so you can clearly answer the questions, assess the data and then implement strategies to address customer concerns before they begin looking elsewhere for new suppliers.



Phocas Software putting the spark in United Electric's data.

United Electric Supply is a nationally recognized electrical distributor. With branches across five regions, the company stock over 23,000 different items. United has 16 locations, 300 employees and revenue totaling just under \$200 million annually.

Client [United Electric Supply](#)

Sector Electrical

HQ Location New Castle, DE

ERP System Epicor Eclipse

Challenge

When the team at United Electric embarked on a project to implement a business intelligence software tool, they intended to solve two business issues. The first was the slow, laborious process of preparing reporting and analysis for key business meetings. The second was that the reports weren't delivering what the business needed.

Solution

United wanted a tool that was easy to use and could deliver information that the business needed. After a 15-minute demo, United's staff was amazed with what kind of info they could get and how easy and quickly they could get it.

Benefits

Phocas has helped United Electric spot new sales opportunities that weren't obvious before with static reporting. The United team use Phocas to spot problems and negative issues, and there has been a shift in the way data is consumed. Rather than relying on monthly reports, the sales and management teams use Phocas during meetings – particularly in quarterly reviews.

“Perhaps the most outstanding thing with Phocas is that **we are able to get IMMEDIATE answers**. Are we selling them a full range of products? Who is buying this brand? How is it comparing to last year?”

Rich Chadwick, Director of Organizational Improvement with United Electric Supply.

3. Improve quality and focus of promotions that address specific customer needs

You can create better promotions when you know what your customers want, and knowing what they want will increase customer retention.

You can create better promotions when you know what your customers want, and knowing what they want will increase customer retention. Sales managers can use BI insights to work closely with the marketing team to develop the next big campaign. When campaigns or promotions are supported by data, your leadership team are much more likely to approve them.

With business intelligence, you can generate cross or upsell opportunities, publish and promote your opportunities and then review the return of your promotions. Phocas presents real-time data in visual dashboards that allows salespersons the ability to quickly recognize what promotions are working and what is not so they can revisit the campaign or make changes to the offer. Sales managers can also review the data to monitor the performance of the promotion as well as individual members of the sales teams.

4. Discover product sales patterns to drive product-based decision making

Is our company carrying the right brand of products? Do you offer the right types and variety of products? Are your prices competitive?

These are a few of the questions that your BI system should be able to answer regarding your product catalog. Phocas allows you to drill deep into your sales data from high-level dashboards into the underlying transactions so that you can have a clear picture of who is buying what, when and where. You can measure product KPIs and discover the product sales patterns driven by your customers. Phocas allows you to track inventory, sales and orders side-by-side so you can eliminate any doubt about your purchasing and warehouse management.

The ability to drill deep into product data will enable you to improve commodity product sales, and get your high margin products ready for just-in-time delivery. This will allow you to meet demand for products that customers order frequently while optimizing your supply chain for products that generate the most profit for your business. As you discover product sales patterns, you can create reports that further justify your own purchasing habits while dramatically improving your product-based decision-making.

BI is all about business performance.

Your customers are bombarded with product offers and opportunities to try new equipment suppliers.

Your competitors are looking to scrutinize every aspect of your relationship, from your sales approach, product mix, and pricing, to customer service and other areas of your business. They are working hard to get their feet in your customers' door. You need a complete picture of your business, particularly your customer intelligence so that you can maintain and build upon your current relationship and fight off the competition. Phocas gives an enterprise-wide view of your business, making it possible to integrate other systems and databases to provide a single source for actionable insights.

With a glance into Phocas' customizable dashboards you can quickly see how your business is performing and then immediately dive deeper into the underlying data that sits behind the dashboard. This immersive dive into your data reveals trends, threats and opportunities from a variety of levels and from across all departments. Phocas arms your team with the intelligence they need to make quick, informed business decisions so that you are always prepared to fight for your customers.



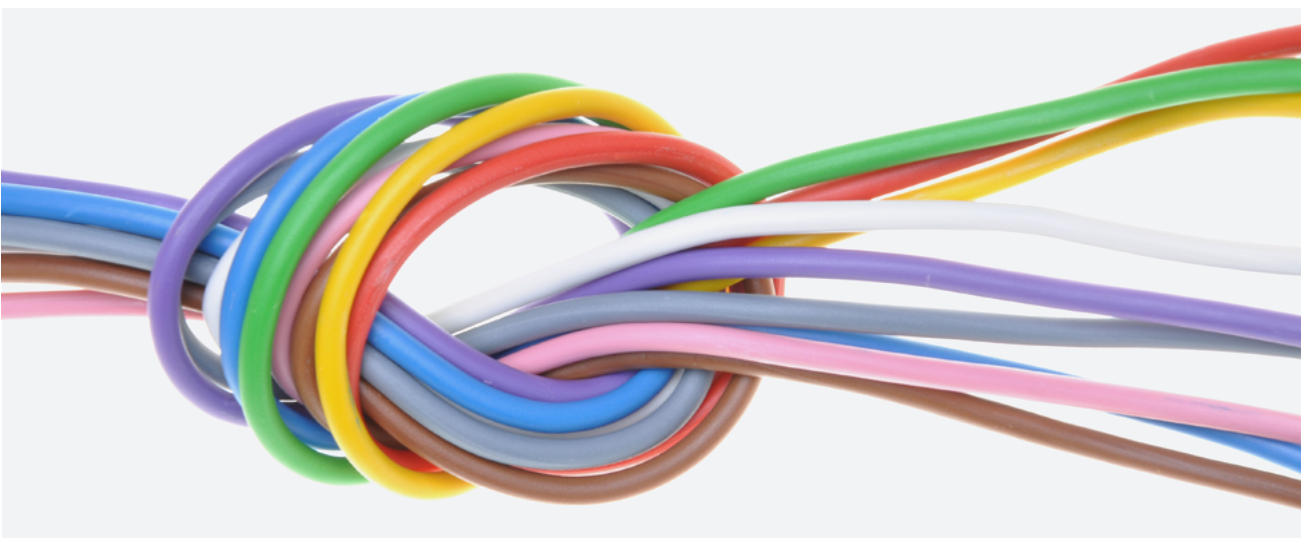
Why Phocas for Electrical Suppliers and Distributors?

As an electrical supplier and distributor, you are generating mountains of data every business day.

The volume grows as you add subsidiaries, branches, warehouses, customers, product and financial data, among other sources. Your ERP system likely was put in place so that all of these locations, systems and data silos can play nice with each other, aggregating and sharing data from and with the entire organization. When you have this many data sources and users, you need a business intelligence system that can deliver instant access into trends, risks and opportunities. Phocas has years of experience with the electric industry, offering solutions for all departments, branches and warehouses to provide a complete picture of your business.

Phocas was built for the every-day users across your company, from sales and accounting, to purchasing and the executive leadership team. Details about customers and their buying habits are only a few clicks away, providing you the ability to identify customer issues in real-time so you can address challenges, improve sales, manage margins, refine processes, launch promotions and save time.

Phocas gives you a better understanding of your customers, supporting your ability to make timely decisions across purchasing, marketing, inventory, sales and finance. Phocas also keeps it simple, providing insights that quickly answer your questions about your customers, uncover new opportunities to add sales with existing accounts, and avoid risks so that you maintain and strengthen customer relationships.



Get in touch.

Learn how Phocas can help you achieve your business goals.

Give us a call:

UK/Europe: +44 1865 364 103

Asia/Pacific: +61 2 6369 9900

North America: +1 877 387 4004

Or email us directly:

Email: marketing@phocassoftware.com

Want to know more?

Visit our [Electrical + Phocas page](#)