



Marketing, Not Techie, Reasons to Contemplate 'The Cloud'

Are you ready for a competitor like Amazon?

Most articles describing cloud computing focus on the marvelous technology that allows businesses to turn over the technical side of operating hardware and software to experts somewhere in "the cloud." That frees them up to concentrate on their central purpose, selling their products. While you may still get by with older technology and older ways of doing business, you should be aware of business trends that may, if you don't see them coming, have a devastating effect on the future of your distribution business.

Whole industry sectors are being disrupted today at an ever increasing rate. Most of this is driven by technology. Not technology in a technical back-office sense, but technology applied in ways that change how business is conducted and, specifically, how businesses interact with their customers.

You really don't need to understand the underlying technology that leads to the disruption. You simply need to recognize how the application of the technology allows you to do a better job in providing goods and services to your customers. After all, it is all about your customers and not about you and how you want to continue to run your business. Consumers, whether retail consumers or business-to-business consumers, are becoming increasingly impatient, demanding and spoiled by technology. If your transactions are not easy and efficient, if you can't provide the information needed right now, you are not going to score very high on your customers' satisfaction scale.

Increasingly, the ability to measure up to the level of service your customers expect depends on the software you

use. And that software had better be cloud-based. Why? Because cloud-based software enables greater device availability, even as new devices are introduced, greater portability, greater data access, and greater opportunities for interconnection with customers and the various parts of your business.

Consider a recent conversation between the sales rep for an equipment distributor and a power plant executive who was interested in a particular electric motor. After their chat, the sales rep offered to get the customer a quote. Could he produce the quote right there in the customer's plant?

Could he tell if the distributor had the motor in inventory? "No," he said, "I have to call the office for that."

With the software readily available today, and a portable device like a tablet or smartphone, he could have produced a quote, told the customer how many of the

items were in stock and at which location. If the customer said yes, the sales rep could have converted the quote to an order with the click of a button, and the order would have immediately appeared on the shipping screen at the appropriate warehouse. That type of immediacy is what customers have grown to expect and, rest assured, will demand in the future.

Why does this matter? Consider the recent article in *Forbes Magazine* ("Amazon's Wholesale Slaughter," May 26, 2014). According to that article, Amazon is quietly entering the wholesale B2B business in a very big way with its *AmazonSupply.com* business. Launched in 2012 with 500,000 items, it now lists more than 2.25 million items. One category, "metals and alloys," lists 32,843 items.

“The sooner you make the change to the cloud, the better you will be positioned to survive the coming revolution in the distribution business.”

But, you say, they can't provide the level of service I provide. My customers know me and will be loyal to me. Ask any former Books a Million store manager if that is a safe assumption. What has allowed Amazon to take over the book market, then the retail market, and now go after the wholesale market? In one word: software. Amazon's competitive edge boils down to its use of software to provide superior customer service. That is why Amazon ranks tops in the University of Michigan's annual customer service satisfaction index.

So, unless you want to be left behind, you'd better be thinking about how you are going to compete with this revolution in the B2B distribution business. That means thinking about how you are going to make every transaction as customer-friendly as possible.

As customers become increasingly spoiled and expect instant information, and as they become more dependent on mobile devices (you will, too, like it or not), your software better be able to take advantage of the freedom of portability. That means, at some point, it better be cloud-based. Sure, business may be good today, and you may feel too busy to switch. But the sooner you make the change, the more flexibility you will have in meeting your customers' needs, and the better you will be positioned to survive the coming revolution in the distribution business. ■

Ontrak Software LLC, Florence, S.C., offers ontrak Metals, a fully integrated, cloud-based inventory control, sales and purchasing program for metals service centers. For more information, visit www.ontrak.com.

APIs to the Rescue

Application programming interfaces solve problem for OnlineMetals.com.

In this recovering, ever-expanding economy, companies are experiencing an influx of demand—demand that needs to be supported. Sometimes the increase in order volume can no longer be adequately managed by a service center's legacy software. This was the case with OnlineMetals.com, a division of ThyssenKrupp Materials NA.

In the case of OnlineMetals.com, the company was using an integrated website designed to handle both sales and administrative needs. With their system unable to sufficiently manage the increased order volume and inventory position, OnlineMetals.com began the search for software that could support the company's expansion and growth, while seamlessly working alongside the current website's functions. They ultimately chose Eniteo ERP software from Enmark Systems.

Enmark spent more than six months developing, testing and implementing several application programming interfaces (APIs) that would allow Eniteo to communicate with OnlineMetals.com's existing website. Today, OnlineMetals.com's custom legacy program takes care of the sales side of the business, while Eniteo handles behind-the-scenes components such as accounting, operations, purchasing and inventory management.

Enmark's APIs allow the two sides of the business to share information, so OnlineMetals.com's staff can spend less time inputting data. Instead, these employees can focus their atten-

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tion on other tasks and other parts of the company, making them more useful and versatile.

Enmark strives to continually stay ahead of the technology curve. Its API adjustment for OnlineMetals.com was just one of many updates to the code. Enmark releases a new update of Eniteo every month of the year. Customers are notified of the new code that is available and can choose when to implement new features. Today, the API functions that Enmark developed for OnlineMetals.com are being incorporated into the operations of many other Enmark customers. These customers report a significant decrease in time spent on manual data input and a comparable increase in employee productivity, as well as enhanced quality control. ■

Enmark Systems Inc., Ann Arbor, Mich., offers the Eniteo full ERP system designed specifically for metal service centers. For more information, visit www.enmark.com.