SAP Solution Brief
SAP Business Suite

SAP ERP

Sales Order Management: Streamlined Order Fulfillment in Wholesale Distribution

Quick Facts

Summary

Successful wholesale distributors process customer orders smoothly and efficiently. To do this, companies need people who are dedicated to customer satisfaction, and they need up-to-date tools to handle complex financial terms and respond quickly and effectively to customer demands. The SAP® ERP application provides a complete, flexible sales-order management solution that can support these objectives and much more.

Business Challenges

- Maintain a competitive edge
- Help salespeople respond to customer queries and set up new products quickly
- Leverage profitable sales and interaction channels
- Reduce administrative costs

Key Features

- **Sales order management** – Automate and optimize all processes in the sales cycle
- **Customer relationship management** – Respond to queries with accurate, timely information and deliver a high level of customer satisfaction
- **Order-to-cash management** – Leverage efficient processes for managing quotations, contracts, pricing, and commissions
- **Sales force management** – Empower field sales force with effective portal technology and mobile sales support

Business Benefits

- **Improved customer service** thanks to availability of timely, up-to-date information
- **Increased sales force productivity** via automated processes and support for all stages of the sales cycle
- **Enhanced profitability and reduced costs** due to increased efficiency of IT support

For More Information

Call your SAP representative, or visit us online at www.sap.com/wholesale.

Today effective wholesale distributors do more than just meet revenue targets. They find new ways to achieve their goals while remaining focused on activities that strengthen profitable relationships. Their sales and customer service professionals can answer simple requests quickly – and are also equipped to meet complex and one-of-a-kind requirements. Customers expect them to be able to review previous orders or respond in real time to questions about product availability and pricing.

INCREASE CUSTOMER SATISFACTION AND PROFITS AND REDUCE COSTS

That's why so many distributors are employing the SAP® ERP application. SAP ERP provides a complete and flexible sales-order management solution that meets the requirements of wholesale distribution companies in all industry segments, regardless of size, and across all sales channels. The functionality facilitates the use of profitable sales and interaction channels. It reduces administrative costs by automating sales order management. And it supports high levels of customer satisfaction by helping you deliver accurate and timely information to customers.

A COMPLETE SOLUTION TO OPTIMIZE ORDER-TO-CASH PROCESSES

SAP ERP provides your business with tools to manage key functions, including the following.

Account management – A holistic view of customer data keeps your team on the same page. You have that view because SAP ERP lets you capture, monitor, store, and track critical information about customers and prospects. Your sales professionals have at-a-glance visibility into key contacts, critical relationships, and the up-to-date status of recent transactions as well as a complete history of each account.

Streamlined sales order management – A range of fully customizable sales order management features enables your sales department to provide all of the information a customer needs – quickly and reliably. Powerful search engine functions – for customers, known materials, and supplier catalog products – simplify complex search queries. The search results can be fully customized and personalized. An intuitive display shows availability of stock for selected branches. Traffic-light indicators and icons indicate product availability, location, and delivery dates. To facilitate lean materials management, you can leverage third-party suppliers' catalogs to find the required product from potentially millions of products. Simplified material creation lets you use the catalog search results to create new materials on the fly in your material master records. The material view also displays a wealth of information about single items. With a detailed history of a customer's previous orders and prices, you can use customer-specific order proposals to enhance customer satisfaction and maximize profitability.

E-commerce – E-commerce functionality enables your business to use the Internet as a profitable sales and customer interaction channel. The user interface, which is customizable to your brand, reflects current Web design standards with the look of a side-by-side product comparison. You can set up catalog browsing, product search, and shopping-basket options including saving, retrieving, and check-out functions as well as order status and order history features. You can promote business-to-business and business-to-consumer selling scenarios over the Internet, selling a large number of products while significantly reducing the operating cost of sales. In addition, you have functions for a complete auction-to-cash process, allowing your company to sell excess inventory and remarket idle assets by leveraging online communities.

Quotation and order management – To support superior and consistent customer service, SAP ERP provides comprehensive functionality to generate quotes and proposals and manage customer orders – at steady rates, seasonal spikes, and low or high volume. Because SAP ERP is integrated with financials and supply chain operations – from inventory planning, advanced shipping notification, receipt, warehousing, shipping, and invoicing – your complete order-to-cash process becomes automated and streamlined. It supports industry-specific requirements with a customizable user interface; an intuitive, interactive assistant guides your team through each step in the sales order process. SAP ERP provides pricing and inventory availability to ensure that each order fully meets the customer's requirements. And because the solution takes into account both customer-specific information, such as contracts, and your company's pricing strategy, your sales and customer service team members can automatically calculate the right prices for individual customers. They can handle credit checks and invoices, process payments themselves, and view all billing information from a single location. SAP ERP supports a wide range of process variants, such as ship from stock, ship to order, engineer to order, batch processing, returns, and many more.

Contract management and pricing – SAP ERP helps your sales professionals develop, verify, and submit value and quantity contracts tailored to fit an individual customer's situation. The software supports long-term agreements with customers, enabling them to buy products at special rates or with favorable terms for delivery. Customers expect accurate, up-to-date pricing – including current special quotes or contracts – regardless of the selling channel. With SAP ERP you can execute pricing strategies appropriate for each sales channel or customer, based on criteria you select. Pricing rules and data are maintained centrally and distributed to sales professionals in the field. SAP ERP handles overall price lists as well as promotional, customer-specific, rule-based, and contract pricing.

Aftersales service – Returns handling is another important part of the order-to-cash process. Since customers will not buy if they cannot return, they expect efficient returns management as a standard service. SAP ERP provides highly automated key features to manage customer and supplier returns.

Invoicing – The final sales-order processing stage – the invoicing process – is fully automated. Billing information is also available at each stage of order and delivery processing, and invoices can be submitted and paid online. Billing documents such as invoices and credit and debit memos can be created based on order information alone or with delivery information included – for example, when the quantity to be invoiced is derived from the delivery note. During billing processing, you can create, change, and delete billing documents. Because of smooth integration with financial accounting, billing documents can be automatically forwarded to financial accounting.

Incentive and commission management – With thoughtful planning and skillful implementation, incentive plans help attract, motivate, and retain the best sales talent. Through strategic use of incentive compensation, you can align the goals of each individual with the goals of the organization, boosting revenues and improving profitability. SAP ERP plays an important role in this area by helping you develop attractive incentive compensation plans. At the same time, SAP ERP gives sales professionals the means to track their performance and measure potential compensation of sales in the pipeline. Sales managers gain improved visibility into their team's overall performance.

EXTENDING THE REACH OF SALES MANAGEMENT ACTIVITIES

The sales order functionality of SAP ERP is enhanced by the SAP NetWeaver® technology platform and Sybase® Unwired Platform, enabling you to extend sales-order management processes through components and tools such as the following.

Sales cockpit – A role-based user interface can empower sales professionals and administrative staff to perform their daily tasks more efficiently. Cockpits can improve the productivity of internal sales representatives by informing them about their current workload, open and expiring quotations, and incomplete or delivery-blocked orders. As speed is critical in the area of customer service, the software provides a user-friendly interface for fast order entry. Cockpits can be easily customized for specific user roles.

Mobile sales – Field sales professionals can access mission-critical information and processes from mobile devices like smartphones and tablets. They can access up-to-date sales information, review customer information, take sales orders, modify or search sales orders, and view a complete list of all materials.

Telephone sales – SAP ERP supports telesales through its interaction center functionality and provides your inbound and outbound telesales representatives with all the resources they need – at a significantly reduced cost.

Sales analytics and planning – SAP ERP includes a rich offering of analysis tools to help you monitor the overall health of your business. The application

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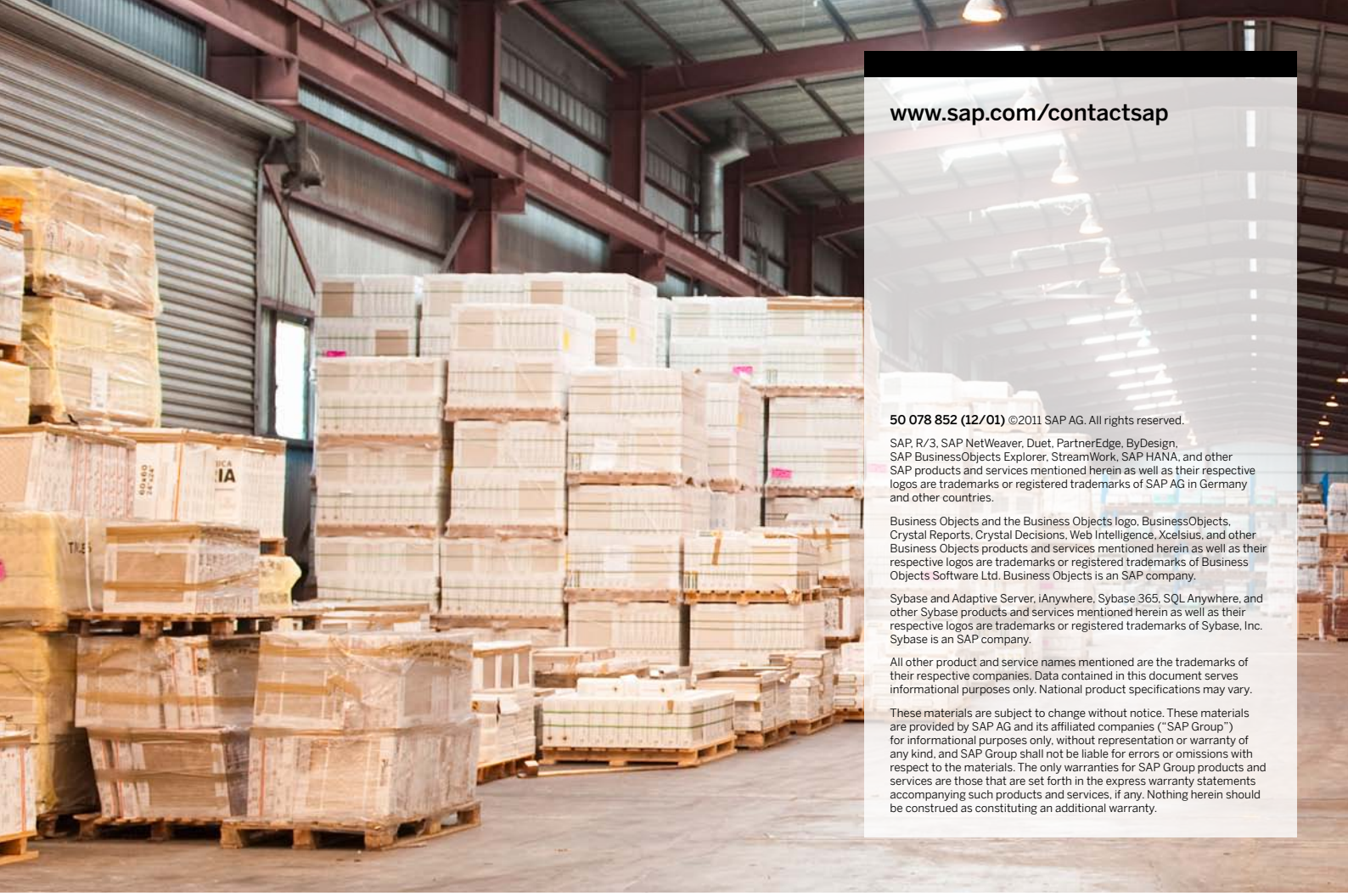

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offers a variety of performance measurement tools for sales and customer service, including analysis of incoming orders, quotation success rates, and deliveries. The planning process can be reconciled top down and bottom up, thus increasing visibility and improving decision-making support for executives.

SAP ERP: SIMPLIFY, OPTIMIZE, AND INNOVATE

SAP provides companies like yours with the software needed to gain strategic insight, increase productivity, and respond flexibly to changing market conditions – setting you apart from the competition. However, SAP's concept for ERP software moves processes out beyond the organization's walls. This enables the automation of end-to-end processes that extend to the entire business ecosystem, including partners, suppliers, and customers.

FIND OUT MORE

To learn more about SAP ERP, call your SAP representative today or visit us on the Web at www.sap.com/wholesale.

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