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E-commerce isn't an easy endeavor for everyone.

The article titled "Why Do Many Small, Mid-Sized Distributors Struggle With Adapting To E-Commerce" in the July-August issue of Supply Chain Brain magazine reminded me of my local vitamin shop.

The shop is owned by a very affable gentleman who appears to be in his early 60s. He runs a nice business and seems to have a good-enough flow of clientele where he can muddle through downtimes well-enough. Some of his customers are snowbirds so his business is seasonal as they are not here year-round.

The item tags on the shelves are all hand-written. The cash registers, there are two of them, are simply used to collect cash. The credit card swipe machine is a separate device from the cash registers. There is no inventory system other than what may be written in a log book or is in someone's head at the time the store shelves are reviewed on a daily basis to determine what item stock is low and needs replenishment. And at the same time the employees examine what has not been selling well and should be placed on sale at a discount. Thankfully the owner has a small contingent of loyal and knowledgeable staff. This is why I like the store: the staff knows their vitamins.

The store staff – ages between early 40s to early 70s – have all expressed to me their frustrations with the fact that the store is not computerized and their inventory tasks are so manual. Further, the store does not collect email addresses of their willing customers to send out any information such as monthly newsletters, discount coupons, informative wellness insights, or advise of products on sale.

Needless to say, this store has no e-commerce whatsoever and is missing out on the sale of products to snowbirds who must stock up on goods before they leave town or – more likely – just buy what they need locally when they get back up north, whether that is in the US or Canada.

In the article, Industrial Distribution's 2017 "Survey of Distributor Operations" which was conducted in March found that: 37% of respondents said that e-commerce is not a priority; 43% said that they just are not offering e-commerce; 49% said their website content is updated less than monthly; greater than 19% said that they can't recall how long it had been since their website was updated.

An e-commerce strategy need not be a difficult endeavor to jump in to, and need not mean the exact same thing for everyone. Perhaps an e-commerce entry is to begin with an electronic customer relationship outreach marketing campaign to pull people in to the store which will increase revenue. Implementing an integrated point-of-sale and inventory system would help employees spend more meaningful time with customers; just make sure the system lends itself to e-commerce when the time is right.

Not focusing on a digital strategy is simply not good business sense. I think that business leaders are naturally apprehensive when considering something like e-commerce because of the perceived large leap when in reality the better approach is manageable steps throughout the entire process. A digital strategy and an e-commerce channel are different and are competitive advantages, offering increased visibility and broadening revenue streams. Business owners and leaders should give serious thought to embracing both of these strategies which are extensions of the core operations processes and software used to run the business, and can certainly be strategically implemented without breaking the bank.

Thanks.

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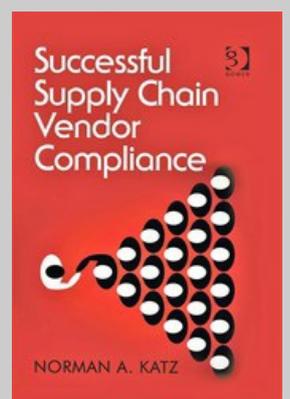
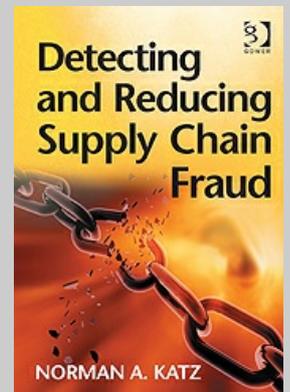


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