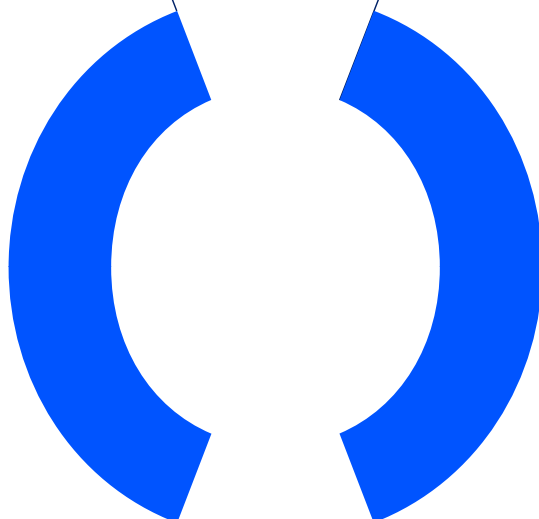# ecosio()

B2B CONNECTIVITY & EDI BENCHMARK REPORT & SURVEY 2019

WHITEPAPER

OUR MISSION

Our people want to play their part in solving the big complex challenges facing our world today – including how companies will interact with each other and people in the future. Guided by ecosio's values we are working to help meet the world's need for more information while increasing cost effectiveness and accelerating time to value.

ABOUT THIS REPORT

Research for this report was conducted with IT decision makers across retail, consumer goods, automotive, manufacturing and wholesale industries. Participants include over 15% of ecosio's customer base. Results were obtained through a combination of interviews and surveys conducted by ecosio and market research specialists in Q1 2019 and are supported via independent sources. The report shows trends and challenges IT decision makers are facing in B2B connectivity and EDI today and suggested approaches to resolving them.

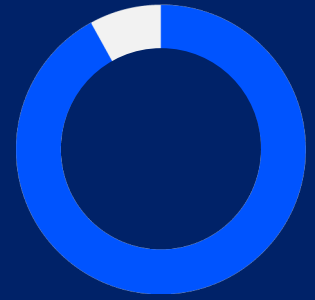**For more information about the report please contact us at edi@ecosio.com or call us on +44 7809 22 3048.**

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65%

of companies are dissatisfied with status quo of EDI

92%

of our customer expectations are met or exceeded

88%

of IT decision makers realise savings and accelerate speed when switching to ecosio

+€100,000,000

of estimated enterprise cost and loss of sales due to poor B2B connectivity

3x accelerated time to value with ecosio

40% savings when switching to ecosio

4 AREAS OF UNMET EXPECTATIONS

Ease of onboarding

Simplicity & transparency

Enablement of community & partners

Proactive monitoring & troubleshooting

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CONTENTS

IT LEADERS DEMAND MORE FROM B2B CONNECTIVITY & EDI

In today's hyper-connected world businesses increasingly demand speed and agility from IT systems, both to stay ahead of their competitors and simply to survive in the face of ever-evolving customer demands.

Research carried out in this report recognises deep data challenges businesses are facing today – ever changing interactions, ever more information, demanding ever more innovation. The report identifies key areas IT leaders deem critical to deliver successful B2B connectivity in today's fast paced environment. Over 80% of respondents ranked the following four criteria as "very important" or "mission critical" to achieve their B2B connectivity goals.

1. Ease of onboarding a trading partner
2. Proactive monitoring & troubleshooting
3. Enabling the EDI & partner community
4. Simplicity & transparency

Consistent with multiple independent sources, research shows over 65% of IT decision makers are dissatisfied with the status quo of EDI and B2B connectivity. Simply put, traditional EDI solutions or vendors do not meet the expectations of today's IT leaders. The report uncovers underlying pains that compel companies to rethink their approach when considering traditional B2B connectivity and EDI solutions.

In contrast to traditional players, ecosio meets or exceeds expectations of over 92% of those surveyed. Moreover, 88% of respondents experienced total savings up to 40% and accelerated time to value up to 3x when moving to ecosio.

As one Europe-based IT Director at a multinational wholesaler notes, "ecosio is an innovative company with the power to turn ideas into action. Within two years, ecosio created a significant advance for our processes that ensures our leading role in our industry".

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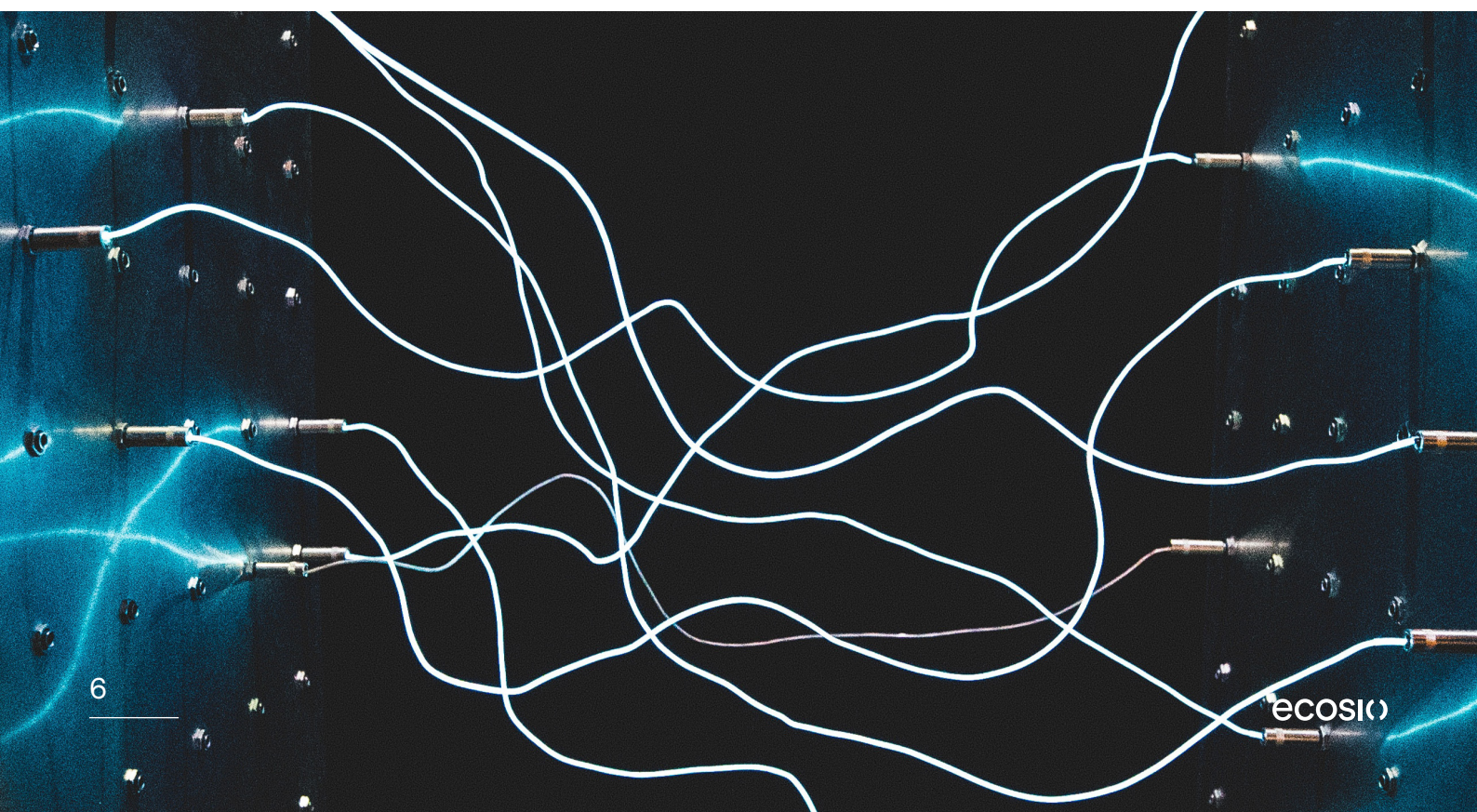
LIBERATE TEAMS BY AUTOMATING PARTNER ONBOARDING

Companies increase their EDI connections with third parties at an estimated rate of 7% per year. As ever-evolving customer demands drive businesses to do more with less, IT is driven to accelerate the speed of commerce with trading partners whilst simultaneously reducing workload on internal teams.

IT decision makers still view EDI onboarding process-es as complex and laborious, involving time-consuming manual effort such as initiating contact with partners or setting up connections and mappings, i.e. converting information between a company-specific data format and a standardised, industry-wide EDI format. This is far from ideal as a multinational organisation can share in excess of 100,000 messages daily with its third-party partners, including customers, suppliers or government bodies. Messages are made up of critical business documents such as orders, invoices and despatch advices (description of goods).

Companies operating on either side of the supply chain, such as a consumer goods producer selling products to a retailer or a major OEM purchasing components from a tier 1 automotive supplier, rely heavily on EDI to exchange business information digitally via automated processes and systems with their trading partners. Over 65% of IT decision makers in the survey are dissatisfied with tradi-tional vendors' ability to meet customer expectations and failure to reduce the complexity involved in onboarding, causing delays and poor customer experiences during the process. IT leaders want to reduce the workload on their teams to establish connections between their in-ternal systems, typically an ERP system, and their trading partners via EDI. Of those respondents dissatisfied with traditional approaches, the recurring pains include:

✓ Legacy software with little changes or development to meet new demands
✓ Inefficient and federated processes and teams

→ ecosio meets or exceeds expectations of 96% of surveyed customers when it comes to ease of use of onboarding trading partners. IT leaders rely on ecosio to meet aggressive deadlines when connecting with their EDI partners. Those surveyed reported up to 3x increase in speed of onboarding trading partners when moving to ecosio. IT decision makers feel that through continued automation of processes they are able to liberate their teams to focus attention on value-adding activities such as innovation, as well as increasing overall productivity.

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ACHIEVE PREDICTIVE INTELLIGENCE VIA PROACTIVE MONITORING & TROUBLESHOOTING

Over **42%** of IT leaders said proactive monitoring and troubleshooting is "mission critical" to their businesses, which makes it the most important of all the criteria surveyed. What is meant by proactive monitoring is a company's ability to actively monitor all its EDI activities to get end-to-end visibility and predictability.

"End-to-end" means from the ERP system and across multiple business units and stakeholders all the way through to 100s if not 1,000s of connected EDI partners.

EDI processes are critical as messages need to be delivered in time to avoid supply chain issues. Monitoring itself is not sufficient, and what is needed is an EDI system to provide exact status of specific messages along with all actions and processing that have been done. If something is out of place, proper alerting is required to resolve it before it can impact the business, e.g. order delays, reporting or cashflow errors. IT decision makers not only want the right stakeholders to be notified, but for them to have the the necessary tools and information at their disposal to anticipate errors ahead of time. This will enable their teams to quickly troubleshoot failures and immediately alert the relevant people to minimise negative impact on business operations. Supply chains across consumer goods and retail verticals are the most sensitive as items can be perishable and extremely fast moving which means that errors in orders or shipments may lead to devastating consequences on both sides. A major global consumer goods producer estimated that they could be losing in excess of €100,000,000 each year and that this is accepted as a natural state of play in doing business today.

Respondents claim that traditional EDI vendors typically over-promise which ultimately leads to unsatisfactory results. The issue is that often the right people are not informed, and if they are it's not in time or with sufficient information to solve the problem. IT leaders now demand predictability and visibility as intelligence to make smart business decisions.

→ **ecosio meets or exceeds expectations of 92% of those surveyed when it comes to proactive monitoring and troubleshooting. In addition to user experience, and a unified cloud platform, deep ERP integration plays a mission critical role in achieving end-to-end visibility and intelligence. 31% state a transformational gain in managing costs and minimising lost sales due to message errors or lack of visibility.**

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ENABLE THE EDI AND PARTNER COMMUNITY WITH SELF-SERVICE

All companies, especially large enterprises, need their teams both internally and externally to be enabled across business units to achieve their B2B goals.

What IT decision makers expect from modern EDI solution providers is the availability and accessibility of the right people, know-how and tools to ensure their EDI users and partner community are successful. This means quickly disseminating the relevant assets to reduce effort and maximise self-service among the community.

For example, procurement teams are typically interested in distributing purchase orders to meet company supply chain demands and want to ensure pricing information, order amount etc. are structured correctly. Warehousing and logistics need to make sure inventory data is up to date, for example how the unit of measure is recorded, or the sequence of deliveries made. Meanwhile the finance department handles invoice processing, reconciles in-house procedures with reporting standards and makes sure the right information is shared with respective government bodies. This is all being driven by sales and the need to meet customer demands. IT and ERP implementation partners work together to ensure all these business processes are related to the ERP or equivalent system.

Given the breadth of EDI communities, it comes as little surprise that enablement is one of the most important criteria for B2B success, with over 88% of IT leaders identifying it as either "very important" or "mission critical" to their businesses. Many of the stakeholders touching EDI may have little or no knowledge of EDI and rely on a combination of technology and people to achieve their desired outcomes at speed. This is why it's crucial that the right people, tools and assets are accessible to relevant teams to help businesses reach their desired outcomes.

Today, many IT decision makers find EDI vendors have inadequately trained support, customer success and project management teams. Those surveyed regularly find that EDI vendors lack important knowledge and tools, in turn leading to failure when they attempt to enable their EDI and partner communities.

Teams also lack visibility, accessibility and usability internally through their ERP to manage and edit B2B messages and documents since many vendors do not enable deep integration.

→ **ecosio meets or exceeds expectations of 96% of surveyed IT decision makers when it comes to enabling their EDI and partner communities. A unified solution with an easily configurable and truly cloud-based platform means a project management team is able to make changes immediately without worrying about passing through multiple federated technologies and teams. Webinars and documentation are also essential to enabling the community by sharing important intelligence.**

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SIMPLICITY & TRANSPARENCY LAY FOUNDATIONS FOR A GROWTH PARTNERSHIP

IT leaders continually find themselves in complex commercial constructs with their B2B vendors. Those surveyed state that they often experience increasing and unexpected "price cliffs" for additional usage when connecting new partners, changing certifications and augmenting message standards with traditional vendors.

This reduces business agility and speed, as new B2B demands emerge such as partner onboarding, new message standards or protocols etc. Customers are interested in a strategic partnership model that will allow flexibility and a long-term view and takes into account their future plans whilst being mindful of uncertainty and the need to adapt to changes.

Future pricing uncertainty coupled with rocketing costs is often sufficient reason for budget holders to move to new providers when changes occur, and, in some instances, even decide to replace an incumbent EDI solution completely.

ecosio meets or exceeds expectations of 88% of surveyed IT decision makers when it comes to enabling cost reduction and predictable pricing. Those surveyed report up to 40% savings through a strategic partnership with ecosio with a customer retention rate of 96% over a 5-year period, exceeding industry averages.

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SUMMARY

We are a leading technology provider of enterprise connectivity, with unique expertise in deep EDI/ERP integration and the conversion and routing of EDI messages. We provide our clients with information intelligence on trading performance across their entire partner ecosystem – helping them forge more intimate and profitable engagements. We are champions for smart, future-forward solutions that liberate teams – and businesses – to do what they do best. We're proud of our expert tech teams who tell it like it is. We ask the big strategic questions, and offer innovative products, transparent pricing and flexible approaches, whilst always delivering the smartest solutions for our clients. Helping you do more, by doing less.

For more information please visit www.ecosio.com

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