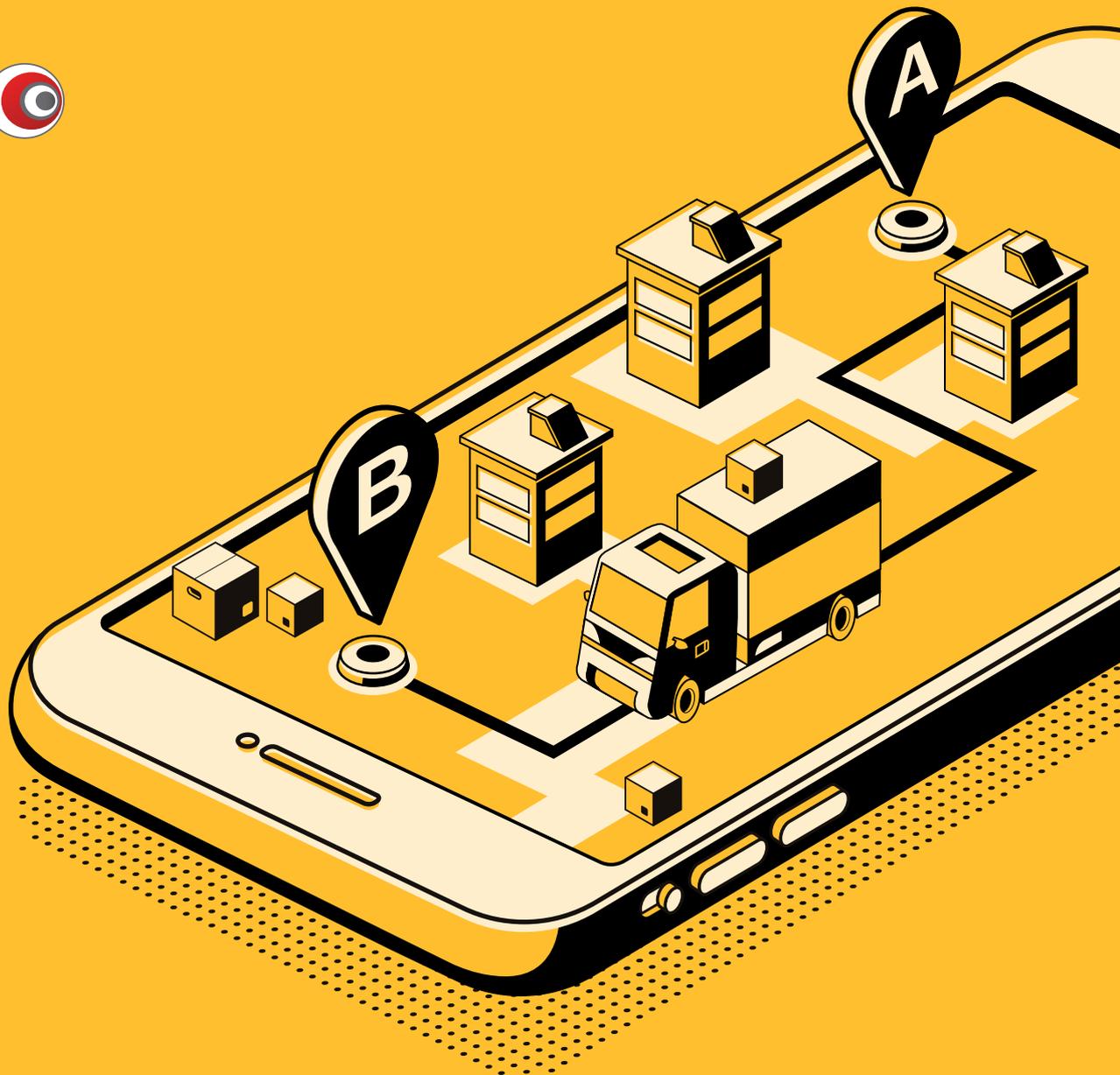


THE FUTURE OF SALES IN WHOLESALE DISTRIBUTION

And how to futureproof your business.

A guide by

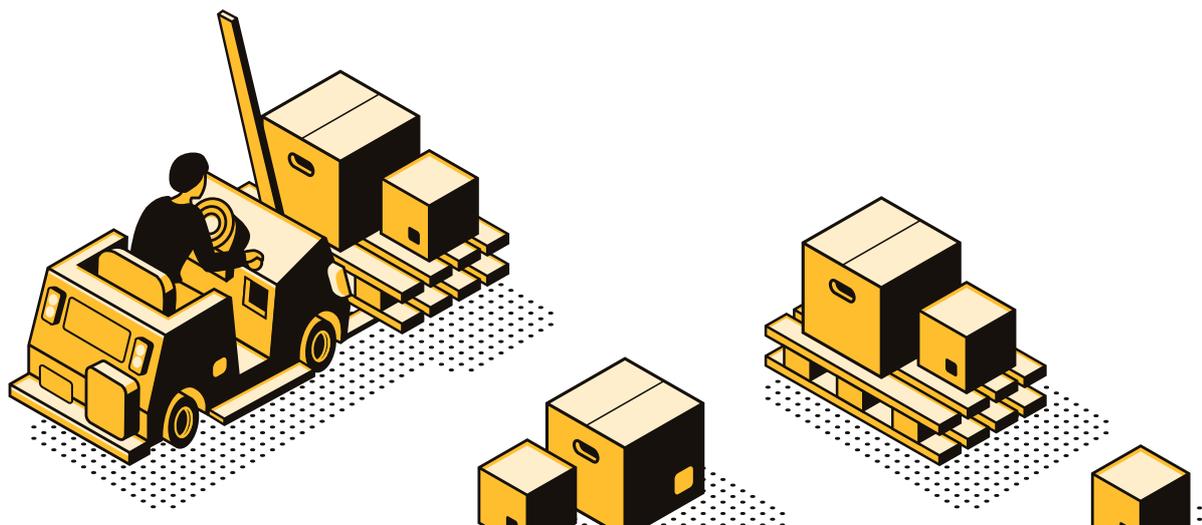


The wholesale distribution industry is in the crux of rapid change. As the traditional sales rep trekking across the country with a car-full of product catalogs, Rolodexes clutched firmly to their chests becomes increasingly obsolete, **what does the future hold for the typical sales rep in these industries?**

There is no question that B2B sales is harder today than it has ever been. More competition, shorter product lifecycles and longer sales cycles are making selling a complete minefield even for the most experienced of reps. Buyers are doing the majority of their research and evaluation online before you've even picked up the phone.

This eBook will examine what distribution field sales reps should be aware of as we look ahead to 2019 and beyond including:

- **THE RISE OF ECOMMERCE**
- **IOT, AI & ML**
- **ENTERING THE ERA OF GEN Z**



THE RISE OF ECOMMERCE

Until recently, the wholesale distribution sector has been perceived as a relative laggard when it comes to tech but more and more distributors are beginning to realize the value of technology. With companies like Amazon and Alibaba significantly moving the goalposts, the need for a streamlined, simple user experience that makes it easy for your customers to interact with your business is more important than ever.

Forrester estimates that **B2B eCommerce revenues will tip the \$1 trillion mark by 2020** and as such it is crucial that your round-the-clock presence is optimized for conversion. B2B buyers are increasingly demonstrating the 'buy it now', simple shopping experience more commonly seen amongst B2C buyers.

Whether your buyers are heading online to research different products or whether they're the final authority when it comes to decision making; **your online presence is critical.**

But what does this all mean for the traditional sales rep? If they're not the ones pitching and closing business anymore, it begs the question: **are they needed anymore?**

In short, YES.



The rise of eCommerce doesn't signal the end of the salesperson. Moreover, it simply enhances and enables the traditional salesperson to work smarter, more efficiently and most importantly, more profitably.

Sales reps are still essential as a source of information, knowledge and for consultation, **something a website fails to achieve.**

While the likes of Amazon make online shopping incredibly simple for B2B and B2C customers, a lot of buyers are still very traditional in their ways.

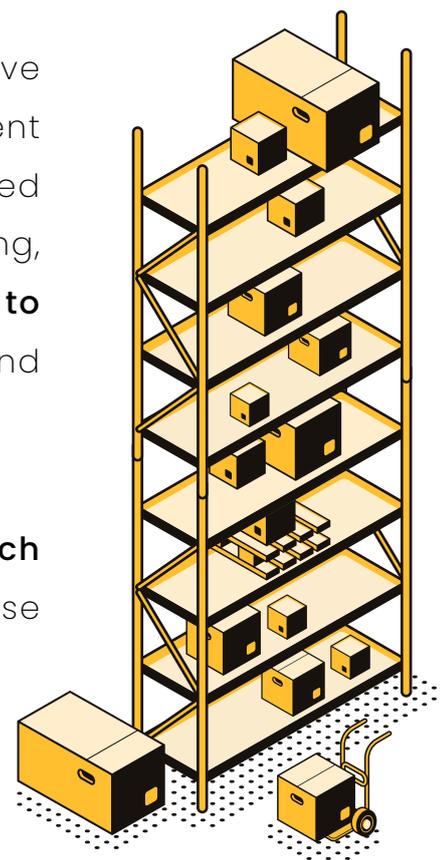
How to futureproof your business:

Distributors need to **embrace an omnichannel approach to sales and service** that responds to customer demands – whether online, in-person or over the telephone.

Sales reps will, for the time being, remain an imperative facet of the sales process, albeit in a slightly different capacity. While eCommerce largely negates the need for typical outbound cold calls, pitching and prospecting, it poses an **opportunity for salespeople to upsell to customers** that began their lives as web buyers and subsequently nurture them to increase future orders.

“Most buyers are likely to **use the web to research** products and services prior to making a purchase through traditional channels today.

— **NAW, 2016**



Order Details

Order #026-4526336-8625153

Placed on January 20, 2019



Gildan heavy blend hoodie ash M £10.99
(GD57)

Condition: New

Sold by: COOZO UK

Item Subtotal:	£10.99
Postage & Packing:	£0.00
Order Total:	£10.99
Selected Payment Method:	Visa

Need to make changes to your order? Visit our [Help page](#) for more information and video guides.

If you use a mobile device, you can receive notifications about the delivery of your package and track it from our free [Amazon app](#).

We hope to see you again soon.

[Amazon.co.uk](https://www.amazon.co.uk)

Customers Who Bought Items in Your Order Also Bought



GILDAN Men's
Heavyweight
Hooded Sweatshirt
Hoodie
£9.50



GILDAN Mens
Heavy Blend
Sweatshirt
£10.94



GILDAN Mens
Heavy Blend Cuffed
Jogging...
£10.50

If your customer has bought 20 reams of paper from you every month for the last 6 months, but not toner – let them know. Offer them a special deal to win their business and **increase your share of customer wallet**. Amazon does this well with its 'Top Picks for You', 'Items Frequently Bought Together' and **personalized recommendation emails based on your spending history**.

As a salesperson, **you know your company's product catalog better than anyone.** This inside knowledge for which products complement one another and which are typically bought in conjunction provides a simple conversation starter on your next sales call.

With eCommerce, salespeople also can demonstrate how easy it is to re-order from your webstore anywhere, at any time. Plus, this self-serve approach means you'll be **saving valuable selling time to focus on attracting new customers.**

Integrating eCommerce tools into broader business tools such as sales analytics, CRM and Marketing Automation solutions will allow for **closer monitoring of customer behavior** and the steps taken prior to making a purchase.

Did they visit a product page on your website? Check customer reviews then receive an email from a customer service representative before making a purchase? You can use this information to better understand how your customers buy and optimize the steps that are more frequently taken prior to purchase.

It is clear that salespeople are, and will continue to be, king when it comes to larger value deals and offer something no eCommerce platform can – **the ability to interact and consult with a buyer on a personal level.**

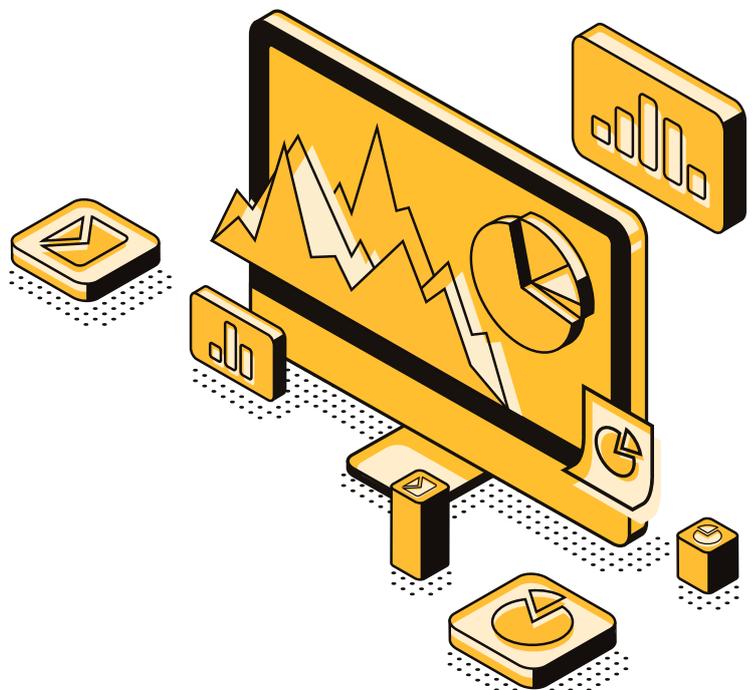
IOT, AI & ML

There is no question that **technology will continue to play a crucial role in ensuring distributor success** well into the future. With buzzwords being bandied about and new ones coming to the fore on an almost weekly basis, it can be challenging to stay on top of every new piece of gadgetry and the value it can bring to your business.

As the role of the sales rep continues to evolve, technology will become more important than ever. Three pieces of technology in particular will have a huge impact on wholesale distribution and, as such, the salespeople working in this industry: **the Internet of Things, Artificial Intelligence and Machine Learning.**

“AI and ML are **enabling wholesalers** of all sizes, to harness computers to compete with and even **surpass human abilities**, like improving customer service, reducing costs, and improving up time through predictive maintenance.

— SAP, 2018



IOT

The Internet of Things (IoT) is a complete, interconnected system of web-enabled devices and machines with the ability to transfer and share data between them without any human interaction. IoT collects data from a myriad of sources and sensors to deliver insights into customers, stock levels, machinery health and much more.

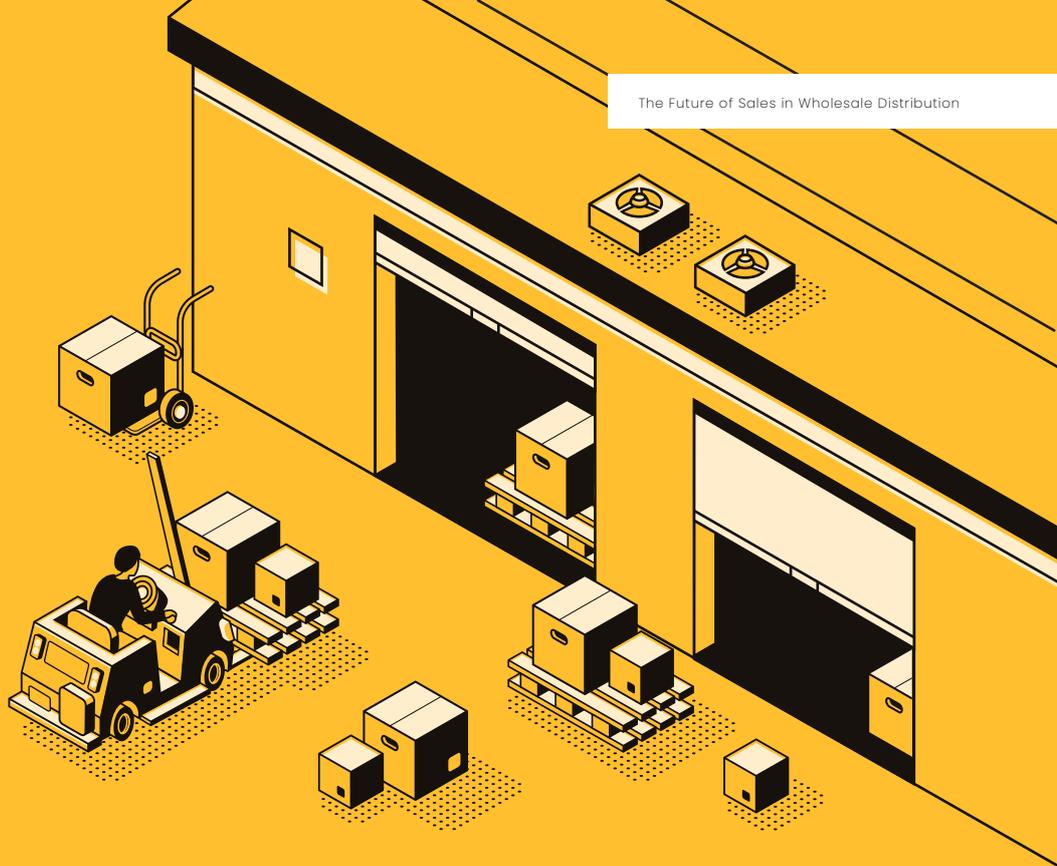
Armed with these insights, wholesale distributors can be more efficient and ultimately, more profitable.

While still in its relative infancy, IoT has the power to completely redefine processes throughout wholesale distribution supply chains. From monitoring machinery and equipment to better serving customers.

“Successful salespeople in the era of IoT are focused, as they were in the 1960s, on the **emotional, political and personal drivers of the buyer.**”

— **VELOCIFY, 2016**





Applying IoT in your business:

Round-the-clock connectivity allows wholesale distributors to **better understand the intricacies and inner workings of their equipment, transportation and warehousing** to improve operations and streamline lead times.

Sensors and data sources will also allow companies to learn precisely how their products are being used. With data from IoT sources, distributors can provide an **all new level of service to their customers** and can help you to better understand how customers are using your products through the data captured by IoT technologies.

This insight will be worth its weight in gold for those in sales. From predictive auto-ordering to preventative maintenance and service packages, the **IoT is set to redefine how the wholesale distribution industry and its customers interact for good.**

IoT is shifting the very definition of B2B sales success. As such, the role of the modern salesperson will also shift from one of intensive outbound cold calling and order taking to one of delivering value, building relationships and investing in a customer's continued success.

AI & ML

Artificial Intelligence (AI) is the far-reaching concept that machines will be able to **complete typically time-consuming tasks in a 'smart' way.**

Whereas Machine Learning (ML) is the application of AI technologies allowing **machines to process information and 'learn' for themselves.**

Learning (acquiring information), reasoning (using rules to reach conclusions) and self-correcting, AI is capable of actively finding patterns in large data sets to either uncover hidden information (trends and patterns) or deliver a solution to a complex problem.

“The digital revolution has already transformed the distribution industry, and Artificial Intelligence and Machine Learning are set to take the industry further into new realms. There are **real business benefits to using AI**, including growing average order size, boosting margins, and tightening customer relationships. **Smart distributors will not let themselves be left behind.**”

— **INDUSTRIAL DISTRIBUTION, 2019**



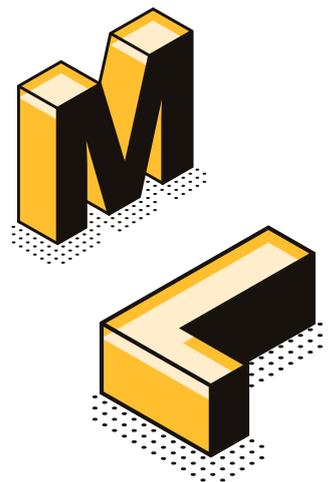
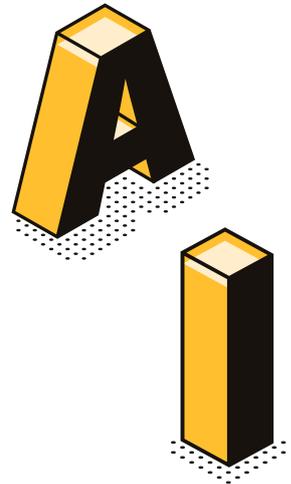
With the primary objective of automating typically time-consuming, banal tasks, AI and ML technologies are already commonplace across a number of applications. Siri on your iPhone uses Machine Learning to become smarter in its responses to your questions. Netflix 's use of predictive technologies to suggest your next Friday night binge based on your (and other Netflix users') reactions, interests, choices and behavior on the platform.

Deep analysis of purchasing patterns can enable wholesalers and distributors to **better forecast stock levels, monitor equipment defects, minimize margins of error and improve efficiencies.**

Applying AI & ML in your business:

When applied to the wholesale distribution industries, AI and ML can completely transform your approach to sales, distribution, warehousing and significantly streamline a number of business processes. AI and ML tools can be used to automate operations within your warehouse, optimize delivery routes and completely remove the need for manual data analysis of all kinds.

As a salesperson, these tools are real game-changers. AI and ML technologies can **track and identify common sales trends, typical purchasing patterns and suggest sales opportunities** that have a higher probability of closing, based on past customer behavior. Armed with the ability to anticipate future customer activity, your reps can swoop in with an unmissable deal before your competitors even catch wind of the opportunity.



Let's say you're a drinks distributor.

Your best-selling tonic water is often sold in combination with the leading soda water.

AI and ML technologies will be able to mine your data, identify this as a frequent cross-sell and **alert your sales rep to this missed opportunity any time it occurs.**

Furthermore, this level of insight will minimize the amount of warehousing space needed to stockpile product as you'll be able to **accurately forecast demand** and, if you're in the perishable goods business, reduce the amount of stock going to waste.



“Many distributors are using data-driven, prescriptive insights to **uncover opportunities that recover margin leakage and grow revenue.** With insight into customer buying behaviors, such as declining volumes, erratic buying trends or gaps in ordering profiles, businesses are empowering their sales organizations with science-driven recommendations to expand wallet share with their customers – and **driving millions in annualized revenue growth.**”

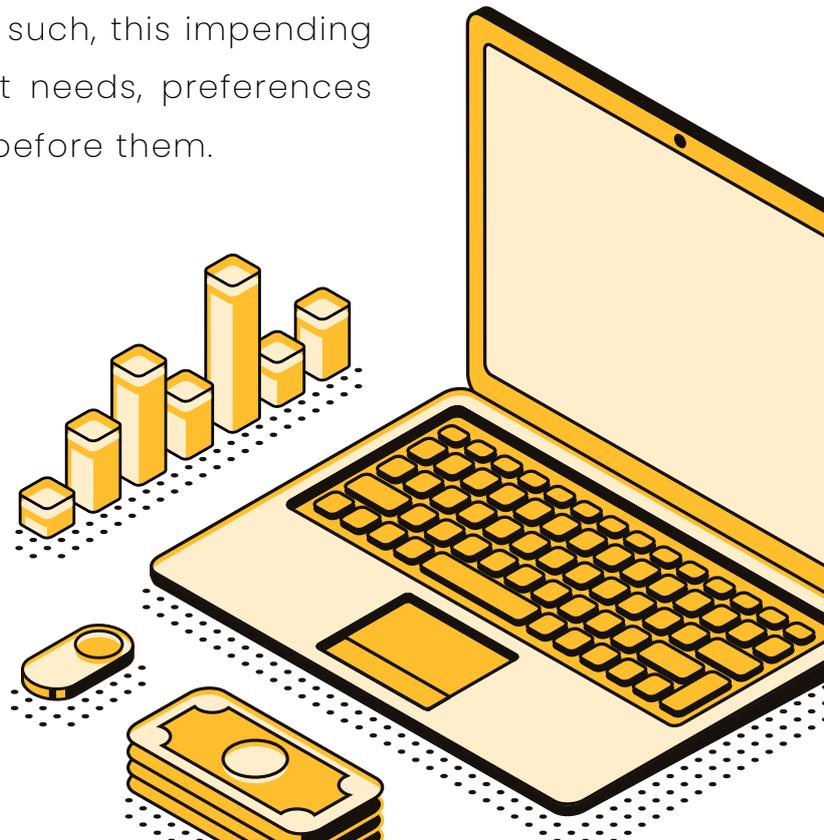
— **MDM, 2018**

ENTERING THE ERA OF GEN Z

Research from PWC estimates that by 2020, millennials (those born between 1981 and 1997) will represent as much as **50% of the global workforce**.

But as quickly as millennials overtook the Baby Boomers, **Gen Z (those born mid-1990s to early 2000s) is on track to turn the wholesale distribution industry on its head**. Being the most technologically adept generation to date, the Gen Z generation already makes up a quarter of America's population.

Having been exposed to technology from their early youth and dubbed '**digital natives**', Gen Z likely won't remember a time without social networks, smartphones and the internet. As millennials championed the importance of community, the tech-savvy Gen Z cohort has come to expect instant gratification at all times, across all channels. And as such, this impending generation has markedly different needs, preferences and priorities to those that came before them.



How to futureproof your business:

Attracting this pool of people to your business – both as future customers and employees – will be vital to your success. As your future customers, consider how you can respond to their demands for convenience and their changing communication preferences. While concentrating your efforts on your existing customers is key, it is just as important to **consider the next generation of your customers** and adapt your strategy appropriately.

Research from Inc.com found that a staggering **75% of Gen Zers stated they would rather text someone than call them on the phone**. So, your approach to sales and customer service have to follow suit.

Traditional channels of communication will take a dip **in favor of email, chatbots, text and social interactions** so make sure your Gen Z buyers are able to get in touch with you, in the ways they want.



Consider your delivery options too. American Express found that **“39% of Gen Zs want one-hour delivery by drone.”**

While not always practical for some wholesale distributors, could you improve your logistics to meet the demands of this ‘want it now’ generation? Software tools can help you to better monitor typical buying patterns and this information could help inform **smarter, speedier delivery routes**. Not only will this keep your customers happy but full delivery vehicles and optimal routes will save your bottom line (and your carbon footprint too).



When it comes to employing them, start them early.

Offer vocational courses, internships and taster days into the inner workings of your business. If you ask any 16-18 year old what they want to do for living, very few of them will likely say 'a wholesale distributor.'

Investing in **technology is a tried and true method to attract younger workers**, even those outside the world of wholesale distribution. Tech was never a learned skill for this generation, they grew up immersed in a world of smartphones and Snapchat, so it is an expected part of their careers, rather than a perk.

An article from MDM reports that "investing in everything from business intelligence to analytics to mobile apps to Internet of Things applications is an **especially effective tool for recruiting younger generations.**"

IN SUMMARY

eCommerce, IOT, AI, ML and the start of the Gen Z era will all play a prominent role in the future success of wholesale distribution businesses the world over. **Salespeople will have to adapt as a result as their roles within the market change.**

Staying abreast of developments in your industry is key to success and **those who embrace change and transform rapidly will thrive.**

ABOUT SALES-I

We are the world leader in sales performance for distributors and wholesalers.

sales-i is sales performance software designed to make every sales call more personal and profitable.

sales-i enables sales professionals to clearly identify and target high quality sales opportunities within their current customer base. Equipped with customer buying behavior alerts, salespeople can make insightful, personalized and quick business decisions, realizing repeat sales, reduced customer attrition and maximized profit margins as a result.

sales-i is proven to change the way you sell. Get in touch for a free, online demonstration and judge our software for yourself.

✉ tellmemore@sales-i.com

📍 www.sales-i.com

