TRANSFORM CUSTOMER SERVICE AND OPERATIONS THROUGH ORDER AUTOMATION

An APQC Webinar Sponsored by Esker Inc.

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Speakers: Marisa Brown, APQC and Daniel Reeve, Esker Inc.
A FEW THINGS TO NOTE

All attendee lines are muted.

Use the Q&A tool located on the right of your screen to submit questions.

You will receive links to the slides and recording via email within a few days.
Marisa Brown
Senior Principal Research Lead, Supply Chain Management
APQC

Daniel Reeve
Director of Sales - US
Esker, Inc.
AGENDA

- Leverage Automation to Improve Order Processing Efficiency
- Recognize the Benefits of Automation on Customer Service and Operations
- Results of Digitally Transforming Order Processing
- Take Action
- Q&A
LEVERAGE AUTOMATION TO IMPROVE ORDER PROCESSING EFFICIENCY
TARGET FIRST-TIME DATA ACCURACY FOR SALES ORDERS

APQC has found a distinct competitive advantage among organizations with automated order management systems.

Organizations that focus on first-time data accuracy achieve:

- faster customer order cycle time,
- higher perfect order performance, and
- a higher percentage of profitable customers.

TOP PERFORMERS IN SALES ORDER AUTOMATION HAVE 300% FASTER CUSTOMER ORDER CYCLE TIME.
Capture the Benefits of Sales Orders Requiring No Human Intervention

 Organizations that decrease human intervention in the sales order process:

- increase order fill rates and on-time delivery;
- improve customer satisfaction and retention;
- reduce personnel costs and overhead for managing orders;
- improve employee retention;
- shorten the order cycle time; and
- reduce the monetary value of returns caused by errors in order fulfillment.

<table>
<thead>
<tr>
<th>Top Quartile (high percentage of sales orders requiring no human intervention)</th>
<th>Bottom Quartile (low percentage of sales orders requiring no human intervention)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CUSTOMER ORDER CYCLE TIME IN DAYS</strong></td>
<td><strong>PERCENTAGE OF REVENUE GROWTH FOR THE TOP 20% OF CUSTOMERS</strong></td>
</tr>
<tr>
<td>1 2</td>
<td>15.0%</td>
</tr>
<tr>
<td>5 6 7 8</td>
<td>8.0%</td>
</tr>
<tr>
<td>1 2 3 4</td>
<td></td>
</tr>
</tbody>
</table>
FOCUS ON RECEIVING ORDERS AND INQUIRIES THROUGH DIGITAL CHANNELS

Organizations with the highest percentage of orders and inquiries via digital channels find their order management systems to be extremely effective in:

- reducing order cycle time,
- improving customer satisfaction and retention, and
- reducing personnel costs and overhead for entering, processing, and tracking orders.
DECIDE BETWEEN COMMERCIAL SYSTEMS VS. SYSTEMS DEVELOPED IN-HOUSE

- 75% of organizations with a commercial order management solution find their order management extremely effective.
- 59% of organizations with homegrown systems consider them extremely effective.
DRIVE BOTTOM-LINE SUCCESS

Executives realize the benefits of order automation, including lower sales order management costs and days sales outstanding.

Total cost to perform the process “manage sales orders” per $1,000 revenue

- WITHOUT automation: $1.64
- WITH automation: $1.11

As the percentage of manual sales order interventions due to invoicing or pricing issues decreases, DSO decreases.
BENEFITS OF ORDER AUTOMATION ON CUSTOMER SERVICE AND OPERATIONS
INTEGRATE CUSTOMER SERVICE AND ORDER FULFILLMENT

- Consistency across communication and order intake channels
- Seamless cross-channel experience enabled by automation
- More time to coordinate product delivery due to integration for production planning, shipping, and logistics employees
- Single interface helps locate and address exceptions, eliminates miscommunication in order fulfillment, and ensures tasks aren’t lost in the workflow and during hand-offs
Automated order processing should enable a streamlined workflow with improved speed, accuracy, and transparency. It automates the five stages of:

1. Order Reception
2. Machine Learning, Data Extraction, and Order Routing
3. Data Verification
4. Archiving and ERP Integration
5. Data Analytics
ENHANCE THE CUSTOMER EXPERIENCE

Automated systems can supply alerts for potential issues, automate resolutions and updates, provide a full audit trail, surface key customer data, and feed a client-facing portal.
ENABLE REPS TO FOCUS ON VALUE-ADDED ACTIVITIES

The increased visibility from automated dashboards can help customer service representatives:

- recognize priority orders and open orders,
- provide KPIs to drive better service,
- track order status, and
- see orders that need to be approved.
RESULTS OF DIGITALLY TRANSFORMING ORDER PROCESSING
RESULTS ACHIEVED VIA SALES ORDER AUTOMATION

- Improved first-time data accuracy for order management
- Improved order fill rates and on-time delivery
- Improved customer satisfaction and retention
- Reduced personnel and overhead costs
- Improved employee retention
- Reduced order process cycle times
- Reduced monetary value of returns caused by errors in order fulfillment
TAKE ACTION

- High order processing costs
- Temp hires during order volume peaks
- High error rates
- Customer dissatisfaction
- Limited process control & visibility
- Low customer service team morale

ORDER PROCESSING CHALLENGES
# AUTOMATED ORDER PROCESSING

Process orders with complete **accuracy, efficiency and visibility**

<table>
<thead>
<tr>
<th>Customer order submission</th>
<th>Order reception</th>
<th>Order routing</th>
<th>Data verification</th>
<th>ERP integration</th>
<th>Order archiving</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Submit orders in any way you like</td>
<td>• Channel consolidation: one single view for all orders</td>
<td>• AI-driven data capture: built-in recognition, auto-learning, teaching</td>
<td>• Automated order header and line item data validation</td>
<td>• Automated order creation in any ERP</td>
<td>• Adjustable retention strategy</td>
</tr>
<tr>
<td>• Get full visibility over your orders</td>
<td>• Order reception date/time tracking</td>
<td>• Automated routing</td>
<td>• Automatic order duplicate check</td>
<td>• Standard connectors for SAP &amp; Oracle EBS</td>
<td>• Multi-criteria and full text search engine</td>
</tr>
<tr>
<td>• Collaborate with your supplier</td>
<td></td>
<td></td>
<td>• User-friendly validation interface</td>
<td>• Simultaneous multi-ERP integration</td>
<td></td>
</tr>
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</table>
AUTOMATE FOR A COMPETITIVE ADVANTAGE

ACCELERATE
business cycles

ENHANCE
accuracy

INCREASE
process visibility

REDUCE
operational costs

IMPROVE
customer satisfaction

INCREASE
accuracy

REDUCE
operational costs

IMPROVE
customer satisfaction
ACCELERATE BUSINESS CYCLES

“
The results have been fantastic – we’ve actually reduced our order processing time from around 3 minutes down to 30 seconds by using Esker’s Order Processing automation solution.”

Director of Business Systems

- Cut order processing time by nearly 50%
- Went from 4.5 minutes per order on average to 2.5 minutes

- Average order processing time reduced by 75% (from 8 to 2 mins)
- Average number of steps to process fax & email orders cut in half (from 8 to 4)

- Processing configurable sales order 97% faster with Esker’s cloud solution

- Reduced fax, email and EDI order processing time by 80% (from 3 mins to 33 secs)
REDUCE OPERATIONAL COSTS

“Esker was the lowest cost project with the biggest bang for the buck we have ever done. It was a slam dunk.”

Customer Care Manager

- $3.26 million in total risk-adjusted benefits
- $1 million in benefits yearly
- 237% ROI

Order entry productivity gain: $265k/year
Total savings: $433k/year

Following Maytag’s acquisition, Whirlpool was able to avoid hiring 120 additional CSRs, a project value of $4.2 million

4 years post implementation
RESULTS OF SALES ORDER AUTOMATION

<table>
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<tr>
<th>Systagenix</th>
<th>Decreased the percentage of order entry errors from 1.6% to lower than 0.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medrad</td>
<td>“Our customers have noticed the difference since automating – we make fewer errors on the documents and are more accurate with shipping our products on time.”</td>
</tr>
<tr>
<td></td>
<td>Director of Global Customer Support</td>
</tr>
<tr>
<td>Assa Abloy</td>
<td>30% reduction in errors which equates to $250,000 annual savings</td>
</tr>
</tbody>
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“We made significant improvements in the number of manual errors as a result of Esker. It has almost eliminated past problems where we would receive duplicate faxes and manually input them twice.”

Customer Service Director
INCREASE VISIBILITY

"We went from zero visibility to having full transparency into our order management process."
Order Fulfillment Manager

"Esker’s reporting capabilities were the biggest differentiator — it’s better than we could have ever imagined. The opportunities for data mining are limitless, as we can track metrics for basically anything that will streamline efficiencies and make life easier for our customers."
Supervisor of Customer Service

"Esker’s Order Processing solution provides us with greater visibility of critical KPIs in the customer service process."
Customer Service Manager

"Esker enabled us to prioritize orders with life saving products for patients in critical condition."
Customer Service Manager
REDUCE OPERATIONAL COSTS

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Customer Care Manager

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RESULTS OF SALES ORDER AUTOMATION

"We’ve been thrilled with the results that Esker has delivered. Instead of focusing on data entry, our staff is able to work on tasks like proactive outbound calling to ensure a positive customer experience and increase revenue."

Director of customer service

- Increased customer satisfaction by 7.5%

"Esker’s solution is enabling the customer service department to work smarter, better and faster. We are able to be more responsive to our customers. It’s been a wonderful tool."

Director of Global Customer Support

"Esker allows us to determine which orders need attention first, which results in better overall service to our customers as a whole."

Business Analyst

- 2,000 customer calls /month
QUESTIONS
CONTACT US

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DOWNLOAD THE REPORT TODAY

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300% FASTER CUSTOMER ORDER CYCLE TIME.

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