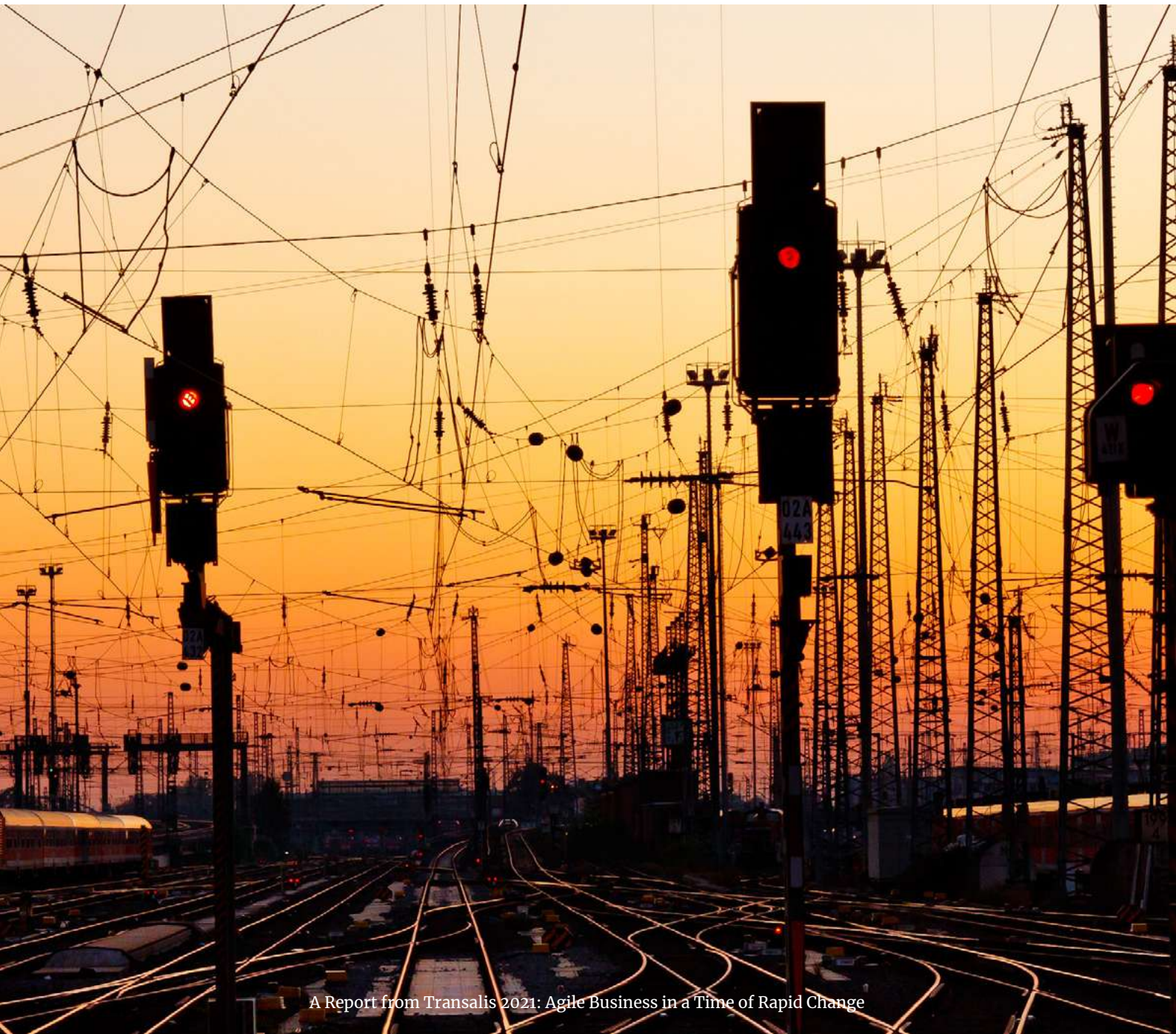


Agile Business in a Time of Rapid Change

A report detailing how businesses can gain greater visibility across business systems, increase resilience and improve agility for the future.



Contents

INTRODUCTION	2
EXECUTIVE SUMMARY: 5 Key Takeaways	3
1. Planned Changes to Supply Chain Under Delivered by EDI Partners	5
2. Businesses Pivot to Survive	6
3. Manageable Digital Transformation	7
4. EDI Mitigates the Brexit Challenge	9
5. Integrated EDI Provides Greater Insight and Better Decision Making	10
Insight	11
Recommendations	11

INTRODUCTION

The events of the past 18-months have highlighted that an organisations' ability to adopt agile business processes is essential to their on-going survival and growth.

The combination of a pandemic and Brexit has led to fundamental changes in how businesses optimise their internal processes to reduce costs whilst, for some, also pivoting their business models to address new markets and supply chain requirements.

This report explores how EDI can support rapid change and demonstrates how agile businesses have leveraged EDI to their advantage.



EXECUTIVE SUMMARY:

5 key takeaways

01.

Planned Changes to Supply Chain

Transalis undertook research on the current state of EDI to understand whether providers were meeting the challenges of 21st century commerce* the overall response was no.

Over 40% of respondents had planned changes to their supply chain in 2021, but they also highlighted concerns that their sluggish and under-resourced EDI provider would fail to support the changes required within an acceptable timeframe.

With Transalis' automated EDI onboarding processes, new trading connections can be live within days rather than months.

02.

Businesses Pivot to Survive

The pandemic has exposed the fragility of the traditional high street retail model. Out of necessity many manufacturers, producers and wholesalers changed their business model to Direct To Consumer (D2C).

E-commerce platforms offered the immediate fix to meet the D2C requirement. However, as necessity has become the norm, the shortcomings of Plug and Play (PNP) e-commerce platforms to scale in line with the increased complexity of the supply chain has become clear.

Businesses like *simplehuman* have resolved the scalability issue by using Transalis EDI to connect their e-commerce platform with their full supply chain, enabling a 24/7 operation rather than confined within office hours.

03.

Manageable Digital Transformation

Digital transformation has become a common phrase in recent years. Gartner and McKinsey business consultancies all advocate the benefits of a digitised future. The challenge for most among many businesses is where to start, how to build the business case and how to deliver ROI within an acceptable timeframe.

With measurable ROI of up to 60%** delivered within an acceptable timeframe, invoice digitisation and automation of the Accounts Payable (AP) and Accounts Receivable (AR) processes is a natural first step on the digital journey.

The estimated cost of processing 24,000 invoices manually per year is £1.95** per invoice. By implementing Transalis eInvoice™ Automation this cost is reduced to £0.78 per invoice. Discover the savings your business could make by visiting the Transalis [website](#).

04.

EDI Mitigates the Brexit Challenge

In the build-up to Brexit, Transalis supported many of its customers in setting up new EDI connections to manufacturers and 3PLs (Third Party Logistics) operating within the European Union, mitigating the cross-border challenges that were to follow.

The key to the on-going success of this localised distribution strategy has been the use of narrow AI Auto Message Routing which directs orders to the distribution hub closest to the locality of the end customer reducing both delivery time and cost.

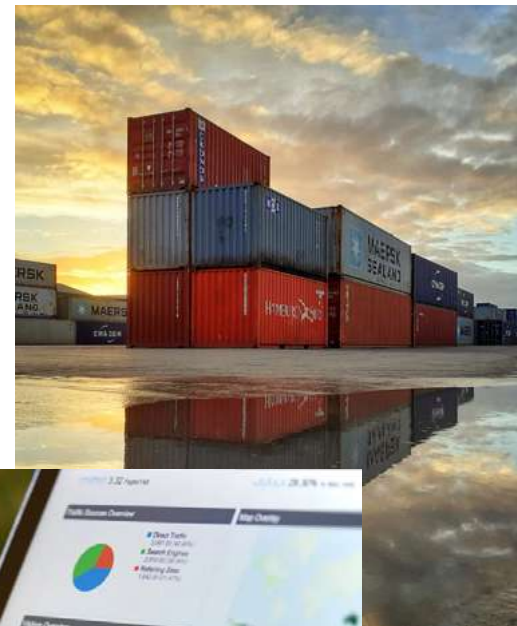
Transalis eDI™ enabled a leading manufacturer of licenced pop collectibles to transition from manually driven processes for managing information including stock and sales information to a digitised warehouse operation.

05.

Integrated EDI Delivers Greater Insight

EDI messages go beyond the commonly used Order, Invoice and Advance Shipping Notice (ASN). Forward thinking organisations are extending their standard message-set to include items such as sales reports, stock reports and product data.

The ability to distribute this invaluable information across a siloed business via an integrated EDI feed using Transalis eDI™ Connect or Transalis eDI™ Connect+ provides the visibility required to make better business planning decisions.



1. Planned Changes to Supply Chain Underdelivered by EDI Partners

Transalis undertook research on the current state of EDI to understand whether providers were meeting the challenges of 21st century commerce* the overall response was no.

Over 40% of respondents had planned changes to their supply chain in 2021 (Figure 1). Due to their EDI provider being sluggish and under-resourced the required changes have yet to be delivered.

Survey respondents estimated that on average it was taking their EDI partner 3 months to configure and onboard a new trading partner connection.

To provide agility to the onboarding of new trading partners, Transalis have automated the configuration process bringing the “go-live date” forward, from months to just days.

If your business wants to offer your new trading partners a simpler, faster onboarding experience, Transalis offers a white labelled version of its self-serve EDI product, eDI Instant. The new trading partner can be directed to a branded site where they sign-up and are automatically connected to your EDI network. Transalis eDI Instant™- It's as easy as 1,2,3.

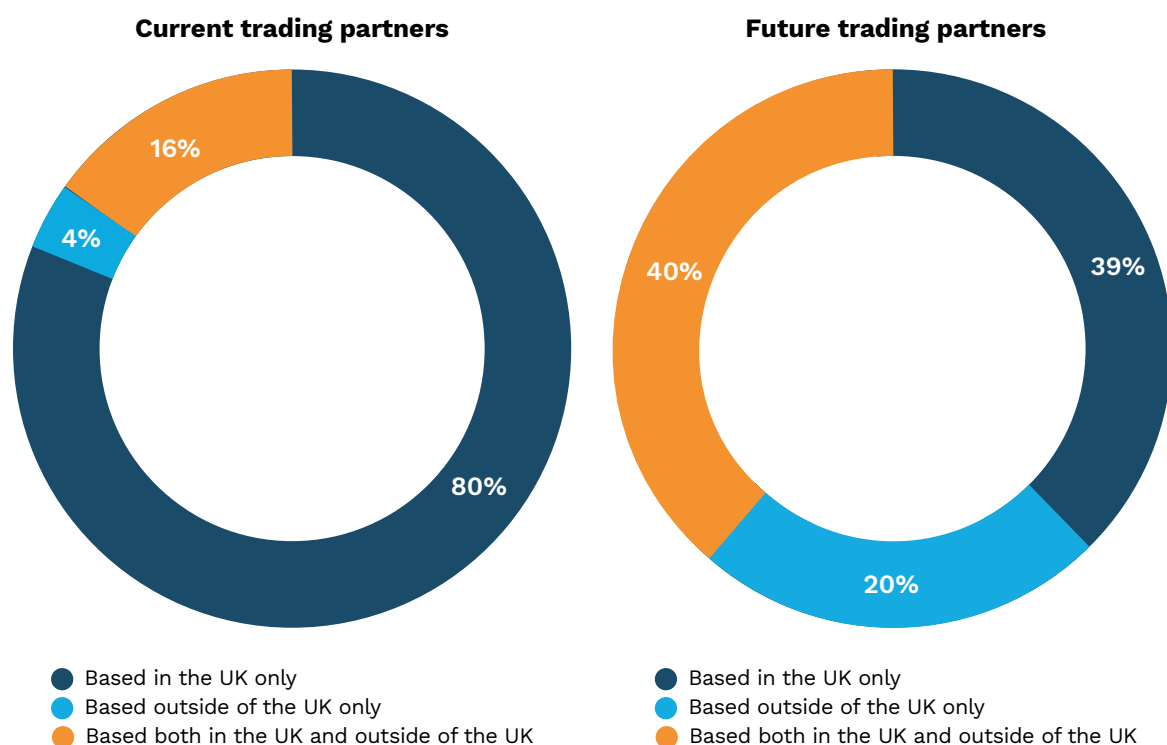


Figure 1. Planned changes to trading network

Winners and Losers

John Lewis – investing £1bn into e-commerce due to a 70% increase in online activity***

Primark lost £1.5 billion during the Covid-19 lockdowns****



2. Businesses Pivot to Survive

The pandemic has exposed the fragility of the traditional high street retail model. Out of necessity, many manufacturers, producers and wholesalers changed their business model to Direct To Consumer (D2C).

E-commerce platforms offered the immediate solution to meet the D2C requirement. However, as necessity has become the norm, the shortcomings of Plug and Play (PNP) e-commerce platforms to scale in line with the increased complexity of the supply chain has become clear.

Businesses like simplehuman have resolved the scalability issue by using EDI to connect their e-commerce platform with their full supply chain, reducing costs and increasing profit margins.

“Using Transalis eDI™ as the backbone to facilitate a fully automated range of e-commerce data processes, including order acknowledgement, despatch advice, invoicing and inventory for both wholesale and DSV (Drop Ship Vendor) relationships. Outbound files can be processed 24/7 any day of the year rather than just within office hours. A robust system of validation is now in place with simplehuman to manage partner pricing and carton quantities better while avoiding any risk of order duplication.”

Ian Tofield,
Integration Manager for simplehuman

Review the full case study on the [Transalis Knowledge Hub](#).

3. Manageable Digital Transformation

Digital transformation has become a common phrase in recent years. Gartner and McKinsey are among many business consultancies advocating the benefits of a digitised future.

The challenge for most businesses is where to start, how to build the business case, and how to deliver ROI within an acceptable timeframe.

Where to Start

Digitisation and automation of the Accounts Payable and Receivable process is a natural first step on the digital journey.

Due to the high level of manual processes both departments are costly and whilst highly efficient, introduce built-in delays to downstream processes such as approvals.

These inherent built-in delays have implications beyond direct costs. Delays in process mean organisations cannot benefit from:



Invoice Discounting



Faster invoice to cash



Improvement in cash management processes



Supply chain finance

Building the Business Case

The potential saving derived from switching from a manual to automated process (Figure 2).

Based on 24,000 invoices manually processed annually, the estimated cost per single invoice is £1.95.**

Switching to Transalis eInvoice™ Automation reduces the cost per invoice to just £0.78. That is a saving of 60%.**

Manual invoices processed monthly	
Inbound invoices	1000
Outbound invoices	1000
Current costs of manual processing	
Annual cost	£46,875.00
Cost per document	£1.95
Savings with eInvoice Automation	
Annual saving	£28,125.00
Saving per document	£1.17
Annual license cost	£19,500.00
Breakdown per document	£0.78

Figure 2. Example savings from the automation of invoice processing

Delivering benefit within an acceptable timeframe

A typical automation project will take 3 to 6-months. If timed correctly, the benefit of switching will be realised within the same financial year.

eInvoice Automation (Figure 3) is part of the Transalis eInvoice™ family of products. To discover your potential ROI with an eInvoice solution, visit our [website](#).

We also offer further insight into the benefits of digitising your invoice processes in our recent report; [Transforming Your Invoice Process](#).

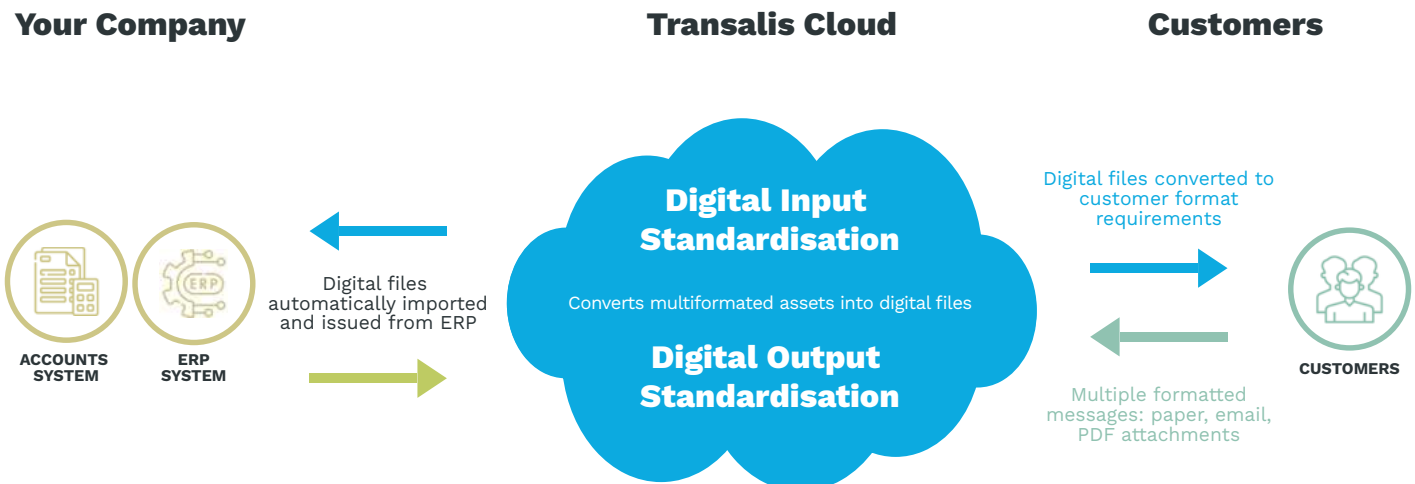


Figure 3. Visual representation of eInvoice Automation by Transalis

4. EDI Mitigates the Brexit Challenge

In the build-up to Brexit, Transalis supported many of its clients in setting up new EDI connections to manufacturers and 3PL's operating within the Economic within the European Union, mitigating the cross-border challenges that were to follow.

Key to the on-going success of this localised distribution strategy has been the use of narrow AI Auto Message Routing, which directs orders to the distribution hub closest to the locality of the end customer reducing both delivery time and cost.

Manufacturer of licenced pop collectables leverages EDI to enable frictionless growth

In 2020, a leading manufacturer of licenced pop collectibles entered the European market using the UK as its base. As its EDI partner, Transalis provided the wrap-around support necessary to ensure its client could move at pace and react to the changing market conditions throw-up by Brexit and a pandemic.

Identified Challenges:

- A highly manual pick and pack warehouse process limiting the ability to scale-up distribution in line with sales growth objectives
- Need to onboard new retailers at speed
- Cross-border shipping and potential delays due to Brexit

How EDI met these challenges:

- Integrating Transalis eDI™ directly into Microsoft Office 365 provided much-needed connectivity between retailers and the manufacturer's warehouse and 3PL operation
- Transalis eDI™ online platform provided new retailers immediate access to order stock
- Narrow AI routed orders to the correct warehouse to mitigate the need for shipping orders cross-border, reducing time and paperwork resulting in happy retailers

Review the full case study on the [Transalis Knowledge Hub](#).

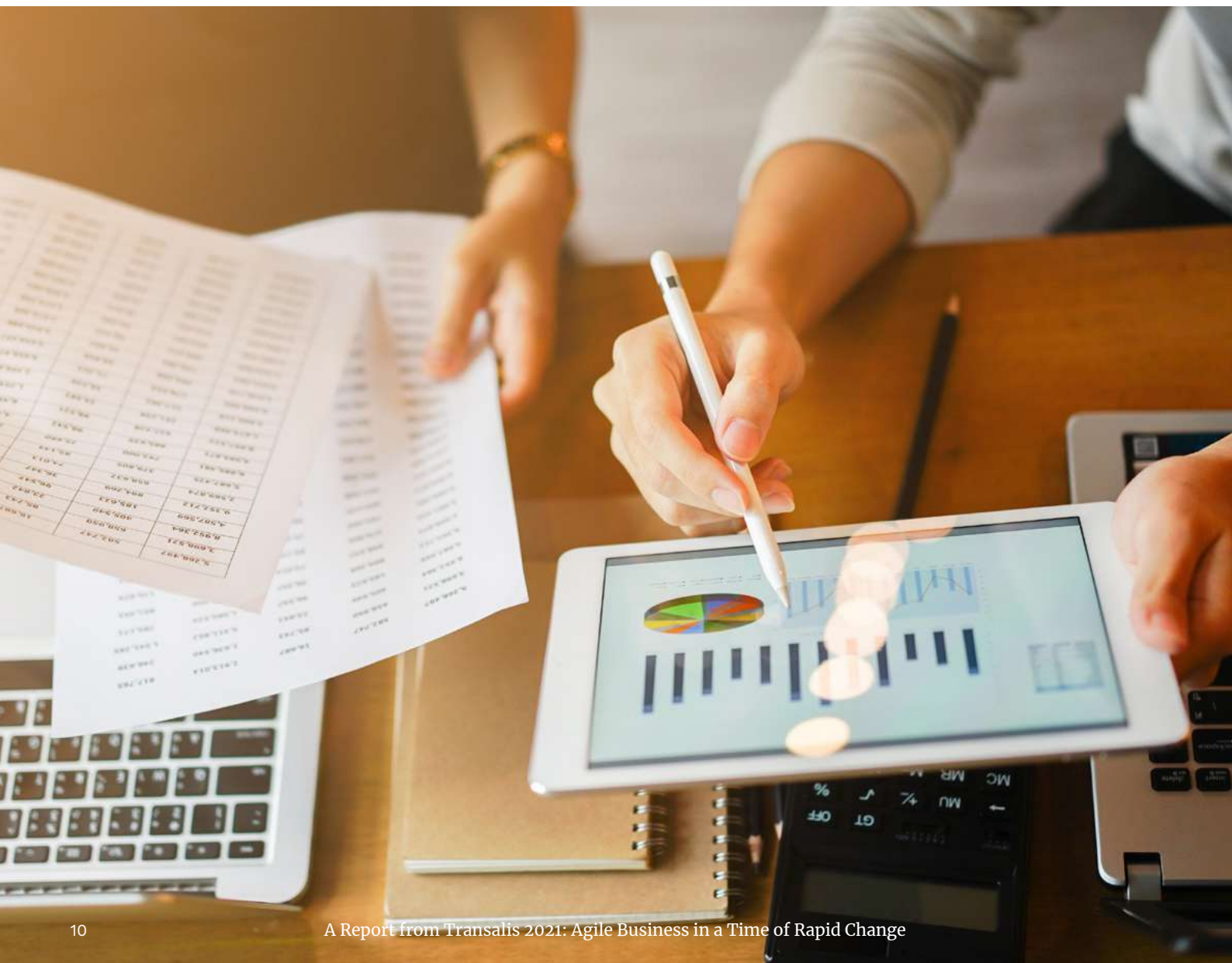
5. Integrated EDI Provides Greater Insight and Better Decision Making

EDI messages go beyond the commonly used Order, Invoice and Advance Shipping Notice (ASN). Forward thinking organisations are extending their standard message-set to include items such as sales reports, stock reports and product data.

The ability to distribute this invaluable information across a siloed business via an integrated EDI feed provides visibility leading to greater business agility through better decision making.

The benefits of combining a broader range of EDI messages directly integrated with internal systems is clear. However, 42% of respondents to Transalis own research* stated concerns about integration projects.

Further investigation into this finding highlighted the commonly held concern that integration projects often overran and costs increased accordingly. To minimise this concern, Transalis provide clear pricing for a range of integrations. For further details visit our self-serve calculator [eDI Freedom](#).



Insight

Successful business agility comes through effective planning. It is essential your strategic partners have the capabilities to deliver the change you require.

As opposed to wide scale projects, more precise and targeted digital transformation of specific departmental processes, such as the manual input of invoices, can deliver significant cost savings**. By following this strategy, ROI can be delivered in the same financial period the investment was made as the project is much smaller in scope...

EDI can transmit a broad range of data, including sales and stock reports. Providing visibility of this invaluable information via an integrated feed directly to relevant departments within your organisation will help your business make better and more timely decisions.

Recommendations



Evaluate your current EDI provider for their agility to support your business objectives, specifically technology roadmap.



Assess the supply chain data within your trading network to make faster and better business decisions.



Review your manual processes as digitisation will deliver measurable cost saving.



For a free EDI health check contact the Transalis team at sales@transalis.com.

Improve your business agility into the future with Transalis eDI™

You can build your own entirely bespoke and transparently priced EDI solution with eDI Freedom, selecting the number of connections, functionalities, and integrations you require.

[Build your EDI bundle](#)



To discuss how to improve your current set up, contact our knowledgeable team who will run a Supply Chain Health Check and make recommendations tailored to your unique business needs.

Visit	www.transalis.com
Email	sales@transalis.com
UK Callers	0845 123 3746
International	+44 1978 369 343

* A Transalis survey "Is EDI addressing the challenges of 21st century commerce." [Download your copy here.](#)

** Estimated costs for manual processing of invoices and ROI modelling derived from consultation work undertaken by Transalis with a CFO panel and supporting reference material from Billentis report "[The e-invoicing journey 2019-2025.](#)"

*** Charged Retail.

**** Retail Gazette.