

# Leading Electrical Distributor Improves Sales and Margin with Vendavo

A wholesale distributor of electrical, sanitary, construction, and maintenance products, with a deep commitment to social themes like the global energy crisis, housing shortages, and cleaner vehicles needs to focus on commercial excellence to operate a successful business. With more than 100,000 customers and four million products, their pricing strategy is key to their operational excellence.



**“It is vital that we deliver our sales and margin figures. In a volatile environment pricing is even more challenging than it usually is. Vendavo helps make pricing faster, more accurate, and easier to produce the results we need.”**

**– Manager Pricing  
and Commercial Support**



The distributor is focused on guarding their sales and margin requirements. If they are unable to achieve their forecasted goals, the distributor runs the risk of not fulfilling their operational and social impact values.

## Challenge

The distributor has journeyed through a rigorous digital transformation over the last few years. Key to that digital transformation was a migration from a tailor-made, mainframe ERP system to an entirely new IT landscape.

The company understands that successful digital transformation goes beyond technology, so they also examined and made changes to their business processes and core competencies. The company previously organized everything from a functional perspective: purchasing, sales, logistics, and administration. Now, they are focused on building end-to-end optimal processes centered around the customer. The distributor has made successful strides in their journey because they are willing to go against the status quo. They have established state-of-the-art systems and digitized commercial processes.

The journey to digitize their commercial processes has not been without challenges. Due to current environmental circumstances, the company experiences daily price fluctuations that have a major impact on their team and their customers. Products can rise in price between 10 and 20% within a selection of months. It is critical that they provide their customers with clarity and transparency about their prices.

In addition, the distributor has around 400,000 price requests and 100,000 transactions per day. The team must service this high volume of price requests across online and direct channels. Price requests come from their stores, online portal and direct.

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**Vendavo has really kickstarted our pricing capability. Historically, it was very difficult for our sales representatives to give our customers the right price. It was very complex. Our sales people's jobs have completely changed for the better with the help of Vendavo.”**

**- Manager Pricing  
and Commercial Support**

## Solution

The distributor's business is complex. A successful transformation required software that could handle the complexity of their business, and a partner that understood it. The team needed a solution that was stable, reliable, and embedded into SAP. That's why they partnered with Vendavo.

Vendavo helps them enable their internal sales force with the right tools and processes so they can better serve their end customers. With Vendavo, sales representatives have all the pricing information they need in one, consolidated view. Vendavo provides the distributor's sellers with powerful deal guidance and clear targets. They rely on Vendavo to manage prices and discounts, leverage mass price changes to renew customer terms, and deliver a pricing gateway for their ecommerce channel.



**“When our company acquires a new customer, that customer will have exactly the right price conditions and price discounts, fit to their business, within minutes. That’s the power of Vendavo.”**

**– Business ICT Analyst**

Since implementing Vendavo, customers are more satisfied with the distributor's prices. They are buying a broader scope of their product portfolio. The company has seen a tremendous uplift in margin by reducing the amount of discounts in their system from \$25 million to \$4 million. Vendavo is available to the distributor 24/7 and is estimated to have made pricing and selling work six times more efficient.

On the horizon, the company is looking to make advances in their quoting and bonus system. They are committed to guarding their margin, and helping their salespeople negotiate confidently so they can continue making impactful advances on the environment and society as a whole.

## Benefits

- Uplift in margin by reducing discounts in the system from \$25 million to \$4 million
- 6x more efficient pricing and selling work
- Higher customer satisfaction with transparent, tailored pricing
- Increased share of wallet as customers buy more of the distributor's product portfolio
- Moved from a legacy main frame system, to a sophisticated, cloud-based technology ecosystem



## About Vendavo

Vendavo empowers global manufacturers and distributors to accelerate growth, profitability, and revenue with leading pricing, selling, and rebate management solutions. Enterprises like Ford, Emerson, Medtronic, GAF, and AmerisourceBergen rely on Vendavo to manage, optimize, and digitize their end-to-end commercial processes. Vendavo's SaaS solutions, team of pricing and selling experts, and proven, repeatable process accelerates value and outcomes that are not only predictable, but unrivaled. With Vendavo, the world's most ambitious B2B organizations can develop dynamic customer insights and execute optimal pricing strategies that maximize margin, boost sales effectiveness, and improve the customer experience.

Vendavo is headquartered in Denver, with offices in Czech Republic, India, and Sweden. For more information, please visit <http://www.vendavo.com>