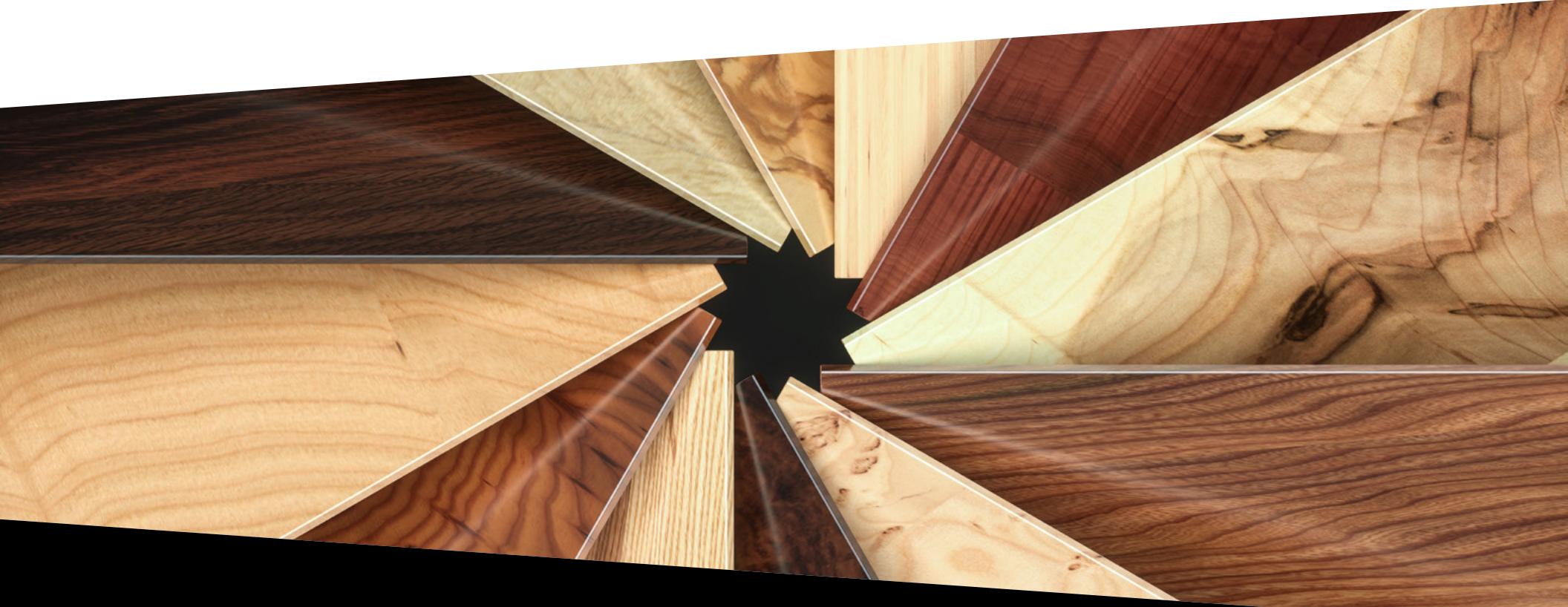


eCommerce + ERP: Better Together

5 reasons why integrating eCommerce with ERP is
good for your customers and your business.



You know integrating your eCommerce platform with your ERP system is important.

After all, for most B2B companies, the enterprise resource planning system acts as a “single source of truth.” If your eCommerce platform and ERP system don’t talk to each other, it makes everything harder. Your eCommerce platform may not have the latest product catalog for each customer or the right rules for spending and approvals. Moreover, it’s extremely time-consuming to keep your inventory records up to date. Worst case, you’ll oversell your inventory and find your most popular products out of stock.

If you’re an omnichannel business, integrating eCommerce and ERP matters even more. Your customers need to see the same prices, pricing rules, promotions,

credit limits, etc., whether they buy online, at the warehouse, or somewhere else. Your eCommerce platform will also need real-time visibility into fulfillment and shipping information stored in the ERP system, so customers can see what’s happening with their orders.

And yet sometimes companies put off this integration, either to manage costs or simply because they’re busy. This is generally not a good idea. Delaying integration of eCommerce and ERP can make it exponentially harder—and more expensive—to integrate them in the future. And it can stifle your growth.

This eBook highlights the 5 top reasons to integrate eCommerce with ERP right now.



#1 Give customers near-real-time visibility into inventory levels.

ERP systems contain transactional data such as the items purchased, time, place, prices, item descriptions, customer info, payment methods, and shipping methods used in any given sale. This information is used to make projections, create financial reports, resupply inventory, etc. And eCommerce typically relies on inventory data stored in ERP to determine if products are available.

When eCommerce and ERP systems don't communicate, batch uploads happen every night—or, worse, a full-time person enters data into ERP manually, often one order at a time. Perhaps new orders are loaded into the ERP system, and changes to inventory levels and pricing are

communicated to the eCommerce system. Either way, both systems operate for long periods of time with potentially outdated information. The eCommerce platform may list a product as available when it's really out of stock. Or the ERP system may not trigger a necessary request for more product. And any failed upload may lead to eCommerce and ERP systems falling further out of sync.

When you integrate eCommerce and ERP systems, you let both platforms run with near-real-time data. You no longer have to manage batch processes or single orders by hand. And your online customers get a more accurate picture of which products are available. They can see where inventory is available and how much product is left in each location—and that helps them make better buying decisions.

INTEGRATING ECOMMERCE AND ERP IS ESPECIALLY IMPORTANT FOR B2B COMPANIES.

Nearly 85% of B2B manufacturers with 5,000 employees or more indicated that their ERP platform is vital to delivering a good customer experience.¹

Plus, a survey of B2B companies of all sizes identified improving business performance as the most critical function of their ERP system.²

¹"A Call To Action For Manufacturers To Drive Greater Customer Experience Through Modern ERP," Epicor, January 2014. ²Panorama Consulting Solutions, 2017.

#2 Manage inventory costs and resupply.

When a customer places an order and the order makes its way into the back office, it triggers numerous processes in the ERP system. These may include accounting, shipping, inventory reporting, and more. ERP systems may use inventory data to set manufacturing targets or to order new supplies automatically.

When inventory information does not reach the ERP system quickly, it's harder to manage inventory. You may need to hold onto more product as a buffer to account for this lag and to reduce the risk of an order-inventory mismatch.

When eCommerce and ERP systems are integrated, transactions are immediately visible to the ERP system. Inventory can be managed on a real-time basis and you can store less inventory.

When inventory information does not reach the ERP system quickly, it's harder to manage inventory.



#3 Reduce “WISMO” calls.

ERP systems often initiate order shipping and fulfillment. This information is critical for your customers, who need to know when their orders will be delivered. If your ERP system doesn't then flow this information to your eCommerce platform in real time, then your customers will not be able to track their orders online, whether they bought from your web store or from one of your warehouses.

If customers are unsure where their orders are, they will probably call customer service. These “Where is my order” (WISMO) calls can be time-consuming to field. And they can be frustrating for everyone if your customer service team also doesn't have real-time access to the shipping and fulfillment data from your ERP system.

Integrating eCommerce and ERP systems means your eCommerce platform can get instant access to ERP information. You can give your customers a window into what's happening with their orders, whether they bought online or from another channel. You can also use this information to send push notifications with updates on shipping status and delivery dates.

The bottom line? You and your customers will know where all shipments are at all times. And WISMO calls will go way down.

#4 Allow self-service account management.

Your ERP system may store all kinds of data about your customers, including transaction history and invoices, payment terms, and purchasing trends across all channels. Your customers need this data to understand their buying patterns and to plan for the future. To get this information, they usually call their account rep, who typically has to piece this information together from the ERP and eCommerce systems.

If your ERP and eCommerce platforms are connected, you can give your customers a complete view of their account online. They'll be able to see and manage all their invoices across channels and use historical data to run their own reports. Meanwhile, your account reps will be able to spend more time driving new sales.



of B2B customers have stopped buying from a company following a bad service interaction.

Source: Zendesk

#5 Simplify compliance with cross-border and local taxes.

Many ERP systems have a built-in tax engine that is used for sales that happen within the eCommerce platform. Some also build in special tax rates and special exemptions for particular customers. This is especially common for B2B customers who may, depending on their supply chain, be eligible for refunds of some value-added taxes (VAT).

When you integrate eCommerce with ERP, you can apply rates and customer-specific rules from your existing ERP tax engine to your eCommerce purchases. You store tax information in only one place, which avoids the need to synchronize data and improves compliance with local and regional regulations. It also helps ensure that your customers pay the taxes they owe—and no more.

Automate state taxes with integration flow business rules.

Some B2B companies employ business rules within their integration to save time and reduce error.

How it works:

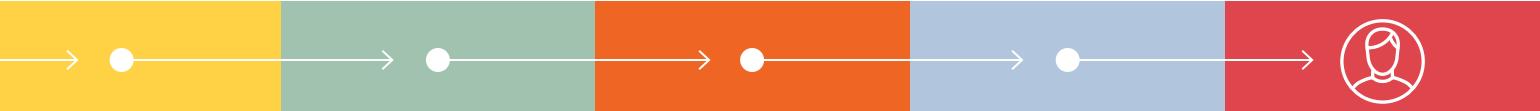
An order is placed on the eCommerce site.

The order data is scanned for state.

A business rule grabs the predefined tax amount.

The correct amount makes its way into the ERP under that order.

BONUS Your customer gets the correct price and the correct state tax.



eBridge Connections is a Magento partner that specializes in ERP integrations like this one. [Want to learn more? >](#)



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ABOUT MAGENTO

Magento, an Adobe company, is a leading provider of commerce innovation to merchants and brands across B2C and B2B industries and was named a leader in the 2018 Gartner Magic Quadrant for Digital Commerce. In addition to its flagship digital commerce platform, Magento boasts a strong portfolio of omnichannel solutions that empower merchants to successfully integrate digital and physical shopping experiences. Magento is the #1 provider to the Internet Retailer Top 1000, the B2B 300, and the Top 500 Guides for Europe and Latin America. Magento is supported by a vast global network of solution and technology partners, a highly active global developer community, and the Magento Marketplace—the largest eCommerce marketplace for downloadable extensions. More information can be found at

www.magento.com