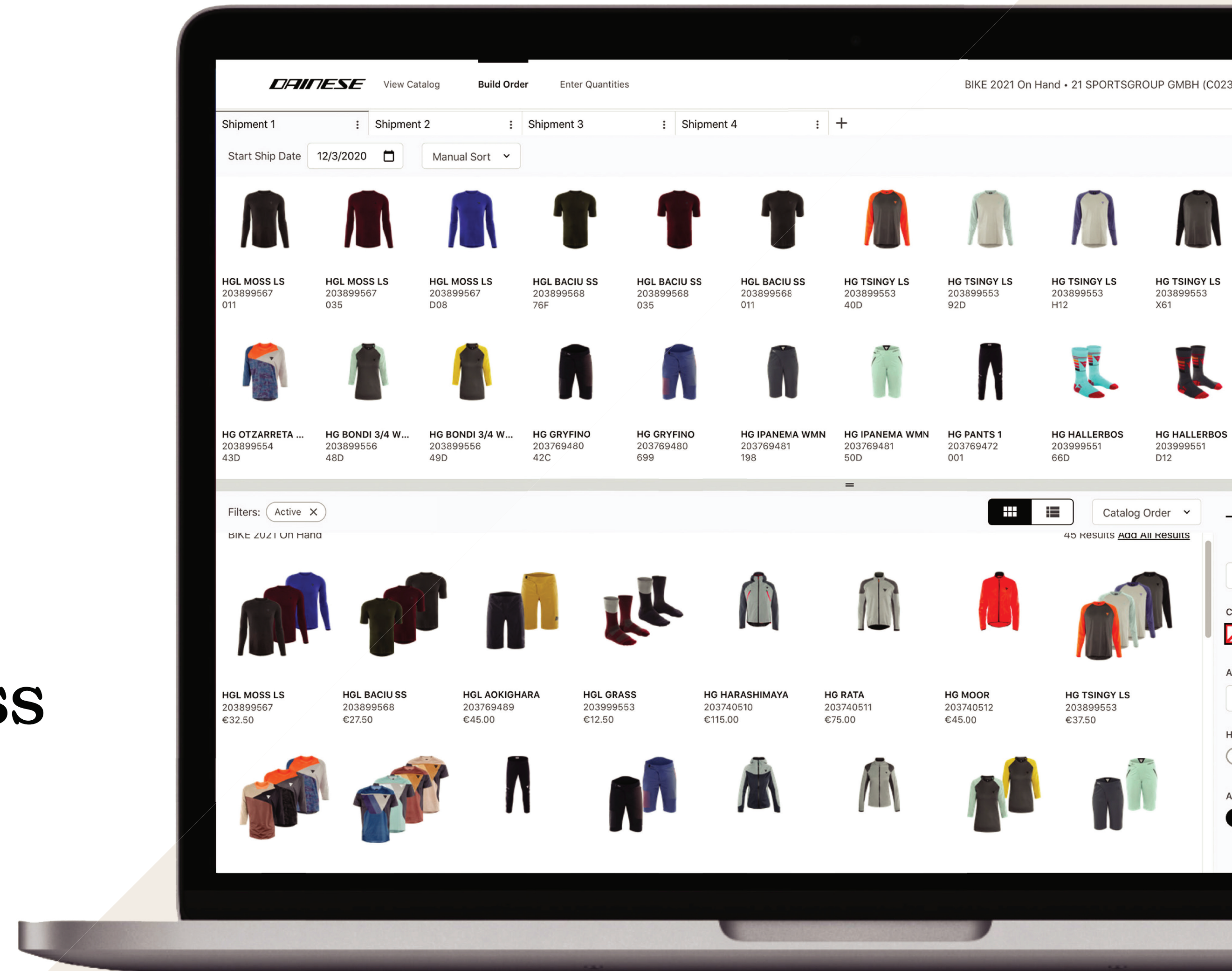


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Electronic Payments Create More Efficient & Streamlined Wholesale Purchasing Process for Buyers and Sellers

WHITEPAPER



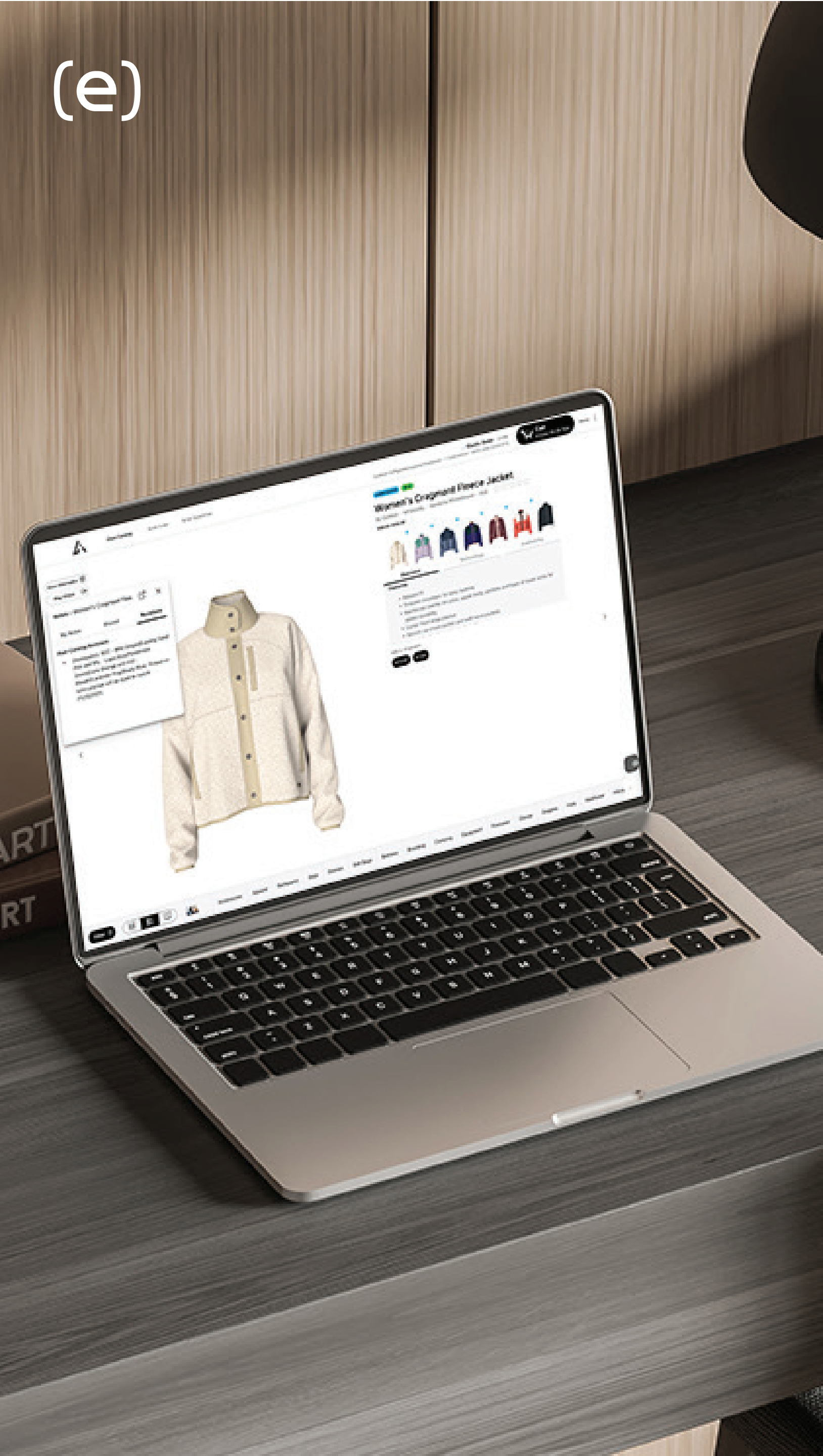
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Bringing Single-Platform Purchasing to Wholesale Commerce

Current trends confirm a migration among brand manufacturers and retailers toward utilization of streamlining wholesale e-commerce technology.

Digital B2B sales and merchandising solutions help brands achieve a more collaborative, efficient, and profitable commercial sales process with their retail partners.

A single-platform experience allows retailers to more strategically source products across a large base of brands through an easy-to-use feature-rich wholesale purchasing solution.



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“This trend is being driven by retailers. We’re simplifying their processes by **eliminating the need for buyers to use multiple platforms** to place orders and reorders. The creation of a centralized platform helps extend the relationship between brands and retailers while saving on operational costs and improving sales revenues.”



John Marchione,
VP Data Engineering,
Emerald

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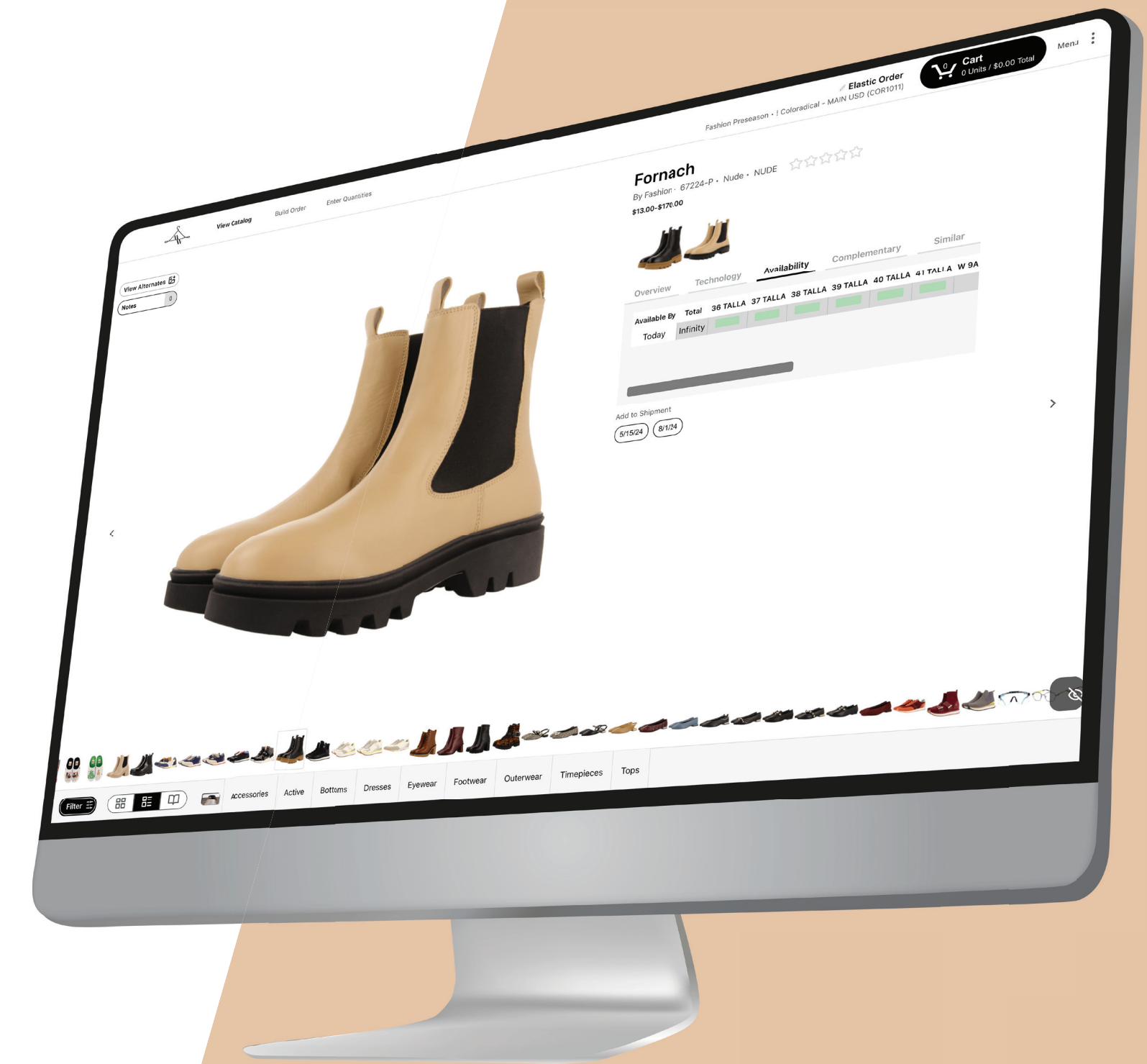
Achieving true single platform commerce requires **embracing a holistic approach** that expands to cover more transactional needs of both buyers and sellers. Adding an integrated online payment capability is an important feature to **help streamline the wholesale purchasing process.**

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End-to-End Payment Integration

Providing integrated electronic payments within next-generation B2B solutions is key to creating a true single platform purchasing experience for wholesale buyers.

Sellers that use electronic payments through ACH and credit cards with their customers, offer a much more streamlined and efficient process over traditional paper-based invoicing methods.



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Simms Fishing Products, a leading global manufacturer of fishing equipment, accessories and apparel, is at the forefront of streamlining wholesale merchandising and purchasing for buyers and sellers.

To better serve their diverse worldwide network of independent fly-fishing shops, sporting goods stores and online retailers, the company decided to undertake a complete overhaul of their B2B sales process by deploying next-generation merchandising and payment technologies.

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"We were in need of a single platform that could handle our robust pricing structure and allow for multiple incoming order types from our retail partners. The addition of an online payment portal integrated with our wholesale purchasing process has created a much more efficient self-service payment option for buyers."

The logo for SIMMS, featuring the word "SIMMS" in a bold, orange, sans-serif font. Above the letters "I" and "M" is a faint, light blue graphic of a mountain range.

Marcie Gleason
Director of Sales Operations
Simms

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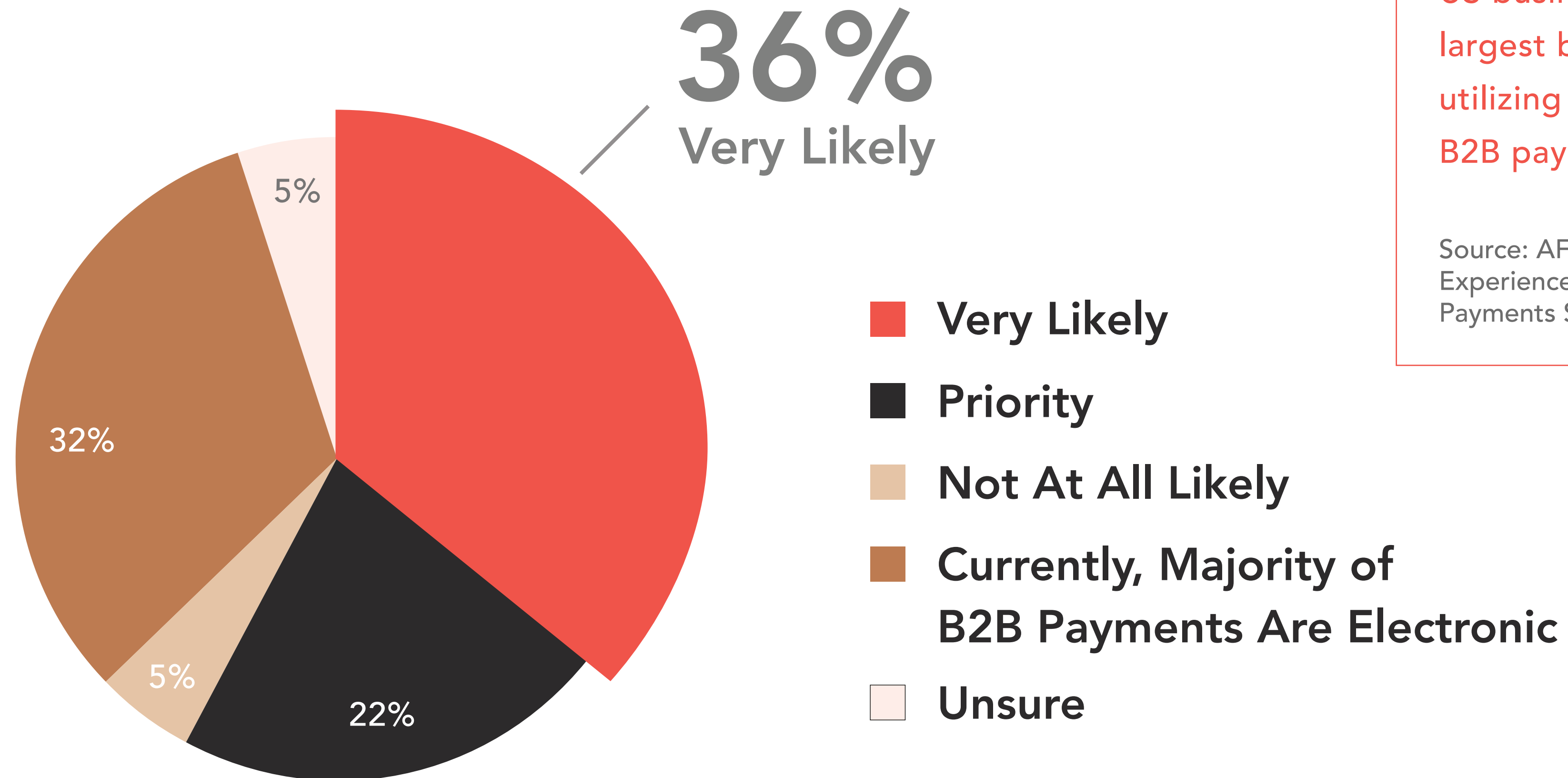
Transitioning from paper-based to electronic payments is becoming increasingly important for US businesses.

Although some barriers remain, 90% of companies are committed to converting to electronic B2B payments with 32% already having made the transition with the majority of their payments.



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Likelihood of Businesses Converting Majority of B2B Payments Made to Suppliers from Checks to Electronic/Digital Payments



The lack of customer or vendor adoption was cited by 79% of US businesses as the largest barrier to utilizing an electronic B2B payment solution.

Source: AFP 2020 Virtual Experience Electronic Payments Survey

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Benefits of Streamlining Payments for Wholesale Buyers and Sellers

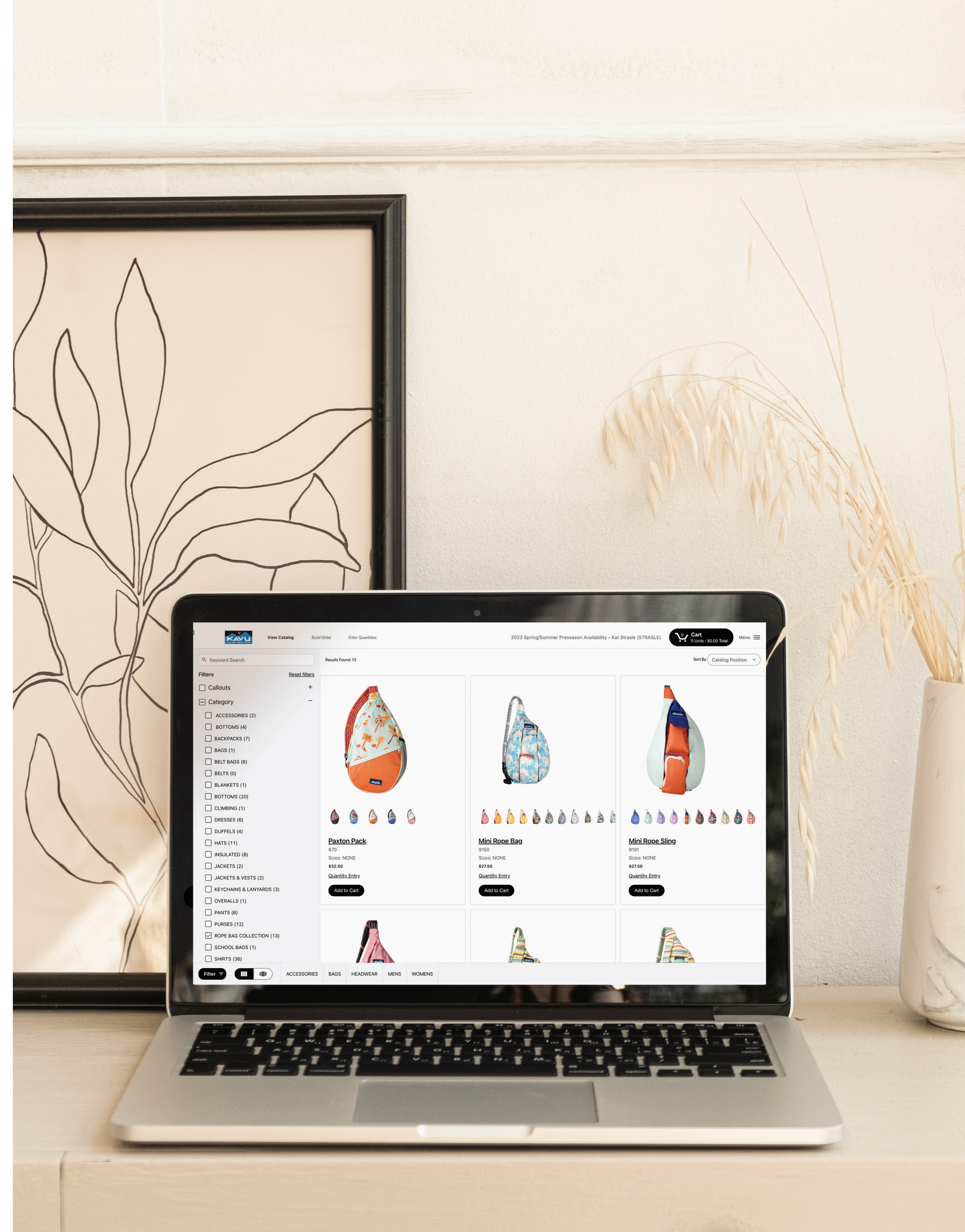
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Buyer Benefits

When compared to paper-based invoicing processes, buyers realize benefits across the board. Integrated buyer-initiated payments streamline each level of the transaction process for both buyers and sellers.

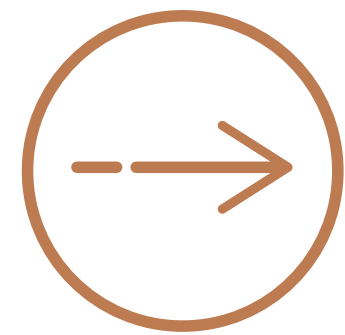
The top five benefits in ranked order for buyers when sending electronic payments include:

- More streamlined processing
- Cost savings
- Improved cash forecasting
- Speed of settlement
- Improved supplier relations



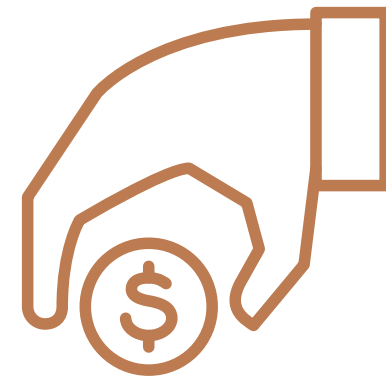
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Primary Benefits of Sending Payments via Electronic Payment Methods



49%

Straight-Through
Processing to AP or
AR, and General
Ledger



45%

Cost Savings



42%

Improved Cash
Forecasting



42%

Speed of Settlement



37%

Improved Supplier/
Customer Relations

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For cost savings, buyers **reduce** fully allocated accounts payable costs **on average by 78%** when transitioning from traditional paper-based payments to electronic payment methods.

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Additional Buyer Benefits:

Time to Market

Because electronic B2B payments settle much faster, the result is a reduced time to market for store inventory while ultimately getting products into the hands of consumers sooner.

Did you know?

The length of time for buyers from proof of purchase to receipt of goods is **reduced on average by 71% when using electronic payments** versus traditional paper-based methods.

Source: RPMG Research 2017
Purchasing Card Benchmark
Survey

24-7-365 Access

Buyers have constant, secure virtual access to online payment applications without the restrictions of office or banking hours.

AP Automation

Online payment facilitates the move toward accounts payable automation and the associated benefits of greater back-office efficiency.

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“Our retailers find our integrated online payment feature easy to use and started to embrace it quite quickly when we introduced them to the full capabilities, such as the ability to see historical statements, view credit memos and manage invoices. Buyers were able to learn the platform with minimal training and having the payment module tied directly to our dealer portal certainly helped with adoption.”

The logo for SIMMS, featuring the word "SIMMS" in a bold, orange, sans-serif font with a registered trademark symbol.

Stacie Bruno
VP of Finance
Simms

“With an integrated sales and payment platform we are working to provide our retail partners with better visibility into orders. This improvement is also helping to significantly reduce manual processes and increase automation, while creating more efficient and streamlined workflows on both sides of the transaction.”

The logo for SIMMS, featuring the word "SIMMS" in a bold, orange, sans-serif font with a registered trademark symbol.

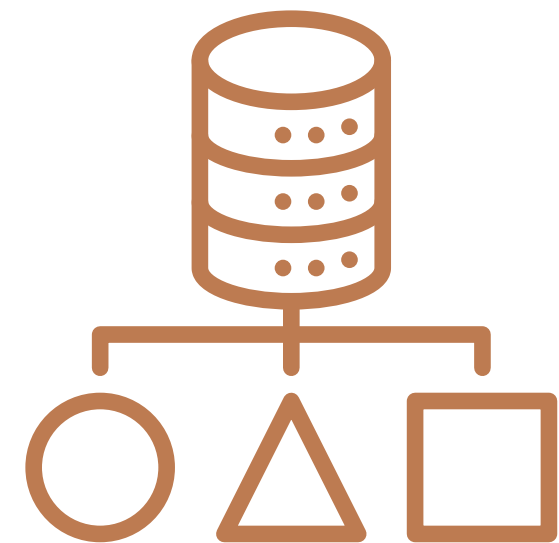
Marcie Gleason
Director of Sales Operations
Simms

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Payables Visibility

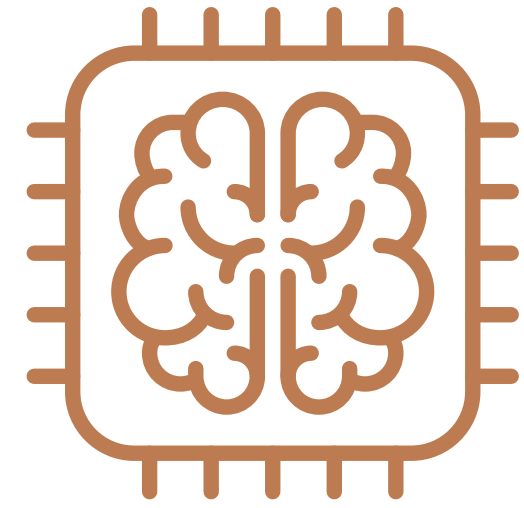
Greater visibility into payables provides real-time order payment status and can holistically lead to more strategic buying and preparing for seasonal product transitions.



Enhanced Data

The reporting of enhanced payment data, such as electronic line-item invoice data when using certain payment cards, enables greater control and management of payables.

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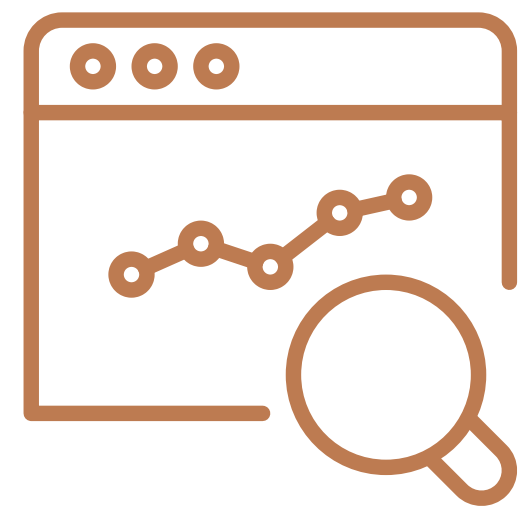
Strategic Sourcing & Buying

Strategic product sourcing is the direct result of greater visibility into purchasing trends. Purchasing optimization is available when using the enhanced data available through electronic payments.



Pricing and Payment Terms

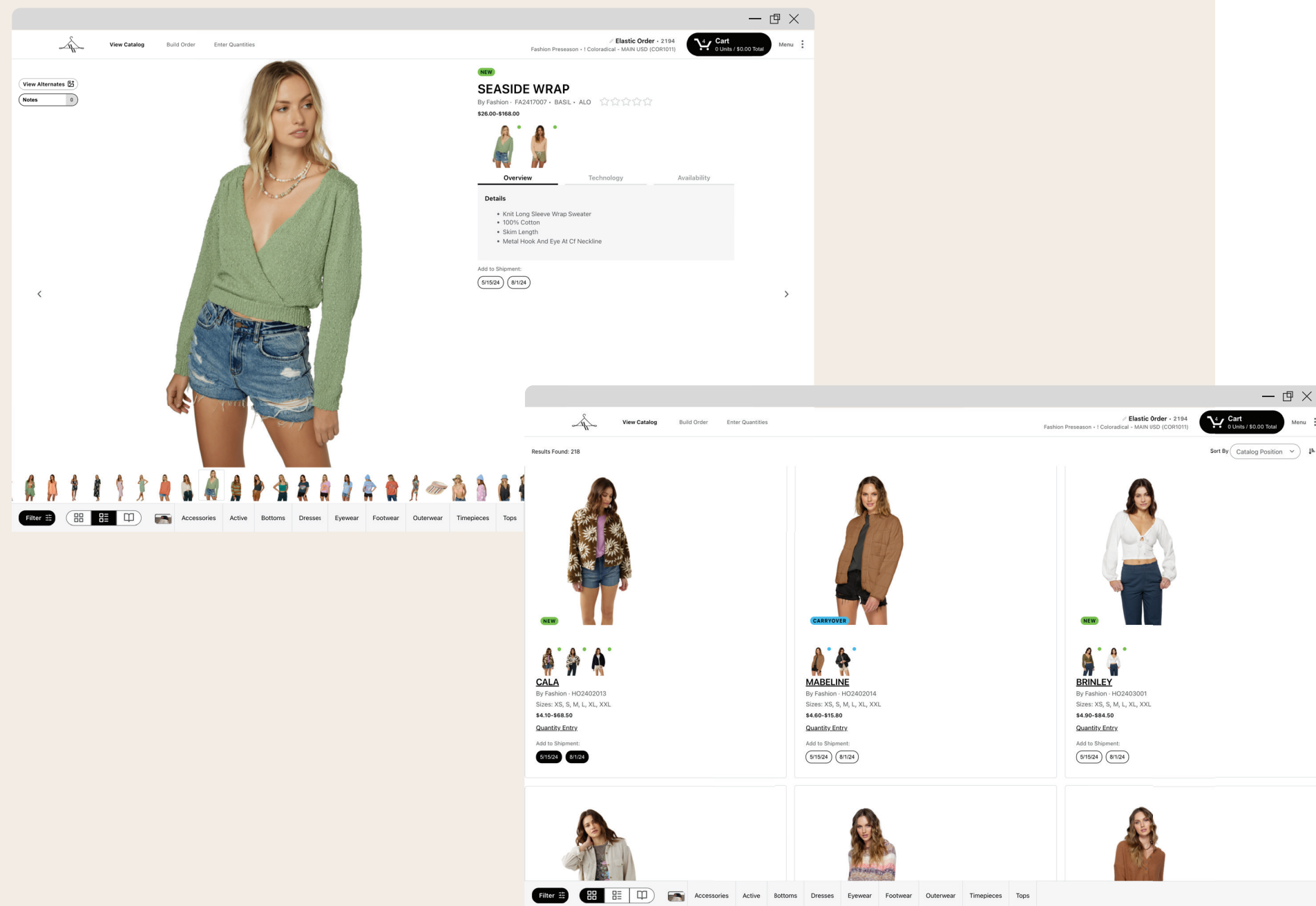
The more streamlined access to AP information through electronic payments provides a more holistic view of payables creating the ability for stronger negotiation for pricing and contracting terms.



Compliance and Reporting

Better access to aggregated AP data leads to a more efficient processes for compliance and tax reporting. This creates streamlined efficiencies for finance departments, beyond just wholesale ecommerce but for greater business transparency.

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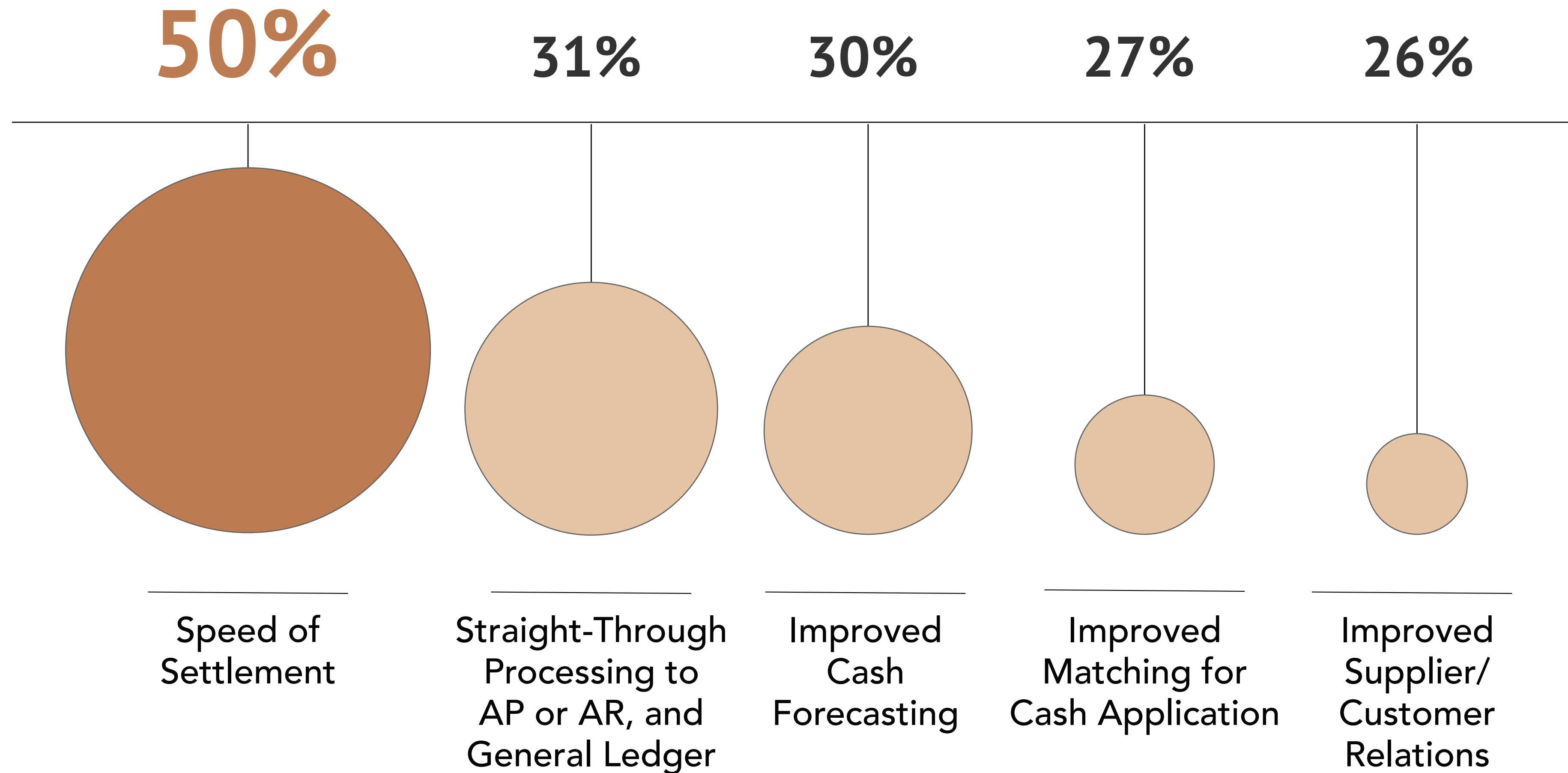
Supplier Benefits

When transitioning to electronic payments, brands and manufacturers will realize benefits, similar to those of their retail partners. The same AFP research reveals that the top five benefits for suppliers in ranked order when receiving electronic payments are:

- Speed of settlement
- More streamlined straight-through processing
- Improved cash forecasting
- Improved matching for cash application
- Improved customer service

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Primary Benefits of E-Payments



Source: AFP 2020 Virtual Experience Electronic Payments Survey

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Additional Supplier Benefits:



Increased Sales

Potential for increased sales volume from buyers that prefer electronic payment.



Cost Savings/Efficiency

Cost savings come from more streamlined B2B sales process and improved back-office efficiency by eliminating paper-based invoicing and check processing.

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“For our accounts receivable department, even during a time of strong business growth, it has reduced our staffing requirements by approximately 25% while improving service with 24/7 access by customers. Buyers no longer need to call or email us to make a credit card payment, get a copy of an invoice or resolve many other payment related issues. In addition, it has reduced our lockbox processing fees while significantly reducing settlement time as the payment information and application are fully integrated with our ERP.”

The logo for SIMMS, featuring the word "SIMMS" in a bold, orange, sans-serif font. A small registered trademark symbol (®) is located at the end of the word.

Stacie Bruno
VP of Finance
Simms

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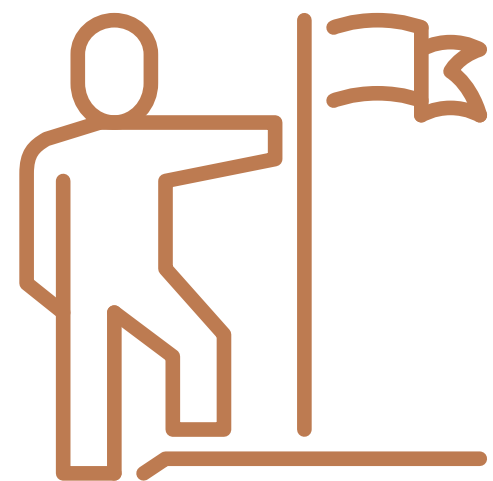
Guaranteed Payments

Accepting payment cards from buyers equates to guaranteed payment for suppliers, with payment card industry (PCI) compliance covered by the card processor.



Reduced Collections and Write Offs

Fewer credit applications, past due or delinquent accounts, collections and eventual write-off losses.



Enhanced Competitive Position

Stand out from competitors that don't provide electronic payment capabilities to their buyers.

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Customer Acquisition & Retention

Attract and retain more customers by effectively marketing the benefits of streamlined payments.



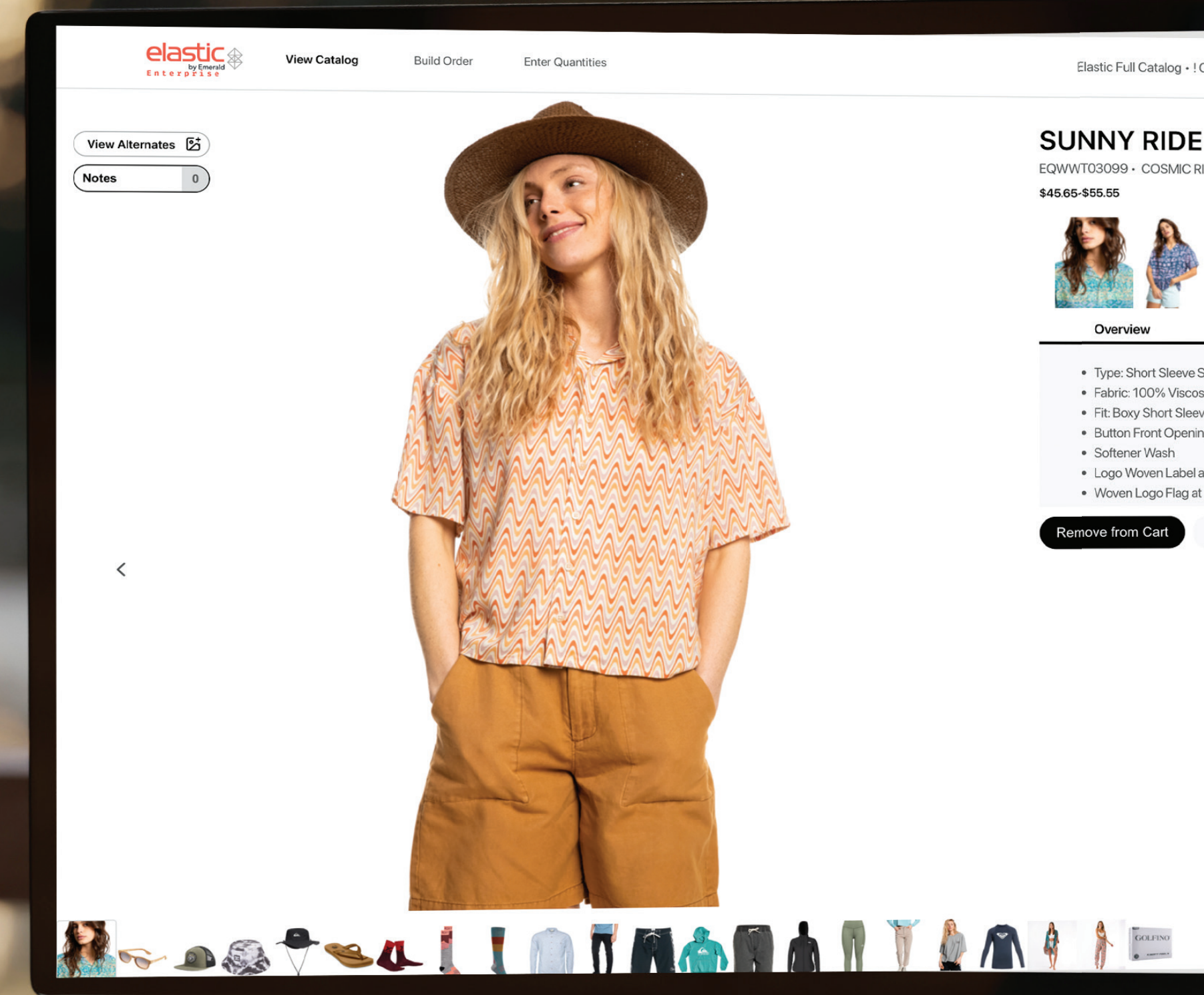
Compliance and Reporting

Better access to aggregated AR data leads to a more efficient processes for compliance and tax reporting at the wholesale and company-wide level.

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Ease of Integration

It is not a hard process for brands to streamline payment capabilities for buyers. **An online payment portal is easily integrated with wholesale ecommerce and digital merchandising platforms like Elastic Suite.** As with all other features of the platform, the payment portal is part of a seamless integration with a brand's existing ERP, AR, and business processes. Once adopted, both buyers and sellers can realize the bottom-line benefits of using online electronic payments.



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“When using a B2B technology platform that offers fully integrated online payments for their retail partners, brands can take confidence in knowing that this important step in the sales process is being managed in the most efficient and secure manner possible. Brands that commit to developing electronic payment capability will help the marketplace move further toward making single platform wholesale ecommerce a reality for both buyers and suppliers.”



John Marchione,
VP Data Engineering,
Emerald

“The integration with our ERP was straightforward and the Elastic team was great to work with. We were able to meet all of the requirements we set out around payment processing, partial payments and nuances around early pay discount recognition.”



Stacie Bruno
VP of Finance
Simms

elastic

INNOVATING THE WAY BUYERS
& SELLERS CONNECT

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