EVALUATING YOUR EDI OPTIONS

SEVEN BUILDING BLOCKS OF FULL-SERVICE EDI

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INTRODUCTION

When was the last time your business decided to manage a task in-house versus having a third party manage it on your behalf? How did you decide whether to handle the function yourself or to outsource it?

To answer this question, let's review a business decision you've likely made already. Does your company process its own payroll, or do you outsource it? As many businesses know, processing payroll involves more than cutting checks. It also requires extensive knowledge of reporting requirements, and current federal, state and local tax laws.

The decision about how to handle your payroll probably came down to determining whether the function is a core competency of your business. Does managing payroll in-house give you a competitive advantage in the marketplace by improving your product, service or strategy? Is having a dedicated team with payroll capabilities something you want within your organization?

In the course of doing business, there are a host of activities like payroll processing that are required to run the company, but that are not a core competency. For these important, but non-core tasks, many companies seek out a full-service provider to handle the task on their behalf.

NOT ALL CLOUD SOLUTIONS ARE FULL-SERVICE

Cloud-based applications have grown in popularity as a way to offload non-essential business functions that are not core competencies for an organization. However, not all cloud technologies can be delivered using a full-service model.

For example, cloud-based business systems of record such as customer relationship management (CRM) have become the standard for managing interactions

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with prospects and customers. A CRM system must be customized based on an organization's internal business processes and rules, such as what constitutes a sales opportunity and how its staff engages with customers. As a result, a CRM system needs to be managed on an ongoing basis by a team with in-depth knowledge of these processes and rules. Since this internal process knowledge is crucial to operate the CRM system, it is not a function that can easily be outsourced to a third-party provider and instead is typically handled by internal IT staff.

On the other hand, full-service payroll providers are widely used by companies of all sizes. These providers offer cloud-based technology and related services to handle payroll processing, tax calculation and payment, and compliance support. The payroll service provider must be an expert in an increasing number of external and rapidly-changing business processes but does not need to be an expert in each company's internal business processes and rules.

Cloud-based EDI solutions have also become prevalent in recent years. EDI can readily be outsourced to a third party because, by definition it always involves two or more trading partners. EDI requires companies to be in sync with tens, hundreds or even thousands of other company's business processes and rules, so it makes sense to hire an expert in all of these trading partner rules to handle EDI on your behalf. It's impractical for a company to build and maintain this expertise in-house, particularly as these trading partner processes and requirements are constantly changing.

> **As a general rule, cloud services that require your team to have extensive knowledge of the business processes and rules of external entities are ideally suited for a full-service approach. This is because it is difficult, if not impossible, to become an expert in the intricacies of how all of these external business processes work.**

All trading partners have different business rules for required EDI documents, EDI testing, connection methods and other requirements. For example, in the grocery industry, Kroger requires the EDI 850/875, 810/880, 824 and 816 documents whereas 7 Eleven requires the 810, 850, 864, 820 and 997 documents. Kroger does not require EDI testing and uses AS2 as a connection method, while 7 Eleven requires EDI testing on the 810 document and connects with vendors using a VAN. Industrial distributor Global Equipment Company, Inc. requires the 850, 855, 856, 820 and 846 EDI documents, while automotive distributor Carquest requires the 850, 856 and 810 documents. Global Equipment sends vendors a test purchase order and expects to receive an invoice without error, and Carquest requires four tests of the EDI 810 document. Global Equipment uses AS2 to connect with vendors, and Carquest uses a VAN.

A full-service provider does the work to understand all of these external business rules on your behalf across its entire customer base, making it much more efficient for them to handle than for you to do in-house.

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FULL–SERVICE VERSUS MANAGED SERVICE EDI

On the surface, cloud EDI solutions sound similar, but in reality, there are vast differences between providers. Cloud EDI solutions generally fall into two categories: managed services and full-service.

A managed EDI service is a cloud-based solution in which the provider is responsible for developing and maintaining the core technology, while the customer's internal staff is responsible for the day-to-day customization, optimization and maintenance of the technology. Managed services are essentially updated versions of traditional licensed software in which each company has its own instance of EDI software running in the cloud. These systems require extensive in-house resources to manage them on an ongoing basis.

In contrast, a full-service solution is a cloud-based solution and associated staffing resources responsible for customizing, optimizing and operating the technology. In this model, the provider carries out a *complete business function* on behalf of the customer.

WHAT IS ELECTRONIC DATA INTERCHANGE (EDI)?

EDI is a common industry term that describes the electronic exchange of business documents such as orders, shipments, inventory updates and invoices in a standard format. Other terms such as B2B integration (B2Bi), order fulfillment and e-commerce fulfillment are also sometimes used to describe a similar process. Rather than EDI, some companies may use XML, AS2, FTP, APIs or other methods to exchange this data.

In practice, EDI goes beyond data exchange because every EDI transaction also involves a retail business process. For example, complying with an EDI 850 (purchase order) requirement involves understanding the business rules around how the order will be acknowledged by the supplier, and the timeframe for doing so.

EDI has become a shorthand way of describing various modes of electronic data transmission and the business processes associated with fulfilling an order to a customer.

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DOES YOUR COMPANY NEED A MANAGED EDI SERVICE OR FULL-SERVICE EDI?

This decision comes down to a central question: **is EDI a core competency of your business?** If EDI is a core competency of your business, then managed services is a good option.

If you don't believe acquiring and retaining specialized EDI skills is a strategic priority, then a full-service option is the best route. In the end, companies that want to focus their resources on running their business rather than an EDI department should consider a full-service solution.

### MANAGED EDI SERVICE VS. FULL-SERVICE EDI

Traditional on-premise EDI systems have largely been replaced by cloud-based EDI solutions, which are available in two different delivery models: managed EDI services and full service.

A *managed EDI service* is a cloud-based solution in which the provider is responsible for developing and maintaining the core technology, while the customer's internal staff is responsible for the day-to-day customization, optimization, and operations of the technology.

Full-service EDI is a cloud-based solution and associated staffing resources that customize, optimize and operate the technology. In this model, the provider carries out a complete business function on behalf of the customer.

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7 BUILDING BLOCKS OF A FULL-SERVICE EDI SOLUTION

How can you tell if your EDI provider offers a full-service solution? Use these seven criteria to distinguish between providers and determine which tasks they will handle, and what (if any) tasks you will have to manage yourself. A truly full-service provider will be able to describe their capabilities in *all of these areas*.

TECHNOLOGY

ONGOING RESOURCE ACCESS

TRADING PARTNER EXPERTISE

FULL-SERVICE EDI

PROACTIVE MONITORING & ANALYSIS

DESIGN & CONFIGURATION

TESTING & LAUNCH

TRADING PARTNER COMMUNICATION

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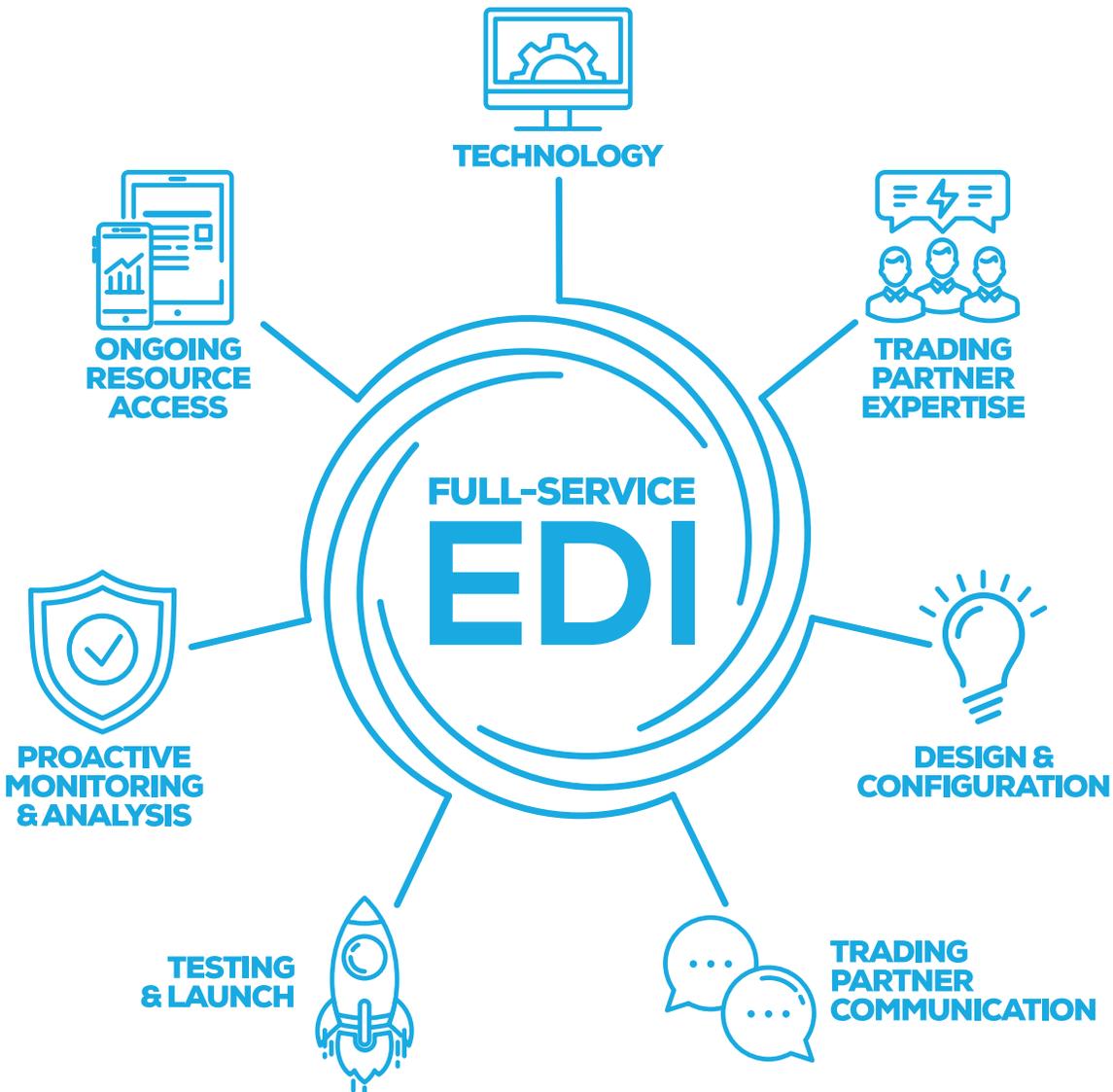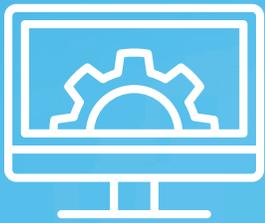
TECHNOLOGY

FOUNDATIONAL TECHNOLOGY:
TABLE STAKES FOR YOUR EDI SOLUTION

The right foundational technology is a must for all EDI systems. EDI providers offer a range of technical EDI capabilities that deliver core functionality and ensure system uptime and reliability.

EDI TECHNOLOGY HAS FOUR PRIMARY COMPONENTS:

TRANSLATION:

An EDI translator provides a means of transforming EDI data to and from various data formats in order to comply with your trading partners' requirements.

A full-service solution includes EDI translator technology, as well as staff dedicated to developing, monitoring and maintaining this component of the EDI solution across your entire trading partner network.

CONNECTIVITY:

The connectivity layer transports data between your company and all of your trading partners. This may include a VAN, AS2 or FTP connection (or all three) based on your trading partners' requirements.

A full-service provider handles all trading partner connectivity requirements, setup, changes, certification and maintenance on your behalf.

MAPPING RULES:

The mapping layer is where electronic trading parameters are set up for all of your EDI relationships. These maps are different for each trading partner due to their unique supply chain or business process requirements. A different map is needed for each transaction with each unique trading partner, and these maps are often updated multiple times a year.

A full-service solution includes EDI maps, as well as staff dedicated to developing new maps, making updates as the trading partner's requirements evolve, fixing existing maps when issues arise and maintaining good relationships with trading partners so map problems can be easily addressed.

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CROSS-REFERENCING BUSINESS RULES:

Cross-referencing rules allow you and your trading partners to speak the same language. For instance, your retail customer may think of your products in terms of SKUs whereas you think of your products in terms of UPCs or vendor part numbers. In this example, cross referencing allows you to send your part numbers to your retail customer in terms of their SKUs. Thus, both parties can refer to their products in terms they understand. Cross referencing applies to many other elements of an EDI document as well, such as units of measure and location codes.

AUTOMATION:

EDI solutions also include automation features that save time by reducing keystrokes and data entry errors. These solutions use intelligence about your trading partners to automate data exchange and when needed, automate data with your business system(s) of record, e-commerce, shipping or other systems using APIs.

A full-service solution includes a wealth of automation features as well as experts that offer recommendations and training on how to make the best use of your EDI solution.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER:

- How many customers use your EDI services?

- How many pre-mapped relationships with buying organizations (retailers, grocers, distributors) do you have?

- Which fulfillment models does your solution support?

- How many pre-qualified 3PL relationships do you have?

- How many pre-qualified technology partners do you have?

- After I connect with one trading partner on your network, what is involved with adding additional trading partners?

- How much data entry is required when using your EDI solution?

- What built-in intelligence about my trading partners does your product offer? Can you show me what that looks like?

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TRADING PARTNER EXPERTISE

A full-service EDI provider has expertise in the business processes and rules of your trading partners, and manages changes from trading partners on your behalf, resulting in a solution that meets all ongoing trading partner requirements.

The first step in evaluating EDI providers is weeding out companies that can't fulfill your business needs. Your EDI provider must have a deep knowledge of the business processes and rules of your trading partners. This is critical to the success of your EDI initiative because the requirements for your system are driven primarily by how your trading partners want to work with you. Depending on your industry, these trading partners may be retailers, grocers or distributors—and for the sake of simplicity, may be referred to as retailers in this document.

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UNDERSTANDING YOUR TRADING PARTNERS' "RULE BOOKS"

Your EDI provider needs to have experience helping companies comply with a complex array of trading partner business rules, which are typically documented in a "rule book." Rule books can be hundreds of pages long, and some retailers have multiple rule books for international requirements or specific fulfillment models. The business rules cover areas such as:

SALES CHANNELS:

Do your customers sell product at brick-and-mortar stores, e-commerce sites, marketplaces, catalogs or through multiple channels? Your EDI provider needs to have expertise in your trading partners' requirements across all of these channels.

ORDER FULFILLMENT MODELS:

What are your trading partners' order fulfillment processes and rules? These can vary widely based on their distribution methods. Popular options include:

Ship to distribution center (replenishment orders):
A traditional shipping option in which you ship an order to one or many distribution centers. Important requirements here will likely include accurate package dimensions for planning inventory storage and proper placement of barcode labels for automated order receiving.

Ship to distribution center (crossdock):
A sophisticated shipping option in which you ship orders to the distribution center(s) so that shipments can be quickly broken apart and moved to trucks to deliver the correct items and quantity to each store. Your trading partners likely have specific rules around proper labeling of multiple ship-to addresses needed to flow goods to each store destination.

Ship to store: An increasingly popular option in which you bypass the distribution center and ship orders directly to each store. Important areas include visibility of multiple, unique shipments bound for each store.

Ship to customer (drop ship): A rapidly growing shipping option in which the retailer doesn't take ownership of your product and instead requires you to ship directly to the consumer from your inventory. Important areas include properly branded packing slips and labels, timely shipping managing visibility of order status, as well as visibility of numerous, individual shipments from the vendor to the consumer.

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Direct store delivery (DSD): A popular model in the grocery industry, DSD involves shipping goods directly to the retail store. In this model, the supplier is responsible for managing inventory levels and merchandising the goods. Common requirements for DSD include the use of electronic invoices with line-item detail.

EDI DOCUMENTS:

Your customers may require a variety of EDI documents such as purchase orders, acknowledgments, ASNs, invoices and more. Each trading partner has unique standards so it's important that the provider can handle a wide spectrum of requirements.

LABELS AND DOCUMENTATION:

The EDI solution should have the ability to produce compliant barcode labels, and necessary documentation such as packing slips, return forms and carrier labels as required by the retailer.

CHANGING RULE BOOKS CREATE MAINTENANCE HEADACHES

Full-service EDI providers take ownership of understanding these complex business rules and requirements. They have expert staff dedicated to building and maintaining intricate EDI "maps" that allow you to share information with your trading partners in a compliant manner—so you don't have to understand the technical details yourself.

This expertise becomes increasingly important when one of your trading partners changes a business process or rule, which is a very common occurrence. Many retailers change their requirements multiple times a year, often with little notice to their suppliers.

Failing to keep up with these changes has serious repercussions including chargebacks, delayed shipments and damaged customer relationships.

MANAGED SERVICES LEAVE THE BURDEN OF MAINTAINING MAPS ON THE SUPPLIER

With the advent of cloud-based EDI, many suppliers hoped to offload this time-consuming task to a third party. However, not all cloud-based EDI providers manage map changes on behalf of suppliers.

While managed service providers do have libraries of pre-built maps for major retailers, they often do not handle making map changes for their customers. Instead they provide templates that you must update, deploy and re-test every time a trading partner makes a change. This approach creates maintenance headaches for your staff who are still stuck doing the tedious work of implementing new maps for all the trading partners they work with whenever a change occurs.

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FULL–SERVICE EDI PROVIDERS INSULATE YOU FROM TRADING PARTNER CHANGES

Full-service providers deal with thousands of map changes from retailers every year, and implement these changes for each of your trading relationships on your behalf. They can take on this important responsibility based on the breadth and quality of their relationships with retailers and other trading partners. Every time a retailer changes its rule book, the full-service provider implements a map change that benefits every trading partner doing business with that retailer.

By working with a full-service EDI provider that handles map changes, you can eliminate the worry of staying in compliance with your customers' ever-changing EDI requirements, free up valuable technical resources and focus on your core competencies.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER:

- Who works with my trading partners (retailer, grocers, distributors, 3PLs) to keep up-to-date on their EDI requirements and business rules? Is that something my company is responsible for or do you handle that on my behalf?

- When I add a new trading partner, who is responsible for setting up my connection?

- When one of my trading partners changes their requirements, who is responsible for updating my EDI maps?

- Who does end-to-end EDI testing after a map changes?

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FULL-SERVICE EDI IN PRACTICE

A full-service provider tracks, stores and updates all required EDI documents, fields per document and timelines for all trading partners. For example, Target direct vendor ship (DVS) requires the following EDI documents: 850 (purchase order), 855 (purchase order acknowledgment), 856 (advance ship notice), 810 (invoice) and 846 (inventory inquiry). The 855 is required within 30 minutes and the 846 is required every 24 hours (weekends included). Target DVS also requires branded packing slips using a specified font and font color, as well as 16 fields that must be populated with specific values in designated formats in the packing slip.

Customers using a full-service solution access a workflow including built-in intelligence about Target's requirements that shows them which documents to complete per purchase order and in which order,

and alerts users if any requirements are due soon or overdue. The EDI solution does all the legwork to make sure the customer stays in compliance with Target's current and future EDI specifications.

In addition, full-service providers deal with thousands of rule book changes from retailers each year and have a team dedicated to making these changes to your EDI maps on your behalf. For example, in the past year, Walmart USA made 19 changes, Mills Fleet Farm made 17 changes, and Bed Bath & Beyond made seven changes. These changes most often occur because the retailer has adopted a new order management model or shipping method, and as a result, suppliers must comply with new ordering or label requirements.

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DESIGN AND CONFIGURATION

A full-service EDI provider designs and configures your solution to meet your business requirements and the requirements of your trading partners.

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Like many technologies, EDI is not a one-size-fits-all solution—it needs to be implemented in a unique manner for different businesses.

When considering the design and configuration of your solution, it's important to understand just how much of the work your provider will handle on your behalf and what you'll be responsible for in-house.

Full-service providers will get your solution up-and-running with minimal work on your part. The project team will include experts in project management, consulting and solution design working behind the scenes to handle the implementation work on your behalf. While this may sound complicated, many EDI implementations can be completed in a matter of one or two business days.

Due to their extensive industry knowledge, a full-service provider will be familiar with your requirements based on their experience working with similar companies. They will have a library of pre-built trading partner maps and workflows, and expertise in your business systems, to help you get value from the system immediately. They'll also advise you on how to configure your own systems to ensure a seamless implementation process.

Finally, your provider should manage any issues or risks that may come up during the implementation process so you don't have to.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER ABOUT DESIGN AND CONFIGURATION:

- Who researches my trading partner (retail, grocer, distributor, 3PL) requirements for connectivity, fulfillment models and other specifications?

- Who designs the EDI solution based on my requirements?

- Who develops the project plan for rolling out my EDI solution?

- Who handles implementing my EDI solution? What does your team do and what is my team responsible for?

- Who manages issues or risks that come up during the implementation process?

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TRADING PARTNER COMMUNICATION

A full-service EDI provider communicates directly with your trading partners to manage connectivity, setup, requirements, updates and support efforts on your behalf.

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Because EDI always involves transactions between two or more companies, trading partner communication is a critically important—and often overlooked—aspect of an EDI solution.

Clear communication with your customers sets the stage for a positive and collaborative business partnership, while poor communication can lead to chargebacks, unsatisfactory scorecard performance and damaged relationships.

Full-service EDI providers communicate with your trading partners at the onset of your project, throughout implementation and after your EDI solution has been deployed to ensure your solution is always in line with their requirements. In contrast, managed services and other do-it-yourself approaches require your team to handle a wide range of communications with your own staff. Not only is this extremely time-consuming, but it also can put your company at risk of inadvertently missing an important trading partner requirement.

If you're new to EDI, have a new trading partner or are preparing for a new EDI specification, a full-service provider will contact your trading partner on your behalf to coordinate the details and confirm a date for going live that works on both sides. Once you are ready to receive orders or other EDI documents, the provider will also contact your trading partner on your behalf. This gives you confidence that your customers' requirements will be met with minimal effort on your part.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER ABOUT TRADING PARTNER COMMUNICATION:

- Who works with my customers to understand their connectivity and mapping requirements?

- Who notifies my customers when I am ready to receive orders or other EDI documents from them?

- When there is an issue or dispute with my EDI connectivity or data, who is responsible for resolving that with my trading partners?

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Even if you have a well-established EDI function in place, how will you know if your trading partner is making a change, such as switching to a drop-ship model, or changing required fields on one of their EDI documents? Full-service providers have teams who are dedicated to staying in tune with the needs of hundreds of retailers, grocers and distributors. These providers can handle trading partner communications at scale because they manage EDI for thousands of customers.

The ongoing, proactive trading partner outreach needed to comply with an ever-changing set of customer requirements is extremely challenging for a small in-house EDI team. Despite your best efforts at trading partner communication, issues can arise with EDI transactions. These can be technical issues such as failures caused by EDI connectivity or maps. They can

also be business issues, such as invoices that you have sent to your customer via EDI that haven't been paid.

These issues can turn into a "finger-pointing" game between you and your customer, with each party convinced the issue is the other party's fault. Full-service providers can help you handle these issues by working cooperatively with your customer's EDI staff to identify and address the root cause of the problem.

The personal touch of a full-service EDI provider takes the time-consuming task of communicating and troubleshooting with trading partners off your plate, and helps you preserve your valuable customer relationships.

FULL-SERVICE EDI IN PRACTICE

EDI transactions can be rejected or encounter errors for a number of reasons. For example, many retailers communicate about errors via text message or email to their suppliers without giving enough detail for them to understand the issue. When issues occur, a full-service provider will call the retailer to understand why the transaction did not go through and then either resolve the issue directly with the retailer, or work with you to fix the issue on your side. This allows you to focus on the business relationship with their customer rather than troubleshooting technical EDI problems.

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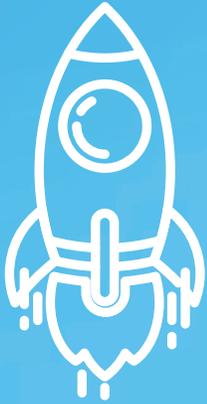
EDI TESTING AND LAUNCH

A full-service EDI provider manages testing of end-to-end data exchange with your trading partners and ensures live data flow with trading partners is successful.

EDI testing can be a complex and time-intensive process. Full-service providers take the burden of EDI testing off your shoulders by working directly with your trading partners to determine what data they expect to exchange with you once your EDI system goes live.

In some cases, the close relationship your EDI provider has with certain retailers will allow you to forgo formal EDI testing altogether. In other cases, your customer may have 20 or more different scenarios that your EDI system must support.

EDI TESTING SCENARIOS

Your trading partners' requirements for EDI testing will vary based on a number of factors. Potential scenarios include:

FIRST ORDER:

Some retailers, grocers and distributors will use your first order to test your EDI capabilities.

FULFILLMENT MODEL:

Many trading partners require EDI testing based on order fulfillment model, such as ship to distribution center, ship to store, ship to customer (drop ship) or direct store delivery.

PRODUCT CATEGORY:

Some retailers, grocers and distributors require EDI testing specific to each of your product categories. For example, apparel requires different fields (such as size and color) to be tested than grocery products.

Once these test scenarios have been established, a full-service EDI provider does multiple types of testing on each scenario. These include connectivity testing to confirm you can successfully send and receive data; data syntax testing to confirm your mapping and translation conforms to EDI standards: and data content testing to ensure your

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER ABOUT EDI LAUNCH:

- Who works with my customers to schedule EDI testing?

- Who determines how many EDI testing scenarios I need to be compliant?

- Who sets up my EDI testing scenarios?

- Who ensures that EDI testing is successful?

- Who works with my customers to resolve issues and disputes with my EDI connectivity or data that may arise during testing?

- Who works with my customers to bring my EDI solution into production?

- Who handles errors or issues if they arise during my initial data flow?

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data is aligned with your trading partner's business guidelines and rules. If there are errors in any of the testing scenarios, the provider will identify and correct them.

Your EDI provider will involve you in the testing process if you would like to be included for training purposes. If not, they will handle all the technical details behind the scenes to ensure you can properly send and receive electronic information with your trading partners.

ENSURING YOUR TRADE READINESS

As part of the EDI testing process, full-service providers partner with you to ensure your readiness to exchange data with your trading partners. This involves contacting each of your retail customers or other trading partners to schedule the launch of your system into production and monitoring the initial data exchange to make sure everything goes smoothly.

For companies that are new to EDI, the launch process often involves receiving your first order from a customer. The provider will monitor your initial data flow and be available for real-time chat or calls if necessary.

Using a full-service provider ensures that you are ready to go live with your EDI solution with minimal effort on your part. If any issues arise during the initial live data flow, the full-service team will resolve the issue on your behalf. Once the initial data flow is complete, your system will officially be "live" and the provider will continue to provide ongoing support as you need it.

By working with a third-party expert to handle launching your system into production, you can avoid chargebacks arising from EDI errors and make sure you don't miss any orders from customers.

FULL–SERVICE EDI IN PRACTICE

Retailers have varying requirements for EDI testing, which can require a significant amount of expertise and time to execute. For example, here is the testing protocol that Amazon requires of its EDI vendors:

1. Amazon sends a test order to the vendor to ensure AS2 connectivity is working properly.

2. The vendor must send several return documents to ensure data is flowing successfully both ways.

3. Amazon requires a survey to be completed in their vendor portal before end-to-end testing can begin. This survey captures information about the vendor's technical abilities and/or limitations.

4. End-to-end testing begins, which consists of the following documents: purchase order, purchase order acknowledgment, ASN, and invoice. The purchase order acknowledgment requires testing three scenarios.

A full-service provider will handle all of these tasks on your behalf and address any issues or errors along the way so you don't have to.

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PROACTIVE MONITORING AND ANALYSIS

A full-service EDI provider proactively monitors your solution and manages errors, and recommends additional valuable features, solutions and partnerships.

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EDI is highly visible to your retail customers and trading partners, especially when something goes wrong.

That's why full-service providers continuously monitor EDI network traffic and transactions so any issues can be identified and addressed without delay. Proactive monitoring reduces the need for you to have to troubleshoot problems and allows potential errors to be handled before your customers notice them.

Monitoring includes confirmations that documents were sent or received, delivery details and historical documents. This kind of visibility gives you the assurance that your transactions are executing properly. You should also have the ability to drill down into document details to see the file your company sent or received for a particular transaction, in your data format.

Your full-service solution should also offer detailed 24/7 access to reports on your EDI transactions as needed, as well as configurable email notifications that alert you to any exceptions or errors. In addition, your provider should give you full transparency into its platform status, including processing time, to alert you of any incidents and their resolution.

As your business grows and evolves, your EDI needs are likely to change. Full-service providers work with your organization on an ongoing basis to help you optimize your use of EDI, identify partnerships that can advance your business and access complementary solutions when needed.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER ABOUT MONITORING AND REPORTING:

- Who is responsible for monitoring my network traffic and transactions?

- Who handles communicating with my customers about platform performance?

- Who provides recommendations on how to reduce keystrokes and save time in my EDI application?

- Who analyzes my system and notifies me if I should use additional EDI features?

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Full-service EDI providers have staff dedicated to proactively helping their customers realize the full potential of their EDI system. The full-service team makes recommendations and trains customers on how to minimize keystrokes and data entry errors by using features such as:

NETWORK DATA SOURCING:

Sources in as much applicable information as possible. EDI documents are created based on the pre-built knowledge of your trading partner requirements.

AUTOMATION RULES:

Creates business-specific rules that store repeatable information to auto-populate values into forms.

QUICK ENTRY:

After taking advantage of network data sourcing and automation rules, quick entry allows the user to only focus on a few remaining fields per form.

SHIP NOTICE AUTO-PACK:

Automatically generates ASNs and pack structures based on trading partner requirements as well as customer automation rules.

DOCUMENT TEMPLATES:

Templates that increase efficiency in instances where documents need to be created outside of the purchase order process.

The full-service provider will also recognize when your business requirements have changed, such as if a trading partner is implementing a new order management model. The provider will make proactive recommendations to ensure you continue to receive maximum value from your EDI system.

In addition, some companies want to automate EDI with their business system of record (such as an ERP, accounting, shipping or e-commerce system) once their order volume and trading partner network expands. Look for a full-service provider that has expertise in automating EDI with your business system of record, as well as a strong network of technology partners that can help you select a new business system if you have outgrown your current solution.

Some EDI providers also offer value-added products to complement your EDI system, such as solutions for automating item data management with trading partners and analytics to optimize assortments and increase sales. Finally, the provider can also identify and introduce you to new retail trading partners from its network to help you grow your business.

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FULL-SERVICE EDI IN PRACTICE

A full-service EDI provider will regularly monitor your systems and data to ensure successful dataflow. If errors occur, the provider will fix the issue and involve you as needed. If a change is required on your side, the provider will help facilitate this change and ensure you have the information needed. In addition to monitoring data on your behalf, a full-service provider will provide a tool to allow you to monitor your own data and easily access meaningful information such as whether an EDI document was received, how the data was received, the timestamp at which it was received, the data itself, etc.

For example, if your customer notified you that they did not receive your ASN but you did not receive an error message from your EDI provider, you could confidently ask your customer to double check if the data was received. In addition, you could look at your data monitoring tool to pull the correct information to help your customer validate that they did indeed receive the data.

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ONGOING RESOURCE ACCESS

The provider offers ongoing access to real-time expert support and training resources to ensure continuous order fulfillment without disruption.

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Once your EDI solution is live, the day-to-day responsibilities of managing your system take over. In the rare event that a problem arises, it's critical to have confidence that your provider can address the issue ASAP.

Look for an EDI provider with scalable support resources that can provide one-on-one assistance based on your needs, including real-time help if you have a business question. Your provider should offer direct access to knowledgeable technical resources that are responsive, and can diagnose problems and quickly implement a solution.

Many of your customers work around the clock, so your support team should as well: 24 hours, 7 days a week, 365 days a year. Customer support should also be available through a variety of channels including voice calls, live chat, email, social media and within your EDI solution.

In addition, you should have access to comprehensive training resources to help your team get the most value from your system. These training options include online training, webinars, written guides, videos and 1:1 consultation when needed, not only on how to use your EDI system, but also how to use it in the context of your business relationship with your trading partners.

Customer support and training are important for all types of EDI users—from companies that are new to EDI and want to get real-time advice, to veteran users that want to be assured of timely issue resolution.

QUESTIONS TO ASK A PROSPECTIVE EDI PROVIDER ABOUT MONITORING AND REPORTING:

- Who provides ongoing support for my solution?
- Who provides training for my solution?
- What type of on-demand resources are at my disposal?
- Where can I see progress on my open projects and support issues?

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FULL-SERVICE EDI IN PRACTICE

Full-service EDI providers provide expert assistance at the exact time you need it, while also affording you the opportunity to learn on your own. Whether you are closing the books at month end, or looking to update your inventory to meet the needs of your online trading partners, a full-service EDI provider is available in the communications channel of your choosing to provide the help and guidance you need.

A full-service EDI provider will make the complicated look easy. Let's say that when you are preparing a big shipment and beginning to label your cartons, you notice a carton sequencing issue.

You take stock of all cartons that currently have a shipping label but are having a hard time distinguishing the root of the issue. You step inside your warehouse and call your provider for guidance. You are quickly connected to an expert who has visibility into how you are packing your product. They take a look and notice a discrepancy with the number of cartons included, show you which pack repetition is incorrect (and how to correct it). You're able to print new shipping labels and re-label your cartons, just in time, as the truck arrives to pick up your shipment.

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Your EDI success hinges on choosing the right provider.

Choosing an EDI provider can be a challenge because there are so many providers whose services seem extremely similar. The first step in selecting a provider is understanding what type of EDI solution your company needs—managed services EDI or full-service EDI—based on whether EDI is a core competency of your business.

If you decide to seek out a full-service solution, use the definitions, qualifying questions and examples in this document to make an apples-to-apples comparison between providers. The right solution will allow you to offload many operational and technical details that are part of managing an EDI function, and support your business for years to come.

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ABOUT THE AUTHOR

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As chief operating officer at SPS Commerce, Jim Frome oversees global strategy, sales, marketing, technology and customer success. Since joining the company in 2000, he has helped thousands of retailers, suppliers and logistics companies advance their trading partner relationships using a suite of cloud-based solutions powered by the industry's largest retail network.

Jim has authored many retail publications including Retail Networks for Dummies and Retail Networks: The Answer to Omnichannel Integration, and has been recognized with many industry honors for his leadership and vision.

He has more than two decades of industry experience in marketing, sales and product strategy for global companies, having served in executive and leadership roles at Sterling Software, Information Advantage and IBM.

Jim has a Bachelor of Science in computer science from the University of Wisconsin-Madison.

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