

# High-Tech Company Uses Decision-Grade Data to Drive Channel Performance

## Understanding Customers and Partners

This well-established, multi-billion-dollar organization creates digital consumer products for the modern world. The company has harnessed its strengths in innovation, design and engineering to create a broad and expanding portfolio of music, gaming, video and computing products that are now sold in over 150 countries and encompass multiple brands.

The business reaches end consumers through a complex channel with multiple tiers of distribution. Partners, such as resellers and retailers, source the company's products both directly and indirectly from distributors, wholesalers and even other resellers and larger retailers. Indirect channel partnerships have been essential in allowing the high-tech business to maintain a leadership position and worldwide presence in many of its target markets and product segments. The secret to its success is the unwavering commitment to a deep understanding of what resonates with customers and how channel partners source and sell in highly competitive markets. These insights drive the company's marketing, go-to-market approach and product development roadmap, ensuring that every innovation delivers additional value and demand stays strong.

## Difficulty Keeping Up with an Expanding Channel

Historically, the company relied on its sales and operations teams to get information about customers and routes to

market. However, with the substantial global growth of the company's distributor and reseller network and rapid changes in customer preferences, capturing timely channel data from every country of operation became challenging. As one of the company's leaders remarked, "Our network of distributors and resellers has grown over time. As a result, we recognized that we needed more frequent, reliable and accurate channel sales data in order to track the success of our products around the world." Instead, the company only received distributor and reseller data monthly, and only from some of its Tier-1 partners. Often, the company's operations teams struggled to convince partners to share any data at all.

The data they did receive was in different formats with varying degrees of completeness and accuracy, and there was simply too much to manually scrub in a timely manner. Given the ever-increasing volumes of partner data the company expected in the future, manual data management was out of the question. The business simply did not have the right specialized tools and skills—much less time—to consistently collect and process actionable data.

In addition, the company's leaders desired to expand outside the consumer space into the business-to-business (B2B) sector and was looking for ways to identify suitable partners that could take them there. To address the data issues and achieve stable, consistent growth and expansion into B2B markets, they knew they would have to engage experts and find a reliable software solution.

## Why e2open?

Following a thorough market analysis and a successful pilot project for its operations in India, the company's leaders selected e2open to help resolve their channel data challenges. The decision was based on proven functional capabilities and depth of channel expertise. Through the pilot, e2open clearly demonstrated the ability to collect channel data automatically and securely while meeting the company's tight requirements for accuracy. Another significant factor in the decision was the methodology for gaining partners' trust and interacting with them to quickly resolve any missing or inaccurate data. The unrivaled scale of e2open's network of onboarded channel partners was compelling evidence that the data the company needed was within reach. It was also a strong indicator that, as the business continued to grow and expand into new commercial opportunities, the technology would be able to scale with them.

## Deep Channel Visibility Through a Data Platform

The goal of the new technology was to provide visibility into channel activity with a depth, frequency, reliability and accuracy that manual efforts simply could not deliver. The business was relying on this data to enable sales, finance and supply chain managers to monitor revenue worldwide and improve forecasting, planning and on-shelf availability. They also aimed to enhance new product launches and category management. To accomplish all these goals, it was vital for the company to identify partners and products correctly and have accurate channel sales and inventory data at every tier in the channel.

### **E2open Application**

To onboard more partners and gain the needed visibility, the company selected e2open's Channel Data Management application. The application helps harness channel information by collecting and transforming partner data to make it ready for decision-making processes and execution through other business applications.

### **Artificial Intelligence to Enable Management by Exception**

During the pilot phase, e2open Channel Data Management improved visibility into the channel sales and inventory of Tier-1 distributors in India. For the next step of adopting a global data platform for channel management, the company defined its deployment priorities — including the regions, processes and applications which would consume the data in each country — and the channel tiers to onboard. The Europe, Middle East, Africa (EMEA) and North America regions were first, with the Asia Pacific region following soon after. The company also began collecting data from its second and third channel tiers. As part of the deployment, the company engaged e2open expert onboarding services to convince its channel partners to share data on a weekly — or even daily — basis.

The new system replaced the existing monthly channel sales data feeds and removed the need for error-prone, time-consuming, manual data-scrubbing operations. The application includes robust data validation features and a combination of supervised and unsupervised machine learning algorithms to auto-correct data — such as currency and location information — even with incomplete details.

By applying natural language processing techniques to product descriptions and company names, the software identifies products and partners with a high degree of accuracy. With these artificial intelligence capabilities, the high-tech company can now easily handle the large volumes of data generated by its growing channel and adopt a “manage by exception” approach for any issues that require human attention. Furthermore, the system creates scorecards to measure the accuracy, completeness and timeliness of the data submitted by partners. These scorecards enable the company to provide extra incentives and enhanced product access to partners that send timely, high-quality data — a proven mechanism to encourage a rise in data quality.

The clean, decision-grade channel data supports the business in an increasing number of traditional use cases, such as optimizing inventory and improving incentive programs and category management. It also helps in innovative scenarios such as tracking the route to market

“We expected e2open to enable us to assess, investigate, challenge, test and put into practice the most effective worldwide channel strategy possible. We have been delighted to discover, however, that our enhanced ability to collect and analyze channel data will support our move into the B2B sector as a new commercial opportunity for us, and to identify new channel partners accordingly.”

#### Senior Manager

Global Channel Data

for serialized products and using predictive algorithms to prevent transactions containing incorrect sales or inventory quantities from being included in financial and planning processes.

### Speaking Up About Results

Increased reporting frequency combined with automated data processing and better-quality data gives the business fast access to the broad and deep channel information required to drive continual innovation and leadership in consumer and B2B markets.

The organization can now confirm which partner is selling specific products to certain consumer groups and make data-driven, strategic decisions about rebates, commissions and claims assigned to each reseller. The accurate, curated channel data enables the company to make significant operational improvements such as reducing overpayments and finding and fixing the root cause of stock irregularities. Tracking and validating product serial codes helps them understand the sales patterns for certain products and deliver a better customer experience.

The company's leadership now has visibility into over 2 million cleansed, standardized and validated channel transactions from 174 countries every week.

As the senior manager responsible for the project stated: “E2open delivered on its promise to provide the visibility we needed. It has also helped us to mitigate risk and financial exposure by dramatically reducing the possibility of inaccurate or false information being used downstream.”

The leaders have adopted a data platform that helps them better understand customers and routes to market, drive channel sales, improve channel inventory management and optimize rebates and claims processes. They also improved their management of commission programs and can better meet compliance requirements, such as those laid out in the United States' Sarbanes-Oxley Act.

They are already looking forward to more preventive scenarios, including the use of pattern recognition to automatically detect transactions that deviate from the norm or infringe on trade compliance regulations. All these will continue to improve the quality of the data the company uses to manage the channel and avoid revenue recognition issues, fines, incentive overpayments and inadequate inventory levels.

### About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 400,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 12 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as one.™ Learn More:

[www.e2open.com](http://www.e2open.com)

E2open and the e2open logo are registered trademarks of e2open, LLC. Moving as one. is a trademark of e2open, LLC. All other trademarks, registered trademarks, or service marks are the property of their respective owners.