

Bridge the digital gap in your supply chain:

How to digitally collaborate with non-digital trading partners



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

The disconnect between digital supply chains and non-digital partners

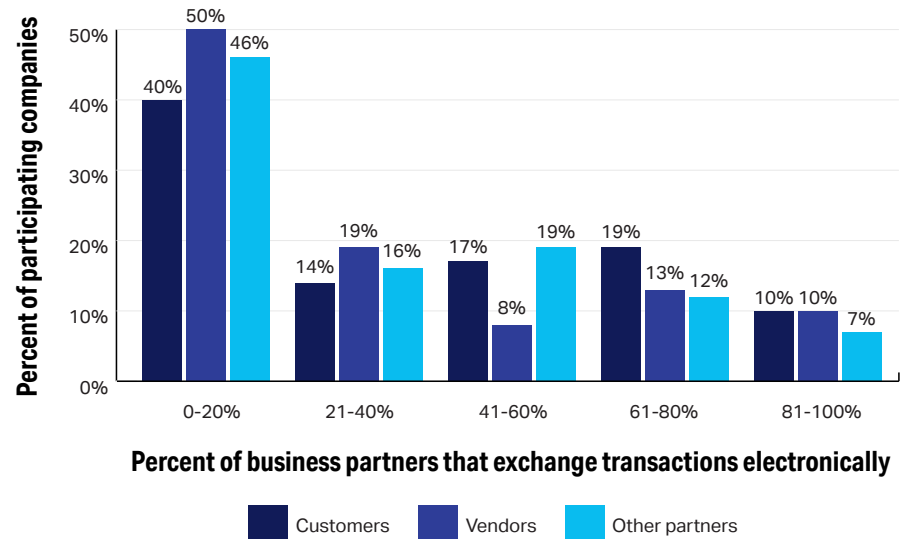
For many enterprises, the road to a digital supply chain is long and winding. According to an SCM World study on business-to-business (B2B) integration maturity, 77 percent of companies in the early stages of B2B integration maturity processed less than 50 percent of transactions digitally.¹

It's no wonder over 50 percent of information exchanged between business partners still travels by fax, email, or phone rather than structured, automated methods.² And **most companies digitally exchange transactions with less than 20 percent of trading partners.**³ A recent Stanford University report painted an even grimmer picture, with less than 10 percent of respondents reporting that they exchange electronically with over 80 percent of their trading partners.⁴

The effort to shift transactions with business partners to digital formats for B2B integration is hindered by trading partners who aren't yet digital. This digital divide reduces the total return on your B2B integration investment—and can jeopardize your strategic business goals.

This eBook explores how to digitize transactions with non-digital trading partners.

Percent of business partners that exchange transactions electronically with the company⁵



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Bridge digital gaps to transform your supply chain...

According to SCM World, a cross-industry learning community, companies with more mature B2B integration programs had higher rates of trading partner digitization, resulting in the following game-changing benefits:

**2-3x**

improvement in the
cash conversion
cycle rate⁶

**72%**

reduced transaction
processing costs by
20% or more⁷

**68%**

sped inventory turns
to **more than 2x** per
month from less than
once a month⁸

**78%**

**decreased days
sales outstanding**
(DSO) to less than
60 days⁹



**Expedited less than
5%**

of orders, from more
than **10%** previously¹⁰

Is your supply chain ready for the digital age?

Learn what's driving supply chain transformation and how you can prepare for it. Check out the [infographic](#) and [IDC study](#).



Trading partner
digitization

Challenges



Solutions



Results

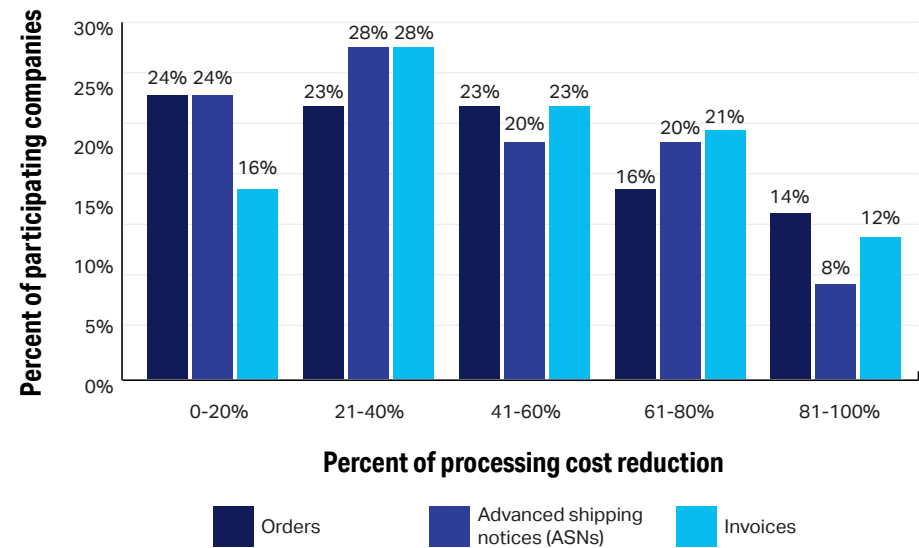
OpenText
solutions

Resources

...and your bottom line

A survey by Stanford Global Supply Chain Management Forum revealed that most companies **saved at least 40 percent** in processing costs for electronic versus manual documents.¹¹

Processing costs: Electronic vs. manual orders



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

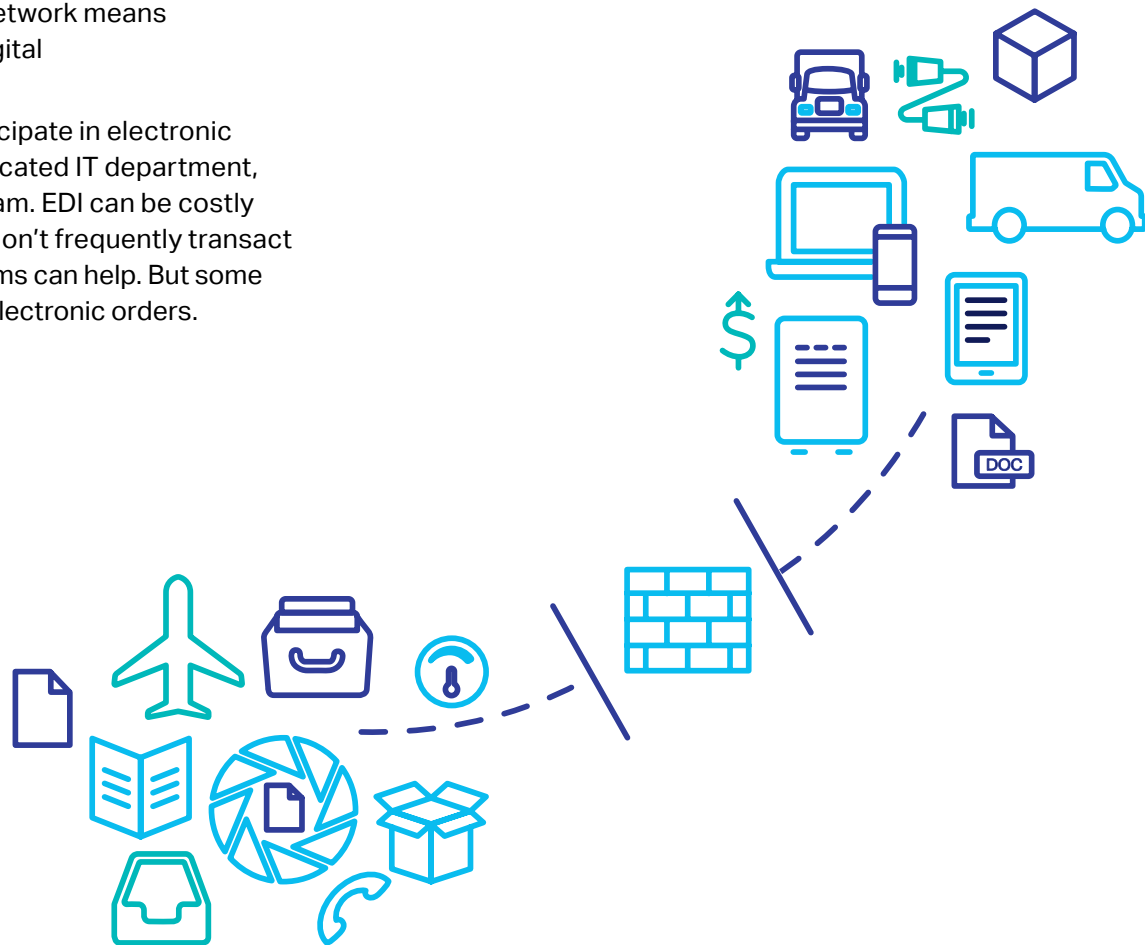
Resources

Your trading partners face numerous barriers to digitization

Bringing your trading partners into your business network means understanding and helping them overcome their digital collaboration challenges.

For example, smaller trading partners may not participate in electronic data exchange (EDI) because they don't have a dedicated IT department, or their IT team is too small to support an EDI program. EDI can be costly and time-consuming when larger trading partners don't frequently transact with them. Enterprise resource planning (ERP) systems can help. But some SMBs may not even have ERP systems to generate electronic orders.

[Start bridging this gap now.](#)



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Steps to bridging the digital gap with trading partners

Here's your roadmap to digitizing your trading partners and realizing your vision for a truly digital supply chain. Click each step below to learn more:



1. Start with EDI

2. Understand your
non-EDI trading
partners' capabilities3. Choose a
digital path4. Implement and
promote your
digital path

5. Realize results



Trading partner digitization



Challenges



Solutions



Results



OpenText
solutions

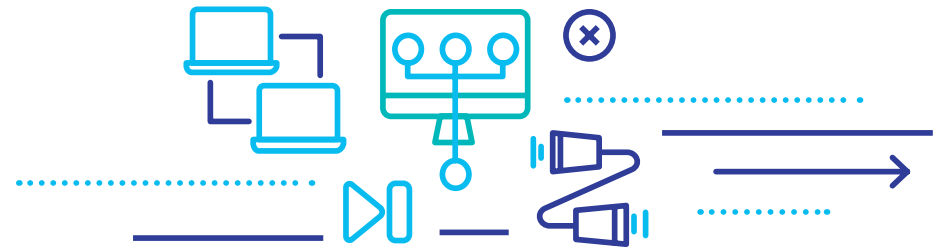


Resources

Step 1: Start with EDI

The best results occur when trading partners are able to generate and receive digital transactions using EDI or extended markup language (XML). In this scenario, you and your trading partners can automate document processing—saving significant time and money.

Your next step: Identify all trading partners with EDI programs that you're not yet exchanging electronic documents with—and get them on board!



Get started with EDI today

What is EDI? How does it work? What does it take for your company to get started? Get answers and more in this comprehensive how-to guide.

Download the guide now



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Step 2: Understand your non-EDI trading partners' capabilities

Begin by asking yourself:

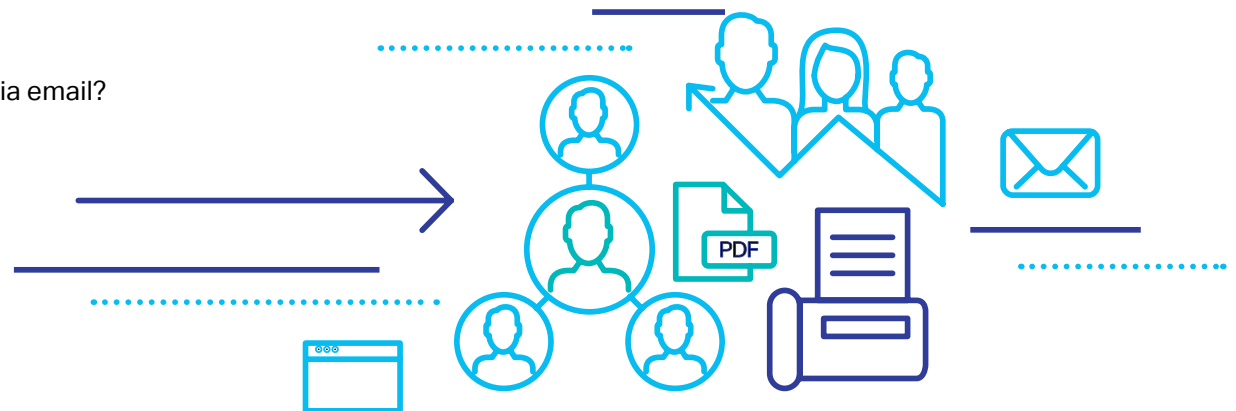
- Can I segment my trading partners by company size? (Larger trading partners are more likely to have IT staff.)
- Can I segment my trading partners by volume of my business or transactions with them? (Higher volumes make digitization efforts more cost-effective.)
- Do I have any trading partners that pride themselves on being technologically savvy? (These partners would be more likely to adopt a technology solution like a web application.)

To choose your technology options, ask:

- Can a significant portion of my non-digital trading partners access portal or web forms?
- Do I still receive fax-based transactions?
- Are trading partners sending me PDF documents via email?

If you're a buyer—you may be in a position to demand that small suppliers use your portal.

If you're a supplier—you may receive orders via your e-commerce site, but other documents, especially invoices, will still need to be digitally delivered.



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Step 3: Choose a path to digitization

Your goal is to digitize transaction documents to automate processing and reduce manual intervention. The options below help you do just that, while simplifying digital collaboration for your trading partners.

Choose a path to learn more:

**Path A:** Web apps**Path B:** Web forms**Path C:** Fax and PDF
to EDI conversion**Path D:** Spreadsheet
conversion

Note: You can implement more than one option to support non-digital trading partners. Start with the path that will add the highest volume of transactions.

Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

A. Digitization path: Web apps

Web apps provide data entry and transaction look-up capabilities, while turning web data into digital transactions that can be automatically processed. A web app can also execute business rules on data to reduce errors and provide feedback to trading partners. Plus, data entered into the web app can be converted to EDI and processed identically to other digital transactions. Some documents—such as advance shipment notifications and invoices—can even be pre-filled with your data.



Pros:

- Helps automate processes by using order information to create advanced shipping notices (ASNs) or e-invoices without re-typing data
- Enables two-way communication, including responses to documents, alerts, and reminders
- Allows trading partners to view and acknowledge an order, generate an ASN or invoice, and view payment status—with little data entry
- Simplifies digitization



Cons:

- Costly setup, including forms customization and business logic
- Requires some manual data entry
- Small suppliers may be required to use multiple portals when doing business with multiple large trading partners



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

B. Digitization path: Web forms

Web forms provide web data entry for specific documents. The data can then be converted to EDI format and processed like other EDI documents.



Pros:

- Ensures required fields are completed
- Automates processing
- Provides some data checking as data is entered
- Ensures correct generation of specific documents for automated processing
- Simplifies digitization



Cons:

- Lacks two-way communication, as there's no feedback upon form submissions
- Costly setup, including forms customization and data checking
- Requires some manual data entry



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

C. Digitization path: Fax and PDF to EDI conversion

Fax and PDF EDI conversion enables small trading partners to continue to send transaction documents by fax or email. You would then scan and convert these fax or PDF documents into EDI data for automated processing. To streamline processing in this scenario, it's important to indicate required fields.



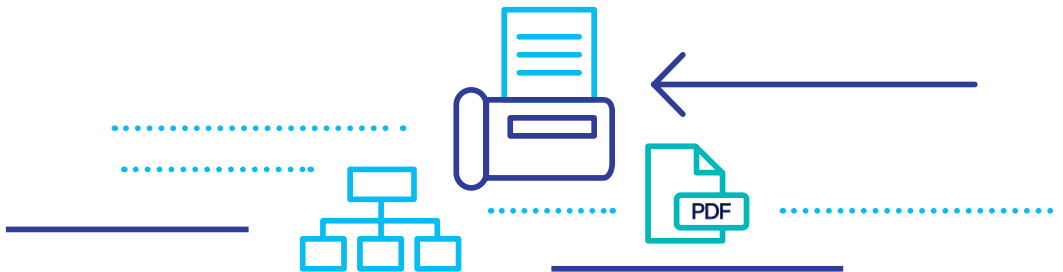
Pros:

- Enables automated processing without changing the trading partners' processes



Cons:

- Requires some human review/validation of converted data
- Costly to setup and test conversion
- Lacks two-way communication, which can slow processing



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

D. Digitization path: Spreadsheet conversion

Similar to web forms, this option leverages Microsoft® Excel® forms and uses macros to check field contents and reduce errors.



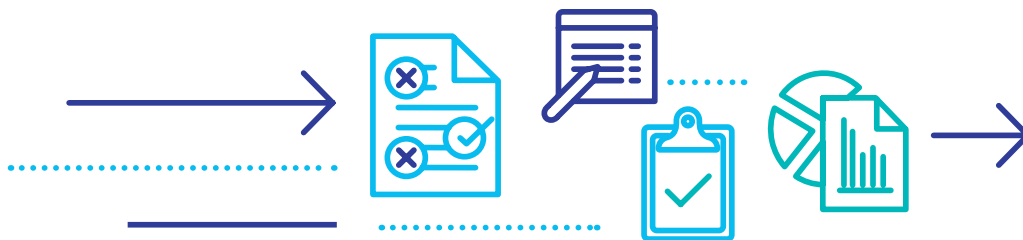
Pros:

- Ensures required fields are completed and documents are complete
- Facilitates correct generation of specific documents for automated processing
- Simplifies digitization for trading partners



Cons:

- Lacks two-way communication, which can slow processing
- Costly setup, including spreadsheet development and data checking macros



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Step 4: Implement and promote

After choosing a digitization path, you'll need to implement it. Your choices are:



In-house:

This is the best path if your EDI is managed in-house. While tools are available, your IT department may need new skills and resources, such as onboarding, data conversion, or optical character recognition (OCR), to complete the implementation.



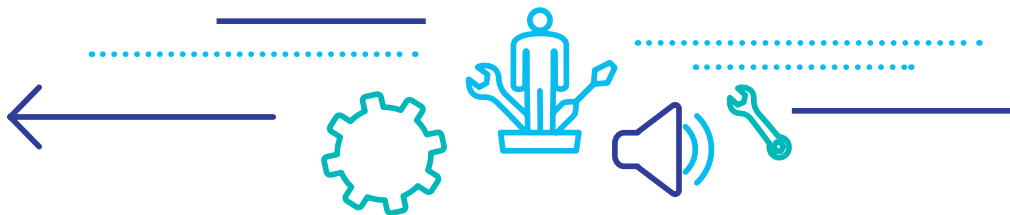
Outsourced:

If your EDI program is mostly outsourced, your provider should be able to implement your preferred option(s).

Promotion is key to success

Since all digitization options will require some changes to your trading partner processes, it's critical to ensure that all parties are aware of the changes you're making and the logistics associated with them.

If you mostly outsource your B2B integration, your provider should offer services to promote and onboard your trading partners to its methods.



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Step 5: Realize results

Companies with highly effective transaction digitization programs have experienced some of the following results:



Faster invoice processing time¹²



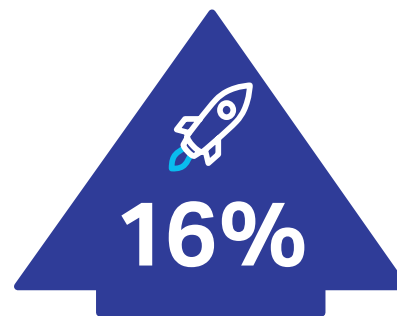
More responsive to unforeseen events¹³



Faster inventory turn¹⁴



Reduction in cash to cash cycle time¹⁵



Improvement in successful product launches¹⁶



Improvement in perfect orders¹⁷

Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

Next step: Find a trusted partner

OpenText supports a variety of trading partner digitization options, including those mentioned in this eBook:

- **OpenText™ Active Orders**—web application for non-digital suppliers
- **OpenText™ Intelligent Web Forms**—web forms
- **OpenText™ Fax2EDI and OpenText™ Email2EDI**—cloud-based fax and PDF conversion service

Recognized by [Ovum](#) as the leader in **B2B integration managed services**, OpenText delivers world-class supply chain digitization services—supporting your need to integrate, adapt quickly to change, and grow your business. Plus, we offer [outsourcing](#) to help you keep your IT resources focused on EDI strategy and internal enablement.

We also provide B2B software and tools to help you digitally collaborate with non-digital trading partners.

Now is the time to digitize your trading partners and realize your ROI on supply chain transformation.

Talk to our experts to see how our solutions can help you optimize digital collaboration with your trading partners.

Let's talk



Trading partner
digitization

Challenges



Solutions



Results

OpenText
solutions

Resources

For more information on ways to optimize B2B processes and supply chain ops, check out these resources:

Blogs

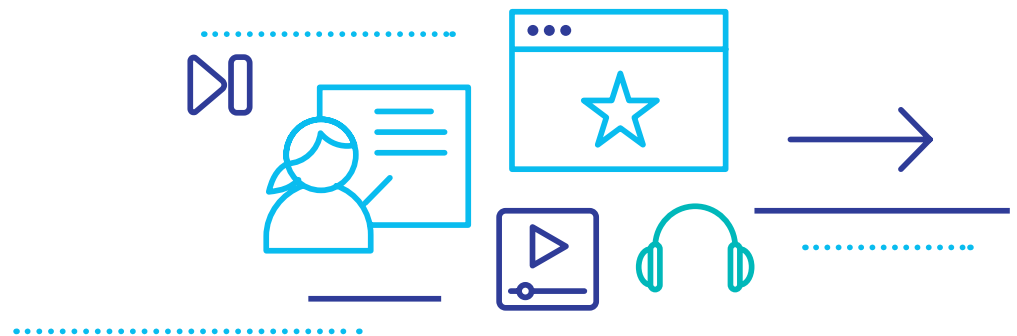
- [Get Started on the Path to B2B Integration Maturity Now](#)
- [Extending the Digital Supply Chain to Smaller Businesses with OpenText Freeway](#)
- [Enterprise Challenge #41 Only 182 of my 360 Degrees are in Focus](#)

Webinars

- [Forrester: Managing B2B Integration in the Digital Age](#)
- [Ovum: Selecting a B2B Managed Services Provider](#)

Case study

- [Alstom Power TSNA Boiler Service Group Harmonizes B2B Platform and Business Processes to Scale Globally](#)





Trading partner
digitization



Challenges



Solutions



Results



OpenText
solutions



Resources

Endnotes

1 SCM World, "The B2B Integration Path: A Roadmap for Business Value Generation."

2 IDC Manufacturing Insights 2014: "How B2B Integration Improves Supply Chain Performance."

3 Stanford University Research Study: Report #1 B2B Managed Services / Report #2 B2B Integration.

4 Stanford University: B2B Integration: Business Value and Adoption Trend.B2B Integration, Stanford Business Global Supply Chain Forum.

5 Ibid.

6 SCM World, "The B2B Integration Path: A Roadmap for Business Value Generation."

7 Ibid.

8 Ibid.

9 Ibid.

10 Ibid.

11 Stanford University: B2B Integration: Business Value and Adoption Trend.B2B Integration, Stanford Business Global Supply Chain Forum.

12 IDC Manufacturing Insights 2014: "How B2B Integration Improves Supply Chain Performance."

13 Ibid.

14 Ibid.

15 Ibid.

16 Ibid.

17 Ibid.

Connect with us

 [OpenText CEO Mark Barrenechea's blog](#)

 twitter.com/opentext

 facebook.com/opentext

 linkedin.com/company/opentext

About OpenText

OpenText enables the digital world, creating a better way for organizations to work with information, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX), visit opentext.com.

Copyright © 2017 Open Text SA or Open Text ULC (in Canada). All rights reserved. Trademarks owned by Open Text SA or Open Text ULC (in Canada). (11/2017)08333EN