

WHITE PAPER

# NetSuite for Building Materials Distributors

One System to Manage Your Building Materials Business





Grab a seat and enjoy.  
Read Time: 5 minutes

# NetSuite for Building Materials Distributors

## One System to Manage Your Building Materials Business

As the world becomes more and more connected, upgrading a business's IT environment is no longer a means to get ahead—it's a requirement to keep pace. Building materials distributors seeking to capitalize on new global opportunities need to unify their product development, supply chains and distribution networks, or risk failure in today's highly competitive markets.

Building materials distributors from around the world are vying for market share. To remain competitive, they must actively embrace new technology and seek out expertise to connect equipment, improve data analysis and upgrade their IT footprint.

Building materials distributors also need an agile tech environment in order to capitalize on new business models. Today, building materials distributors are exploring new distribution networks and methods of getting their product into their buyer's hands faster, and need technology that can keep up.

### How Do Mismatched Business Processes Impact the Success of Building Materials Distributors?

Leading building materials distributors tell us that unwieldy back-office processes and outdated technology can create a number of issues that can impact long-term success, including:

- **High operational costs and inefficiencies** – Time and money spent on manually managing business processes instead of on meeting customer needs.
- **Manual information exchange** – Multiple software applications (accounting, inventory management, HR, WMS) that do not communicate in real-time.
- **Lack of visibility into key business metrics** – No ability to report on profitability by customer or product due to disconnected systems and spreadsheets.

With all of these issues, building materials distributors waste valuable time and resources. In today's high stakes business environment, companies need to focus more on customer service and business strategy, and less on maintaining manual processes, managing multiple software systems and updating spreadsheets.

At the core of these issues impacting long-term success, we see a trend: building materials distributors relying on spreadsheets, aging on-premise systems, point solutions, or worse, a combination of all three. With NetSuite's unified model, these companies can stop wasting time and resources managing multiple systems while gaining real-time visibility for actionable insights into their business.

Successful building materials distributors recognize that upgrading their back-office technology is essential to capitalizing on new opportunities. Streamlining operations is crucial to success for new product development, supplier and order management, and data-driven business decisions. In today's fast-paced business environment, having this insight can be the difference between thriving and barely surviving.

NetSuite supplies a complete and transparent platform for distributors to streamline back-office operations and eliminate siloed data.

**Comprehensive Financial Management:** NetSuite Financials provide end-to-end visibility into receivables and payables. Businesses are able to automate the entire order-to-cash process and streamline the procure-to-pay and record-to-report processes. As a cloud platform, NetSuite also enables real-time views of pre-built, easily customized financial reports plus insights into budgeting, expense allocations and amortization. This, in addition to flexible revenue analysis—by customer, service or product line—allows businesses to make informed business decisions.

## NetSuite Distribution Edition Offerings:

- Role-based, customizable dashboards
- Multiple entity management and consolidation
- Real-time, industry specific KPIs
- Integrated ERP, HCM, WMS, Supply Chain Management, Vendor Portals and Ecommerce

Finally, NetSuite provides tracking for the complete fixed asset lifecycle and reporting from acquisition to depreciation to retirement of those assets.

**Inventory Management:** NetSuite provides intelligent control over inventory replenishment, helping ensure that sufficient stock is on hand to fill anticipated orders, while keeping excess stock to a minimum. NetSuite Inventory Management enables distributors to:

- Dynamically manage item reorder points and preferred stock levels based on average lead time, historical or seasonal-based demand and number of days' supply to stock.
- Reduce lag time with real-time alerts whenever stock falls to predefined thresholds.
- Avoid "stock-outs" to maintain continuity.

**Demand Planning:** NetSuite's native demand planning module is specifically designed to provide the user with the ability to predict required inventory based on historical demand or sales forecasts. This innovative tool offers the right balance of powerful functionality and ease-of-use to help you manage your inventory more efficiently.

“NetSuite is the heartbeat of our company. If we’re looking to add another system our first requirement is that it must connect with NetSuite.”

Michael Anderson, President, DIY Home Center

**Procurement:** With NetSuite Procurement, distributors are able to automate and streamline much of the purchasing process. Companies are able to effectively manage vendor relationships, streamline and improve the accuracy of source-to-pay processes by enforcing approvals, automate and link key transactions, and establish matching workflows to meet compliance guidelines.

**Supply Chain Management (SCM):** NetSuite has invested heavily into its supply chain management capabilities including:

- Product data management, which allows for engineering change order (ECO) capabilities to manage changes that affect the supply chain.
- Supply chain control tower, which acts as a central point of visibility for inventory across all subsidiaries around the world to help schedulers, planners and buyers make the right decisions, communicate effectively with customers and suppliers, and hold just the right amount of inventory.
- Inbound shipment management, which enables a business ordering large quantities of product from multiple suppliers to consolidate multiple purchase orders into a single container to simplify future tracking and status updates.

NetSuite Value Chain Assessment – Wholesale Distribution					
	PRIORITIES	FOUNDATIONAL	COMPETITIVE	BEST IN CLASS	TRANSFORMATIVE
Commerce	HIGH	Legacy Ecommerce, Limited Presence	Simple Search, Basic Check Out, Disconnected And Disjointed Data	Single Platform, B2B & B2C, No Mobile	Omnichannel, Real-time, Scalable, Single-data Model, Responsive Design
Marketing	HIGH	Limited Customer Data And Communication, Brochure Website	Customer Lists, Unified Messaging, Drip Marketing Knowledge Base	Promotions, Business Intelligence, Workflows, Unified Messaging	Lead Scoring, Segmentation, SEO, Real-time Metrics And ROI
Sales	HIGH	Basic Contact Information	Centralized Contact, Management, Forecast Planning	Pipeline, Forecasting, Commission Management, Variable Pricing	Sellers' Scorecards, Real-time Visibility, Dynamic Pricing
Orders	HIGH	Quantity And Price	Accept Orders From Multiple Sources (EDI, Phone, Fax, Web)	Tracking, Workflows, Pricing Models	360 Degree View, Reporting, Automation Manage By Exception
Sourcing	HIGH	Manual, Spreadsheet-centric	Demand Planning, Consolidated Views, Multiple Locations	Messaging, Exception Flagging, PO Tracking, Consolidated Procurement	Vendor Portals, Supplier Collaboration, Buyers' Scorecards, Contracts
Warehouse	HIGH	Paper-based Workflows, Operator Driven, Basic Inventory Tracking	RF/Mobile Barcode Scanning, Manual Replenishment And Cycle Counting	Inventory Allocation By FIFO/FEFO, Dynamic Putaway, Integrated ASN	Wave Planning, Cartonization, Labor Planning, Dynamic Slotting
Support	HIGH	No Issue Tracking, Customer Data In Silos	Non-collaborative, 1:1 Issue Tracking	Central Customer Data Repository, Team Collaboration	Complete Customer View, Customer Portal, Workflow, Automation, Infrastructure
Financial Management & Reporting	HIGH	No Integrations, Limited Monthly Reporting	Limited Integrations, Dimensional Reporting	Multi-company Management, Consolidation	Real-time Reporting And Dashboards, Sales Tax, Approval Routings And Workflows
Technology	HIGH	Fragmented Systems, Poor Data	Multiple Tools And Technologies, Internally Managed	Single Data Model, Customized Frameworks, Optimized For Scale	Multi-tenant Real-time Cloud, Automatic Updates, Embedded Intelligence
Human Resources	HIGH	Employee Records, Compliance, Reporting, Time & Labor Managed Manually	Employee Database Managed By HR, Limited Reporting, Analysis In Excel	Built In Reporting, Dashboards And Workforce KPI's, Unified Time Tracking, Integrated Payroll	Real-time Integration, Proactive Notifications, Manager & Employee Self-service, And Workforce Analytics
Budgeting & Forecasting	HIGH	Manual, Spreadsheet-centric, Time Consuming	Distributed Management Systems	Integrated Budget Vs. Actual, Change Controls	Customized Data Entry Sheets, Rolling 12-month Forecasts, Single Version Of Truth

### Multiple Entity Management and Consolidation:

NetSuite OneWorld helps building materials distributors with multiple locations and subsidiaries streamline operations and provides real-time visibility at the local, regional and headquarter levels within a single system. With OneWorld, building materials distributors can develop standard business processes, and deploy them across their divisions and subsidiaries at the click of a button.

With support for over 190 currencies, 27 languages, customer deployments in 203 countries and dependent territories, and country-specific accounting standards across the Americas, Europe, Asia, Middle East and Africa, NetSuite enables organizations to seamlessly meet the individual needs of local operations and easily adapt to the latest accounting standards and regulations.

**Ecommerce:** As the distribution industry trends toward direct-to-consumer sales and business-to-business portals, SuiteCommerce empowers businesses to create a unique, personalized, and compelling mobile and web experience.

**Human Capital Management (HCM):** Having the right HR system in place is critical. NetSuite SuitePeople empowers managers and HR professionals to streamline employee information, new hires, employee onboarding, payroll, promotions and compensation changes, all from a single suite.

Key features include:

- Core HR Capabilities
- Payroll
- Employee Center
- HR Analytics

**Customer Relationship Management (CRM):** As you scale and acquire customers, NetSuite CRM provides a seamless flow of information across the entire customer lifecycle—from lead all the way through opportunity, sales order, fulfillment, renewal, upsell, cross-sell and support. In addition to delivering real-time visibility of your customers, NetSuite CRM mobility extends collaboration and productivity beyond the workplace. With intuitive tools that provide your mobile workforce with the ability to easily access and upload important data they need outside the office, they're empowered with information at their fingertips.

**SuiteCloud Development Platform:** In addition, the SuiteCloud Development Platform enables customized mobile applications for all unique business needs, while complementary mobile solutions from SuiteCloud Developer Network partners enable you to extend mobile functionality in such areas as field service, sales and warehousing—regardless of the mobile platform your organization uses.

## A Pathway to Success

With NetSuite, building materials distributors are getting more than just a software package—they are getting a lifelong business partner that is committed to their success. Built with industry leading practices derived from over 20 years of collective implementation experience, NetSuite is designed to deliver value on day one. Moreover,

we take a consultative approach—from sales to implementation to support—to ensure continuity across your customer journey. We have a deep understanding of the challenges building materials distributors are facing in today’s market. As the pace of change accelerates, NetSuite is here to keep you on a pathway to success.

The graphic features a central illustration of a staircase made of shipping containers and boxes. A large smartphone in the center shows a location pin icon. Several stylized human figures are positioned around the staircase, representing different stages of business growth. The background has a subtle fingerprint pattern.

**ORACLE** | NetSuite Stairway  
**NETSUITE** | For Wholesale Distribution

[www.netsuite.com/wholesale](http://www.netsuite.com/wholesale)

**Establish**

- Financials
- CRM and order processing
- Inventory management
- Portals and self-service

**Elevate**

- Commerce
- Procurement management
- Rebate management
- Warehouse management
- People and payroll management

**Expand**

- Quality management
- Financial and operations planning
- Supply chain execution
- Project and asset management

**Accelerate**

- Sales optimization
- International expansion
- Revenue management
- Project profitability

**Dominate**

- Business AI
- Internet of Things
- Mobile and ecommerce
- Transportation management

