

Adding Business Value Through ERP Integration with EDI in the Cloud

A TrueCommerce EDI eBrief for SMB Decision-Makers



INTRODUCTION

As cloud computing has matured, the security and connectivity concerns experienced by early adopters have, for the most part, been addressed. As a result, more and more SMBs are willing to trust cloud infrastructure and are rapidly moving critical systems — particularly accounting and ERP — to the cloud.

Cloud-based ERP solutions can take the form of a native, web-based solution or can be a more traditional client-server solution hosted in the cloud. Multi-tenant cloud environments, where a single instance of software runs on a server and serves multiple client organizations, still predominate in the SMB market. However, hybrid cloud infrastructure and hybrid hosting arrangements are becoming more commonplace.

Whatever the deployment specifics, there are a number of compelling benefits for SMBs to consider when moving their ERP solution to the cloud:

► **Improved productivity and communication.** The Internet has created a level of flexibility in how SMBs access data within their ERP and has greatly simplified

connectivity for mobile workers. Anytime/anywhere access to ERP data by authorized partners and customers, as well as employees, can reduce delays and lead times, ultimately accelerating the order-to-cash cycle from weeks to days. For example, instead of waiting to be physically present at the office in the morning, an employee can post new orders at home in the evening, reducing wait time at the warehouse.

- **Reduced IT complexity and overhead.** Hosting your ERP in the cloud eliminates maintenance, backup and upgrade responsibilities, which in turn significantly reduces demands on limited IT resources. Likewise, because Software-as-a-Service (SaaS) versions are always up-to-date, there's no danger of being "trapped" with an outdated ERP system due to customizations or other challenges with upgrading.
- **Improved system availability and performance.** Support for cloud-based solutions is frequently provided directly by the software publisher along with the hosting. Because they are more familiar with the software they support than even the reseller partners or other service providers, vendors can provide exceptional service levels that improve on what most SMBs can deliver internally.

- **Faster time-to-value versus on-premise ERP.** Many SMBs that are upgrading their ERP systems are choosing cloud-based over on-premise deployments. Cloud-based deployments generally offer reduced upfront expenses compared with on-premise solutions as there is no need to purchase software and provision servers. Many SMBs also gain a financial advantage by viewing cloud-based services as an operating expense rather than a capital expense. In addition, some cloud-based ERP solutions come with different feature sets and user interfaces that offer greater ease of use than traditional, client/server systems. This can further accelerate time-to-value by reducing training requirements and improving productivity and user satisfaction.

The high reliability, ubiquitous accessibility and user-friendliness of cloud-based ERP solutions can add up to a competitive edge in the form of improved business process efficiency, enhanced business agility, stronger customer service and lower operating costs. SMBs that choose an on-premise ERP solution often do so because they require full control of their data, backups, and maintenance for regulatory or corporate policy reasons.

HOW EDI WORKS WITH ERP

Growing numbers of SMBs, especially in the supply chain for wholesalers and retailers, are moving to implement electronic data interchange (EDI). While an ERP helps to coordinate supply chain management, EDI facilitates automated, timely communication between suppliers and retailers. EDI is a critical gateway through which SMBs transact business with some of their largest customers.

EDI aligns with your ERP to streamline order fulfillment and other supply chain processes, improve visibility into everyday transactions with customers, reduce operating costs associated with order management and ultimately shorten the order-to-cash cycle. These details help enhance customer service levels and enable SMBs to derive more value from their ERP investment. At the same time, you may be thinking of implementing EDI to conform to the purchasing requirements of major retailers or your customers. [Web-based EDI](#) solutions can assist with purchasing transactions just as easily as it can sales order transactions.

Why Integrate EDI with Your ERP in the Cloud?

Many SMBs are looking to implement EDI to conform to the compliance requirements of major retailers or other customers. In this context, a critical step in the due diligence process is to evaluate cloud-based EDI solutions that integrate with the organization's cloud-based ERP system.

An SMB that integrates EDI with its ERP system will eliminate much of the manual data entry that would otherwise need to be performed to move data back and forth between the two systems—saving time and labor, maximizing order accuracy,

reducing paperwork and making it far easier to onboard and serve new EDI trading partners or customers. The more EDI trading partners a company has, the more operational costs it can save through EDI/ERP integration.

Choosing integrated EDI “in the cloud” likewise compounds the advantages of a cloud-based ERP solution. Cloud-based EDI integrated with a cloud-based ERP further supports ubiquitous data access and reduces IT complexity, while minimizing firewall, security and connectivity issues.

CHOOSING AN INTEGRATED, CLOUD-BASED EDI SOLUTION

EDI integration with your ERP solution is a strategic investment decision that should be based on criteria beyond upfront cost and a checklist of basic features. Here are some other factors that SMBs should consider:

► Proven ERP integration

Some EDI vendors claim integration with a range of ERP solutions, but not every integration is equally robust or supports a full complement of documents. Validate references from multiple customers that have used the integration long-term. Also ask whether prospective EDI vendors have long-term, strategic development partnerships with the ERP vendor. This is relevant because both ERP and EDI offerings will evolve, and will not necessarily remain compatible without a strong partnership and shared customers between the two vendors.

► Single-vendor product support

Is the cloud-based EDI solution and the integration component developed, maintained and supported end-to-end by the vendor? Or are one or more third parties involved? Many EDI vendors own only the EDI translator software and

rely on systems integrators for their ERP integrations. This can result in support problems and an increased risk of product obsolescence.

► Total cost of ownership

A low initial cost for EDI does not mean that total cost of ownership will also be low. Evaluate factors like the cost of software upgrades and the cost of ongoing support and professional services. For example, many EDI vendors charge for updating trading partner mapping specifications. There can also be monthly subscription fees, and trading partner fees. If you print labels, you might incur monthly fees for the ability to print them. These costs can add up rapidly as a business grows.

Making Cloud-Based EDI Painless

TrueCommerce EDI Solutions offers an EDI platform that is affordable, easy to use, and scales seamlessly as your needs grow. TrueCommerce makes EDI painless by providing everything a business needs for EDI compliance under one roof; including unsurpassed customer support, software updates at no charge and no annual maintenance fees.

The web-based version of TrueCommerce EDI offers easy maintenance and robust performance, and is powerful and flexible enough to meet the demands of any customer. This hosted solution integrates seamlessly with leading cloud-based ERP solutions for SMBs so you can stay focused on growing your business.

For more information please [visit TrueCommerce EDI online](#) or call toll-free to speak with a sales representative: **1-888-430-4489**.

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Do business in every direction.

THE TRUECOMMERCE TEAM IS HERE TO HELP!

If you have any questions regarding TrueCommerce, or how our solutions apply to your business, our passionate, customer focused team is here for you.

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