



MACDONALD SUPPLY GROWS ECOMMERCE, STRENGTHENS OPERATIONS WITH INFORM ERP

"Inform eCommerce has improved our site functionality and SEO ranking...If you're not at the top when potential customers search for products, you're going to have a hard time getting their attention." ~ Kevin MacDonald, Director of Operations



CLIENT SUCCESS STORY

Findlay, Ohio-based MacDonald Supply has three locations with decorative plumbing showrooms that serve the PHCP, HVAC and Industrial verticals. The forward-thinking distributor relies on a powerful combination of Inform along with connected eCommerce to increase their efficiency, accuracy and, ultimately, profitability.

Company Facts:

- Location: Findlay, OH
- Industry: PHCP, HVAC & Industrial
- Previous Provider: Acclaim
- Website: macdonaldsupply.com
- Buying Groups: BLUE HAWK, IMARK, LPG

Features Highlighted:

- Inform eCommerce
- Fully-integrated CRM
- Strategic Pricing
- Quick Analytics & Reporting
- Demand Forecasting

Benefits Gained:

- Increased revenue
- Error-free warehouse operations
- Decision-driving analytics
- Customer support
- Easy month-end close

In 2014, MacDonald Supply leaders decided it was time for a new ERP solution. Their former system was out-of-date, used old language and wasn't fully integrated with Windows. They believed that to ensure a more profitable future for the company, it was time to invest in new software. President and CEO Kevin MacDonald and his team began their research, and found that the solutions they were being led to often included expensive features that didn't apply to their operations.

"We just didn't feel like we wanted to pay for features we didn't need," he said. "We were looking for a true Windows-based system and we could have easily migrated to Epicor. But we felt like their support was kind of trailing off. We had trouble getting ahold of their people, got bounced around, and the process didn't seem to be going in the right direction".

After careful consideration, MacDonald turned to DDI System. "DDI's smaller company kind of feel reminded us of the old Prophet 21 vibe. DDI's solution certainly fit our needs and they had plenty of customers with business models similar to ours. DDI didn't expect us to work our business processes into their software. Instead, Inform was built to work with our business workflows. They impressed us with their willingness and responsiveness to make some minor modifications so we could get the most out of our software."

Changing Times Drive Shift in Operations

"Customers are more knowledgeable than ever before," said MacDonald. "They can quickly search for products online and see specs sheets, inventory and pricing before they walk through our door. They're doing their

research, and if you're not providing adequate information about your product lineup, you could be losing business to a competitor."

In business for more than five decades, MacDonald also knew that his dedicated staff, some of whom had been with the company for over 40 years, needed a solution that would make role transitions easy.

"When our long-time IT Director decided to retire, the ease of running Inform meant we didn't need to find a successor, enabling us to reinvest the savings from that salary." As a result, almost immediately, MacDonald saw an initial cost reduction because they no longer needed a full-time employee to manage and maintain the system.

Smart Pricing for Each Customer

One of the things that sets MacDonald Supply apart from other wholesalers is that they have a very diverse customer base. "Our customers include homeowners, plumbing, heating and mechanical contractors, and we supply product for residential, commercial, industrial and institutional applications. About half of our business actually comes from walk-ins. We regularly get orders from people around the country for various hard-to-find parts they haven't been able to locate anywhere else. Our Inform system allows us to do all of that very efficiently and also to determine the proper price level depending on the type of customer."

Keeping Pace with eCommerce Trends

MacDonald Supply has a very active online presence, which is made possible through Inform eCommerce. The ERP-driven solution helps the distributor apply the same business rules from end-to-end while ensuring they keep pace with a shift in buyer behavior.

"Inform eCommerce has improved our site functionality and SEO ranking," MacDonald said. "It's a sign of the times that most everyone seems to go straight to Google to find a product. So if you're not at the top of that search, you're going to have a hard time getting attention."

"We sell products in an array of different markets and directly through our own webstore. Our online sales have been increasing steadily", said MacDonald. In fact, MacDonald says eCommerce is the fastest-growing area of their business, and he expects it will only continue to grow. To prepare for that trajectory, MacDonald stays ahead of the curve when it comes to utilizing Inform's end-to-end functionality.

Functionality Drives Fast Decisions

MacDonald Supply takes advantage of the 2-3 major software releases per year from DDI. Most recently, their operations have seen measurable improvements from the new purchasing module, projected purchasing and new demand forecasting.

The "more-refined" purchasing feature manages seasonal inventory (for HVAC sales) very well and transfers products between branches or



splits orders. In turn, MacDonald says inventory and pricing are more accurate and efficient.

In addition, the distributor also relies on the Advanced Report Writer, coupled with hundreds of pre-built reports. "It's so easy to pull our own reports, that we haven't needed to buy a third-party package." The added reports are especially valuable in managing inventory for the company's increasing eCommerce orders. Plus it "definitely helps improve our customer service."

Inform's Advanced Reporting and Dashboards keep track of MacDonald's 'top-of-mind business operations' everyday. Convenient snapshots show things like current week's sales, three-year sales, year-to-date sales and whether fill rates are changing. "It's simple to use and gives me a quick synopsis of what's going on throughout our organization. I have multiple dashboards — accounts receivable, sales accounts receivable, inventory trends, item ranking, open orders, inventory turns, average invoice sales and shipping methods — on my grid that pop up everyday," says MacDonald.

Accounting is also handled through Inform and has been a real benefit to the CPA firm that manages their business. "The month-end is so simple now," described MacDonald. "It's all done in real-time. We can close the books and run the statements—the CPA's have the month-end done in less than an hour each month."

The Executive Performance Summary is used daily and MacDonald noted is particularly useful in giving an overview of the company's operations. "The summary allows me to see the real-time status of inventory, where the sales are, where there might be any backlog, our accounts receivable and more — all with just a glance. It's a great tool. I also use the Critical Stock Reports daily, as do several members of our purchasing department, to ensure we have the right product at the right location at the right time."

With Inform "everything is in real-time, so we're always in tune with what is happening for our business," MacDonald explained. "We're counting on the Inform system and its features to help us continue to be relevant and achieve growth in the years to come."