

# Grocer Messaging & Positioning

## TARGET MARKET DEFINITION

Grocers that have more than 100 direct vendors that supply products for resale.

## GROCEER POSITIONING STATEMENT

SPS Commerce is the only partner that provides you with the people, processes and technology to quickly enable your vendor community to automate manual processes such as invoicing, ordering and receiving goods.

## SEGMENT

- Grocers with revenue over \$150m that have more than 100 suppliers
- Convenience stores not a good fit
- Produce, cigarettes/liquor also not a good fit

## BUYER PERSONAS

- Primary: Head of Finance
- Primary: Head of Purchasing (purchasing is more decentralized for grocers)
- Secondary: Head of IT (important influencer)
- Note: The IT function has more power and influence in a grocer than in other segments of retail. Also grocers are very focused on cost reduction, so Finance is a very good target for us.

## TYPICAL BUYING SCENARIO

- Grocers are typically behind in their adoption of technology and are often running antiquated systems, including legacy EDI systems.
- Sometimes they will consider making a change to their supply chain when faced with a trigger event.
- Trigger events include consumer demand for broader product selection, leadership changes or staff turnover, mergers and acquisitions, drastic drops in share price/market demand, and adoption/replacement of other company-wide IT systems.
- Grocers will consider us when they are experiencing pain around a manual process such as invoicing/orders or receiving goods.

## BUSINESS PROBLEMS

Overall business problem SPS solves: When grocers need to change how they do business in order to improve efficiencies or reduce costs, SPS Commerce makes it fast, painless and cost-effective to implement changes to their EDI systems and across their vendor community.

These changes could be related to addressing a variety of business initiatives including:

- Manual and inefficient order to invoice process. For grocers, invoicing is the biggest pain point.
- Poor visibility into shipments.
- Lack of traceability is an issue for consumer recalls.
- Inconsistent vendor compliance.
- Painful process for onboarding new items. Also, poor item data quality and consistency.

## **SPS DIFFERENTIATORS**

### **Less work for you**

With SPS, you get a full-service EDI department including all the technology components you need and a team of industry experts dedicated to your success. Our experts perform all of the day-to-day activities such as mapping, connectivity, onboarding, testing, monitoring and end-user support on your behalf.

### **True partnership with 24/7/365 support**

SPS is the only company that focuses on the people and process part of change management to allow for high adoption rates with low disruption to you and your vendors. Unlike a typical tech support team, our Customer Success team works hand-in-hand with you to proactively anticipate problems before they become issues.

### **Totally integrated solutions**

Our integration approach minimizes staff training, reduces errors, and leads to the lowest overall cost of ownership. Unlike generic integration approaches, our technology uses intelligence about trading partner requirements and your systems to minimize data entry.

### **Proven experts**

Expertise from running more than 200 enablement programs per year for the last 15+ years across all channels, all fulfillment models. No other company has this depth of knowledge and experience with EDI onboarding.

## **SUPPORTING POINTS**

- *Add market leadership stats, number of grocery EDI connections, percentage of top grocers we work with*
- 350,000 trading partner connections
- 4000+ fulfillment models supported
- 35MM+ items mapped
- 3,000+ retailers recommend SPS Commerce.
- 1,000+ partners recommend SPS Commerce.

**Other supporting stats and quantifiable outcomes.**

- EDI eliminates manual processes. Every manual process costs \$100-\$120. This includes managing the PO (creation, supplier follow-up and changes), managing receiving of the order at a DC, managing invoice reconciliation and remittance.
- Companies spend \$120-\$150 per order dealing with errors and exceptions. This can be prevented with automation.

**Customer examples**

- Trader Joe's
- Sprouts
- Lidl