Ensuring Growth and Sales by Choosing a Robust Platform by Rodrigo Neves from Midland Scientific

1) Opening note (00:12-01:36)

Tim Diep: Good morning everyone. Welcome to the DCKAP eSessions 2021. This is the one for March. We're going to have a special showcase for Midland Scientific and all the work that went behind it, including some of the technology partners that were integrated into the eCommerce site. My name is Tim Diep. I'm the host for today.

I'm the customer success manager for DCKAP. I've been with the company for about eight-nine years now. I've just been leading events on a monthly basis ever since COVID happened, which has been over a year now. And we've really taken the advantage of just really hosting these events online rather than onsite now.

Today we have a really good session and hopefully you guys are able to take lots of notes and enjoy it. I would like to thank our sponsors for this event. These are the guys that you'll be hearing later today with a short presentation. We have Midland Scientific. We have Avalara, Nexcess, Magento, and DCKAP Cloras.

Now I'd like to bring up Rodrigo from Midland Scientific. He is going to be talking about ensuring growth in sales by choosing a robust platform. Rodrigo is the Director of Information Technology at Midland Scientific. He has over five years of industry experience focused on digital transformation and leading results-driven teams, managing short and long-term projects from concept to completion. So I would like to bring up Rodrigo and he'll be giving the presentation for this.

2) A brief introduction about Midland Scientific (01:38-03:12)

Rodrigo Neves: Thank you Tim. And good morning everyone. As things are today I'm going to be talking about the process for us to choose our new eCommerce platform and also some of our partners, how was the process for us and sharing a little bit about some of the results that we got so far.

First I just want to explain a little bit about what Midland Scientific is. We are a full line distributor of lab supplies equipment, mainly in the U.S. We have been serving the industry since 1975. We have five customer service centers in the U.S. and seven distribution centers.

Talking a little bit about our customers, they are mainly in the food and beverage industry and agriculture also. We have more than 35 active customers here in North America and one of our main competitive advantages is that we try to be a customer-centric company.

So everything that our customers ask us to do or to change our process, mainly also in the eCommerce area, we try to adjust and accommodate our process to our customer's needs. That has a huge impact on our eCommerce platform and where we were looking to find a new eCommerce platform, this was one of the main things that we were looking for, like a way to be flexible and be able to adapt to our customer requirements.

3) The hurdles in their way (03:14-08:45)

Talking a little bit about how we were before, we were using an eCommerce platform called B2B Seller, we already had around 20% of our orders online. Over the years, we had a lot of customization that we had to make on that platform to accommodate all customer requirements, especially in the B2B market.

We had some corporations that had a lot of different sites and sometimes they have different levels of shoppers. So they would have the person in their lab join to purchase something for their laboratory. Sometimes they would have multiple roles. So you would have a lab person trying to buy something for the lab, also a lab manager, and on top of that, sometimes a purchasing team also.

We had to accommodate all of that inside our own website, having different profiles for people to see different things inside our website. But the main challenge that we were facing was search. It is something that we used to try to adjust on our site, but its speed and accuracy were some of the big factors that were affecting our site.

Normally most of our customers have part numbers. They know exactly what they're looking for. So if they already have a product, then they're just trying to purchase again. We were being successful on that, but when they were trying to search for all the options and describe the product that you're looking for, we were struggling a lot.

Not being able to customize our website was a huge thing for us. We were able to adjust a couple of things. There were some core features that we were trying to change. And now we have the flexibility to change those that were impacting us. Also we're trying to improve the integration with our ERP and with other systems.

We have more than 400,000 products. So we adopted a PIM system to accommodate all the product information. We were trying to take more advantage of the features that we had on the PIM system, also on the eCommerce site. Then we decided to look for a new platform and when we were choosing our new platform and all of the systems that are around our eCommerce area, we had to answer some of the questions before we started even talking about requirements.

One of the things is, what are company goals? While we were like two gaps on the website and for us, the main thing was flexibility. As they said, we tried to be a customer-centric company. So we would have to have a platform that would be able to accommodate all the requirements that we have from our previous platform, but also be able to adapt and change in the future as well.

When we were looking for the requirements also, we had to talk to some of our customers, and our sales team has a big impact on that because they are in constant communication with our customers. They brought to us a lot of requirements of things that they were struggling with, and also things that they were seeing in the different platforms as well that they would like to see in our new eCommerce platform.

What were the main challenges that we were trying to solve? Or I put on the previous slide main things that we were struggling with, mainly on search and have a better user interface and giving more visibility also to our customers to their ordering process. So they place an order with us and they want to follow up because not all the times that we would have their products in our lab, some of the products go to a back order status where we are still waiting for some of our suppliers to have the products available and sending information to us.

So we had to give them full visibility. If we have the product we already shipped, what was the tracking number? If it didn't have them, then when were we planning to send that information to them.

Also after we shipped the product to them because a lot of our customers pay on terms. They don't pay before we ship the product to them just after. Having the visibility of also the invoice side, the ability to see the invoices, verify their invoices online. So we were hoping to accomplish, to give them visibility to all of that.

Looking at our competitors, what were the features that were seen in some of our competitors' websites that we couldn't include on our website and we made some adjustments, we created some custom modules trying to accommodate some of that features as well.

Especially in our industry, we are a little bit behind in terms of technology. So we're trying to figure out what are the new trends of technology that we could be applying to our site. One of the things that we've tried to focus a lot on is mobile. We don't have a lot of customers using mobile. Normally most of our customers just use a desktop computer to place orders.

We are trying as the new generation started becoming part of the labs. Also it's something that they expect and is not something that you would be having another advantage being compatible to mobile as well. There's not a lot of customers of ours and also in our competitors using mobile right now, but it's a trend that we are trying to adapt and change as well.

4) How their digital transformation journey began (08:47-16:26)

After we answered all of these questions, what we did was we just created a list of software business requirements. We interviewed a lot of different platforms trying to choose what would be the best one that would fit our needs. After we chose the platform, we ended up interviewing a lot of developers that would take care of adding all of this customization on top of our eCommerce platform, and also figuring out a way to integrate all the multiple systems that we have our ERP, our PIM system.

We also have a lot of images for our multiple products. So we had to find a developer that would take care of all of that. After evaluating some options for hosting, our choice for the eCommerce platform was Magento. We figured out that having an open source platform and that you would have access to the code and being able to change was a huge thing for us.

Also they already have some of the B2B features that we were looking for, especially for quotes and the company structure, where you will have the ability to create the multiple

orders from the customers, but also some focus on B2C features as well because we like to treat our shoppers as B2C customers.

They are part of a corporation, but inside a corporation, they have multiple roles and when they are shopping, they will expect the features that they see in B2C. Their ability to extend also to being able to create more features using some models that already exist with some of the features that we're looking for.

After we chose Magento, we were looking for multiple developers and the one that best fit our needs was DCKAP. They had experience integrating with our ERP system before. They had a really great tool for integration. It's something that we were already worried about, how it would have been able to be flexible and be capable to integrate with everything and experience in developing Magento. Luckily they were also the one that has the most competitive price for us.

In terms of proposing before, we were hosting everything in-house and we have a small team who are struggling along maintaining the hardware, we ended up having limitations to buy new hardware and we don't have a lot of experience managing hardware.

So we started evaluating hosting companies and we found Nexcess and we couldn't be more happy than this decision that we made about hosting our website on the cloud, because now we don't have to worry anymore about hardware. It facilitates a lot of our development process because now we are able to just duplicate our main production service and create new service for development, for testing.

So it facilitates a lot on that side. Also we already had to rescale. So we saw some limitations on the hardware after we went live on our website and also the search engine and we were able to adjust with a few clicks and communication with support just to rescale our server.

That would be a really painful process if we had bought the hardware before. So, hosting everything on the web and also for a company that specialized on Magento, it helped us a lot and for taxes, we were already using Avalara on our ERP system and to automate the taxes we looked for an extension to integrate also with Magento and the process was super easy for us.

I don't know a lot about taxes and I didn't have to learn anything about it. We just used the integration screen to put Avalara on our site and everything was working. So it was a super easy process for us.

For the integration with our ERP system and gathering some information also from our team, we are using Cloras. We have a lot of flexibility on integration and disability also. We were struggling a lot with the integration before, just because we didn't know when the integration was working or not, when the information was syncing or not.

Now we have full visibility. If everything is working and when it fails, we receive notifications, but also we have the ability to change and adapt to the new requirements. So talking a little bit about the benefits, we thought we achieved our main goals when we went live. It was in August of last year.

We're literally more than six months of life and we were able to achieve all the goals that we had in the beginning of the process. And the main thing that we were looking for was to have full control over the website and the ability to change and adapt to our customer requirements.

We're still in that process. Now, one of the things that we decided was just to keep listening to our customers. We have a feedback link on our website and are trying to keep that link there to keep hearing from our customers forever. They're always going to be in need of new features, new functionalities, and changing the requirements specific for them.

We're trying to keep improving and developing our websites, adapt to them. Also with these surveys, we were able to just to start measuring, having some metrics about the search, because we were happy with the new search that we had and with the new features that we were developing. But we decided just to listen to our customers.

And luckily in terms of search, right now we are at 95% in terms of the customers being able to find what they were looking for when they are searching. Also another rating to measure how satisfied they are right now, we are now at 92%. Just with that question now, if our new website is able to meet their needs, and in sales, we saw an increase in 7% in terms of online sales.

Another thing that's important for us is that we use what's called a punchout system. Some of our big corporations are fully integrated with our sites. From their ERP system, they are able to just shop on our website and get all the information directly to their ERP. They're able to create fields that way, and we are seeing a huge increase in the number of punchout customers and transactions as well.

We had a limitation of the number of punchout customers that we could have on our previous website, but now we don't have that anymore. So we are able to adapt and change to that. And it's something that is increasing a lot. We see a trend and some of our transactions go in that direction as well.

So we couldn't be more happy with all the paths that we went through. We are still seeing a lot of things that we're going to have to change and adapt on our website, but we are happy with all the choices that we made and the partners that we had. Yeah. Now, Tim, I'm passing the presentation back to you.

5) Concluding note (16:28-17:12)

Tim Diep: Thank you so much Rodrigo. Thank you for the opportunity to be able to work on this website and we wish continued success for many years, so thank you so much for that. Thank you again for all the sponsors from Midland Scientific, from Avalara, from Nexcess, Magento, and Cloras. Without you guys, this eSession wouldn't be possible. Thank you guys once again for all your help and your contribution to this.

And then just mark it on your calendars. The next DCKAP eSession will be on April 13th and this will be in regards to the ADA compliance. That's another hot issue within the B2B

market. That's all I have here. Thank you guys so much for your time and hopefully you guys have a great day and stay safe out there.

So we'll see you guys. Have a good one.