



SURVEY RESULTS:

# EDI AND ITS ROLE IN SUPPLY CHAIN MANAGEMENT



The biggest barriers to omnichannel supply chain success for apparel and fashion brands are operational silos and outdated IT infrastructure.

As new technologies emerge and are integrated into Supply Chain Management (SCM) processes, it's important to continuously evaluate the role and the effectiveness of the entire supply chain system.

EDI (electronic data interchange) is not a brand-new technology, but it remains a key component of many brands' supply chain management. We conducted a survey of over 100 companies to see how EDI plays a role in their omnichannel supply chain strategies.

The results offer rich insights into how these organizations utilize EDI in order to eliminate operational silos and streamline their supply chain.

# WHO RESPONDED

**BY COMPANY SIZE:** Valuations ranging from smaller businesses (<\$10 million) to large enterprises (>\$1 billion).

< \$ 10M .....	<b>11.0%</b>
\$ 10M - \$25M.....	<b>8.8%</b>
\$ 25M - \$50M.....	<b>14.3%</b>
\$ 50M - \$100M .....	<b>17.6%</b>
\$100M - \$150M .....	<b>6.7%</b>
\$150M - \$250M .....	<b>14.3%</b>
\$250M - \$500.....	<b>9.9%</b>
\$500M - \$1B .....	<b>7.7%</b>
\$1B+ .....	<b>9.9%</b>

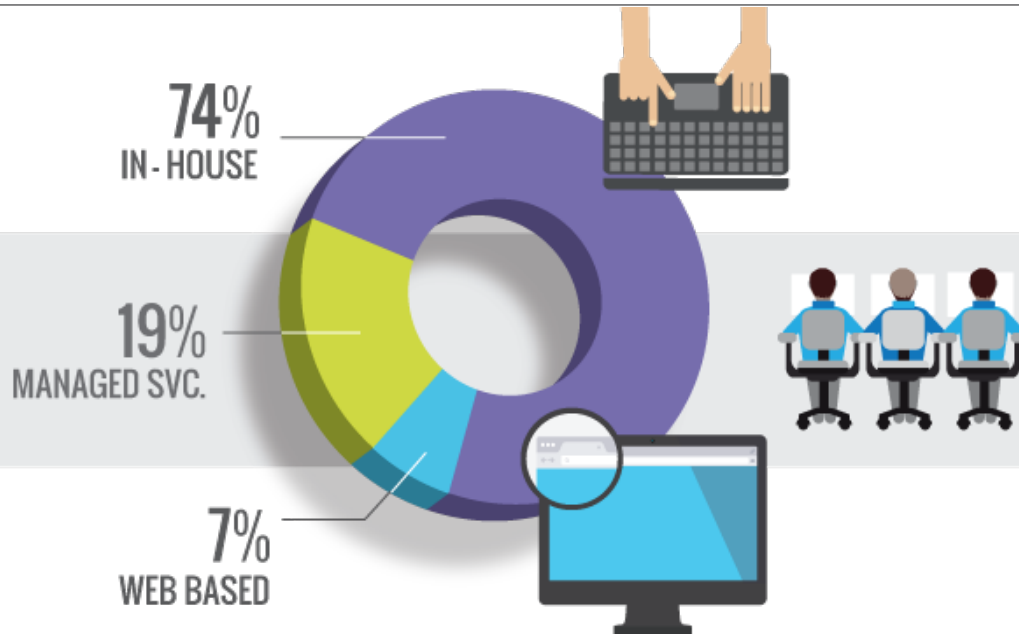


## BY FUNCTION

IT Function .....	<b>32.8%</b>
Operations .....	<b>16.4%</b>
C-Level Management .....	<b>16.4%</b>
Sales .....	<b>8.6%</b>
Product .....	<b>5.2%</b>
Supply Chain .....	<b>5.2%</b>
Finance .....	<b>4.3%</b>
Strategy .....	<b>2.6%</b>

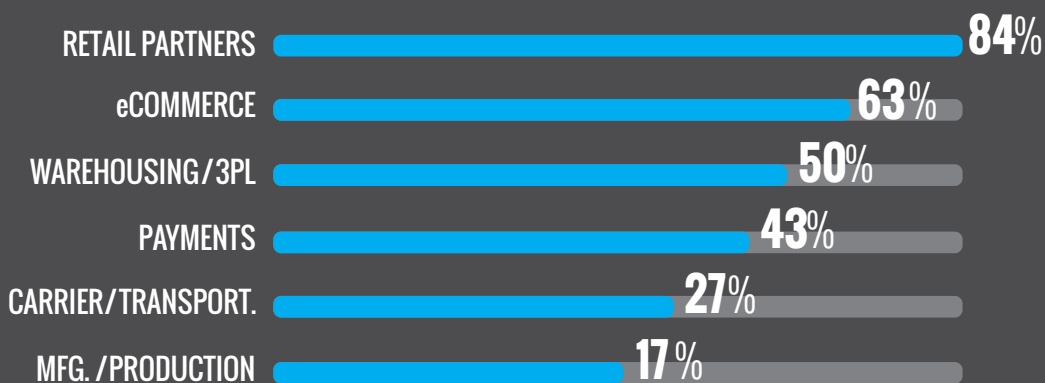


# HOW DO YOU MANAGE EDI ACTIVITY?



## WHAT ARE THE KEY EDI ACTIVITIES?

**Of the respondents, 75% were using EDI as part of their supply chain management.** EDI was used for a range of activities across the supply chain: Interfacing with retail partners, eCommerce platforms, warehousing or third-party logistics providers, managing relationships with manufacturers, transportation or payment providers.



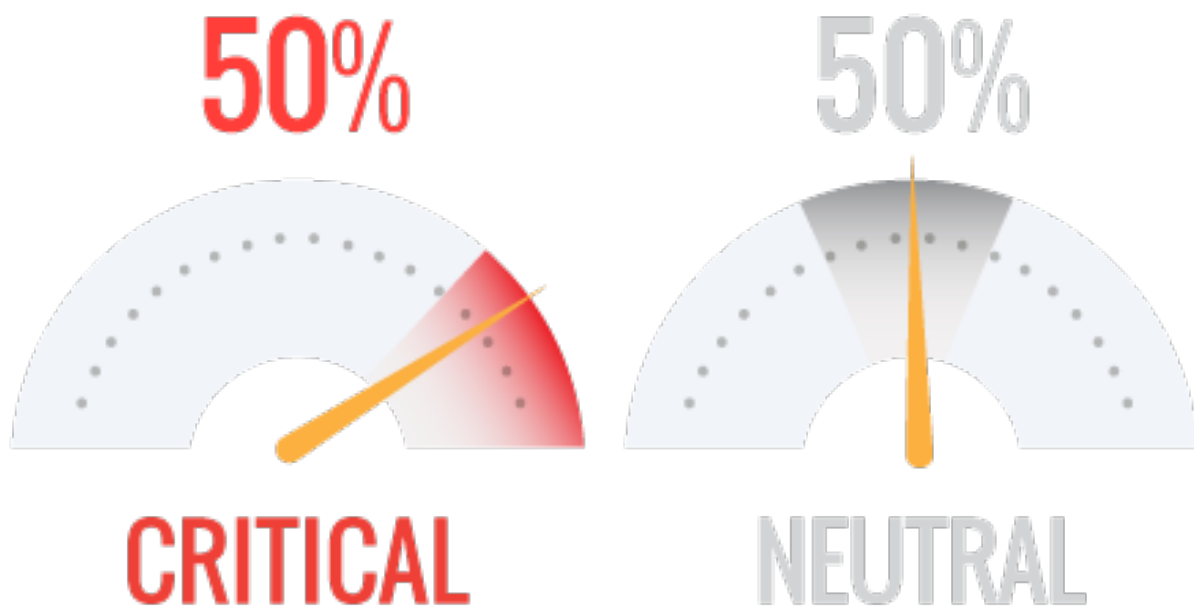
When asked to rank what EDI activities would be most important to their organizations in the future, respondents thought that interacting with retail partners, eCommerce platforms and warehousing / 3PL providers would remain top priority.

# HOW IMPORTANT IS EDI FOR OMNICHANNEL?

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EDI may not be the most buzzed-about component of modern supply chain optimization, but it plays a key role in organizations' omnichannel strategies.

About 50% of all respondents said that EDI was "critical" to supporting their omnichannel strategy and 50% said it was somewhat important.



# EDI CHALLENGES & PRIORITIES

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EDI is critical for many respondents, but there are challenges associated with implementing, using and maintaining the technology. We asked an open response question about the biggest challenges organizations had with EDI. The most common responses included:

- **Difficulties** finding qualified staff to manage EDI systems
- **Time**, particularly time to get set up with new EDI partner
- **Partner requirements**, both the lack of standardization between them and the frequency of updates.
- **Cost** of implementing and maintaining EDI

EDI helps organizations meet a range of objectives for supply chain management. In order, the priorities organizations have for EDI are:

1. **Reducing** processing time
2. **Improving** productivity
3. **Reducing** errors
4. **Reducing** chargebacks
5. **Improving** inventory and warehouse management
6. **Streamlining** their supply chain
7. **Improving** trading partner relationships
8. **Better management** of high volumes of data

**As the results of this survey attest, EDI remains a critical component in organizations' supply chain management strategies.** Despite certain challenges, EDI continues to help companies better manage their supply chain processes, reduce operational silos, improve organizational efficiency and reduce errors.