

Unlock Rapid Profit Gains

A Guide for Wholesale Distribution Executives

In today's competitive landscape, wholesale distribution companies need precise insights to drive rapid and sustainable profit growth. WayPoint Analytics gives you exactly that—empowering you to take decisive actions based on real-time data. Below are the key areas where WayPoint will deliver immediate impact, transforming your operations and profitability.

1. Customer Profitability

- **Profitability by Customer Segment:** WayPoint identifies which customers are profitable and which are costing you money. You'll see exactly which accounts generate substantial profits and which ones are being subsidized by your more profitable customers.
- **Customer Group Segmentation:** The system's segmentation lets you focus on profitable customer groups while adjusting pricing or service levels for those dragging profits down. You'll ensure that your efforts are directed toward high-value relationships.

2. Order-Level Profitability

- **Solving the Small Order Problem:** WayPoint's logistics and delivery cost insights reveal the impact of small, unprofitable orders—a major issue in distribution. You'll see how smaller orders consume more resources than they generate in revenue and get the data to fix this problem.
- **Order Minimums and Consolidation:** With precise data showing the cost breakdown per order, you'll be able to establish minimum order sizes, consolidate deliveries, or charge for small orders, ensuring that your delivery costs are covered and profits maximized.

3. Logistics and Delivery Costs

- **Logistics Costs Reports:** WayPoint provides detailed logistics costs for every customer relationship, showing exactly where delivery costs exceed the gross profit of an order. The system highlights customers whose orders are losing money purely due to logistics.
- **Actionable Insights:** You'll have full visibility into delivery, warehouse, and transportation costs, enabling you to make changes like adjusting delivery schedules, adding charges for frequent small orders, or optimizing shipping routes to drive immediate cost savings.

4. Product Profitability

- **Unprofitable Products:** WayPoint shows profitability down to the product level. You'll easily identify low-margin or unprofitable products, helping you refine your product mix, adjust pricing, or renegotiate supplier relationships.
- **Supplier Negotiations:** With detailed product profitability data, you'll be in a stronger position to negotiate better terms with suppliers for high-cost, low-margin items or to eliminate unprofitable products entirely.

5. Return on Expenses (ROX)

- **Operational Cost Control:** WayPoint calculates Return on Expenses (ROX), giving you a clear picture of whether your expenses are generating profit or draining cash. This helps you pinpoint areas where costs can be reduced without sacrificing profitability.
- **Targeted Cost Reductions:** Expenses are categorized and tied to specific operations (logistics, sales, marketing, etc.),

allowing you to implement focused cost-cutting strategies where they'll have the biggest impact.

6. Sales Compensation Management

- **Sales Compensation Effectiveness:** WayPoint tracks how sales compensation correlates with customer profitability. This allows you to optimize commission plans, making sure they're aligned with net profitability, not just gross revenue.

7. Data Granularity

- **Visibility into Net Before Compensation (NBC):** Unlike traditional accounting systems that stop at the gross profit level, WayPoint delivers insights right down to Net Before Compensation (NBC). You'll get a full view of profits after operational costs, enabling you to make decisions based on real bottom-line clarity.

8. Immediate Action Plans

- **Profit Gains from Targeted Adjustments:** WayPoint provides actionable strategies, such as adjusting pricing, managing order sizes, refining service models, and optimizing logistics. These adjustments will lead to rapid and sustainable profit improvements.
- **Specific Customer Actions:** Based on WayPoint's reports, you'll increase prices by 5% for specific customer groups, implement minimum order quantities (MoQs), or limit free shipping frequency. These targeted actions will generate immediate profit gains.

9. Comprehensive Reporting

- **Real-Time, Actionable Reports:** WayPoint's reports give you real-time data on the most critical aspects of your business, helping you make quick, informed decisions. With customer-by-customer and order-by-order breakdowns, you'll know exactly where to focus for the fastest return on investment (ROI).

With WayPoint Analytics, you'll gain access to highly granular data, enabling you to make quick, focused decisions. You'll eliminate loss-making practices, align costs with profitability, and significantly boost your company's bottom line with confidence.

Learn More!

Find out at www.WayPointAnalytics.net, or ask your questions at sales@waypointanalytic.com, or call us in Arizona at 480-426-9955. There's nothing that can boost profits more than the surprising insights you get from WayPoint.

