Now it all adds up for Grainger

Grainger takes control of chargebacks and complex supplier rebate programs. Vistex Solutions for SAP automate high-volume processes, boost revenue recovery.

Overview

With $10 billion in annual sales, 1.2 million products, and two million customers, W.W. Grainger is one of the largest wholesale distributors in the United States. Today, the company can handle high transaction volumes efficiently. But that was not always the case, particularly when it came to distributor chargebacks and supplier rebates.

The diversity of Grainger’s products, the complexity of its agreements, and its large number of transactions – more than 500,000 per day – made these programs difficult to manage utilizing spreadsheets. In addition, management had poor visibility into virtually every one of its processes. Change was necessary.

Solution

To automate and improve its chargebacks and rebate programs, reduce total cost of ownership, and improve the timeliness and accuracy of its data, Grainger implemented Vistex Solutions for SAP. And to shorten the overall project timeframe, the Vistex solutions were implemented in parallel with the SAP ERP deployment. No system integration or interface development was required.

Vistex solutions leverage core SAP technologies and have access to real-time transactional data in SAP ERP and access to CRM. And, Vistex solutions are fully supported by SAP.

With the solution deployed, Grainger gained full lifecycle support for its complex incentive programs, including creation, participation, quotas, tracking, accruals and settlements. Going beyond these core functions, the solution enables both transaction- and goal-oriented incentives, offers exceptional scalability, and connects with a web portal to provide participants with up-to-the-minute program information they can use to see their progress, close gaps and achieve goals.

Results

With Vistex Solutions for SAP, Grainger has automated its claims processes and increased income from claims-based cost recovery and supplier rebates. In addition, with direct, real-time access to SAP Financials, Grainger has accurate program reporting and profitability analysis.

The result has been increased revenue from improved claims and supplier rebates recovery, and improved cash flow with decreased Days Chargebacks Outstanding (DCO). In addition, the company has seen a 50% reduction in incentive-related disputes and a 70% reduction in deductions related to performance rebates.

“Vistex Solutions for SAP are key components of an integrated system supporting end-to-end business processes.”

Ken Jacquier - VP Sales and Marketing Process Management

About Vistex®

Vistex solutions help businesses take control of their mission-critical processes. With a multitude of programs covering pricing, trade, royalties and incentives, it can be complicated to see where all the money is flowing, let alone how much difference it makes to the topline and the bottomline. With Vistex, business stakeholders can see the numbers, see what really works, and see what to do next – so they can make sure every dollar spent or earned is really driving growth, and not just additional costs. The world’s leading enterprises across a spectrum of industries rely on Vistex every day to propel their businesses.