USER SPOTLIGHT:

How Replenex Leverages Vending and Order Management to Drive Partnerships

Replenex, Inc., based in Eden Prairie, MN, has been a leading industrial distributor since 1946, renowned for its innovation, sustainability, and focus on customer profitability. As trends in industrial vending evolved, Replenex sought flexible solutions to meet their customers' changing needs, requiring a partner whose offerings could seamlessly integrate with their established inventory processes. 1sourcevend, with its adaptable Order Management feature, proved to be the ideal choice. We spoke with Doug Rovner, Director of Customer Programs at Replenex, to learn more about their vending practices and the use of this tool.

Collaborative Customer Solutions

Handling customer requests for Smart Vending solutions can be challenging. With a customer relationship potentially at stake, distributors may feel pressure to provide a system quickly without fully exploring the inquiry. This approach, however, often fails to address the true underlying issues. Doug Rovner of Replenex, Inc. highlights a shift towards a more collaborative, solutions-oriented approach: "First and foremost, it's all about the customer and putting the right solution in, and vending helps us. Today I think customers are more thoughtful, and we're able to have a rational discussion. It's not, 'Give me a vending machine, or I'll go to (the competition)."

Replenex employs their **Proven Process** to facilitate meaningful discussions and identify true customer pain points. This involves collecting customer data, conducting time studies on the



production floor, and identifying the correct products to manage. This approach ensures the implemented system enhances

efficiency rather than adding another layer of complexity.

"I can think of a recent customer," shared Rovner, "that had (a competitor's) wedge machine in their plant and were struggling. We sat down and talked about their objectives and challenges. It turns out that implementing just a simple Kanban, a customermanaged Kanban, was the right solution. Now the plant manager feels like she's been unchained. She was so tied to the vending machine reordering that their ebb and flow of production it was just killing them."

Vending inquiries may sometimes feel daunting, but Replenex's Proven Process transforms these challenges into unique opportunities to provide value. By focusing on solutions and efficiency, Replenex solidifies its position as a true partner, driving long-term success for both parties.

<u>Digital Intelligence and Order</u> <u>Management</u>

After carefully considering their partner's criteria, it oftentimes turns out that a Smart Vending system is the appropriate solution for maximizing efficiency. Currently, over *sixty percent* of Replenex's contract sales are automated from the vending solutions on their customers' production floor. In today's digital era, the data and analytics a system provides is becoming increasingly important.

"We had a customer's executive distill it down to



this: he wanted vending for physical control, consumption control, and for the intelligence of the reporting data. I mean, it really comes down to those are the three main components. While the reporting is important— it's vastly underused."

This data availability and automation that come with Smart Vending systems can be just as important for the distributor as the end user. At the outset of their relationship, 1sourcevend worked to craft a feature that captured essential functionality for Replenex's vending operations. This collaboration resulted in **Order Management**: a tool in the 1sourcevend platform that helps streamline the replenishment process for distributors. Rovner spoke about the value of this tool in tandem with 1sourcevend's API offering:

"The Order Management feature really solves the problem that most vending programs presuppose— that you're going to order and put away in total every time on a regular routine basis. This whole intelligence piece that got put into your machines now says, 'Something's on order, just hold on until the product comes in and gets refilled.' But then beyond that, when vending is done right, we need less people to process more orders. So this direct dump into our ERP is huge, and it allows our people to do less low-value order entering and more high-value work, and with less of a headcount. So yeah, the efficiencies are significant."

To operate at scale, Smart Vending systems need the flexibility to adapt to the user's needs— not the other way around. 1sourcevend's agile approach to software development helps facilitate collaboration with distributor partners, resulting in a more powerful, comprehensive solution.



Partnership with 1sourcevend

There are a few considerations distributors should always take into account when evaluating Smart Vending providers; the ability to implement customer feedback is certainly one of them. In the case of Replenex and the Order Management feature, both parties focused on open collaboration to craft a solution that addressed the underlying pain points and provides true value. "(1sourcevend) obviously was really responsive to the things we believe we needed for vending. And it wasn't just that we said we wanted something and you went and did what you thought you heard us say. This whole collaboration has really been appreciated." An agile approach helps ensure that the provider, and therefore the distributor, can quickly adapt to varying customer demands in an everchanging industrial landscape.

In addition to software agility, the quality of support is another major factor, "It's been a good experience for everybody, and of course, there's questions, and you guys answer the phone and walk us through it. There have been a couple of hardware issues, but you guys know your product, you knew what the problem was, you facilitated a quick part replacement, and the customer was impressed with how we mitigated downtime. You've got a competitor... I talk to their answering service more than I talk to them, and that's tough."

The ability to offer a range of products at an economical price point also moves the needle: "The cost of ownership with some of these providers is not sustainable, especially as we take on more and more locations. There are other low-cost providers out there that we've looked at, but we don't have anybody else that's on your level with price and product mix."