

# Sales Order Processing Trends



Summary Results | April 2019

# Survey Summary

- ▶ **Between February and April 2019, Gatepoint Research invited selected Sales and Operations executives to participate in a survey themed *Sales Order Processing Trends*.**
- ▶ **Candidates were invited via email and 100 executives have participated to date.**
- ▶ **Management levels represented are predominantly senior decision makers: 4% hold the title CxO, 8% are VPs, 30% are Directors, and 58% are Managers.**
- ▶ **Survey participants represent firms from a wide variety of industries including BioTech/Pharma, Business Services, Construction, Consumer Services, Financial Services, Manufacturing, Mining, Retail Trade, Utilities and Wholesale/Distribution.**
- ▶ **Responders work for firms with a wide range of revenue levels:**
  - **59% work in Fortune 1000 companies with revenues over \$1.5 billion;**
  - **6% work in Large or Mid-Market firms whose revenues are between \$250 million and \$1.5 billion;**
  - **35% work in Smaller companies with less than \$250 million in revenues.**
- ▶ **100% of responders participated voluntarily; none were engaged using telemarketing.**

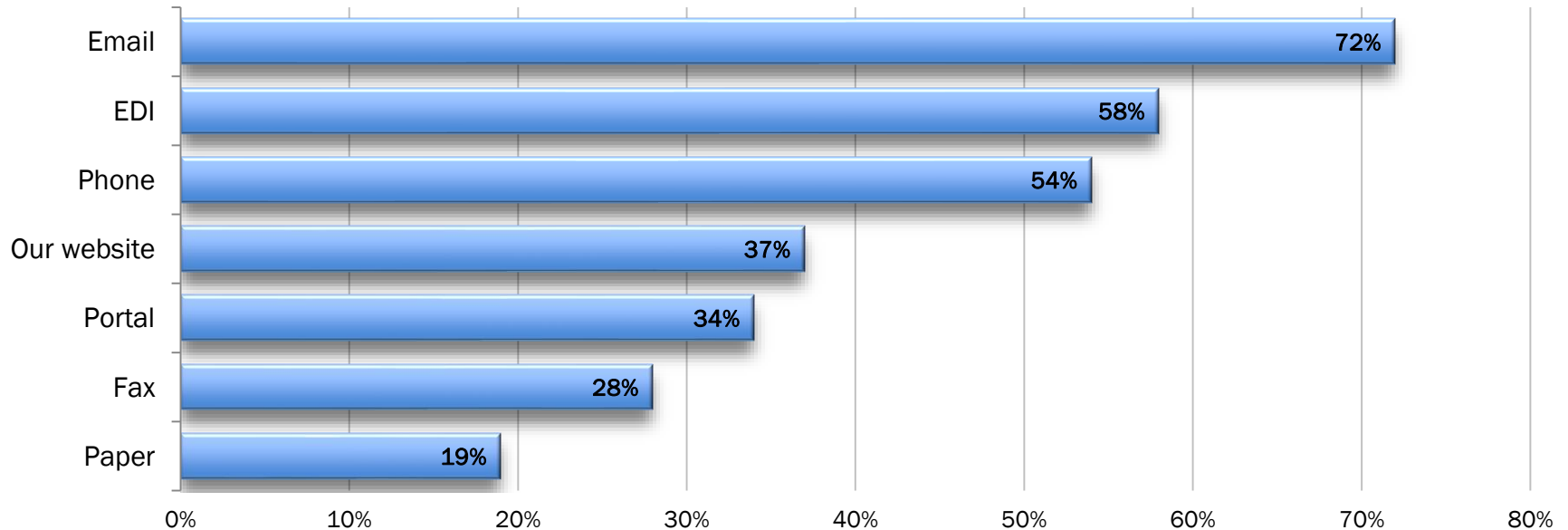
# Executive Overview

At the core of every business is the cash conversion cycle: order management and accounts receivable, purchasing and accounts payable. How are companies upgrading these processes to make their businesses more efficient and profitable?

This survey asks respondents to report:

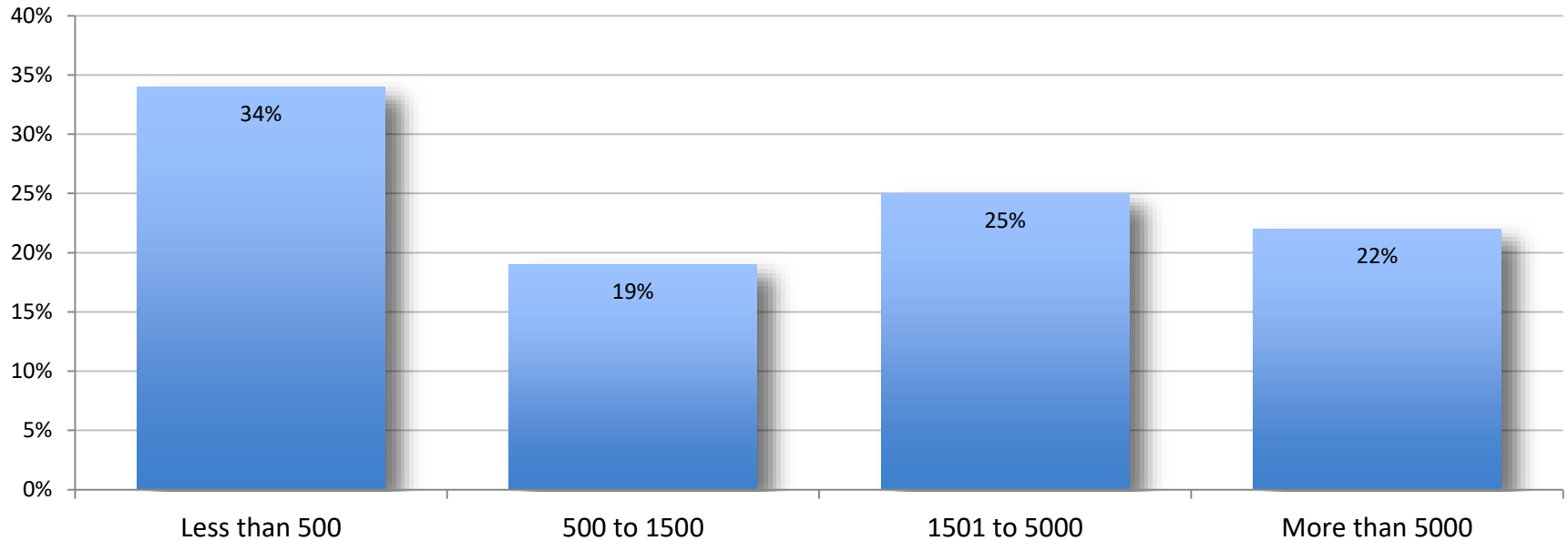
- ▶ How do their customers place orders? How many sales orders do they process per month?
- ▶ How much time do their Customer Service Reps spend grabbing and processing sales orders from their own or customer portals? Are they satisfied with the time it takes to process orders?
- ▶ What is their average order entry error rate?
- ▶ Are the tools and methods they use to analyze the sales order process effective?

# How do customers place orders with your organization?



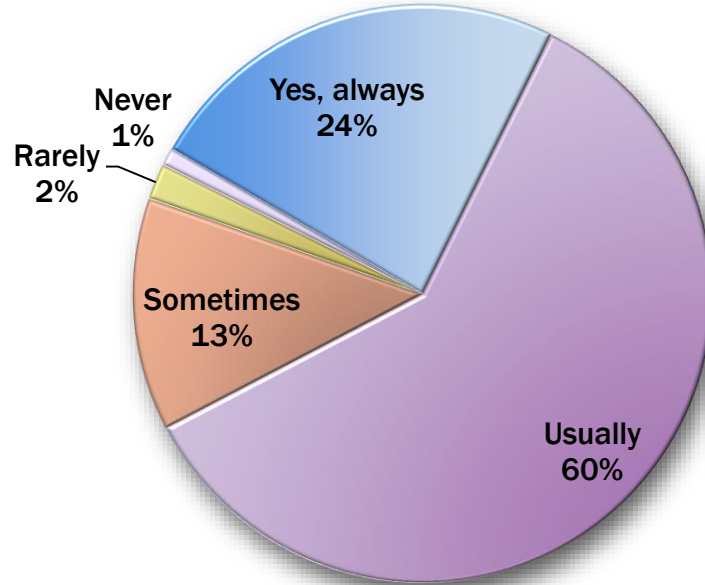
Almost three quarters of respondents (72%) report their customers use email to place orders; 58% use EDI and 54% place orders by phone. Just 34% use the company website to place orders.

# How many sales orders do you process each month?



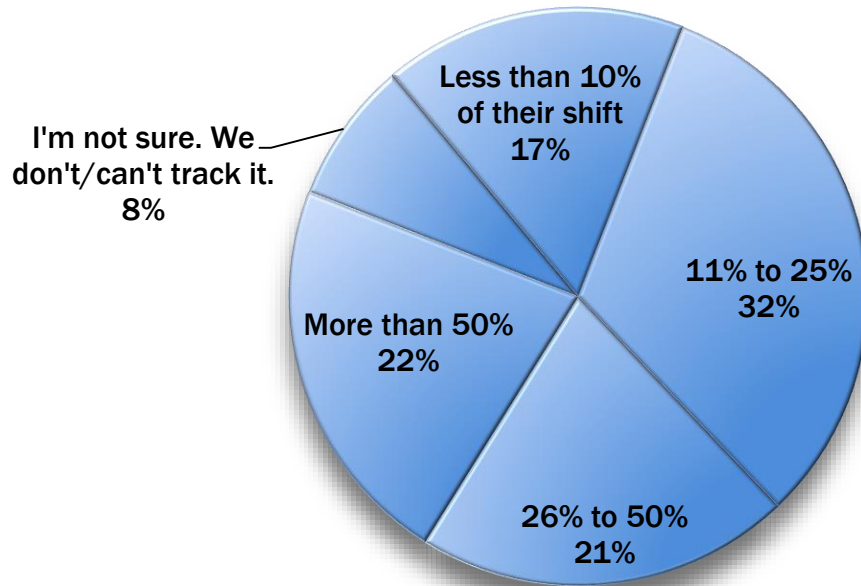
Nearly half of respondents (47%) say their organizations process in excess of 1500 sales orders per month.

# Does your organization meet or exceed your order processing time expectations (receipt to approval)?



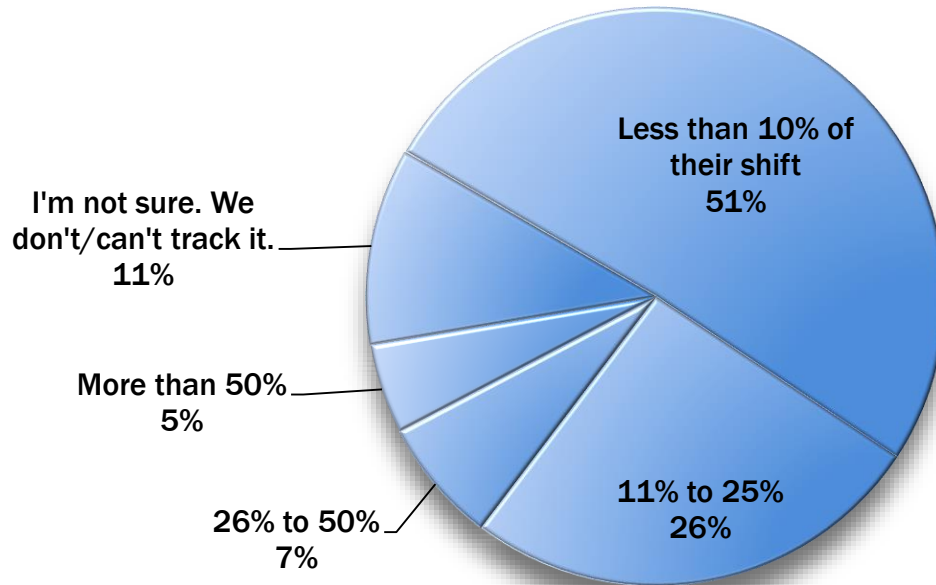
Just 24% of respondents are “always” satisfied with the time it takes to process orders.

# How much time do Customer Service Representatives (CSRs) spend processing sales orders?



**43%** those surveyed report that their CSRs spend in excess of a quarter of their shift processing sales orders; nearly a quarter (22%) say those tasks consume more than half their time.

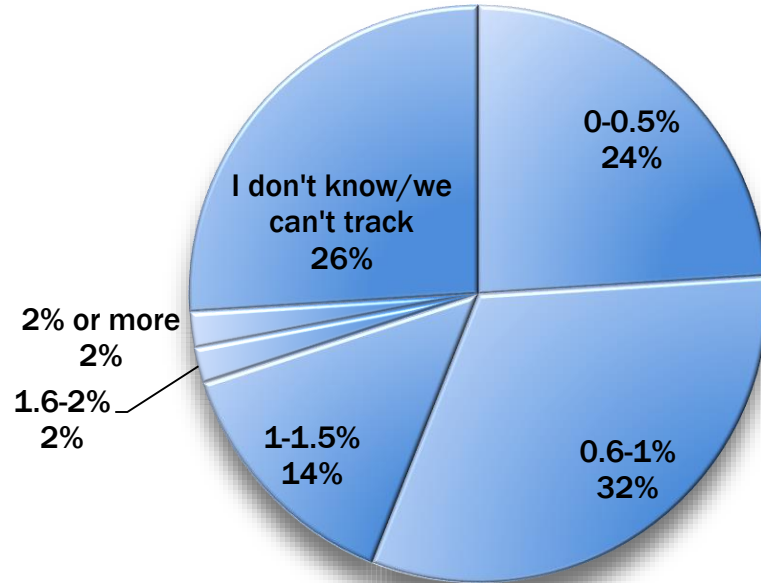
# How much time do CSRs spend grabbing and processing orders from customer (or third party) portals?



Respondents say that **51%** of their CSRs spend less than **10%** of their shift grabbing/processing orders from other portals. Another **26%** report CSRs use up to a quarter of their shift on these orders.



# What is your average order entry error rate?



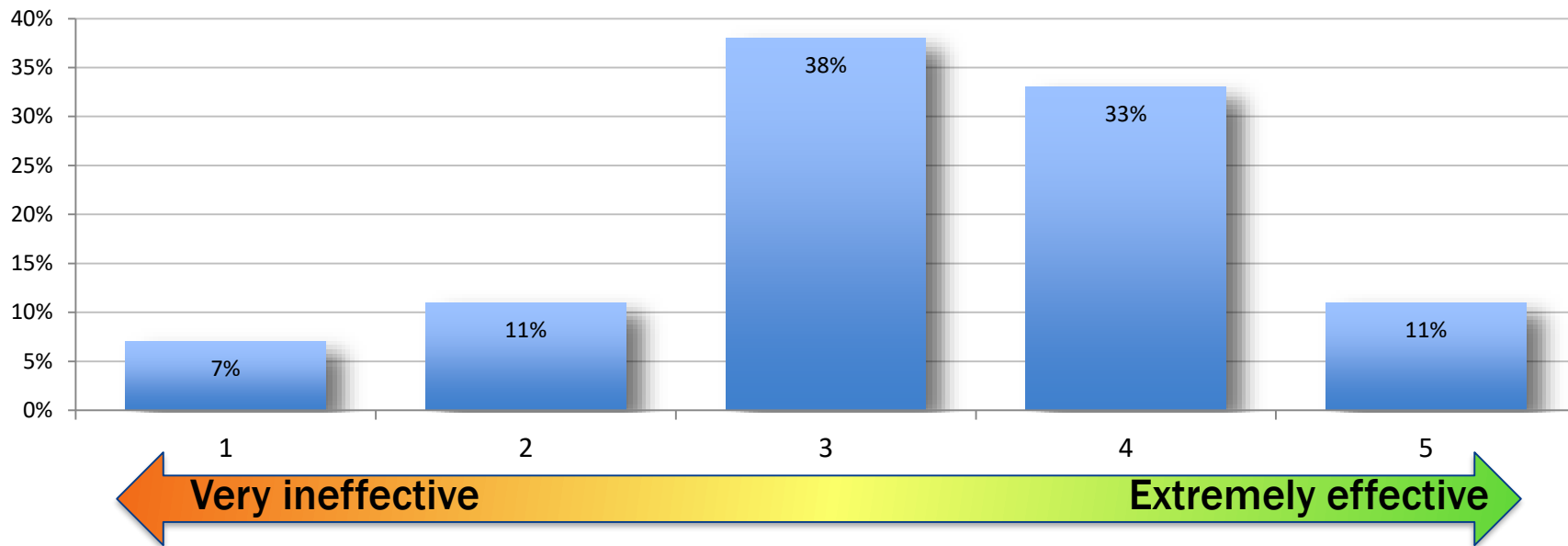
Of those who have the ability to track their order entry error rate, the largest group (32%) say it is 0.6 – 1%. But 26% can't track this data at all.

# How often are orders subject to changes after the original order has been processed?

	Less than 5%	6% to 15%	16% to 30%	30% or more	We don't (or can't) measure changes per order
Consumer Services	1%	0%	0%	0%	0%
Business Services	1%	2%	0%	2%	0%
Construction	1%	1%	0%	0%	0%
Financial Services	1%	4%	3%	2%	1%
Healthcare	0%	0%	0%	0%	1%
Mfg - General	6%	1%	0%	1%	2%
Mfg - High Tech	11%	3%	2%	3%	1%
Mfg - Primary	5%	7%	8%	1%	4%
Mining	1%	0%	1%	0%	0%
Retail Trade	2%	1%	1%	1%	0%
Utilities	0%	0%	1%	0%	0%
Wholesale Trade	5%	6%	2%	2%	1%

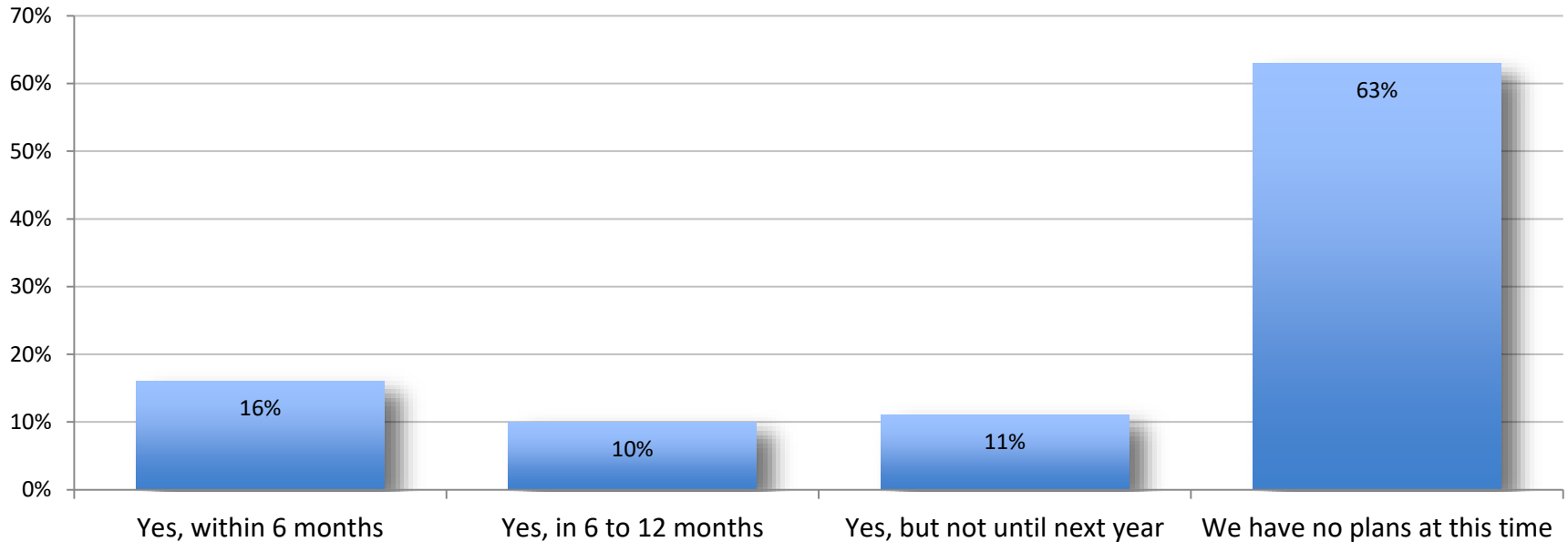
The most significant numbers of orders subject to change after processing the original order are reported in the High Tech and Primary Manufacturing sectors.

# How effective are the tools and methods used to analyze your sales order process? (Rate 1 to 5, 1=Very ineffective, 5=Extremely effective)



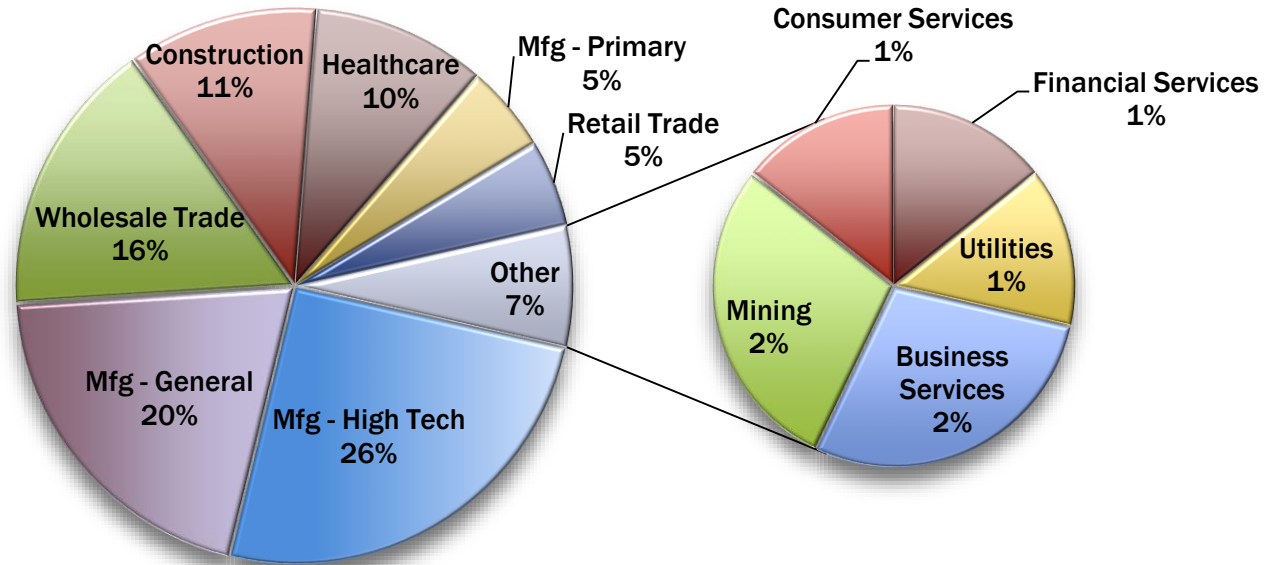
Most respondents rate the tools they use to analyze sales as marginally to satisfactorily effective, with only 11% saying they are extremely effective.

# Are you planning to update your sales order process to improve your KPIs?



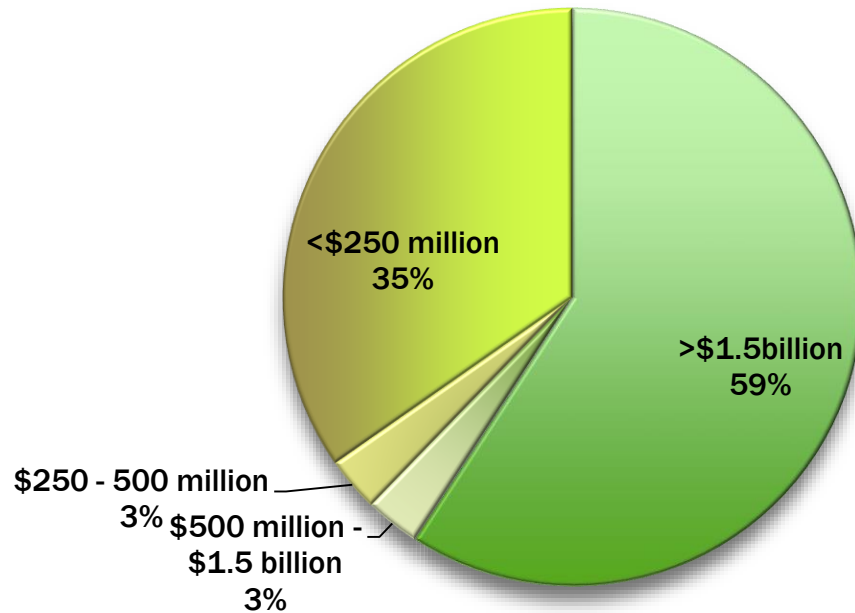
**26%** of organizations surveyed plan to update their sales order within a year; another **11%** within two years.

# Profile of Responders: Industry Sectors



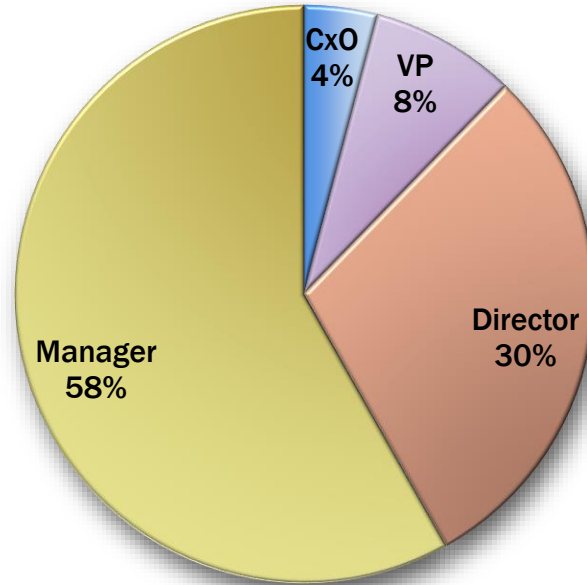
Responders represent a wide variety of industries.

## Profile of Responders: Revenue



**59% of those surveyed work in Fortune 1000 companies with revenues over \$1.5 billion.**

## Profile of Responders: Job Level



**42% of those surveyed hold Director or executive level positions in their organizations.**



Esker digitally transforms order-to-cash (O2C) and purchase-to-pay (P2P) cycles by incorporating an artificial intelligence (AI) driven solution to increase productivity, enhance visibility, improve customer satisfaction and manage growth, competitiveness and global compliance.

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