

What Is The First Step Towards Digital Transformation? Q&A with Dave Bent and Ateesh Vankayala

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Introducing the speakers by Tim (00:00-01:11)

Welcome to the DCKAP E-Summit of Spring Edition. Hopefully everyone's doing okay. My name is Tim Diep and I am the customer success Manager at DCKAP and I will be hosting today.

Next I'd like to bring up Ateesh Vankayla and Dave Bent. So first Ateesh Vankayala. He's a technologist at heart and aspires to change the world through technology. He has helped Fortune 500 companies with their digital transformation and he loves sharing his expertise with others who are also trying to drive this difficult change. I'd like to bring up Dave Bent as well. He'll be the one interviewing Ateesh and he is a leader in driving transformational business changes for both billion dollar and emerging companies. Yes. ES Tech Group and Evolution Ex President Dave Bent is committed to helping any size speed to be distributor off affordably and efficiently realize its full online selling potential today.

For the Q and a session, the topic will be on what are the first steps towards digital transformation. So I'd like to welcome Ateesh and Dave Bent.

Dave bent introduction (01:12-02:54)

Dave Bent:

Thank you Tim for that. Yes. So let me kick it off here. And like everything crazy That's happened in the last 18 months, I have never met Ateesh face to face but we've been united here by DCKAP to share some ideas and lessons learned around. I don't know. Maybe it's an overused phrase digital transformation, but

I just thought briefly. I could do an intro myself and then pass it to Ateesh.

That nice picture that Tim has where I got no beard. I know, I have a beard with gray hair and I've been doing I don't know this B2B digital stuff for a long time. The first

website type was way back in 1999, which was a business to business site, and I spent a lot of time in large global companies running it on actually helping.

Really, in the last 15 years, distributors specifically with B2B capabilities and solutions and the last four years as president of a company called ES Tech Group.

Which is why Tim mentioned where we're really here to help the small medium. Even large distributors compete with some of the kind of big box providers who are effective online. How do we help the smaller distributors be equally effective as a large guys and kind of level playing field? So that's my quick intro. Ateesh, over to you!

Ateesh Vankayala introduction (02:55: 05:01)

I am very excited and happy to share my little learnings of a few years of experience in this industry, so I am very excited to be here a little bit about my background. My career was split into two parts.

First part was, primarily financial services, software development getting into,, product management.

The separator between the two was, my MBA. And then I say so or more to the business side, more slowly in the industry decision space, starting with the startup called gamut. That was, acquired by Granger and we'll get into it, I think it's part of national conversation.

So, uh, Now it has come full circle where I lead a team of product managers technology group and just a little note. I am very much into dry humor.

So if I say something, and you're like why he's saying that I'm probably joking. So please keep that in mind and forgive my poor jokes.

Dave: Atif. We might team up on that, because the accent can kind of tell that I am not originally from the U. S. And so I'll bring a British little British humor if I can.

Ateesh V: Yeah, For me. It's like coffee without the coffee. It grates up your brain on disagreeing through today, So I I love how it works anyway.

Dave: I think we can just go back and forth here and all pitch in which just really, You know, digital transformation, and you think it's kind of overused. And what doesn't really mean and you know, in my mind- Digital transformation could actually be completely

making a huge difference in the manufacturing facility. But I think the audience here is primarily focused around customer facing aspects of it

Diving in: Fireside chat (05:02-36:10)

Dave: I guess maybe just share what are some of the fundamental things you see before you know, people say digital transformation, and it's a key strategy. But just like your lessons learned what? What really has to be in place. If some kind of transformation or big change is gonna happen for it to be successful, right? Right.

Ateesh V: Okay Dave, I loved how you separated the customer facing from the let's call it back office. It could be a distribution center or a call center. Of course, we all talk about a website, but it's equally if not more important, to help solve modern day problems. Right and I'm talking HR systems, Account receivables like all of the traditional portions of an organization which we don't recognize can help. So however, we will stick to the topic and talk about how we can help customers. You know, benefit and make the process of transacting with us easier.

And when I say us, I mean businesses that are trying to save the other businesses, right? So, Dave, your question was what must be in place. I would say it is that I run things, obviously, but the first thing that needs to be in place is the why right like they should. Transformation is extremely hard, like you're alluding to earlier.

Sadly, I would say, if you had to give a pass or fail grade to do the companies trying to do it about eight of them would feel like they would come out and say that, you know you feel that they don't go back up, but they didn't quite understand how could tradition transformation be so incredibly hard. But the first thing that you know we need to have is the way like, Why do we? Why do you want to go down this journey? It's not because everyone else was doing it.

Is that the right thing to do for your business? And that's typically where the answer is yes. But sometimes the next question, which is this just the right time, where people get a trump like a lot of businesses and not ready.

Digital transformation, what people think is adding a new website on top of their existing organization, and that's not it. You know, Some of the speakers earlier talked about how content is everything, and I kind of agree with that. You know, it starts with the business.

Onboarding the website just like the end product of the end result. But if you think about making a movie, you know, We see the actors, but there's a whole cast of characters behind the scenes that make it happen.

So I think the why is fundamental and you know it is very important to start an additional Transformation journey.

Dave: I love what you just said. I would see my lessons learned to our It's actually it's often thought of us like this is an IT initiative. And it absolutely should not be an IT initiative. It should be a business strategy. And the other thing I think I've learned along the way and I will say is You know, business is a running day today and everybody's got a full time job running the business making it better. And so I actually think it's even if it's just, you know, stick with the concept that you might want to create a really awesome new e-commerce solution and engage your customers in a different way.

I think it probably has to be for I don't know. 6 to 12 month period. A number one strategy like known you know, to say revenue manufacturing focus strategy because organizations can only manage so much change it once and so I know. I just kind of think.

That is critical success. Factoring is the executive team doesn't view it as their important Probably not a good time to start but teach. Maybe maybe this is some comments. These are my thoughts.

Ateesh V:

You read my mind, I won't give exact examples because I don't want to shame any of my existing or previous employers, but that's absolutely right. And what you're getting to is focus. Right like focus is beautiful. Focus is powerful.

On when you're doing something as difficult as digitally transforming your company. There's not much else you can do that you spend about the same time and energy on and you know, as park managers are, don't say anyone. Privatization is key, right? So the example that was going to talk about is you know what other companies I went back to? I was hired to visually transform one thing that kept coming up and we'll talk more about today is the people. Right, you gotta hire the right people. Then you go to motivate them. To help the business, But as I was looking to understand

and assign the appropriate rules. One of the things I heard was, you know, we have too many, You know, the President reporting to the Vice Presidents, here we have too many directors reporting to the directors here.

You know, but we want to do something that fundamentally makes sense. I get irritated when I see four levels off the post and I was like, just like everyone else.

Dave: You know this right? There's gonna be a joke about that somewhere. A teen It's not coming right now.

Ateesh V: Damn, it's not coming, But, yeah, I mean, I fully agree with that.

But if I am looking to hire a solution architect on board, that person is going to define our technology road map. I need that person to be a director level and this is a title my company uses, the titles can vary across companies. In my company, I want that person to be a director level.

And if their manager is a director, you know that's not a reason I would choose to hire someone with less experience. This is a small example. But they couldn't agree more.

Peter, you have to pick your battles and focus is extremely important. And, you know, not trying to do too many things at once as that is a recipe for disaster.

Dave:

You know, I think so. You picked up on the people aspect tonight and I was saying philosophically, no no initiative today.

Really happens without the whole combination of people, process and technology changing and in a very coordinated way, and I think, actually even the way of doing what work with, you know, small, medium sized distributors and I found it in the large companies, just like a classic example is certainly with eCommerce. Sometimes parts of the existing organization feel threatened.

Oh, you're taking over my sales role, or my marketing role is now really different than yes, yeah that marketing role is different. I actually don't think about taking over the sales role and just putting it online.

Um, but it's definitely that whole aspect of thinking of the big picture, and I actually think engaging the organization in the whole initiative.

I don't know. Ateesh, It's easier if you run into it. But let's say in many distributors, there's a lot of language there about calling a new e-commerce site is like opening another branch of the business. It's just another term and I actually fundamentally disagree with that concept, because I think if it's effective, it actually engages every branch that exists today in the branch. I'm eating like an outlet where, Of course, both channels and so I was thinking, taking that holistic view.

And you said it right at the start is what is really the business strategy. What are the goals before you embark on the project and getting that really clear about getting the business like what is the role of sales marketing?

I would say, supply chain people to write. It has a supply chain implication because as companies go more online does this next day, Same day next day to day expectation of a supply chain. So yeah, I think

People process technology. Organizational change. Management is definitely critical to success. As you said at the front of the store. Lots of lots of projects fail, it feels like more fail than succeed versus the original intent. I think a lot of it is not having it is the number one strategy and getting the people in the process piece really engaged.

Ateesh V: So Yeah. I mean, that's exactly right

I see that happening in the B2B. Well, maybe, you know, three or four decades later, But right now we're not there yet, like our customers have grease on their hands right and then are going to go upstairs change for the computer to get that stuff. We're certainly not there yet, and their technology is right now, an eCommerce website is right now.

Is playing more of a supporting role to the existing channels. Right, that sales force- The website is going to help them.

Smarter in front of their customers straight because no salesperson is expert in every single product category that the companies but especially in the place level that broad line distributors.

Everything from the cruise to my crew is nobody is an expert, you know, Use the website to help you be an expert, you know, for customer support agents, use the website to get information quickly. So, the e-commerce strategies and augmentation to the existing channels right now. Yes. Eventually the generation dies out and, you know, people go exclusively online where you know, even talking to someone on the phone is what the right word that I just used Daisy from now on, And you know, you just want to do it online. In fact, not even said in front of a computer, do it on the phone.

Right. I see that happening a few decades from now And then you can say yes. The commerce is a channel the biggest settlement for the business and most companies that have done recently. We are seeing the biggest growth in e-commerce.

You know most of the most of our customers would find what they're looking for. It's Not a separate branch, but at this the basis of the foundation for the business.

Dave:

And bunzl as you said, it's a very broad line, a very broad offering right that covers multiple industry verticals. It could kind of be fragmented to some extent into different industries tonight. I think what we see and one thing I've experienced, I would say that I spent 10 years in the business supplying office products vertically with a wholesaler, and I think you could make an argument anyway, that that's not the most advanced policy in terms of sentence sales done online. Most dealers and distributors are doing 60-70% online.

And I would say it happened there. For one reason. The products are the kind of things that are easily purchased online right? They come out of the products. It's pencil paper. The other thing that happened was a big box player, namely Staples. Staples showed up in the vertical and decided they were going online, and they did the most awesome stuff with content.

Yeah, it was a customer experience. And I think what we see is we look at other verticals like industrial electrical plumbing distribution. We're actually in the gas of welding safety.

There's a lot of distributors. Maybe there, I say, still sleeping, thinking, Why don't we have to get into this but what we see and what we learned in business supplies is these big box players, including the Amazon business and some of the verticals that, like Granger and industrial, you know, MSC industrial. The smaller, more independent distributors are losing sales to those bigger entities where somebody goes and Google's for the product.

The sale actually goes, and the distributor who has had the customer relationship doesn't like they lost the sale. So I'm always intrigued to ask customers. I would think it's interesting to ask your customer where they are buying a product and see why? Yes,

yes, Good idea. If that 's all, be transparent and honest. It's like, okay. Why do you buy what you buy over there? Why? Not from me? You know, anyway, just philosophically. How do you actually own more share expenditure from existing customers? Because sometimes people view e-commerce as a way to find new customers? You know the whole SEO. But I think this is really as important to question and be dubious. Don't get my existing customers to buy more from me instead of the alternatives, But how do you see it in the Bunzl world?

Ateesh V:

I have recently joined Bunzl, so, most of the talking and experience would come from the start-up Gamut and Granger. But since you brought up staples, I'll take a quick detour like a 30 second detour and it's related. I promise.

So, I was purchasing a chair from staples this morning. Why Staples? Because I had to get back to rest on the chair I currently sit on. You know, you could call this an uncomfortable sofa. It's neither far, nor a chair, So it's uncomfortable so finally, the joke's are coming in. I read the staples and I'm like 6 feet 3.

So I went to a store and I sat in a few chairs, and then you know if you think of the sternum like the table on the chair was half off my story, Right. So the rest of my Uh, half of my time on my knees were like hanging out mean aside and every single chance none of them fit. So that like, sir, we have

A bigger selection online like that defeats the purpose. I want to sit on the chair, and define the conflicts. I go online, though, and behold, they had these attributes required information.

Car seat up. You know what? The stuff that you see on balance like Yes, OK, I'm impressed. I would have never expected that one. My website is like staples. I would expect a brand of price and a description.

Which would kind of vary as you go from one car, one chair to another beating. You couldn't even compare to do so. I saw this extremely important attribute called Seat death, and I'm like, okay, I'm impressed.

This is the starting of something magical. Like, Okay, let me go back up to the chairs category and let me see the attributes.

And then you know, I think the biggest one that didn't exist in the factory. I was brought back to reality. When I went to the center. I saw price I saw brand and I saw something else and they see this is there

Is the last leg. I was a customer. I could've been in and out in a few minutes, but it took me like 30 minutes Because of that little piece. It's all about.

It's all about the foundations and then getting that right. Sorry, Dave. Can you just remind me what? What? Your original question.

Dave: It's good, the example you shared. It's basically, you know, offline and online is mapping a customer journey.

Yeah, It took us two majority this morning and none quite got you to the destination not. I mean, another interesting aspect is and this is actually a question in the Q and A. I teach how to interact with customers, especially new prospects and digitalization.

And one of the things we talk a lot about is do you actually understand who the customer is, like a persona like an open part of our business? Spence that the fines Actually sitting with the distributor says. Okay, Well, who are your customers like? What do they do most episodes of and then what's that kind of patent buying journey in today's? Well, how does that happen?

Actually. So I think you know the answer to the question here, just like that one of its in the Q and a. How do you start with customers? I actually think it is really thinking through who is the customer?

What's that buying behavior? And how might that change or improve? Hopefully as if they do something online and then and then, you know, oh, I'll just come back to the second to teach. There's a vory that's funny way of selecting staples here. Hopefully that'll listening, but some of my colleagues and customers and probably say this so just Staple. I think the focus and B2B is actually the primary focus. If you're not online today, so more to current customers. The deck is the next part of your question. Yeah, a lot of the current customers. And so staples had a trick. Actually, when they signed customers up in the statistically proven, this is if you can get a customer, existing customer or new customer, but existing customers can come three times to the site and procure something they're going to keep coming back. But the simplest thing was you get a coupon code or a promotion on the first three orders. It's simple enough.

But anyway, I also rambled a lot so share some thoughts.

Ateesh V:

Such an important topic and I could easily talk about it for an hour, but let me see and

try and condense that the 60 seconds like, you know, quit running after new customers like serve your existing us works properly and then you deserve, you know to get new customers but again, speaking from the broad line distributor perspective. This thing there is, you know, the marketing of the father. What should be marketing is helping customers understand what you're offering is right. Like I've heard all over again, You know, brains. Customers have come to Granger and purchased some fasteners or screws, and then they would go to McMaster and purchase calipers.

And then they would go to your line and purchase boxes and you know, we were just, you know, going to speak to some customers. It's part of the session, and they want you to buy the clippers from the Granger line dividing the boxes. We have so many of them. I could really use the information. I had no idea I would come in, you know, get my fasteners and get out because that's what I've been doing The last 10 years and I've been always buying my clippers from there. That's what I do.

It was like, okay, But wouldn't it be simpler if it's a local industry that saves you, you know, than the one you got one invoice from. You submitted the thing once in your internal black song, And you all received it in one box or the same day. That would be life changing, But, I don't know what all of the fires that you sell yourself to me in progress. I don't know all of them.

And that is where I feel like, you know, making the customer journey too easy is also not good from a financial perspective, right? You're obviously one to help them out of spite, responsible, but bigger picture. Help is if you can show them things that they didn't think they needed, right? They didn't know that you had one where the entire arena card recommendations. Compliments come in at the right time without being too pushy.

You insert living products into the customer journey so that they can. They can actually not only educate themselves on what the company does, they could actually save time by, you know, not having all of us have done that going back to Home Depot three times. It's surprising because you know, we had no clue you needed that thing.

That's what we need to solve. But that's how you get more from existing customers.

Dave:

Agree with it, we got five minutes left. So I've got three take away So far. Maybe we could find the key takeaways. But my point is that it's gonna be a business priority across the organization. It is people's process and technology and I had to see the positive thinking for me. A lesson learned. Maybe some, in some cases the hard way, but

Number one thing is so many or existing customers. Great finding new customers can come later. But it's often a missed opportunity. And as I say you get more calls out of the wallet. Still some \$1 that was spent, uh, hired you.

I think maybe just saying a little bit about what you've seen is the right kind of person to tell him, just kind of run the site. I'm thinking about marketing sales. What kind of background would you say B2B distributor release or think of bringing into the teeth.

Ateesh V:

I think marketing and sales but also generally working for a big company. The mistake that I see people making on board and over again mistaking their experience to what the customer wants. Right. So, uh, you being human?. The people see context in a bid to be work and they are very different. Yes.

We are both Homo SAPIENS. But then that's pretty much where the difference is. That's that's what the command the ends right like because, like I'm buying diapers.

My customer is in, facility where the noise is so definite that they need headphones which is like I don't know 5000. Right. So when you think about building a website such, you're probably having your products he had on because you're thinking you're sitting in a quiet office environment and you're ordering some dough. That's enough from the Dunkin Donuts website. But if you're in a facility where it was so loud, this is not gonna work. So it's just a simple, silly example to say that. Yes, we're both humans. But the needs are very different if you think about the B2C my friend, the more you think about the B2C customer, the farther you're gonna be in terms of, you know, helping your crew business customers s. Oh, that's especially true from a market against his perspective.

Look at whether they're coming from right there coming from me to see whether it was coming from me to see what it's okay.

But it's important to ask the questions in the interview, which is how would you sell? My customer, right?

Dave: By the way, just for everybody listening. We didn't rehearse anything here. But it is the number one thing I've seen. God run. A lot of times B2B customers are hired to see experienced people to run that good to be scared, and it is not bold. It's boring, some really smart thinking off the B2C person. It's not gonna be the right person and I'm passionate about the idea that it's procurement shopping right in the heat of the

space.

And it is different and the folk features and functions. It's like a lot of repeat orders. Maybe a subscription or this, Then in a big company the procurement team and they want, you know, sign off on orders over a certain value or track track that purchases against the budget on the website.

So, Yeah, it's very different procurement scenarios and business of very different, so it's a difficult I think it's actually very difficult higher. It's finding somebody who is in B2B, but ideally has got that digital experience and really, probably from somebody you're looking up at saying they seem to be doing this pretty well. I don't know. It's tough because I guess all we can say is you don't want people to come by your team, right? What do you expect?

Yeah, but it e think it's a great point, But it's not an easy thing. But I would say generally don't go higher to see experienced people. If you're in B2B. It isn't right. They got a theater.

I'm going to focus on finding new customers and SEO and simple marketing campaigns. I didn't insult anybody but someone hopefully, hopefully that no, you user experience designer. So on this understanding, but all we get, then forget the regular kicked out. We're getting the oversight warning from a teacher. I guess I don't have open questions in the Q and A. But we can, at least, I think we can hang on a minute or two here if there are questions

Wrap up (31:36-37:37)

Ateesh V: Yeah, but i think it's a great point, But it's not an easy thing. But I would say generally don't go higher to see experienced people. If you're in B2B. It isn't right. They got a theater. It

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Tim Diep: Yes. Have a very good report. I can't believe this is the first time you guys man, This is good. Just wait. We didn't want to say that.

Get the gun in my hand.

My novel.

Because everybody would have turned off the stop. I don't think we share similar experiences. You guys were talking about staples so that's actually where I bought all the gift cards for the door dash, and it just didn't go through. It wouldn't seem list for me with a piece of crap, not just the events, planning and all that stuff, but I also do a lot

But other people, But the whole stable thing was so relevant to me. Talk about Don't hire somebody more on the BBC side of things. So just you know what? I was talking about placing an order yesterday. I was just waiting for all the 10 days so I could buy you guys a gift card, And there's nothing like a portal for me that inputs all the email address and everything. So I got a call. Actually, I gotta call exactly during lunchtime for you something today.

Are you Tim deep? Well, I just wanna make sure that you place an order because it was under \$2000.

Yeah, I should need that right now for all of Marr attending, so they have lunch and everything, and then she's okay. We're great. Confirms almost sent it to your email. And now I have 125 emails with the cars. I don't know how to distribute it to you guys. I'm gonna find a way. But just really, That's the biggest seaside right. That's not going to be at all and

If they could make us so I just have the card or whatever. Maybe I could just, you know, for all the 10 years of making it much more similar, but I'm really looking at it. It's a binding as a B2B customer. So it's uh, if you guys are with their website, everything, make sure it's good. Because your mind has multiple part numbers. You're just buying a part.

Four months apart not from a picture or visual, right? So, um, I just I just want to look, you know that, you know, But Dave and I completely see how you later excuse it or not getting his lunch. You know it Z. You know, you're not as big as you think You are. Totally. You know, Coach caught you, huh? You're right. So, uh,

Worrisome in November, though, make sure I got everything all my ducks went for. Good. Yeah. So many teachers. I gotta invite you to something. So we run a podcast.

Okay?

It's like what would I just do there? Okay? I'm funny. Yes. Yeah, well, it's kind of a pressure and I didn't come up with it. Matt Johnson came up with the podcast name. We thought that having e ticket's cool, But yeah, we could continue the topic somewhat. We can share it with you, you know. Oh, I'll get back to you, but it would be fun. Like I could do the U ex ex designer bashing in their podcast. That's true that let's take that on lets you wait after the beat to see people will better designers should take Take three is battering sdo consultants.

Oh, way Better in Tim's gonna cut us off to teach you guys really great. You know this, uh, distributors broadcast so and then teach wee drink. I believe there's a drink for that one, too. So if you want to get more, David does this is amazing, like a stable, saying this is not real. This is the first time we actually convincing over voice and not or emails and Uh, this business goes to show you that you know, there's not too many very good opinions on what is right and what works and what doesn't work. It's just about like learning that for yourself and then applying a top hand sport

I think I think then you've got a new line of business. It's called B2B e-commerce dating website. So, as we promised We're gonna stop now. We'll let you end it. I really enjoyed the conversation and does it have such a great closing for the summit? So thank you guys again every time and just wonderful conversations.

So, looking forward to the second round of conversations from you guys. All right, thanks to see you. Bye bye, E that zaara wrapped for the discount at the summit, So thank you guys. So much for just being a part of our journey. And just now you saw the collaboration between all the different tech partners and customers and just bringing everybody together for the ecosystem, So hopefully you learned a lot from this.

Again. Thank you to all of our sponsors Avalara as the platinum sponsors. APS payments as the gold sponsors and dot digital as the silver sponsors.

So thank you so much for that. That's all we have for now, and hopefully you get to stay tuned for the next DCKAP esummit in November. We do have these sessions on a monthly basis. Specific case study examples, I think the one for June will be more on the Jan San industry. Thank you guys so much for your time, and you guys get to stay safe out there.

