Acumatica
The Cloud ERP

MILESTONE
INFORMATION SOLUTIONS

Distribution, Retail, and Commerce: Electric, Electronic, and Technology Products

Industry Digest

SUMMARY

Technology products are everywhere—in our homes, workplaces, pockets, and purses. Technological advancements, consumer preferences shifts, government and corporate infrastructure investments, sustainable technology initiatives, and telework scenarios fuel market growth across industry sectors.

Wholesale distributors, retail businesses, and commerce e-tailers using legacy ERP business applications struggle to meet customer needs while managing supply chain disruptions due to pandemics and global unrest.

Discover how to transform your business with a modern, cloud ERP application with best-in-class financials, embedded CRM, robust order management, and native applications and connectors for point of sale and commerce. Harness the power of a future-proof business platform with role-based dashboards, configurable workflows, and low-code and no-code customization tools with hundreds of certified marketplace applications for extended functionality.

This Industry Digest provides an overview of the diverse wholesale distribution, retail, and commerce industry for electrical, electronic, and technology products with insights into the industry's future, market data, critical ERP software features, and a list of resources for more information.

"Anyone, anywhere can go into a particular opportunity . . . we can see all the documents associated with that opportunity—from the quotes, the sales orders to the purchase orders . . . the invoices, we see credit memos, we see everything . . ."

– CHIP HOOKS, CONTROLLER, BERTHOLD TECHNOLOGIES

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Discover How Retail and eCommerce Companies Grow with Acumatica

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Retail, commerce, and distribution sales of electrical, electronics, appliances, lighting, audio-visual equipment, and related technology products are forecast to grow significantly in the next few years. Growth is fueled by rapid advances in technology, consumer preference shifts, and significant infrastructure investments. The global pandemic helped spur investments in consumer goods to improve home office environments and workspaces for online learning.

The electrical and electronics industry is comprised of five major segments: office electronics and computers; electrical and lighting products; appliances; electronics, audio-visual equipment, and communication equipment; and instrumentation for measuring and analyzing apparatus. While many segments slowed during the global pandemic, most segments are expected to grow substantially in the next several years. For example, below are forecasts for various market segments from leading industry analysts and market research firms:

- Electrical equipment is forecast to grow from $1.5 trillion in 2022 to $2.3 trillion in 2026 (10.2% CAGR).[1]
- The global lighting market is expected to grow from $106 billion in 2020 to $140 billion in 2026 (5.5% CAGR).[2]
- Worldwide appliance sales are forecast to reach $90 billion by 2025 (4.0% CAGR).[3]
- Worldwide audio-visual experts predict growth from $232 billion in 2021 to $329 billion in 2026 (7.2% CAGR).[4]
- Smartphone sales globally are expected to reach $493 billion by 2026 from $378 billion in 2020 (11.1% CAGR).[5]
- The global process automation and instrumentation market is forecast to grow from $66 billion in 2022 to $87 billion in 2027 (5.5% CAGR).[6]

Companies are classified under varied SIC Codes including: office electronics and computers (SIC 5044-5045, 5734), electrical and lighting (SIC 5063, 5211, 5932, and 5719), appliances (SIC 5064, 5722, and 5932), electronics including audio-visual and communications equipment (SIC 5043, 5065, 5731, 5735, and 5990), and instrumentation (SIC 5049 and 5946). The table below summarizes each industry segment based on the number of employees.[7]

INDUSTRY SEGMENT	1-20	21-50	51-100	101-250	251-500	501+	TOTAL
Office Electronics and Computers	40,737	5,298	1,508	1,535	257	262	49,597
Distribution	13,442	1,809	652	313	83	108	16,407
Retail	27,295	3,489	856	1,222	174	154	33,190
Electrical and Lighting	70,011	9,664	3,515	5,658	798	544	90,190
Distribution	57,006	7,747	2,779	1,837	506	465	70,340
Retail	13,005	1,917	736	3,821	292	79	19,850
Appliances	39,445	3,114	1,739	7,804	2,923	507	55,532
Distribution	7,476	456	174	110	31	38	8,285
Retail	31,969	2,658	1,565	7,694	2,892	469	47,247
Electronic, Audio-Visual, Communication	70,849	6,894	2,750	5,200	2,949	763	89,405
Distribution	17,407	2,599	857	558	160	184	21,765
Retail	53,442	4,295	1,893	4,642	2,789	579	67,640
Instrumentation (Excluding Medical)	5,814	780	286	190	47	89	7,206
Distribution	4,355	677	245	176	43	75	5,571
Retail	1,459	103	41	14	4	14	1,635
TOTAL	**226,856**	**25,750**	**9,798**	**20,387**	**6,974**	**2,165**	**291,930**
DISTRIBUTION	99,686	13,288	4,707	2,994	823	870	122,368
RETAIL	127,170	12,462	5,091	17,393	6,151	1,295	169,562

1. Source: The Business Research Company
2. Source: Expert Market Research
3. Source: Report Linker
4. Source: AVIXA
5. Source: Market Data Forecaster
6. Source: Markets and Markets
7. Source: Data Axle

ERP Features

The Acumatica Retail System Evaluation Checklist and Distribution System Evaluation Checklist provide a starting point to evaluate ERP requirements, including point of sale, commerce, accounting, purchasing, sales order, inventory, and other capabilities. The checklist below provides a shortlist of critical ERP features for electrical, electronics, and other technology businesses.

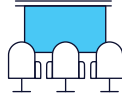| FEATURE	BENEFIT	PRIORITY	Acumatica		
Inventory Management	Perpetual inventory with lot/serial tracking, physical inventory, transfer orders, and bins.		✓		
Matrix Items	Create product families using size, style, color, and other attributes. Create orders using matrix views.		✓		
Up-Sell/ Cross-Sell	Designate higher-cost items for up-sell and complementary products for cross-sell. Establish substitute items to improve fill rates and provide greater customer service.		✓		
Item Substitution	Identify recommended substitute items to show when an item is out of stock during order creation.		✓		
Warehouse Management	Native mobile WMS with barcoding for pick, pack, and ship with directed paperless picking.		✓		
Prior Sales	Create orders based on the customer's sales history.		✓		
Stock Reservations	Reserve inventory for specific orders for fulfillment.		✓		
Drop-Shipments	Create purchase orders to drop-ship products from suppliers to customers from sales order entry.		✓		
Shipments	Create shipments with packaging details and packing slips with connections to shipping systems.		✓		
Commerce Connectors	Native connectors for B2B and B2C eCommerce storefronts with bidirectional integration for inventory items, customer information, and order processing.		✓		
Personal-ization	Capture information such as names or special instructions when the order is created through to fulfillment.		✓		
EDI Transactions	Connected EDI applications for invoices, purchase orders, advance ship notices, and other transactions.		✓		
Demand Forecasts	Native inventory replenishment formulas to predict demand by period based on sales history and seasonality.		✓		
CRM	Embedded CRM for marketing and sales management.		✓		
Omnichannel	Back-office order management, eCommerce storefronts, and brick-and-mortar retail sales with omnichannel returns and exchanges.		✓		
Pricing and Promotions	Flexible pricing and promotions, including customer pricing, volume discounts, and date-specific promotions.		✓		
Purchasing	Purchase orders with blanket purchase orders and requisition management.		✓		
Order Entry	Flexible order entry from SO screens, online storefronts, point of sale applications, imports, EDI, and more.		✓		
Point of Sale	Native point of sale with connected cash registers, scanners, receipt printers, credit card terminals, and more.		✓		
Financials	Streamline and automate financial reporting with a full suite of native accounting applications.		✓		
Business Intelligence	Gain real-time insights into your business with role-based dashboards, business analytics, reports, and inquiries.		✓		

Discover How Wholesale Distributors Grow with Acumatica

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Resources are provided below for electrical, electronics, and related technology product businesses in their digital transformation projects. Attend industry trade shows, read about ERP software and technologies in trade media and industry analyst reviews, network with peers in associations, and access Acumatica resources to learn more about ERP software to automate and streamline business and sales operations.

INDUSTRY EVENTS

- Applied Power Electronics Conference (Link)
- CEDIA Expo (Link)
- CES Consumer Electronics Show (Link)
- Clean Power (Link)
- Distributech and PowerGen (Link)
- E3 Video Game Expo (Link)
- Electro Expo (Link)
- EDS Leadership Summit (Link)
- IDEA eBiz (Link)
- Infocomm (Link)
- NAED Annual Conference (Link)
- NEMRA Conference (Link)
- N. America Smart Energy Week (Link)
- PAX Penny Arcade Expo (Link)
- SPIE Optics and Photonics (Link)
- Upper Midwest Electrical Expo (Link)
- Utility Expo (Link)

INDUSTRY ASSOCIATIONS

- Affiliated Distributors (Link)
- American Lighting Association (Link)
- Appliance Parts Distributors Association (Link)
- Association for High Technology Distribution (Link)
- AVIXA (formerly Infocom) (Link)
- CEDIA (Link)
- Consumer Technology Assoc. (Link)
- CTIA Wireless (Link)
- Electrical Equipment Reps Assoc. (Link)
- Association for Electricity Distributors Association of Canada (Link)
- Association for Electronic Components Industry Association (Link)
- Electronics Representatives Association (Link)
- Electronic Retailing Assoc. (Link)

- Energy Equipment & Infrastructure Alliance (Link)
- Global Lighting Assoc. (Link)
- IMARK Electrical (Link)
- Association for Independent Distributors of Electronics Association (Link)
- Industry Data Exchange Assoc. (IDEA) (Link)
- International Society of Automation (Link)
- Int'l Wireless Industry Consortium (Link)
- Lighting Controls Assoc. (Link)
- Measurement, Control, and Automation Society (Link)
- Mobile Electronics Assoc. (Link)
- National Association of Electrical Distributors (Link)
- National Association of Innovative Lighting Distributors (Link)
- Nat'l Electrical Mfg Reps Assoc. (Link)
- Association for Power Transmission Distributors Association (Link)
- Professional Service Association (Link)
- PSNI Global Alliance (Link)
- Solar Energy Industries Assoc. (Link)
- International for SPIE: Int'l Society for Optics and Photonics (Link)
- Telecommunications Industry Assoc. (Link)
- United Appliance Servicers Assoc. (Link)

TRADE MEDIA AND ANALYSTS

- AV Network (Link)
- Capterra (Link)
- CNET (Link)
- Commercial Integrator (Link)
- Computer Weekly (Link)
- Consumer Electronics Daily (Link)
- Electrical News (Link)
- Electrical Products & Solutions (Link)
- Electrical Trends (Link)
- Electrical Wholesaling (Link)

- Electronic Products (Link)
- Electronics Weekly (Link)
- Electronics World (Link)
- EPS News (Link)
- eWeek (Link)
- Fierce Electronics (Link)
- G2Crowd (Link)
- IEEE Magazines - Multiple (Link)
- Information Week (Link)
- Inside Telecom (Link)
- LEDs Magazine (Link)
- Mashable (Link)
- Mobile Electronics Magazine (Link)
- Network World (Link)
- PC Magazine (Link)
- PC World (Link)
- Photonics Spectra (Link)
- Power Electronics News (Link)
- Power Magazine (Link)
- Smart Home Magazine (Link)
- Software Advice (Link)
- Sound and Communications (Link)
- TED The Electrical Distributor (Link)
- Today's Lighting Distributor (Link)
- TWICE: Consumer Electronic News (Link)
- Wired (Link)
- ZDNet (Link)

ACUMATICA RESOURCES

Access more Acumatica Distribution and Retail Resources.

RETAIL RESOURCE CENTER >

DISTRIBUTION RESOURCE CENTER >

Discover why electrical, electronic, and technology business leaders rely on Acumatica to boost sales, improve efficiencies, streamline supply chain operations, and delight customers. An extensive suite of connected business applications provides unparalleled depth for inventory management, sales orders, purchase orders, customer relationship management, warehouse automation, point of sale, and commerce storefront connectivity.

ACUMATICA FOR TECHNOLOGY RETAILERS, E-TAILERS, AND DISTRIBUTORS

Acumatica is the solution of choice for progressive technology businesses. The future-proof cloud platform empowers enterprises to tailor the application to their unique needs with low-code and no-code customization tools, configured workflows, and access to hundreds of certified marketplace applications. Robust inventory, order management, warehouse automation, point of sale, and commerce connectors for B2B and B2C storefronts provide a holistic solution for digital transformation. With Acumatica, technology business executives can:

- **Boost sales** with connected storefronts, flexible pricing, promotions, up-sell and cross-sell suggestions, and integrated CRM for marketing and sales automation.
- **Simplify inventory** management with lot and serial tracking, native warehouse management, and configurable unit of measure conversions.
- **Optimize stocking levels** with robust inventory replenishment to avoid rush orders and stock-out situations with increased inventory turns and lower carrying costs.
- **Delight customers** with inventory stock reservations, faster order processing, and streamlined fulfillment.

Acumatica provides ease of use and an adaptable platform facilitating rapid integrations to connect modern technologies, including cloud computing, big data and analytics, and specialized automation systems for streamlined processes and meaningful insights across a company's operations. Acumatica delivers an unparalleled experience for users and customers alike. It is built on a scalable and future-proof cloud ERP platform with open architecture backed by the industry's best value-added reseller (VAR) network. Acumatica Cloud ERP provides the best business and industry management solution for transforming your business to thrive in the new digital economy.

"What really threw us over the top with Acumatica is that it offered a full quote-to-cash cycle, and it overlaid on top of a solid accounting system. Acumatica offered a service package, purchasing, inventory, a Client Relationship Management (CRM), quoting, manages projects and sales orders—all right there in one Operating System."

– DERRICK ELLEDGE, VP OF OPERATIONS, POWER STORAGE SOLUTIONS

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About Milestone Information Solutions

Milestone IS has been helping businesses implement enterprise resource planning (ERP) systems to improve business processes and profitability for over 30 years. By combining our unique accounting expertise, dedication to customized support, and attention to detail, we are able to help businesses maximize their ERP systems and get the most out of their investments.

To learn more about how Milestone and Acumatica can streamline your business, visit **www.milestoneis.com.**

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