



The Future of Distribution in a Post-Pandemic, Digitally Transformed World | Event Teaser Transcript

Mark Dancer, Network for Business Innovation CEO

Lou Fender, Vice President, WesBanco

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Kat Jenkins:

Hi, and welcome to Barnes Dennig Ask the Experts. I'm Kat Jenkins, marketing director, and we have a special edition for you today as wholesale-distribution industry thought leader and Network for Business Innovation CEO, Mark Dancer talks with WesBanco's Lou Fender and Barnes Dennig's Steve Bailey about trends in the industry. Mark, Lou, and Steve, thanks for joining us.

Steve Bailey:

It's great to be here today and very happy and excited to talk to Mark as well. I let him know a lot of our clients and distributors are very interested in one, just the impact of the COVID-19 pandemic on their industry. And also looking ahead at the future of the distribution industry in the post-pandemic world. So I guess my first question for you, Mark, is what are the key findings from your research "Distribution Leans In - Stories of Resiliency and Innovation During the COVID-19 Pandemic"?

Mark Dancer:

Probably the best finding and the most important finding is that the things that distributors did to innovate their business during the pandemic was not just to protect their own business and to stay in business themselves. But it was really about stepping up and helping their customers innovate. And distributors said some new things and they jumped in and demonstrated a strong culture and digital confidence and the things they did to help their customers during the pandemic will carry forward because distributors are going to carry them forward. They are the new way of doing business. I'll really talk about at least three different topics. One is self-service. That's what distributors did to help socially distant buying and services and onsite support using technology and the way they worked with customers. The second topic will be something called workflow collaboration. This is the idea that distributors can do more than provide a place for customers to buy products.

Mark Dancer:

They can actually understand what the customer's work processes are and by integrating technology and aligning their people can actually help their customers get their work done better. And then the third topic of three, and maybe more that we'll cover is about community impact. And what distributors did during the pandemic was critically important for our society and for our economy. We all read in the news about how everyday businesses were being locked down and those lockdowns had very negative effect on businesses. Well, those businesses are all customers of distributors and the things that distributors did through self-service, through workflow collaboration, through special sourcing arrangements and extended payment terms, and many other things help keep businesses in business during the pandemic and help them to survive. So that they're all around after the pandemic.

Mark Dancer:

And that was a very much a community impact that distributors made for the communities they serve and for all of our economy.

Lou Fender:

Thanks, Mark. We'll certainly look forward to hearing more about those key findings. In your newsletter, you refer to the coming B2B revolution. What exactly is the B2B revolution and how will that help our local distributor community here?

Mark Dancer:

Now, I think of the B2B revolution as the change in how the traditional value chain will operate in the future. Today, the value chain is primarily a collaboration between manufacturers, suppliers that have products and distributors that buy them and then provide them to their customers. But there were a lot of new entrants. There were marketplaces, many of which are working collaboratively with distributors to design something that works for the future. There are vendors. There are data aggregators. There are companies that are offering artificial intelligence and robotics as a service. And all of that is going to change the traditional value chain, the way that distributors and their suppliers work together to meet the needs of their customers. And I think of that as the B2B revolution. It's about creating new partnerships for a digital age. And it's also about distribution deciding "what is its purpose for the digital age?"

Mark Dancer:

I mean, the purpose of distribution has always been service and support their customers, which will remain, but distribution in total is a \$6 trillion industry. And what they demonstrated during the pandemic was that they could make an impact on our society and our economy. And that opens the door for distributors to think about "what is our purpose in the digital age?" It's a purpose that will give

meaning to their business. It'll give meaning to the next generation employees that they're seeking to come on board and help. So if we think about both topics, how do we create new partnerships? How does the value chain of all, what is our purpose for the digital age? We'll have a very excellent discussion.

Steve Bailey:

These are excellent insights, Mark. Thanks for that. One of the things that I'm really excited about is knowing that you're going to be speaking to our distributor base here in September. One of the things I'd like to ask you is what do you plan to cover in your presentation? And what are your plans for helping our audience not only act on the examples that you're giving, but the ideas that you're also going to share with the audience as well?

Mark Dancer:

Well, first I'd like to think of it more as a discussion than a presentation. And I actually want to help the folks that attend make progress. So we've already started. I've talked to a few of the companies that have attended past events and will attend this one. And from that, I've got a general sense of the topics and priorities and issues that I should discuss. We're also going to fill the surveying events again in advance, again, to get some information, to help us be on target and to help us deliver real value. I'm going to write a newsletter edition beforehand, which can function as a voluntary pre-read so that everybody that comes can have an idea of what we're going to talk about and maybe bring questions that they'd like to ask and share with the audience. The event itself should be a discussion.

Mark Dancer:

We'll get into some topics, some of which you can cover in depth, some of which maybe we wish we had more time, but then we'll do a follow-up in the form of a video or I'll write something else. Whatever is helpful to really kind of talk about what progress did we make during the discussion and what can distributors do to move forward? More than anything, I want to make sure that the content and the discussion and the ideas and the suggestions that we share are specifically applicable to the size and type of distributor that attends this event. And if we can do that, we'll be on target. Those are the events...Or excuse me, those are the topics that I'd like to cover in the event. I've got work to do to get ready. And I think we're going to have a great event. I look forward to showing up and helping. Thank you.

Steve Bailey:

Thanks!



Kat Jenkins:

Some great insights there. And we're all looking forward to learning more in that September 28th event. Again, we will be doing a full virtual event with Mark on September 28th, with that custom content based on those real-world interviews and the survey that he mentioned with distributors in our region. Plus all registrants are going to receive a free one-year subscription to Mark's insight packed industry newsletter, innovating B2B. You can visit barnesdennig.com to reserve your spot. We hope to see you then, and we hope to see you next time on Ask the Experts.