

The Power and Profit of PunchOut Connections:



How to **Cash-In** on the New Standard of e-Commerce

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Introduction

PunchOut!

Contrary to what the name might suggest, we're not talking about boxing.

But, as you're about to uncover, it does have to do with "knocking out" your competition... *and* any lurking fears you may have about your business survival.

Since you're reading this, you're likely in one of two positions; you either don't know what PunchOut is... or you know about PunchOut and are looking for your best solution.

In either case, you're in the right place. By the time you've finished this report, you'll be armed with the knowledge to...

- ✓ Connect to **bigger** customers – like Fortune 500 companies and government purchasing organizations...
- ✓ **Differentiate** yourself from your competitors...
- ✓ Present your company and products in the **best way possible** when connecting to e-procurement systems...
- ✓ Create PunchOut catalogs using the fastest, easiest, and most affordable technology available today...

In short, you'll not only understand what PunchOut *is*, but how you can **cash in** on a new standard in e-commerce.

This report might also help you avoid this embarrassing scenario we heard about recently:

Hoping to pitch his locks, hinges and doorknobs to a major builder, an eager supplier contacted the builder's purchasing manager. Unfortunately, the conversation was short...

Purchasing Manager: *"Can you do Punchout?"*

Supplier: *"What's that?"*

Purchasing Manager: *"Call me back when you find out."* Click.

The lesson? If you want to speak the language that bigger buyers want to hear, you need to be PunchOut savvy.

So let's get started.

Why the need exists...

To truly understand what PunchOut means to your business, you have to understand *why* it exists.

It's all about the world of *e-procurement*. Don't worry – it's simpler than you might think.

We could get into the heavy technical aspects of e-procurement, but you'd end up nodding off. Besides, that's not really why you're here.

You just need the basics so you'll know how PunchOut fits in the picture and puts money in your pocket, right?

E-Procurement systems are vastly complex, enormously expensive software applications that allow large organizations to ensure that buyers make all their purchases in the same way.

This has several benefits, including:

- Saves buyers time and effort
- Allows management to control purchasing budgets and eliminate maverick spending
- Allows purchasing to interface with other systems within the company including inventory control, shipping and receiving, and accounting

While these systems are a great boon to the company that invests in them, they create a problem for vendors like you *and* the buyers who need your products and services. That's because e-Procurement systems are *internal* to the company.

That means that buyers now have a daunting task; get supplier information – like products, prices, and ordering methods – *into* their e-procurement system.

That also means the suppliers who want to do business with a company that uses an e-procurement system have to find a way to 'plug in' to their system.

That's exactly why the businesses that have already figured out how to do that are the ones who get the business (more on them in a minute).

So that brings us to...

What PunchOut is, and how it works

PunchOut is simply one of several names given to the technical “protocols” or “routines” that allow you to *directly connect* your product catalogs to e-procurement systems.

The name of the protocol is specific to the manufacturer of the e-procurement system. To avoid confusion, for this report we'll just refer to all e-procurement connections as 'PunchOut'.

e-Procurement Systems		Protocols & Message Formats	
Ariba	ePlusB2B	Flat files	ANSI x12
MRO	PeopleSoft	SOAP	EdiFact
Oracle	Market4Care	CSV	RosettaNet
Epicor	Perfect Commerce	TapOut	Oracle XML
SciQuest	Oracle Exchange	EDI Van	EDI Software
SupplyNet	Science Warehouse	AS2	Ariba Punchout
SAP	IBM ShopOut	XML	cXML
ExoStar	Ketera	API	OCI Roundtrip
Infor	Unity	S-FTP	SAP Idocs

A connection by any other name: PunchOut is one of many names e-procurement systems have for their connection protocols.

The ability to connect to an e-procurement system via PunchOut allows you to do business with bigger customers –and compete at higher levels – than you may have ever thought possible.

Putting a face on your connection

Okay, so you're connected, now what?

This is your opportunity to really shine to your customer by providing a PunchOut *Catalog*.

That's simply a dedicated website created *just for that customer*. This site features *just* your contracted or requested items. That helps your customer by not forcing them to wade through your entire product line to find what they need.

Additionally, your PunchOut Catalog displays *their* pricing. That means they don't have to manually calculate any special pricing that's part of your agreement.

So, your PunchOut Catalog allows customers to easily shop and buy from you from within their existing e-procurement system. In short – you're making it easy for them to do business with you.

Now comes the good part.

You see, until recently only businesses with vast technical resources and *deep* pockets (i.e., giant supply companies) could connect to these complex e-procurement systems.

Just take a look at these supply categories and the companies who dominate them:

Office products	Staples, Office Max, Office Depot
Industrial supplies	Grainger, MSC, HD Supply, Snap-On, Fastenal, IDG
Laboratory equipment and supplies	Fisher Scientific, VWR, Perkin Elmer
Computer equipment and supplies	CDW-G, Apple, Dell, TechDepot, Sharp, PC Mall, Lenovo, SHI
Furniture	Steelcase

Follow their lead: There's a reason these companies have dominated for decades. But the good news is that you're about to *level the playing field*.

What do all these success stories have in common?

You guessed it; *they all have PunchOut (or similar connection) Catalogs.*

The truth about CIF and other flat files

In the spirit of fairness, you should know; PunchOuts aren't the only way to get your information into e-procurement systems.

You can provide your product and pricing info via data files (also known as "flat files") such as 'CIF' (catalog interchange format). Here's all you have to do:

- Manually enter all your catalog product descriptions, prices, and part numbers into an Excel spreadsheet
- Convert it into a CIF (or other flat file format) that can be loaded into your customers e-procurement system.

If you think that sounds easy, you haven't heard the things e-procurement system managers mutter under their breath every time they receive a flat file catalog. Because the fact is...

CIF files are extremely painful, time-consuming, and labor intensive for both seller AND buyer

You see, even after you've completed your end, there are people on your customers end who then have to load that file into their e-procurement system.

And after talking with a bunch of them we can tell you; they *hate* it.

But back on your end, maybe you've got a super-tech on your IT team and he whips out that CIF file in a few hours – no big deal, right?

Here's the thing; whenever you need to make simple changes, like add a product... delete a product... change part numbers... change prices, etc... you have to create and submit *a whole new file*.

What's more, if you want to offer non-contract items in addition to contracted items... or sell products under multiple contracts... you may have to create and maintain separate CIF files for each one.

But that's not even the worst part. Even after all the effort, all you end up with is a simple, boring, and often cluttered looking 'line item' list on a page within the buyer's system.

That's not even *close* to the same appeal and ease of use that a dedicated product page within a PunchOut Catalog provides (and another reason buyers don't like data file catalogs).

And there's more... an *unfortunate side effect* of how much time it takes to create and load flat files into the e-Procurement system:

The system doesn't reflect any changes to your items or prices (like a discontinued product from the manufacturer) until you have the time to manually create – and the customer has the time to load – the new CIF file.

And that leads to ordering errors and issuing refunds to frustrated customers.

Do flat files have *any* benefit? Well, that's a matter of opinion. But what *isn't* opinion is the fact that, with the 'line item' style of flat file catalogs...

Your products appear with *thousands* of other line item catalogs – among sometimes *millions* of other products – inside your customer's e-procurement system.

Fortunately, that's **not** the case with PunchOut Catalogs.

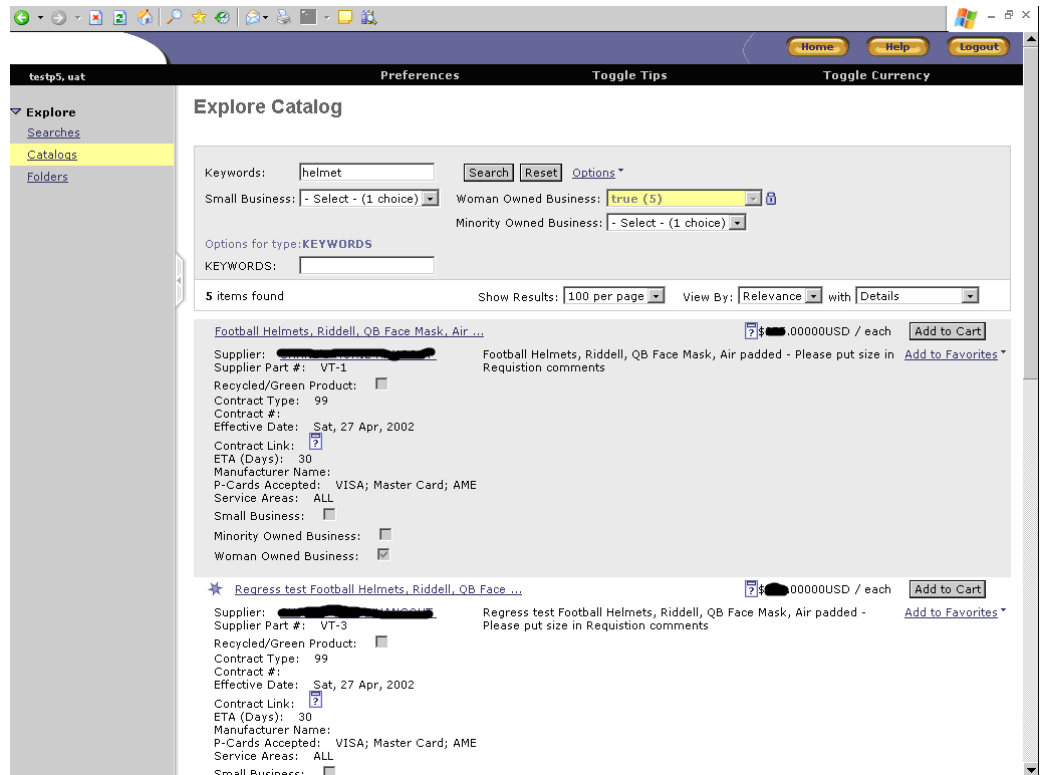
Your PunchOut connection guides your customer to your dedicated PunchOut website; where you can present your products in a more seductive, interactive and pleasing way to the buyer.

Not only that, but thanks to technology breakthroughs you're about to discover, you can make changes to your products and prices *instantly*.

It should be obvious by now that PunchOut catalogs are clearly the preferred choice for the **buyers** within an e-procurement system. **That's why, unless the customers specifically requests it, most suppliers won't touch CIF with a 10 foot pole.**

Actual “hosted” catalog (client, vendor and prices marked out for privacy) –

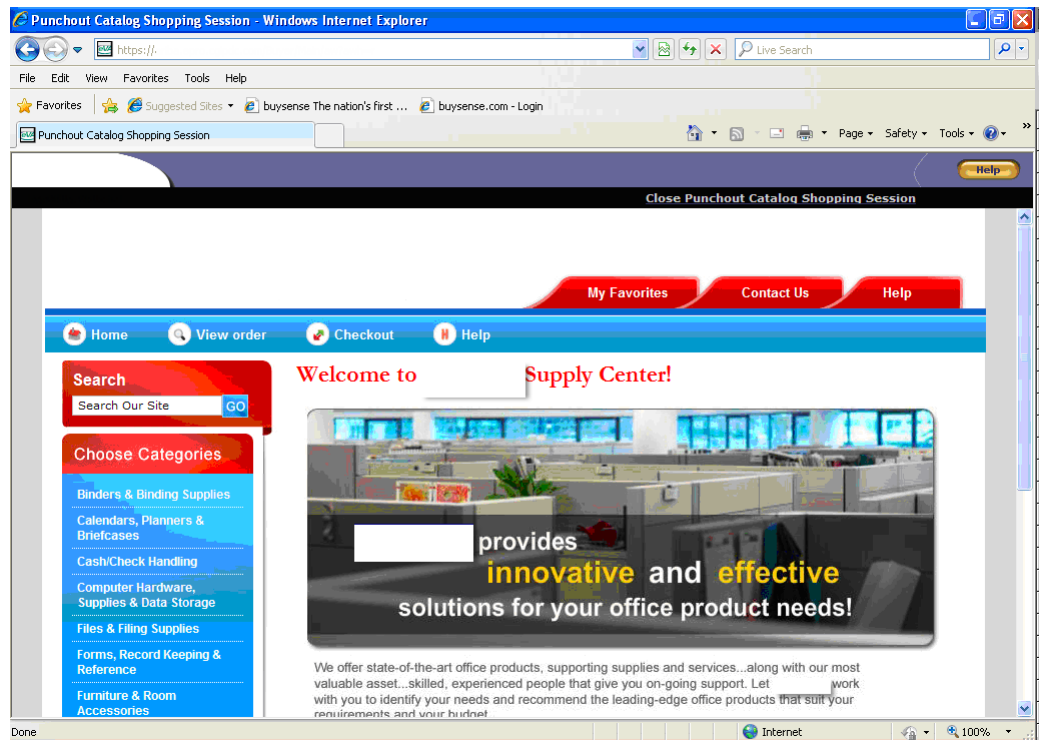
With hosted catalogs via CIF files, what the buyer sees and how you can market your product is limited.



Actual PunchOut Catalog (client and vendor marked out for privacy) –

With PunchOut catalogs, you can present your company AND your products in a way that is more appealing and convenient for the buyer.

And unlike your public domain website, the PunchOut site integrates with e-procurement functions using special technology.



Okay, so now you know... the ‘big players’ dominate with PunchOut style connections.

Now the only thing left for you to discover is...

How you can level the playing field

“For the times they are a changin’...”
- Bob Dylan

Finally, you can have the same advantage of the supply giants of the world. That means the days of big suppliers monopolizing the purchases of big customers are drawing to a close.

That’s because recent advancements in technology allow companies of *any* size to connect to *any* customer – *anywhere*. And you no longer have to have the operating budget of the Pentagon to do business at the highest levels.

We’ll reveal these advancements in just a moment. But first...

What does it really mean to ‘connect’?

On a very real level, connecting with your customers means the same thing it does with anyone else in your life.

Think about it... don’t you feel the most connected to those people who understand your needs... that express their desire to help... that put themselves in your shoes?

Sometimes it’s easy to forget – customers are people just like you. At the end of the day, they want to go home without feeling like their jobs just sucked the life out of them.

So when it comes to providing your products and services, *connecting* means understanding – and delivering – ways to make your customers lives *easier*, and *more pleasant*.

And that means providing **convenience**, **adaptability**, and **personalization**. And if you think about it... aren’t those the same qualities you want from companies *you* do business with?

The *new breed* of e-procurement connection technology

There are a number of companies out there who offer simple (though **very** expensive) e-procurement connections.

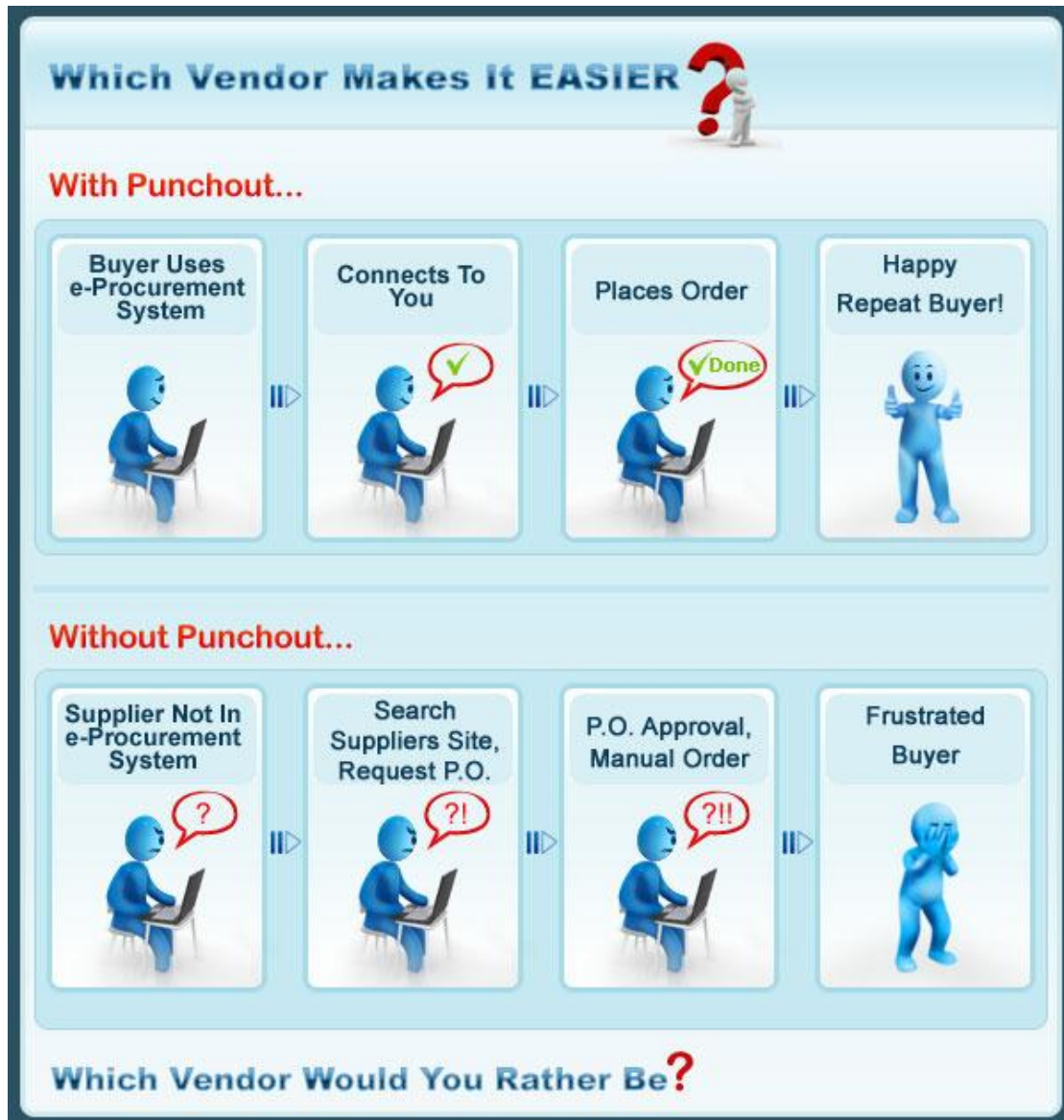
But there’s really only one – **CoreXpand** – that has a technology that offers all **three** of the business qualities your customers – and you – are looking for (*and* it doesn’t require a second mortgage on your house).

Called **Adaptable Commerce Engine (ACE) Technology™**, this proprietary platform *supercharges* a typical e-procurement connection. Here’s how it differs in three distinct and vital areas:

Convenience

Remember, e-procurement systems are at the heart of buyer activity. That's because, within their system, they can accomplish every task they need to as it relates to their jobs.

So anything that takes them *out* of their system only creates more work. Sadly, that's what's required to do business with *any* vendor that's not in their system.



Is it any wonder? Saving buyers frustration – by providing PunchOut Catalogs – is how big suppliers have grabbed up the lion's share of e-procurement orders for decades.

As you can see, when buyers order outside of their e-procurement system, it creates more hassle, and adds more time to their tasks.

So, when faced with two vendors with similar products, which one do you think they'll order from; the 'outsider', or the one that's *connected*?

This is precisely why more and more companies are not just *asking* for PunchOut catalogs, they're **demanding** them. In fact, there are countless stories of businesses losing HUGE contracts because they either *couldn't* – or even worse, *wouldn't* – provide these connections.

So, by providing *your* PunchOut Catalog, you're giving your customers exactly what they want; you're making it *easy* to do business with you.

But what about *your* convenience? That's important too, right?

That's just one of many ways that **A.C.E. Technology™** stands head and shoulders above other options.

You see, other PunchOut solutions require a lot of time to set up, and heavy interaction with your IT department. If you've got the time (and money) to spend, that may not be a problem.

But why burn up all that time and money if you don't have to?

CoreXpand provides you a quick, user-friendly, online **administration console** to create and manage *multiple* PunchOut Catalogs.

You just select the parameters, plug in your catalog items and pricing, choose some design elements, and *voila*... an instant, customized PunchOut Catalog.

Plus, there's a whole other dimension of convenience that others simply can't offer... and it's another critical benefit to you and your customer...

Adaptability

In today's business climate, you have to be flexible, nimble, and responsive... in a word; *adaptable*.

Another unique feature of **ACE** is an online, secure Admin Control Console that *let's any authorized user with average computer skills* make real-time changes to your PunchOut Catalog.

Update products, prices and more with point and click ease. No more order errors from out of sync catalog items or prices. This secure, *login specific* user interface (you can assign various rights to individual users) allows you to do much more than adapt your PunchOut Catalog. You can track sales, run reports, and more.

Of course, there's more to being **adaptable** than changing catalogs.

With the ever changing landscape of technology, new e-procurement systems – and their unique connection protocols – spring up like dandelions everyday.

If you tried to figure out how to connect to all the *existing* systems, let alone keep up with all the *new* ones – you'd likely throw your hands up and call it impossible.

But imagine *this* for a moment:

What if you could create ONE PunchOut Catalog... and then adapt that ONE catalog to ANY situation?

That's the beauty of **ACE Technology™**... once your products and prices are inside the **ACE** framework, you can connect your existing catalog to **any** e-procurement system, using **any** protocol, **anywhere** in the world.

Of course, every customer will have a few different items and prices between them. And thanks to **ACE**, all you have to do is log on to the secure control console and make your adjustments in minutes.

What you end up with is a truly *universal* sales tool – capable of connecting your sales to anyone, anywhere.

CoreXpand's A.C.E. Technology™ allows you to connect your sales to thousands of customers –



regardless of what e-procurement system they use.

Need an entirely new PunchOut Catalog for a special customer? No problem. Using an intuitive Admin Control Console, you can create a new catalog in minutes... complete with new layouts, color schemes, design, etc.

Could anything be any *more* adaptable? Well, in the case of **CoreXpand's** technology... **YES**.

How about adaptable payment methods that allow you to take orders via everything from credit cards to p-cards? You can even provide custom points and rewards programs.

The bottom line is this: With **CoreXpand's ACE Technology™**, your PunchOut Catalogs can be adapted to **any** customer need... *even if you need custom functions...* making **you** the most *adaptable* supplier any customer on earth could possibly hope for.

Personalization

So now, you've made it convenient for them to do business with you, and you've made your offerings as adaptable as they could possibly be.

What else is left?

Remember, you want to make it easy *and pleasant* to do business with you. You probably know that most buyers have particular pressures and stresses to deal with on any given day.

So anybody that helps make their day a little easier, and a little more pleasant, gets *remembered* when it comes time to order again. It's human nature.

Besides providing great customer service, you can make it a little bit more pleasant to order from you.

How? By personalizing how you present your products and your company when they order.

And thanks to **CoreXpand's** online administration console, you can select different 'look and feel' templates to make your PunchOut Catalog your own - in minutes.

Or, you may choose to add custom graphics to show a little more of your company's "personality"... creating an even more unique connection with your customer.

Check out this small sample of the different types of customer-specific, branded sites created using **ACE Technology™**:



CoreXpand can even help 'brand' your sites to both you *and* your customers. That helps your customers feel special, and makes buying from you feel even more "familiar".

BONUS: the *real* secret of PunchOut success

As you *now* know, PunchOut connections have been a kind of “secret weapon” for some of the largest and most profitable suppliers in the world.

And after seeing what they do for your customers, you can now understand why.

But there are some *hidden* benefits that few, if any, of those who profit from PunchOut ever talk about publicly.

You can be sure that *they* talk about them... on the golf course and over a cigar in smoky back rooms.

If you read nothing else in this report closely... *pay attention* here... because you're about to uncover PunchOut's **greatest** benefit.

Here's what the big guys “get” that you likely have never thought of:

When it comes to e-procurement connections, it's not *really* about providing your customer a technology solution... *it's about capitalizing on one of most convenient and affordable marketing opportunities available anywhere.*

Think about it... one of the greatest challenges of marketing is the struggle to get your customer's *attention*.

And that's why successful businesses invest so much money in advertising and marketing. It's the 3 “E's” – exposure, exposure, exposure.

Why are exposure and attention so important? It's simple; you have **no chance** of customers buying from you if *they're not aware you exist*.

Now picture this... e-procurement systems are predominantly used by organizations with large numbers of buyers. And in the case of government organizations, those buyers number in the *thousands*.

Not only that, but where the actual *consumer* of the product has access to the e-procurement system (in order to view the products they want so they can submit requests to the buyers), that number grows to *tens of thousands*.

And there's where it starts getting good...

In many cases, such as government environments (especially when it's the *consumers* doing the shopping)... the buyers are **required** to only shop within the e-procurement system.

That means you potentially have *tens of thousands* of shoppers in the position of every marketer's dream; **a captive audience**.

That's why the suppliers at the top of the food chain realize just how powerful this is. Especially when compared to other marketing channels.

How much would it cost you to send a catalog out to tens of thousands of *prospects*? With printing, labor, and postage, you're easily looking at \$20,000 or more.

And that's just to market to customers *in the hopes* that you're reaching them at a time when they're interested in buying. If you don't, you'll have to rely on sheer luck – that they'll pull your catalog from deep in a stack of others some day when they're in the buying mood.



Where are you? Will your customers pick you out of the stack, and make the overwhelming expense of catalog mailing worth it? If only you had a captive audience...

Now, compare that to the captive audience, the proven buyers, within an e-procurement system. Thousands of shoppers... *actively* looking for your products... *because* they're ready to buy!

And here's the kicker; because your PunchOut Catalog already exists, it costs *next to nothing* to feature different products or specials using your Admin Control Console.

And that's because you can make changes to your PunchOut site in minutes, without paying companies to do it for you or even tying up your IT resources. That's something even the PunchOut veterans don't have over you if you're using **ACE Technology™**.

You see, it's Marketing 101... *listen to the customer and give them what they want*. And no other marketing channel let's you do that as quickly – and as cheaply – as e-procurement connections using this e-commerce breakthrough.

Here's another thing the players at the top realize... the scenario we've just described is *just within ONE system!*

So get this... with the universal sales tool **ACE** gives you, you can connect to dozens – even hundreds – of other e-procurement systems out there.

Are you starting to see the picture... the **massive** potential of *connecting*?

Your competition sure hopes you aren't. And the supply giants who have monopolized this ripe opportunity for decades are hoping you'll ignore it.

And the unique adaptability of **ACE Technology™** offers perhaps the biggest benefit of all... something even the big fish don't have...

You can offer the same convenience, adaptability, and personalization to ALL your customers – even those *without* e-procurement systems

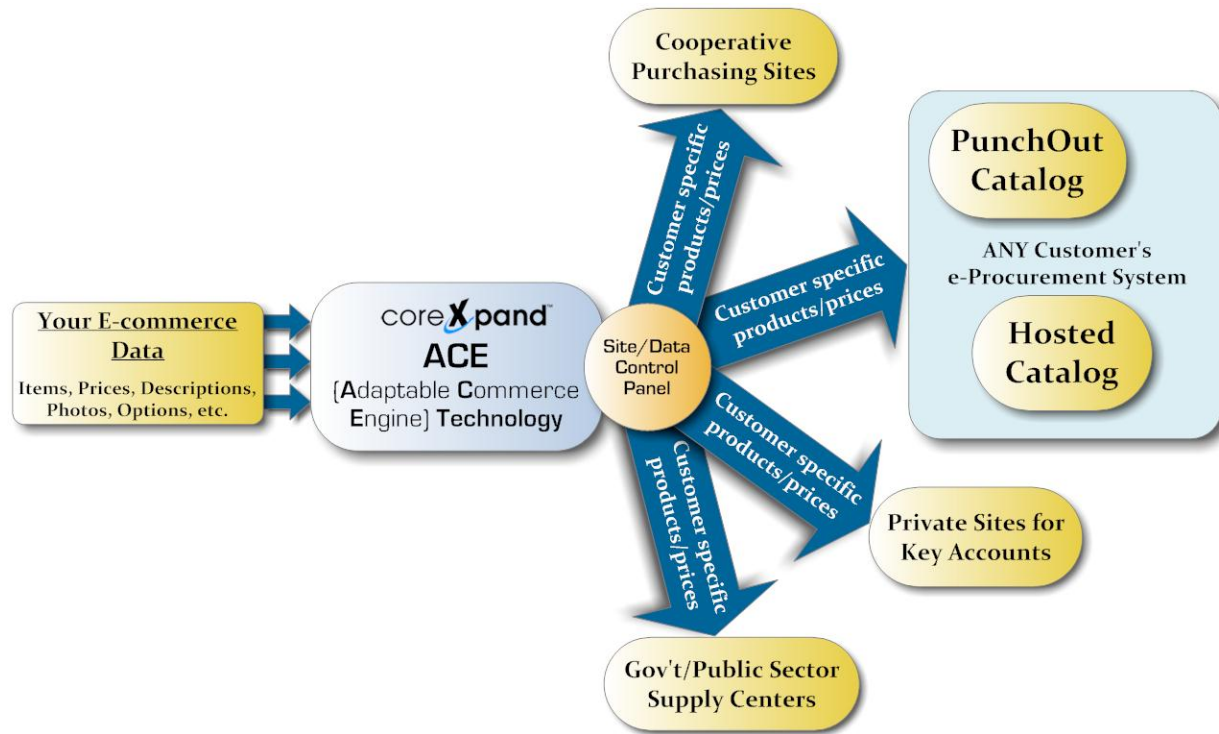
So now you know why companies spend massive amounts of money to use e-procurement systems to make their purchases, and why they LOVE PunchOut Catalogs:

- ✓ They can quickly find the products *they* use without wading through thousands of products they'll never use. They can even have quick lists of regularly purchased items.
- ✓ They can instantly see *their* price, without having to worry about calculating or making mistakes.
- ✓ They can shop and order within an environment they're comfortable with; one that's tailored to their needs and preferences, including items organized into categories that fit the way *they* do business.

In case you haven't already figured it out, the nature of these types of sites – total customization to your specific customer – is the main reason why your main public website can never serve their needs in the same way.

BUT... what if you could offer that *same* convenience, adaptability, and personalization to ANY customer... **even if they have no purchasing system?**

Once again, **ACE Technology™** provides the solution...



You see, once you're in the **CoreXpand** system (set up on the **ACE** platform), *the sky's the limit* in terms of what you can do with this potent tool in your arsenal.

For example – do you have key accounts that you **can't** afford to lose? With **ACE**, you can give them a private key account site of their very own and provide them an *unprecedented* level of service.

Imagine... your customer heralding *you* as the hero that's providing them the same **convenience, adaptability, and personalization** normally reserved for big e-procurement users.

Their prices... their items... all on a site personalized just for them? Once they get used to that kind of convenience and personalized service, you've made it *next to impossible* for your competitors to even get their foot in the door.

Plus, as you've just learned, you now have a fast and affordable way to market directly to that client.

How you can start **CONNECTING** today

As you can see, PunchOut connections are quickly becoming the *standard* way that large companies and huge government purchasing groups are doing business with suppliers.

And with **ACE** growing in popularity every day, even companies without e-procurement systems are coming to rely on this new level of convenience and adaptability.

In fact, here's just a small sample of the companies that have used, or have been served by, **CoreXpand's ACE Technology™**:

- AAA
- American Express
- AT&T
- Avis
- BASF
- BP
- Chevron
- Cisco
- CITGO
- Coca-Cola
- Dannon
- Diebold
- Exxon
- FedEx
- First Franklin
- Healthnet
- Hertz
- Jeld-Wen
- Pulte Homes
- McGraw Hill
- Motorola
- Shell Oil
- Siemens
- Sprint
- Texas Public Schools
- Toshiba
- US Bank

What do these companies all have in common? They need PunchOut/e-commerce connections with **rock solid** performance, so they don't trust those connections to just anyone.

So, if you think it's time that you *connected* to more sales, bigger clients, and a **higher level** of opportunities, here's what you can do, *starting right now...*

Critical next steps

If you already have a PunchOut need identified for a customer or prospect, or just want to learn more and/or see it in action, your ability to start *connecting* can begin with a simple *conversation*.

Because, after helping thousands of businesses and millions of users make **billions** of dollars in sales online, one thing we've learned is that *a simple conversation can trigger ground-breaking ideas for your business.*

You can [set up that conversation right now](#). There's no hassle, no pressure, no obligations – just solid answers from seasoned experts who can help you reach your next level.

If you don't use the link above, you can simply email us at ACE.info@coreexpand.com. Or, if you prefer to talk to someone live, just call 1-800-226-0834 and we'll put you in touch with our team right away.

We hope you found this report informative, and maybe even a little entertaining. If you'd like to learn more about CoreXpand, [visit us online](#).

