

The Importance of Transparency Between Trading Partners



The current supply chain disruption makes it even more important for trading partners to work together in an open and transparent way. If everyone in the chain has full and up-to-date visibility of costs, margins and risk, you can work together to agree deals that protect you all – while making sure the customer is well served, too. Transparency starts with getting to know your suppliers, with the aim of building a solid partnership that can bring about significant benefits for both parties. In this checklist, we go over the key points that makes transparency so important.

Improve the Customer Experience

We are living in a time where supply chains have had to quickly adapt to work more efficiently to satisfy the demands of customers. Without transparent supply chains, you will not be able to replenish your inventory quantities at the right time and will struggle to plan for changes in demand and other factors that can dramatically influence the experience.

Problems or misunderstandings emerge when companies function only in a reactive mode. By involving your trading partners this will help to strengthen your deals and your customers will be much more likely to keep coming back to you.

Maintain Mutually Beneficial Relationships

The term “mutually beneficial” is core to a successful partnership and helps to ensure that both parties are committed to the arrangement. If there is a lack of transparency, this can create gaps in the relationship. Creating transparency helps the buyer and the supplier react cohesively and develop trust to take the relationship beyond being merely transactional.

Although the creation of mutually beneficial partnerships is not easy, modern technology provides an opportunity for the relationship to evolve from fundamentally competitive to symbiotic relations. When both parties know what to expect from one another, they can identify opportunities to activate mutually beneficial deals leading to better margins, better supplier relationships and profitable growth.

Find Additional Cost Savings

A supplier relies on the orders received from their customers, while businesses depend upon the fulfilment and efficiency provided by the supplier. Over time, a strong relationship between suppliers and the organizations that use them can generate even further cost savings. Having transparency into the demands and routines of each business can uncover areas of continuous improvement that can benefit each company.

An easy way to make this happen is with dashboards. The tool(s) you’re using to facilitating your trading partnerships should have dashboards that provide insight into deal status, goals targets and other key metrics.

Gain Equal Visibility of Your Deals

Many times, the non-transparency of your tools and processes can create gaps in the relationship. Technology can play a crucial role in filling this gap. By using one system for managing and tracking rebate programs, both parties can achieve a clear view of where there are opportunities for mutual benefits and growth. Also, if you have the visibility and agility to re-align and re-agree rebate programs as strategies change, it puts you in a much stronger position than companies that only review and renew their rebate programs once a year (if that). Again, the tools you’re using should provide you with dashboards that make tracking all of this information simple and straightforward.

Drive Business Growth and Margins

For many companies, growth is key to success but achieving growth on your own can be a herculean task. When trading partners are open and transparent with each other about their business goals and the costs and risks they’re taking on, it’s easier for everyone to align around those business objectives and work together on their incentive programs. In situations where it makes sense and drives new business, it can make a substantial difference to both trading partners bottom lines.

A collaborative trading relationship grounded in transparency and trust is a win-win for everyone. Making the move from being distant to a relationship based upon transparency can foster positive outcomes and bring about new opportunities in terms of efficiency and value. All of this can be facilitated with a rebate management platform with build in collaboration capabilities that keeps everyone aligned and aids transparent exchange of information. **Discover how with a live demo at enable.com/schedule-demo**