

# Five Core Areas Every Distributor Should Monitor Weekly

In collaboration with **Phocas**.

This has been produced jointly by Klipboard and **Phocas**. Together, we help wholesale distributors combine operational and financial data to gain greater visibility across their business, helping leaders make more informed commercial decisions.

**Better performance visibility starts with knowing what to measure.**

The earlier you identify changing trends, the easier it is to respond before they affect profitability, cash flow and customer service.

## Gross Margin

**Is every sale contributing the profit you expect?**

Margins rarely disappear overnight. Monitor changes by customer, product, supplier and sales representative to identify where profitability is being eroded.

### Monitor:

- + Product margins by customer, product or supplier.
- + Discount levels.
- + Supplier costs.
- + Margin performance between branches.

## Inventory Performance

**Is your stock working for your business?**

Inventory should support customer demand, not tie up unnecessary working capital. Monitor stock performance regularly to identify slow-moving products, excess inventory and emerging shortages

### Monitor:

- + Inventory turnover.
- + Days Sales of Inventory (DSI).
- + Stock-outs.
- + Slow-moving inventory.

## Customer Profitability

**Are your most valuable customers also your most profitable?**

Revenue doesn't always equal profitability. Understanding which customers generate long-term value, and how pricing, rebates, service costs and buying behaviour affect returns, helps businesses make better commercial decisions.

### Monitor:

- + Profit by customer.
- + Average order value.
- + Repeat purchasing trends.
- + Rebates and high-service, low-margin accounts.

## Cash Flow

**Can you see cashflow pressure building before it affects the business?**

Healthy sales don't always result in healthy cash flow. Monitoring receivables, debtor ageing and purchasing trends helps identify financial pressure before it becomes a problem.

### Monitor:

- + Outstanding invoices.
- + Debtor ageing.
- + Cash Conversion Cycle (CCC).
- + Working capital.

## Operational Performance

**How efficiently is your business processing orders?**

Financial performance is often a reflection of operational performance. Monitoring warehouse, fulfilment and delivery activity helps identify where operational delays may begin affecting customer service and profitability.

### Monitor:

- + Order processing time.
- + Warehouse throughput.
- + DIFOT (Delivered In Full, On Time).
- + Backorders or fulfilment delays.

## Better Decisions Begin with Better Visibility

No single metric tells the whole story.

Together, these five measurement areas provide an early indication of changing business performance, helping you identify opportunities sooner, respond more confidently and stay in control when market conditions change.

## Understand the Metrics?

Download our guide to learn why these core areas matter and how to use them to improve business performance.

[Read the Guide →](#)

## See How Your Business Compares?

Explore Phocas' **Inventory Trends in Wholesale Distribution** report for industry insight, benchmarking and emerging inventory trends.

[Download the Benchmark Report →](#)

