



epaCUBE

One-Stop Distributor Case Study



Customer: Coburns
Website: coburns.com
Location: Beaumont, TX
Industry: Plumbing, Electrical, Waterworks, and HVAC products distribution
Partner: epaCUBE
Partner Website: epacube.com

Company Profile

For 90 years, Coburn Supply Company has remained a family-owned distributor of commercial and residential plumbing, electrical, waterworks, and HVAC products and services. Coburn's has more than 50 locations and three centrally located distribution centers serving Texas, Louisiana, Mississippi, Alabama and Tennessee providing a large variety of quality products efficiently.

Software and Services

- epaCUBE Profit Optimizer
- epaCUBE Claimback Rebates
- ERP: Accuterm
- HARDI Member

For more information about epaCUBE Price Optimization solutions, contact: sales@epacube.com



Boosting Profits with Precision: Coburns Supply Company earns 15x ROI and significant weekly margin gains with epaCUBE

Over a span of four years, Coburns Supply Company, a leader in the plumbing, heating, air conditioning, electrical, builder products, and appliances industries, partnered with epaCUBE, a pricing software solution provider, to overhaul its pricing strategies and internal processes. This case study explores how the company achieved a 15X ROI, focusing on the importance of consistency, efficiency, and data-driven decision-making in driving sustainable growth.

Background

Coburns Supply Company, founded over four decades ago, has established itself as the premier provider in the plumbing, heating, air conditioning, electrical, builder products, and appliances sectors. With a robust network of branches across multiple regions, Coburns prides itself on offering high-quality products and exceptional customer service. As the market conditions evolved, Coburns faced increasing pressure to maintain its competitive edge while managing complex pricing strategies across its diverse product range.

Prior to partnering with epaCUBE, Coburns wrestled with ineffective pricing strategies, relying on outdated tools that were both time-consuming and inefficient. These challenges barricaded the company's ability to capitalize on market opportunities, resulting in missed possibilities for margin improvement and growth. Coburns sought a solution that could streamline their pricing processes and enhance overall efficiency. Recognizing the need for a more sophisticated approach, Coburns turned to epaCUBE: A leader in pricing software solutions. Their collaboration marked a pivotal moment in Coburns' journey, setting the stage for significant operational improvements and financial gains.

Challenges

Coburns Supply Company faced multiple challenges in their pricing strategy implementation that significantly impacted their operational efficiency and profitability. The primary issue was an ineffective matrix and strategy implementation. The lack of cohesion and consistency in their pricing strategies resulted in fragmented pricing across various product categories. This inconsistency not only confused customers but also led to lost revenue opportunities as the company struggled to maintain competitive pricing. The absence of a unified approach meant that each category had its own pricing model, making it difficult to achieve a streamlined and effective pricing strategy.

In addition to the fragmented pricing, Coburns was bogged down by time constraints and inefficiencies due to unfavorable and time-consuming tools they used for pricing. These outdated tools interfered with the company's ability to respond swiftly to market changes, leaving them at a disadvantage in a fast-paced industry. Furthermore, the diverse range of products and the unique demands of different regional markets added layers of complexity to the pricing process. Each region had its own market dynamics, making it challenging to implement a one-size-fits-all pricing strategy.

Rob Bryan, Pricing Manager, said "epaCUBE has been a refreshing partner in helping us learn and implement strategies effectively."

This intricate web of challenges made necessary a comprehensive solution that could simplify and optimize the pricing process, allowing Coburns to navigate these complexities effectively and achieve consistent, profitable pricing across all categories and regions.

Solution

Pricing Optimization

To address the challenges they faced, Coburns Supply Company worked alongside epaCUBE to implement several key solutions. One of the more significant initiatives was the rollout of a Global Price Matrix Model in December 2020. This comprehensive model covered **300 product categories** and was successfully implemented within just 3-4 months. The new matrix provided a cohesive and structured pricing framework, which helped eliminate the inconsistencies and fragmentation that previously affected the company's pricing strategies. By standardizing the approach across a wide array of products, Coburns was able to achieve a more streamlined and effective pricing process, setting the stage for improved profitability and operational efficiency.

In addition to the global price matrix, epaCUBE's software brought enhanced efficiency and speed to Coburns' pricing operations. The automation and advanced analytics capabilities of the software allowed Coburns to achieve significant time savings, enabling the company to respond more rapidly to market dynamics. By June 2021, these improvements translated into impressive weekly margin gains. **“Thrilling to see the results turning into extra gross profit dollars”.** epaCUBE facilitated the development of market-specific strategies, allowing Coburns to tailor its pricing to the unique demands and competitive landscapes of different regions, such as Houston and Nashville. This targeted approach ensured that pricing strategies were optimized for each market, further boosting profitability. The successful application of these solutions was also due to effective stakeholder engagement.

By securing buy-in from top management and emphasizing the substantial ROI, Coburns was able to align its pricing vision with overall business goals. This collaborative effort created a culture of innovation and commitment, encouraging employees to embrace new tools and strategies.

Rebate Management

Since adopting our Claimback Rebate Manager software, Coburns Supply has experienced remarkable success in streamlining their financial processes. Previously, it took them weeks to compile and submit their claimback amounts to request money from vendors each month. Now, this has been drastically reduced from weeks to just a couple of days. The software automates the entire process, including generating proof of purchase information, which saves significant time and effort. Additionally, even when customers are enrolled in multiple rebate programs, the software allows them to set priorities for which contracts to claim against, ensuring maximum efficiency and accuracy. This transformation has significantly improved their operational productivity and financial accuracy.

Results

The collaboration between epaCUBE and Coburns Supply Company provided substantial results, structurally transforming the company's operational efficiency and financial performance. One of the most notable outcomes was the significant efficiency and profitability gains achieved through epaCUBE's tailored solutions. The advanced pricing software streamlined Coburns' pricing processes, allowing the company to operate more smoothly and react swiftly to market changes. This newfound efficiency not only reduced the time and resources spent on pricing but also

directly impacted the company's bottom line, driving sizable financial improvements.

On a weekly basis, the company sustained significant margin gains, underscoring the consistent impact of the enhanced pricing framework. epaCUBE's approach of developing market-specific strategies allowed Coburns to tailor its pricing to the unique demands and competitive landscapes of their various regions. This targeted strategy not only improved their customer satisfaction by offering competitive and fair pricing but also strengthened Coburns' position in the market, ensuring long-term growth and stability.

Conclusion

The strategic collaboration between epaCUBE and Coburns Supply Company led to a significant transformation in Coburns' pricing processes, highlighting the vital role of consistency, efficiency, and data-driven decision-making in achieving sustainable growth. Leveraging epaCUBE's advanced pricing solutions, Coburns optimized its pricing strategies, implementing a cohesive global price matrix and market-specific approaches. This not only improved operational efficiency and profitability but also fostered a culture of innovation and adaptability. As a result, Coburns is now well-positioned for long-term success in a competitive market, demonstrating how strategic partnerships and advanced technology can drive substantial improvements and growth.

Over the span of 24 months, Coburns realized an impressive additional gross profit, a testament to the effectiveness of the new pricing strategies.