# Office Products

The office channel is vertical in nature with products flowing from Manufacturer to Dealer to End-User. There is a large wholesale presence Pricing programs and rebates, however, often obscure net pricing visibility and add complexity to sales programs.

# **Channel Nuance**

## **Shrinking Demand**

- Decline in demand for traditional office supplies due to digitalization
- Reduced furniture demand post-COVID work-from-home boom
- Dealer response: broader assortment (JanSan, facility supplies) and greater emphasis on inside sales

## **Digital & eCommerce Sophistication**

- High degree of digital sophistication with mature eCommerce platforms
- SKU curation (i.e. employees can only view/purchase preapproved assortment)

## Sales Programming & Rebates

- Complex back-end rebates and customer-specific pricing
- Back-end programs go deeper than other industries (i.e. 10-15% vs. 3-5%) to shelter income and create margin
- Creates visibility complexity net pricing often obscured due to aggressive backend structuring





#### **Manufacturer**

- Office Supplies: paper, pens, folders, etc.
- Technology: printers, computers, toner, etc.
- Furniture: desks, chairs, cubicles, etc.
- Other: breakroom, cleaning, etc.



# Dealer/Reseller / Distributor

- Well established sales force and +E-commerce platforms
- Act as both sales channel and product curator



#### Wholesaler

- Likely serving smaller, independent Dealers who do not meet direct purchasing minimums
- or want access to a broader catalog
- Offer logistics and drop ship support



#### **End User**

- Small, Medium and Enterprise Businesses (primary)
- Government
- Schools (K-12 and Higher Ed)
- Other (hospitals, etc.)