

Creating a Competitive B2B eCommerce Platform

Identify ways to enhance the B2B eCommerce experience and discover behaviors to help drive sales.



By John Molinaro / August 20th, 2013

B2B eCommerce platforms have existed for several years now and most organizations who utilize this channel for sales consider it to be profitable. However, industry analysts and vendors alike are discovering a new trend: B2B eCommerce sites are not as prepared to drive sales and are therefore not as effective. In fact, B2B sites are losing a competitive battle against B2C sites, which are typically more established in user experience and function, and therefore provide a more meaningful and memorable experience. Knowing this, it is important to understand that B2B sites can actually be modeled from successful B2C sites. In fact, while it is called “business-to-business” sales, it is also “business-to-consumer” sales when considering the fact that the purchasing business is acting as a consumer as well. This mindset is beneficial when examining the productivity of a B2B eCommerce site as it will provide insight into the methods necessary to improve the overall B2B eCommerce effectiveness.

Imagine a scenario where a user has opened two browser sessions on the computer. The first is the contracted supplier’s B2B site while the second is the user’s favorite B2C website. Comparing the two, the B2C site is more likely to be labeled a “favorite” because it is more visually appealing, easier to navigate, and has a more familiar purchasing experience. In addition, the B2C website may provide more reviews, better content, and offer an overall faster user experience for finding the right product at a fair price. Considering the positive experiences a user has from a B2C website, is it likely that the savings of a few percentage points will drive a user to complete a transaction with a traditional B2B sales website? The solution to this conversion issue is simple: B2B platforms need to adopt the framework and best practices from top B2C sites. Services that simplify and enrich the buying experience will allow B2B platforms the ability to stay competitive.



There are several important pages that can be taken from the B2C playbook and applied to the B2B eCommerce sites, specifically the application of personalization, interactivity, and an advanced search. In addition, rich media, advanced security, self-service capabilities, and the integration of other B2B data sources or applications can make a significant difference for B2B customers. Unfortunately, many B2B platforms were either custom-built or quickly assembled with limited capabilities so that updating and developing these additional functionalities is a complicated endeavor. Luckily, many eCommerce partners are recognizing this B2C/B2B trend and providing their B2B customers with the necessary tools to create the eCommerce site required for driving more sales and heightening profitability. In talking to several companies who exclusively run B2B business service models, most are looking for their B2B sites to be the channel for over 70% of their sales. With this quantity of sales being performed through the B2B site, every user experience needs to be positive.

To dive further into the profitability of eCommerce versus the expense of the system, many companies compare the percentages of revenue of the B2B and B2C systems. While companies expect a specific volume of sales from existing clients, they fail to realize that the effort needs to be continuous. While an effective B2C platform can improve sales by 10-20%, when looking at the bigger picture, the B2C sales for 7 out of 10 companies represent less than half of the company's revenue. Additionally, a 2012 Forrester survey states that most B2B companies are projecting that eCommerce will soon comprise more than 50% of total sales¹. With this in mind, B2B eCommerce sites can further enhance profitability when structured with the best qualities of the effective B2C platform.

What B2C eCommerce Can Teach B2B

It's important to remember that while B2B eCommerce functionality is attempting to catch up to B2C platforms, those B2C platforms will continue to evolve. As a result, the B2B/B2C customer will continually raise their expectations. In a 2012 Hybris B2B eCommerce study, 94% of B2B purchasers surveyed stated that "suppliers need to create an online buying experience as simple as using a B2C website."² Incorporating the most popular components from B2C platforms can be very simple considering that the features already exist and are offered by many B2B platform vendors. Further, B2B executives need to be aware of B2C's evolutionary trends in order to apply them to the B2B experience. This can be done monitoring the capabilities of products offered by eCommerce titans such as Oracle.

B2B companies only need to formalize the presentation of B2C strategies in order to enhance their eCommerce profitability. This professional look, feel, and experience includes pages that are customized to a customer's individual buying habits, tools that can provide recommendations based on previous purchases, and interactive product catalogs. It is also important to allow a user to perform product research without having to leave the B2B website. Providing professional or user-generated ratings and reviews as well as price and product comparisons easily remedies this need, resulting in a simplified decision-making process for the customer.

The multi-faceted arena of customer support is another one of the most important aspects to a successful B2C or B2B website. Providing a 360-degree view on the aspects that the user cares about most will create an online portal to effortlessly manage their purchases. While self-help guides and self-service troubleshooting will enable a customer to find solutions quickly without needing to contact support directly, B2B eCommerce can take this idea a step further by providing a robust integration of parts and maintenance components, product warranties, and custom rewards for loyalty. Focusing on enhancing the post-purchase environment as well as the pre-purchase environment will allow for a better customer experience even after a purchase has been completed.

Going Further: Additional Considerations on Key B2B Essentials

Advanced Search: B2B sites typically face special challenges around indexing and presenting the logtail. B2B sites can carry deep catalogs that sell obscure products with one-off SKUs which means that simple search terms will not support most B2B customer needs. If a customer has a difficult time finding the necessary product, he or she may not buy it as often or worse yet, may use a competitor's site. There are several advanced search products that are currently being offered from major vendors in addition to open source options. It's



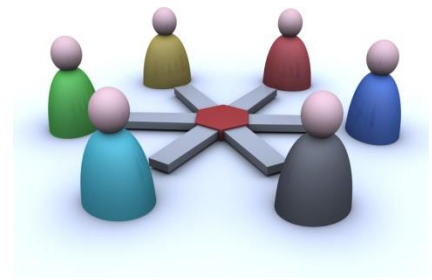
important to determine which functionalities are essential for your environment and compare the offerings of top-rated vendors. Endeca, by Oracle, is a solid starting point for comparison purposes as it includes a variety of base features and functionalities to consider.

Knowledge Management: Knowledge Management (KM) is a significant user expectation and crucial B2B feature. User manuals, parts information, maintenance guides, and more are vital elements that complement the user experience and assist in maintaining customer loyalty. Since some customers may require the ability to integrate the B2B site data into their own maintenance processes, look for ways to allow the B2B website to become the maintenance portal for the customer. As a result, the B2B site can become an open storefront providing recommendations even when the user doesn't intend to purchase.

Security Models: Most B2B platforms are simply order-based systems and many companies want to be able to add and remove users to their company account in order to fully-track the company's purchases. To meet this essential customer need, ensure that the B2B environment supports delegated administration or, at the least, role-based administration. Many smaller and less expensive product vendors will fall short with this security requirement while larger vendors, such as Oracle, have more robust capabilities to offer.

Enterprise Integration: The ability to integrate other enterprise systems, data, and applications will provide a wealth of value to the B2B portal and as a result, the B2B customer. This creates greater satisfaction and affords the real-time impact of every transaction. A product based on integration standards that supports a wide range of applications, such as CRM, ERP, Inventory, and WMS, will typically have more flexibility. Additionally, they contain greater out-of-the-box tools for integration including pre-built frameworks and "plug and play" widgets, which can reduce both time and maintenance costs. Oracle and IBM are two of the main vendors who provide integration by design with their products.

Product Reviews: Providing the ability for B2B system users to post their input on a product will help the B2B buyer improve their overall satisfaction with the experience. This input can include the buyer's likes, dislikes, and their overall product satisfaction. If the B2B site can help the corporate buyer perform his or her job faster, more directly, and with a feeling of empowerment, there will be a higher return on investment for the B2B business.



Help, Tutorials, and Rapid Online Assistance: B2B site support needs to contain detailed information that is relevant to the B2B business relationship and its contractual terms, in addition to specifics related to the individual customer. Any manned support staff needs to have access to the KM specifics of the customer in addition to understanding any and all unique items that may arise.

Picking a Partner for the Future

Selecting an eCommerce company to partner with can be a lengthy process as each company has different strengths to evaluate. Advertising firms are likely to draw heavily on media and rich content since they hold more market share in the B2C space while technology firms are more focused on supply-chain automation. Ideally, finding a vendor who blends both of these specialties will result in a solid strategic partner.

When deciding to implement or enhance a B2B eCommerce strategy, it's important to include not only the functional marketing aspects, but the technological viewpoint as well. Further, B2B organizations need to select a vendor who can provide the right blend of these two perspectives as well. Vendors who focus heavily on creative and marketing endeavors often do not resolve the technical issues with their platform while conversely, Information Technology Systems Integrators (IT SI's) can miss the mark on developing a satisfying user experience. The key is to find an eCommerce vendor that understands the necessity for a balance between the creative and the technical, which will result in saving time, money, and in many cases, customer disappointment.

About the Author:



John Molinaro is a career technologist and business leader. Throughout his career, John has blended together business needs and technological innovation, resulting in the creation of numerous industry solutions. His eCommerce experience began in the '90s while working for Netscape Communications where he lead their Professional Services team in the Central Region, creating and innovating eCommerce systems for customers. For more information, John can be contacted at john.molinaro@sterliteusa.com or 219.629.0662.

Sources:

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² Tierney, Jim. "Study: B2B Purchasers Demand B2C Ecommerce Experience." *The Multichannel Merchant*. The Chief Marketer Network. 29 Nov. 2012.