



**PART 1:
APPLYING
B2C BEST
PRACTICES
TO YOUR B2B
BUSINESS**

TRENDS IN B2B COMMERCE

ShopVisible[™]
ecommerce platform



FUNNY THING ABOUT COMPANIES. THEY'RE FILLED WITH PEOPLE.

Inside brick and mortar buildings exist...people. We forget that sometimes. We talk about Business to Business (B2B) commerce as if there were two abstract entities buying and selling from one another. In fact, it's the people within these companies who are authorizing and making these transactions. And in today's world, those business buyers are increasingly influenced by the omnichannel revolution they experience as consumers—and are demanding the same experiences professionally.

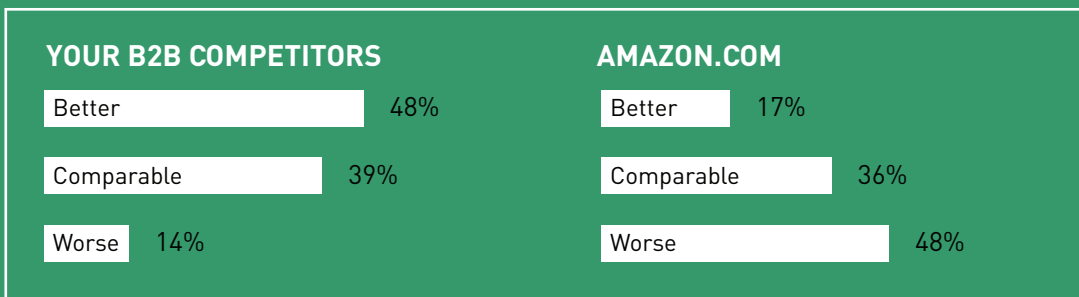
To satisfy these omnichannel expectations, companies such as Amazon and Nordstrom, are providing best in class eCommerce experiences. B2B sellers who emulate these leaders, pay attention to their customers, and are able to deliver in an omnichannel way, will become the big winners.

As an eCommerce platform provider serving the B2B and B2B/B2C hybrid markets, ShopVisible has a valuable perspective on these trends. We've been in on the ground floor with our clients helping them launch and maintain their sites. We are constantly learning new things about what works and what doesn't. In this series, we would like to share with you our observations, perspectives and ideas. And hopefully help you navigate this exciting new world. The focus for this initial series are lessons learned on the journey to becoming omnichannel.

“B2B sellers are actively preparing for a reality where 50% or more of their total customer base will be buying online from them within three years.”
—Andy Hoar, Forrester

B2B COMPANIES MATCH COMPETITORS BUT FALL WELL SHORT OF THE AMAZON STANDARD

“HOW WOULD YOU RATE YOUR COMPANY'S B2B WEBSITE CUSTOMER EXPERIENCE VERSUS...?”



Base: 92 B2B eCommerce professionals
(percentages do not total 100% because of rounding)

Source: Forrester

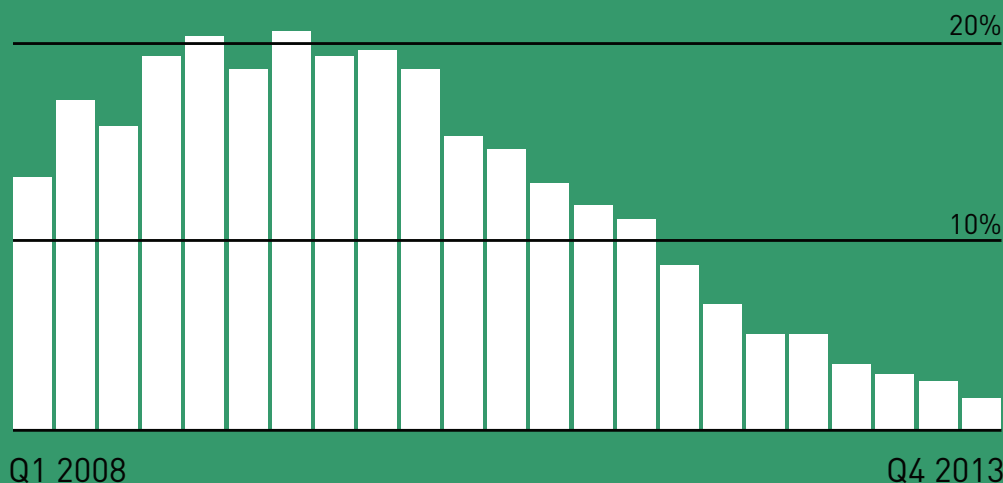
Lesson #1: DON'T BE THE NEXT BLACKBERRY.

Remember when BlackBerry had an entrenched hold as the business handheld device of choice? In 2008 BlackBerry was called “Crackberry” for good reason – business was addicted. The company believed they owned the business market. Many considered BlackBerry to be the really business tool and iPhones to be the toy. But no one ever said real business couldn’t also be delivered in an exceptional experience. The consumer and the employee spoke and the new experience won. By the time leadership recognized that the iPhone could hurt it, it was already too late. The “consumerization” of business technology was an unstoppable force. BlackBerry

users were coming home from work and picking up their iPhones, which were a lot more fun to use. Soon, they wanted to use iPhones at work too, and resistance from CIOs and IT departments was futile. With nothing comparable to offer, BlackBerry was out—and a new generation of high user-experience smart phones were in.

LESSON LEARNED: Amazon-like B2C customer experiences are now the norm. Customers will simply not accept substandard B2B customer experiences.

LOSING GROUND BLACKBERRY'S SHARE OF WORLDWIDE SMARTPHONE SALES



At its peak, the company sold nearly 15 million BlackBerry phones per quarter; now it moves one-third as many.

Data: Gartner

Lesson #2: BUSINESS BUYERS ARE PEOPLE TOO.

OMNICHANNEL SHOPPING IN PRACTICE: WEST MUSIC

Music retailer West Music has created a compelling experience for its business and retail customers in a single place. Brick and mortar store customers have the personal approach and visibility to make purchases from the website or store, view updated news and events, and other local services such as lessons and repair.

Educators nationally and globally may never visit a West Music store, and they don't care. The eCommerce store is a virtual cornucopia of digital information, music, education, and video to make them feel as though they are part of the family.

67% of online shoppers have made purchases in the past six months that have involved multiple channels. 87% think brands need to work harder to create a seamless experience for customers.

—Zendesk

Consumers are not only driving B2B sellers toward a better user experience, but are also demanding omnichannel support. Omnichannel is much more than using both online and offline channels. It is about the experience – an optimized journey from first consideration to final sale. These consumers have low thresholds for frustration when it comes to search, navigation, ordering and tracking.

The omnichannel consumer expects to have a continuous experience across brands, formats, and devices, and to use all channels interchangeably with the ability to return through a different channel to finish the browsing or purchase process without missing a beat. Along the way, the omnichannel consumer has accumulated product knowledge (for example, the name, product size, color, shape, material content, etc.) in one channel and has gained the ability to purchase from any channel.

Beyond omnichannel some say the next frontier is advanced personalization, which will allow consumers to create and own their own, personalized brand and user experience within the larger brand. Target, for example has designed a personalization app called uStyler that saves and shares mix-and-match combinations of shopper's tastes. Using uStyler, college students can design and furnish their dorm rooms, then create their own "brand" to share with others. How far can B2B sellers take personalization remains to be seen.

LESSON LEARNED: Consumers expect the B2B seller to understand their purchases, maintain an up-to-date record of preferred purchase methods and contact details, and to provide offers, order updates, and shipping notifications to the channel of their choice.

Lesson #3: WITHOUT UNIFIED ORGANIZATION, OMNICHANNEL WILL BECOME CHAOTIC.

A FEW THINGS B2B SELLERS MUST BE PREPARED TO DISRUPT WHEN WADING INTO B2B OMNICHANNEL COMMERCE:

- Old org chart
- Existing commission schedules
- Existing sales attribution
- Channel conflict

Omnichannel has to transcend traditional boundaries of brands and channels to be successful. Successful B2B sellers will put the customer at the center of all decision-making and align their organizations accordingly. This will involve breaking down silos between stores, website and mobile; and reassessing all aspects of the organization to ensure people, business processes, incentives, technology and internal structure are aligned to support an omnichannel strategy.

Approaching the consumer brand experience holistically, the omnichannel B2B seller lets consumers experience the brand, not a channel within a brand. Customers want to research, buy, receive and return products on their terms—not dictated by a company's organizational structure. And, they do expect to receive the same quality experience regardless of the device or method they use—and have no qualms of leaving companies that can't deliver this. The truly enabled omnichannel B2B seller will recognize its customers across all channels equally, and provide relationship history and informed product recommendations.

There is a definite trend toward more customer self-service and away from direct contact with the B2B seller. Even so, when a customer does call they expect the B2B seller to be "all-knowledgeable." B2B seller employees who do interact with customers will need to have instantaneous and accurate information about products, services and customer history.

LESSON LEARNED: B2B sellers need to align their organization structurally and psychologically to support this new paradigm. Instead of perceiving a variety of touch-points as part of the same brand, all shopping channels will need to work from the same database of products, prices, promotions, etc.

"The channel is irrelevant. Technology enables us to create better intimacy."

—HSN CEO Mindy Grossman

60% of consumers use web self-service knowledge to find answers to their questions

—Forrester



Lesson #4: OMNICHANNEL IS HAPPENING ACROSS B2B SALES CHANNELS.

45% OF B2B buyers have used Amazon Supply to make a company purchase.

-Acquity Group

Traditionally manufacturers, distributors, and retailers have followed a standard and well-delineated B2B production, distribution, and consumption process. They were complementary to each other. Today, the ecosystem has become hyper connected and the B2B sales channels increasingly overlapped, with:

- Manufacturers selling products direct to consumers.
- Manufacturers have entered the distribution space (by selling online)
- Distributors, under increasing pressure from all sides, have entered the manufacturing space (by selling private-label products).
- Manufacturers and distributors selling products on marketplaces and other portals to other businesses.
- Consumer companies who have mastered the art of selling across channels and fulfilling in the new hyper connected model are now supporting distributor accounts and selling direct to businesses.

LESSON LEARNED: Amidst all this chaos, B2B influence and buying channels will become more diffuse and fragmented. Brands and manufacturers will leverage all possible buying paths to open up new revenue streams. B2B customers will increase dramatically in the next several years, as well as the number of B2B websites selling many new products.

Lesson #5: TRANSPARENCY IS THE NEW NORMAL OF B2B FULFILLMENT.

Consumer expectations for omnichannel are raising the bar for fulfillment. B2B shoppers want assurance that their time won't be wasted, whether they're browsing an online catalog, or considering a trip to the store to make an in-store pickup. They are becoming accustomed to things like rapid, if not free, shipping and, faultless inventory and delivery information.

Fulfilling the orders of the omnichannel customer demands every warehouse, distribution center and retail location become a component of a single, tightly integrated, enterprise-wide inventory. B2B sellers are expected to ship from anywhere, enable in-store pick-up of online orders (if applicable), and accept returns anywhere.

Even companies with a great deal of experience in retail and wholesale channels often underestimate how difficult it is to efficiently fulfill customer demand from any location and any channel.

LESSON LEARNED: With an increasing number of channels becoming available for consumers, the challenge is providing a clear picture of inventory requirements across the enterprise. A strong order management system should balance factors like order fill rate, service levels, delivery times and freight costs to make decisions about how to allocate inventory and service the customer.

Order Management Technology is a crucial element for creating an “anywhere, anytime” retail strategy.

–Aberdeen Group

BUSINESS BUYERS ARE INCREASINGLY
INFLUENCED BY THE OMNICHANNEL
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CONSUMERS—AND ARE DEMANDING THE
SAME EXPERIENCES PROFESSIONALLY.

ARE YOU READY FOR IT?

ShopVisible is an end-to-end SaaS eCommerce solution for retailers and B2B sellers. Reach your customers online, on their mobile devices or through popular channels. ShopVisible also enables back office management including orders, inventory, channels, content management and more. ShopVisible customers include London Fog, Tempur Sealy, Office Depot Canada, Plow & Hearth, 3M, and Century Martial Arts.

To learn more about ShopVisible, please visit us at www.shopvisible.com

Motion Creek Consulting provides a variety of IT and Business Advisory services along with execution and on-going support. They offer proven strategies, experience, and results-driven execution.

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