



Why B2B Ecommerce is no Longer a Hard Sell

A guide for B2B business leaders, and senior digital, growth, and marketing professionals.



Table of contents

- 03** Introduction
- 04** What is driving B2B to go all out for ecommerce?
- 06** An intermediary step: marketplaces
- 08** Three DXP functionalities you need for ecommerce – and one you'll want to have
- 14** Overcoming legacy to build a future
- 16** What you need from a B2B ecommerce module
- 19** Conclusion

Introduction

The point of B2C, well before we landed on this acronym, was always to sell and to sell differently. The site that Jeff Bezos built in 1995 to distribute books out of his parents' garage did not suggest you go to the nearest bookshop to buy the title that you wanted. It did the complete opposite and persuaded you instead to stay at home, bypass the shop, and purchase the cookery book or novel directly from his site.

More than a quarter of a century after the beginning of the ecommerce revolution, the much larger business-to-business segment, better known to us now as B2B, has for the most part not yet made this step. Its "commerce" sites will tell you what's for sale, and then leave you to place an order with the wholesaler, distributor, or reseller where you have always bought the product.

The wholesalers, distributors, and resellers in the B2B supply chain also digitized their catalogs of course, but they too struggled to sell online.

It was business-to-business as usual.



The subject of this eBook is the increasing focus of B2B companies on offering a 360° customer experience that loops intuitively from research to order to fulfillment to repeat order. It is, if you like, the transition from online commerce to ecommerce, or from shop window to shop.

The gap between B2B and B2C ecommerce is narrowing



Vendors of the first generation of ecommerce solutions were often frustrated with B2B for being slow to adopt the B2C business model that Amazon and others had pioneered.



What was implied, if not stated outright, was that B2B decision-makers were "old school" and "digitally naive". Ironically, what held the sector back from full ecommerce was not so much its analogue mindset (although this played a part) as the inability of WordPress-style CMS solutions and ecommerce tools designed for B2C to adequately reflect the complex universe of B2B.



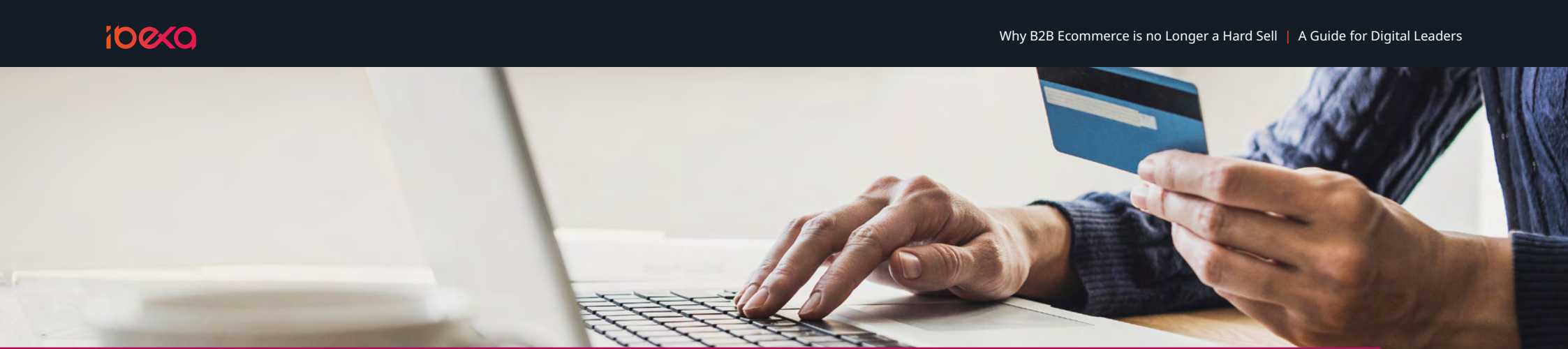
It's not that B2B has seen the light and is "pivoting" at last to implement ecommerce; rather, the technology to make this possible is finally mature and flexible enough, and not only for large businesses.

We shall start by answering a seemingly simple question:

Why would a B2B business want to sell its goods or services online?

Because not all do, or not yet. We shall then explore the various ways the sector can explore, and is exploring, direct selling.

B2B decision-makers know this is challenging but they are nevertheless deciding to put ecommerce at the heart of their strategic ambition. In conclusion, we shall explore what may lie beyond this horizon, making ecommerce not the ultimate goal but an important step towards an assured but ever-changing future.



What is driving B2B to go all out for ecommerce?

< What's so great about ecommerce? For Bezos and other B2C front-runners, the answer is so obvious as to make the question almost rhetorical. Online retail slashes overheads (no shop) and is not constricted physically (by a shop) for its footfall. This means B2C competes on price with brick-and-mortar shops which have had to reinvent themselves to stay relevant to the modern consumer. >

But things are less clear-cut in B2B. Take the experience of a European manufacturer of building materials for private homes and large public spaces. Its explicit long-term goal is to start selling directly to its predominantly B2B customer base and the company is relaunching its site on Ibexa DXP as a first step.

The emphasis is not on cost reduction but on automating sales workflows for the reps who are currently still inputting orders manually into the ERP.

The implementation of ecommerce will free up time for the sales team to seek out and leverage other opportunities to grow the business.



Another example is Dymax, the world's leading manufacturer of industrial adhesives and equipment, which wants to reduce the cost of sale of small, repetitive orders by enabling customers to self-serve and purchase online.

Dymax is typical in planning to make just a part of its vast product range accessible for ecommerce.



Groupe Atlantic, the leading European manufacturer of thermal comfort solutions such as boilers, heaters, and air-conditioning, is taking a "drip-feed" approach, almost by way of experiment.

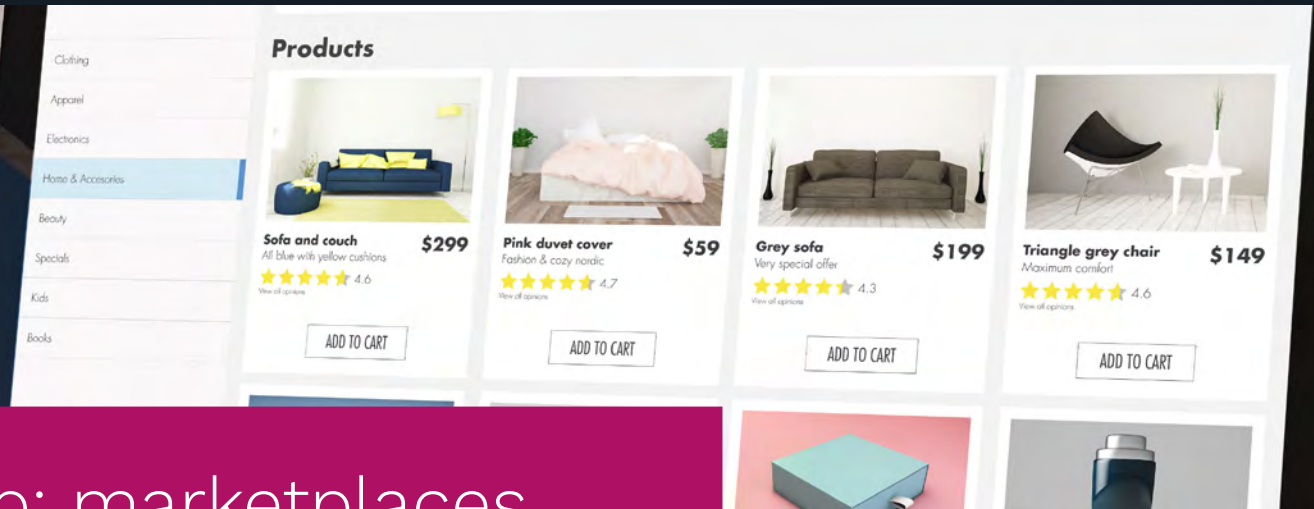
Groupe Atlantic has implemented ecommerce for a range of simpler, more consumer-based products.

Similarly, the European manufacturer of building materials will trial its ecommerce functionality by initially just selling the maintenance accessories it currently markets on Amazon, the B2C marketplace.

This begs the question of why the manufacturer (or Dymax for that matter) did not sidestep the challenge of an ecommerce transformation by placing some or all their assortment on a B2B marketplace.

In 2021, in the wake of the Covid crisis, marketplaces were the fastest growing B2B digital sales channel. In our next section, we explore their benefits – and drawbacks.





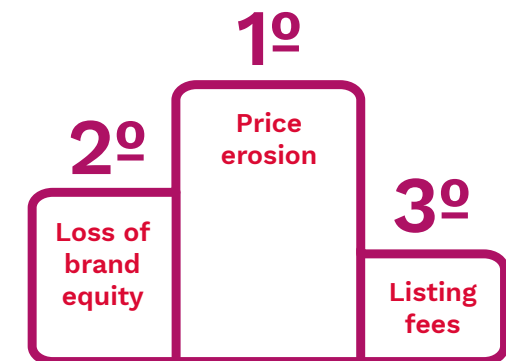
An intermediary step: marketplaces

Marketplaces allow you to sell your goods online without doing any of the heavy lifting yourself. Most B2C brands have a marketplace presence alongside a transactional site, whereas B2B marketplaces typically attract businesses that have not (yet) implemented ecommerce.

As happened with all aspects of digital transformation, Covid accelerated the adoption of the B2B marketplace model as the disruption of long-established supply chains created opportunities for alternative providers (which you could locate and compare easily on a marketplace).



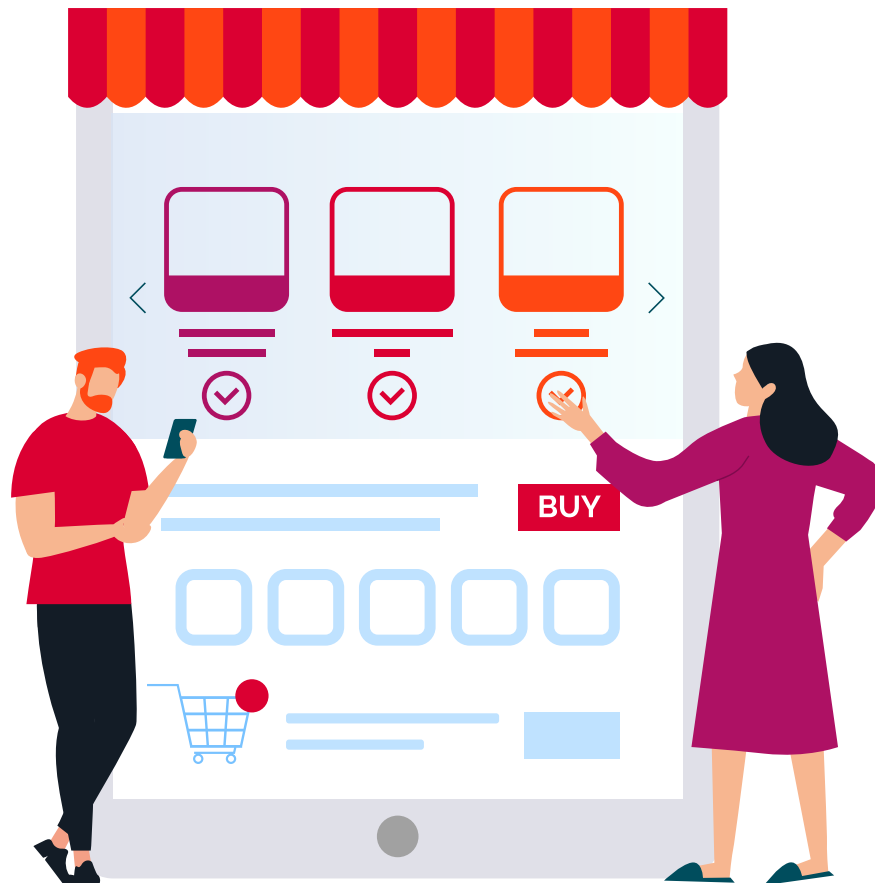
B2B marketplaces would not have taken off the way they did if sellers thought the advantages did not outweigh the costs — of which the listing fee charged by the operator (averaging between 7% and 15% on Amazon Business) is possibly the least important. More problematic long-term threats are price erosion and loss of brand equity.



Long-term threats

This is why leaders in their sector such as Dymax are choosing to go it alone, although there are large and successful B2B marketplaces for chemicals where it might find a home and do well.

Other B2B businesses take a hybrid approach, where they sell part of their assortment – surplus stock or discontinued products, for example – on a marketplace. This is a great, short-term option, but relying on a marketplace alone for your ecommerce presence will lead sooner or later to the ossification of your brand in a context where change is the only constant, and flexibility is key.



It's not either/or: you can sell on a marketplace, through a distributor, from a shop or showroom, or on your own ecommerce portal – if you have the right technology.

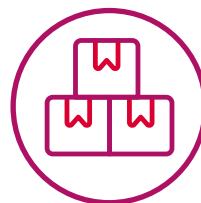
Three DXP functionalities you need for ecommerce – and one you'll want to have



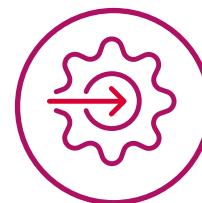
We do not have scope in this eBook to make the case against WordPress-type Content Management System (CMS) solutions. Even the finest among them are reaching the limit of their capabilities to meet the demands of the modern customer and this is why B2B businesses are re-platforming to Digital Experience Platforms (DXPs).

What we want to highlight here is what you need from your DXP to get you into shape for ecommerce if that is your strategic goal. (Of course, it is no less imperative for B2B businesses that have no ecommerce plans as yet to orchestrate their customer experiences with the power and versatility of a DXP. But that is not the subject of our essay).

As we shall argue in a later section, your ecommerce module should be native to your DXP. What follows here is a brief breakdown of three functionalities that will be decisive in making your ecommerce initiative a success, and one that will amplify and future-proof your sales.



Product Information Management (PIM)



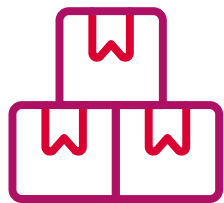
Integration



Personalization

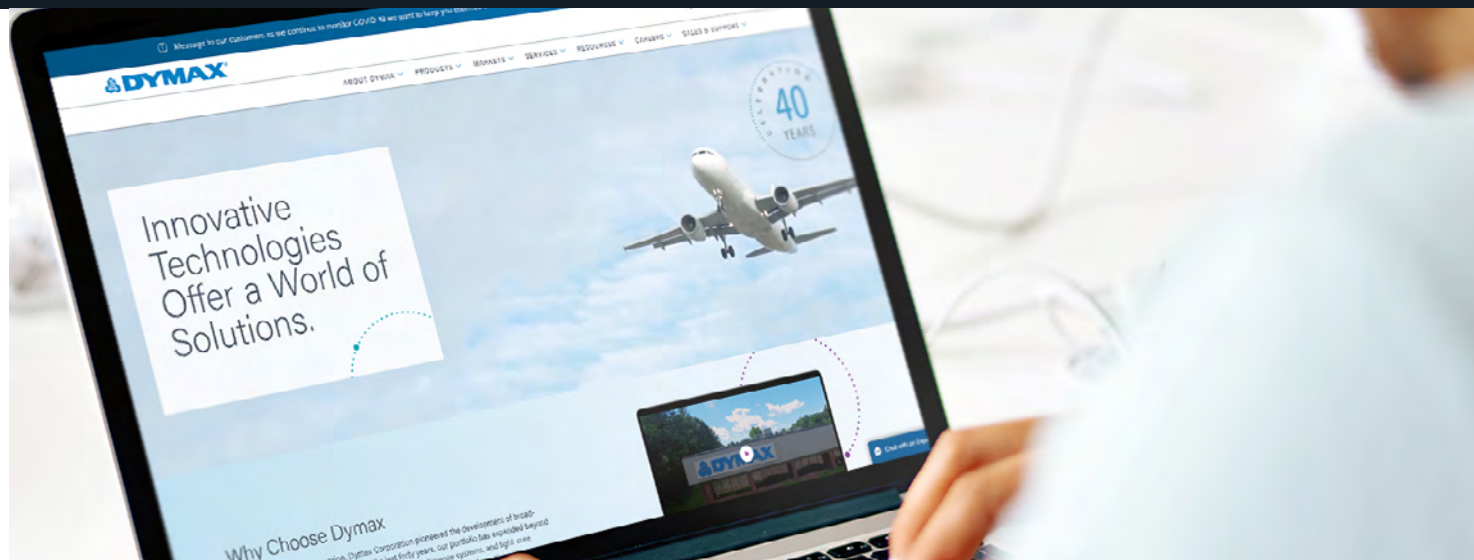


Customer Data Platform (CDP)



Product Information Management (PIM)

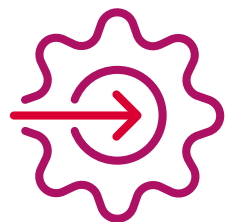
This is typically a first milestone in a B2B digital transformation on a DXP. Manufacturers such as Groupe Atlantic, and Dymax have huge product catalogs, with many thousands of SKUs. An additional complication for Dymax is that its chemical products are subject to different regulatory regimes across the markets it serves. A customer operating out of India will want to be presented with Dymax products that are legal to use in the Indian market – product versions that are non-compliant in India are not useful to this customer. Worse, they are experienced as pain points.



There are three ways to achieve control over your product information and you want your DXP to be able to deliver all of them, giving you optimal room for maneuver.

- A native PIM offered as standard. The clear advantage of this approach is that your product information is working “hand in hand” with the platform: a single source of truth distributed across a single UI.
- The backend becomes your de facto PIM. By no means all DXPs are powerful and flexible enough to ingest tens or even hundreds of thousands of SKUs, and manage the content effectively. The approach is probably best suited to B2B companies offering services such as Swissport or Aéroport de Nice, although Dymax also went down this route.
- A third-party PIM integrated with the DXP. Integration is a core competence of your DXP, and of the technology partner certified to implement it. Manufacturers have typically invested a lot of resources in building up their PIM system(s) and if they want to keep working with a third-party tool, they should be able to do so without negatively impacting their ecommerce goals.

Each approach has its advantages and disadvantages. The point we are trying to make here is that a DXP should give you the headroom to consider which use case is best for you, now and in the future.



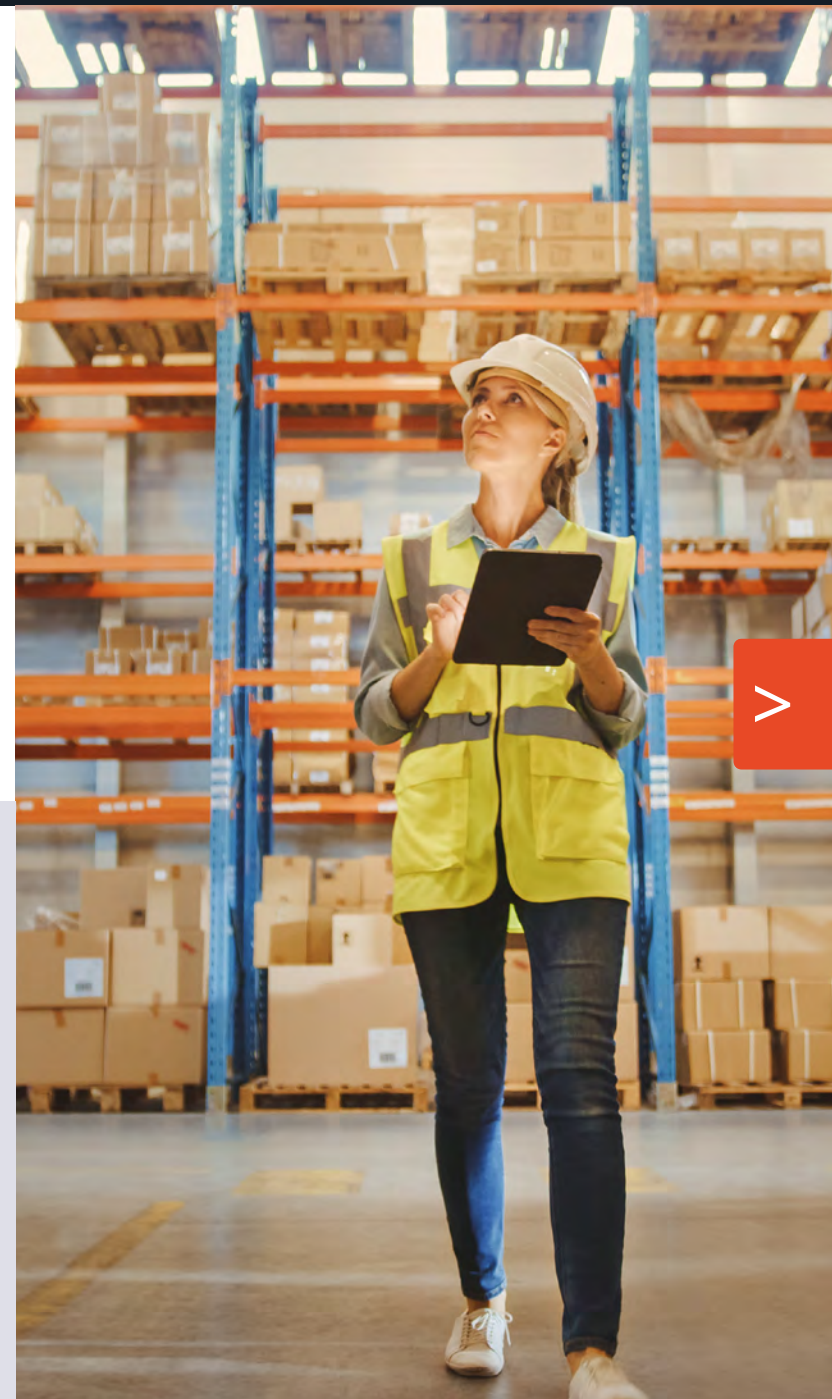
Integration

A DXP does not operate in a vacuum. The most competent solutions on the market are mindful of this, and integrate comfortably with core systems such as ERPs, PIMs, DAMs, and CDPs. ERPs are the source of financial and inventory data so a smooth and meaningful integration with the DXP is clearly indispensable to your ecommerce goals.

Integration Platforms-as-a-Service (iPaaS) solutions are a relative newcomer to the B2B context, and few DXPs offer full iPaaS as a part of a composable approach.

iPaaS is a game-changer for B2B because it automates integration processes, imposes a high degree of standardization on how applications are embedded into business workflows, offers many hundreds of out-of-the-box native integrations that require no development at all (not a single line of code), but can be implemented through simple drag-and-drop.

Could you or your technology partner license iPaaS from a third-party vendor? Of course but there are no advantages in doing that. It creates another vendor tier; it will not save you money; and – most importantly – the iPaaS won't be embedded in the DXP on which all your integrations synergize to build the best possible customer experiences.





Personalization

It is odd that personalization took so long to catch on in B2B because its traditional sales model relied on face-to-face relationships – that is to say, personalization to a segment of one!

The Covid lockdowns did not destroy this one-on-one contact with sales reps but over time it had become much less frequent and kicked in much later.

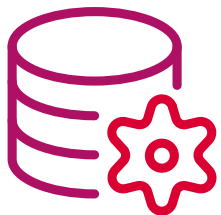
One of the digital techniques that “stands in” for the sales rep is personalization. Developing a customer experience that captures the knowledge and expertise built up by a sales team over many decades can be a daunting challenge – yet this is what buyers are expecting.



What does personalization mean in B2B?

- **Custom catalogs enabled by PIM** are an example, as is the segmentation of product content to give each of your personas the information that they need – and filter out the noise of irrelevant content.
- **Product recommendations** are less important in B2B ecommerce than they are in B2C because professional buyers know the product catalog almost as thoroughly as your PIM (and seasoned buyers will have memorized the SKUs too).
- ▶ **What is crucial in B2B is price, inventory, and fulfilment.**
- **B2B pricing** is highly individual, and a buyer needs the price that is applicable to him/her, and that reflects the discounts that have been negotiated with him and for him.
- ▶ **Any ecommerce implementation clearly needs to personalize for cost.**
- **B2B orders** are typically part of a supply chain that relies on accurate inventory and delivery information to function smoothly. The war in Ukraine and the aftermath of Covid created supply bottlenecks and shortages that are putting the global economy under considerable pressure, and stoking inflation.

To get real-time and relevant data on price, inventory, and expected delivery requires you to integrate with other core business systems as we saw.



Customer Data Platform (CDP)

You also need to be on top of your data which can be highly complex, especially in an IT environment where you have many systems and sources of data.

Customer data platforms are a great way to control your data and learn from it. While not immediately essential, we believe they soon will be, because CDPs give you an irrefutable advantage over the competition.

Your ecommerce implementation will only be as good as the commercial strategy that underpins it. A crucial element of that is data and to what extent you are able to “weaponize” it to help you understand and even predict the needs of your customers. For most B2B businesses, integrating customer data from multiple sources to create long-term value is still a challenge.

CDPs are not yet commonly deployed in B2B ecommerce, but they are transformational.

A CDP is a single operational platform that dynamically collects, combines, and integrates customer data from all customer touchpoints. It creates a 360° view of all your customers in real-time and makes data available in all channels.

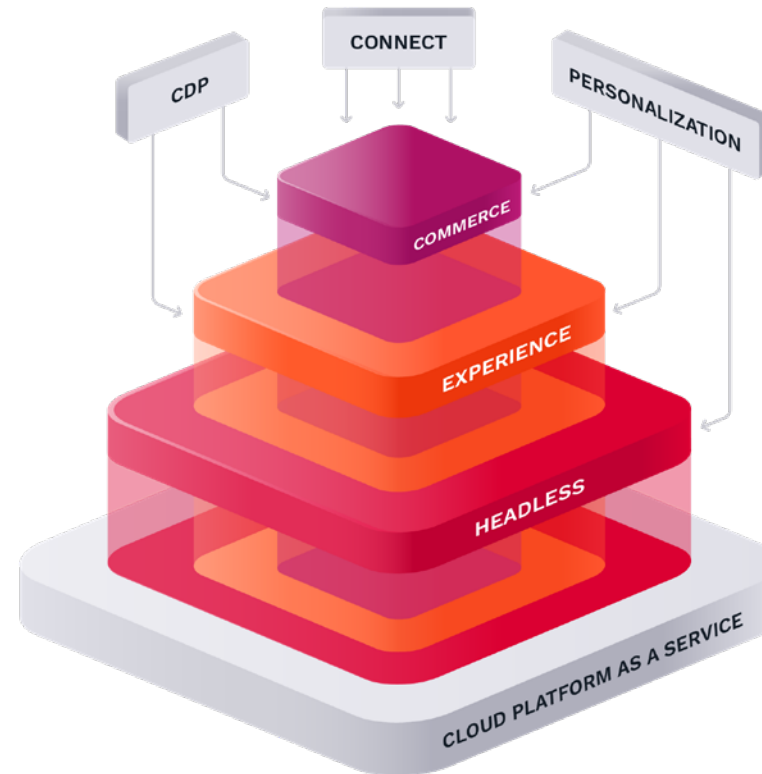
Crucially, this integrated data will be consistent across every tool, platform, and channel across the business.

The CDP delivers a highly contoured picture of the customer by tracking primary identifiers from your different channels through keychain technology. This builds layer upon layer of information to an astonishing level of granularity with 500+ data points not just on name, age, occupation, and on-site search behavior, but also on which of your emails were opened or ignored (and when), webinar attendance and interaction, a visit to your booth at an industry trade show, and so on.

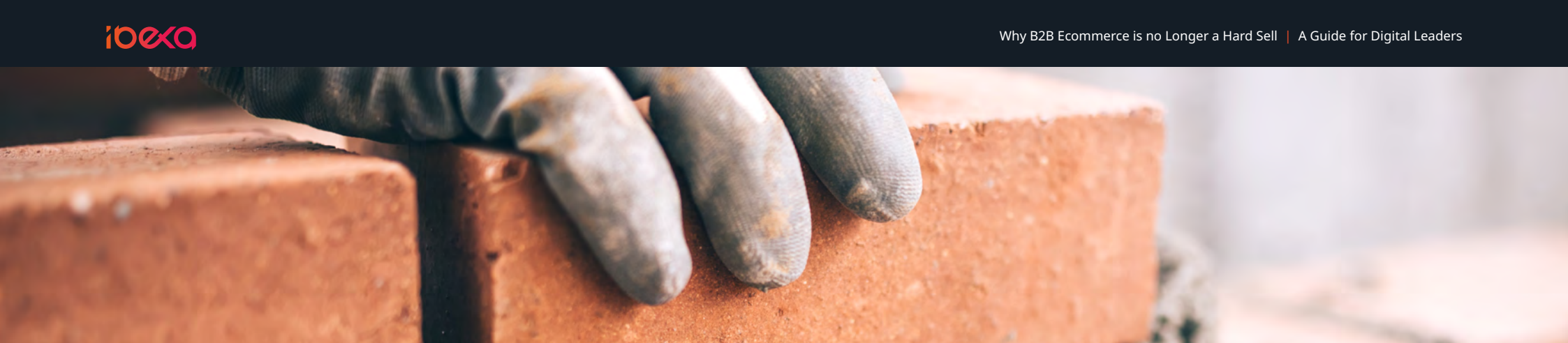
Not only do you get the **most complete and up-to-date profile of your customers**, but **everyone in the business sees the same profile, and has easy access to it**. Without this real-time consistency, sales, marketing, fulfillment, or support teams could each have their own partial and fragmented view of the customer, which is experienced as a serious pain point and a red mark against you.

B2B buyers across all generational cohorts are increasingly demanding personalization in their interactions with suppliers, and CDPs make this feasible and effective at scale.

The other benefit is strategic. Because **customer behaviors are tracked and recorded accurately and consistently**, it becomes possible over time to spot trends that would take much longer to become explicit without a customer data platform. CDPs help you achieve better time-to-market because you are seeing with much greater clarity where the market is heading.



To sum up, we would say that PIM, integration capabilities, and personalization are core to your ecommerce initiative. They are also highly interdependent. However, do not dismiss customer data platforms as just another trend because they are here to stay. We can easily foresee a future where CDPs will be regarded as fundamental to B2B marketing and ecommerce efforts because they take insight and personalization to a whole new level. At Ibexa we have come to this conclusion already and offer such a platform as a standard adjunct to our DXP.



Overcoming legacy to build a future

< Of all the developed economies, the B2B ecommerce market is most deeply entrenched in China. This is not surprising because the awesome rise in Chinese GDP coincided with the digital revolution; the entire economy was, in many ways, a startup. Many established businesses in China and elsewhere are still grappling with the much harder task of gradually replacing disparate workflows and systems – not to mention the cultural behaviors and instincts of a deeply ingrained corporate culture. >

Legacy is almost a dirty word but many B2B brands have a rich and powerful heritage which they are determined to preserve even as they modernize. And this means overcoming the technical and cultural deficits that hold them back.

Not many B2B companies are ever in a position to approach a vendor with the words: “We have put everything in place to start selling from our site; all that’s missing is a great ecommerce module. Otherwise, we’re good to go.”

The example of the European manufacturer of building materials is far more universal and instructive. Their story is: “We have a great brand, our sustainable production facilities are state-of-the-art, the greatest architects in the world work with our products but we always want to do better”.

We see ecommerce as our next step forward and also as a means to guarantee our survival as a company”.

Businesses have different reasons for defining ecommerce as their overriding strategic objective but they understand the process in the same way. **They know that ecommerce is a marathon, not a sprint.**



They know that embarking on a journey of digital transformation towards ecommerce only makes sense if at the end of it your DXP offers this natively, without – in the words of one Ibexa customer – “reinventing the wheel”.

Every business starts this journey at a different point. The world’s largest provider of airport ground services and cargo handling, Swissport, and a leading European manufacturer of van racking solutions, Bott, two very different businesses, both deployed Ibexa DXP to consolidate their fractured digital infrastructure on a single platform.



For both businesses, the fragmented digital footprint was eroding the brand message, and making it increasingly untenable to update product information across all their markets.



Swissport used to support sites for most of the 45 countries where it is operational



Bott is consolidating as many as 20 disparate sites



Groupe Atlantic consolidated a range of products, not markets, for its Atlantic France brand. The engineers, architects and developers that install, propose, or buy Atlantic France products were made to visit 10 different sites to interact with the brand. Now, there is just one site for all the products. And when they log into that site, they are presented with content that is relevant to them, and only to them, because Atlantic France defined different persona or “typologies”, which it segmented in the Ibexa DXP backend.

The creation of a friction-free experience across every stage of the purchasing journey is an essential prerequisite to the implementation of ecommerce.

For the European manufacturer of building materials this meant the creation of a new site with a fresh design, and – crucially – an integration with its PIM. The next phase of its project with Ibexa DXP will be to extend the platform to include ecommerce capabilities and test the waters with a small range of B2C accessories.

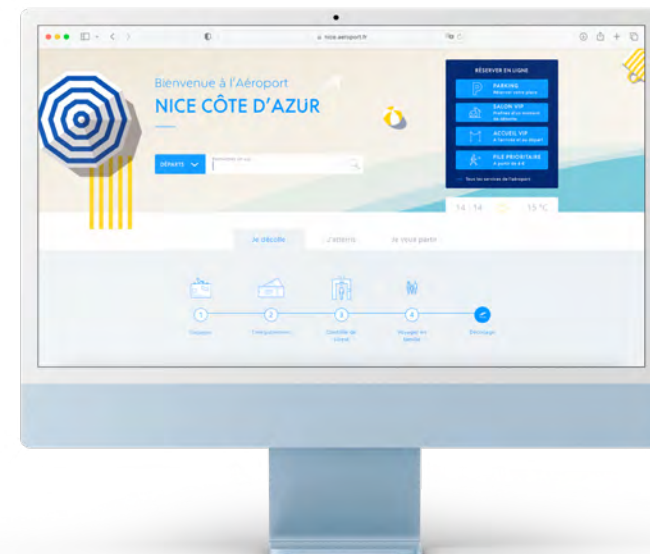
The ecommerce platform market is crowded and confusing as the solutions all seem to do (or promise to do) the same thing. As we said in our introduction, B2C brands had to make the leap to ecommerce, but for B2B this seemed less urgent and also much less feasible. But the diversity of the market and the fear of making a wrong choice were also a barrier to ecommerce adoption.

What you need from a B2B ecommerce module

It bears repeating that not all B2B digital transformation projects have ecommerce as their end goal; equally, some businesses that have re-platformed on Ibexa DXP were doing ecommerce already and wanted to stick with the system into which they had invested considerable time and money.

A flagship example of this is the site for Aéroport de Nice, France's largest airport outside Paris. This was an ambitious project, bringing together passenger and flight information; a corporate site; a site for SkyValet, a brand specializing in ground handling services for business aviation; and a B2B portal for airport provisioning – all delivered within the same elegant and thoughtful UI. The existing ecommerce component allowed visitors to book parking space, buy fast-track boarding, get access to the VIP lounge, or hire a car. The integration to this ecommerce solution was done with such skill that the visitor has no idea at what point he leaves the Ibexa DXP environment and enters the third-party platform.

However, for businesses that launch transactional capabilities as part of an extended project of digital transformation, it makes sense to select a DXP that can take you to that point seamlessly, within a single and coherent UI, without need for integration and development.



What should you be looking for in a B2B ecommerce module?

Below we touch on the main elements:

1

Custom catalogs

Linking an integrated PIM to a corporate account log-in will present a buyer with the segment of your assortment in which he is interested. Custom catalogs can also be linked to specific storefronts for markets where you are active.

2

Price lists

These are defined for specific customer groups or companies and contain custom and negotiated prices for all/selected products in the associated catalog. Price lists allow you to override standard prices of products for specific customer groups and/or sites.

3

Payments, currencies, and VAT

Even economies within the eurozone (which do not have to handle valuta complexities to trade) have markedly different payment cultures.

7%

59%

Research by Deutsche Bank revealed that only 7% of B2B companies in Italy use paper checks for payment but that in France, this figure was 59%.

For exporters, different VAT regimes present a further complication — something that affects online retailers as well, of course.



25% VAT



20% VAT



19% VAT

For example, the VAT rate on timber for industrial use is 25% in Hungary, 20% in France, and 19% in Romania.

Perhaps more fundamentally, countries take a different approach to how electronic invoicing is regulated.



Italy, for instance, follows the so-called clearance model where invoices cannot be issued directly between seller and buyer but have to pass through a government server first to allow for real-time transaction monitoring.



Most other EU member states follow the post-audit approach where invoices are exchanged directly, and tax authorities verify transactions after their completion. The way transactions are reported is not subject to EU regulation (and therefore another source of complexity) but SAF-T tax compliance software, first adopted in Portugal, is fast gaining traction.

4

Custom catalogs

For a B2B buyer, ordering is part of his job and therefore his cost – any friction in this process will erode customer loyalty. Re-ordering or quick order are typical B2B capabilities.

Quick order is the ability to drag and drop a CSV file with the product identifier and the quantity into a dedicated interface which then populates the account automatically with matching SKUs. If the product is unavailable in the requested amount, you can reduce the quantity or completely remove this item from your cart. Most B2B businesses rely on regular supplies of products; hence the objective of Dymax to reduce the cost of sale of smaller, repetitive orders through ecommerce automation where reorders can happen with a single click.

5

Permissioning

The B2B purchasing process usually involves more than one stakeholder yet ordering every single item “by committee” is wasteful. This is why businesses set spending limits for a particular person or role; anything over that limit requires authorization and triggers another workflow as part of the check-out process.

6

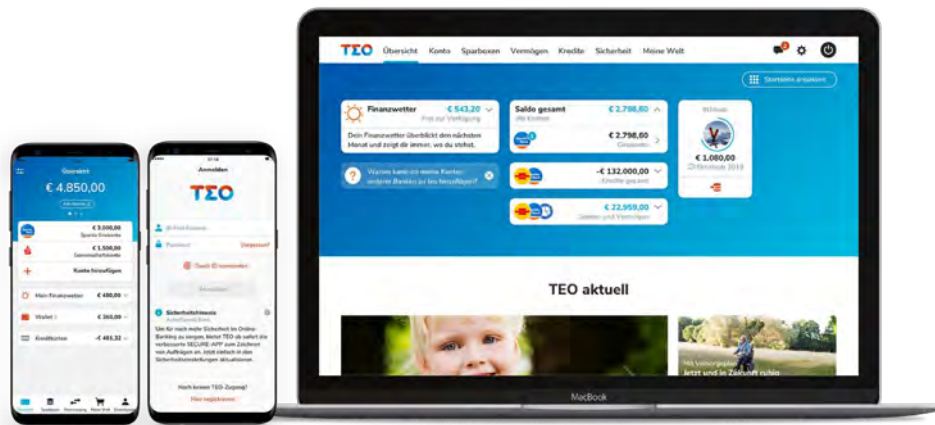
Cart customization

Another typical B2B transaction is to pay in full for an order even if some of the items are out of stock at the moment of purchase. This can be attractive for budgeting purposes. While this functionality is seldom standard, your ecommerce module should ideally make it possible for the technology partner to customize the cart in that way if required.

This list is not exhaustive but it gives you a fair idea of the range of complexity your ecommerce module needs to capture. No DXP and no ecommerce module can give you everything you need out-of-the-box. What is important is that the development roadmap of your DXP works towards making its ecommerce component as flexible, scalable, and customizable as the customer experience that has led up to the moment of purchase.

Conclusion

We started this eBook by highlighting the distinctions between B2C and B2B ecommerce; in conclusion we explore how the differences between them are blurring as DXP technologies create headroom for innovation.



The German fintech COMECO is giving us a glimpse of this brave new world.

In 2020, COMECO launched an app, called TEO, that is at once a one-stop platform for every bank and credit card account, a source of interactive financial advice, and a shopping portal customized to the interests of each user. TEO enables users to carry out all their financial transactions and lifestyle purchases from a single UI, on a single app, within a single and growing ecosystem.

What draws subscribers to the app are the unique (personalized) offers placed on it by partnering retailers who pay COMECO a fee to do this.

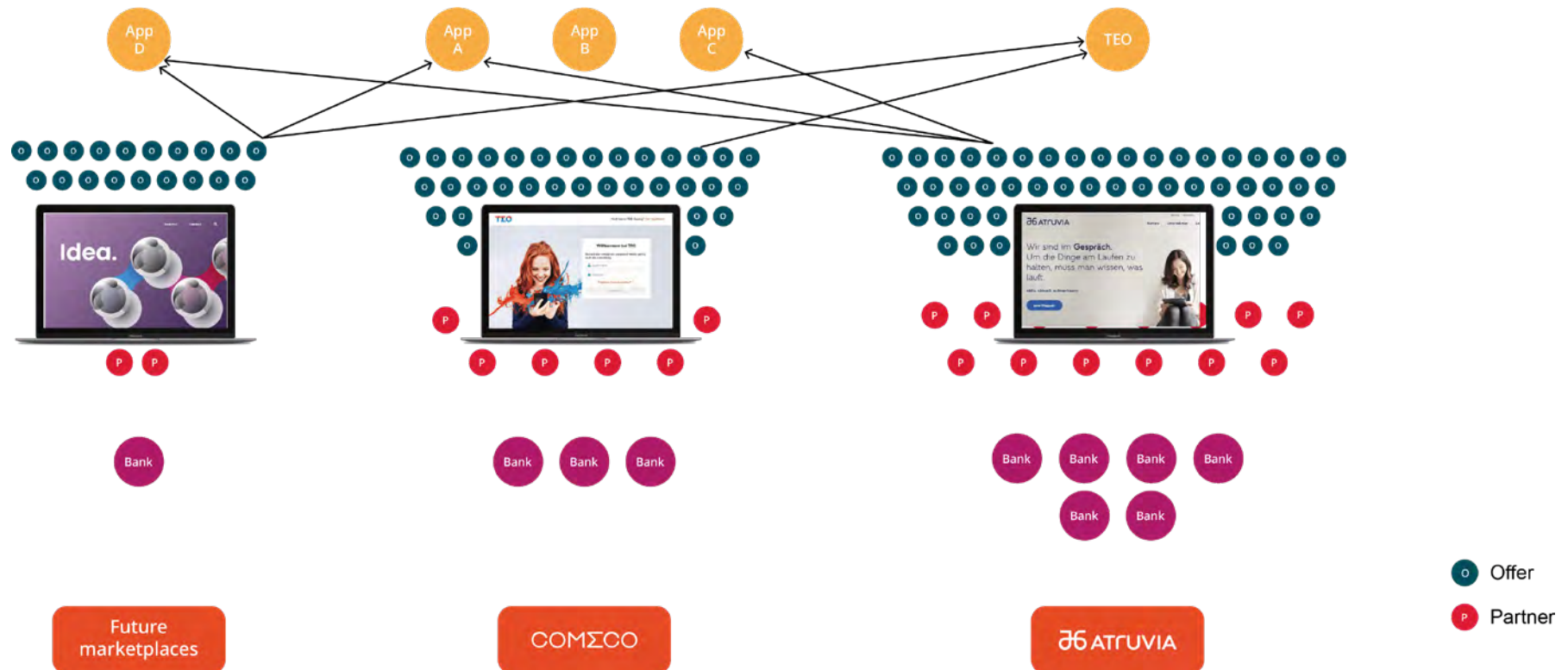
It is difficult to pigeonhole TEO as either B2C or B2B. It leverages B2B relationships between banks and retailers to boost loyalty and sales in their respective B2C markets. So B2B2C might be more apt. Not that the subscribers care; the concept has proved popular, and the app attracts 700,000 regular users.

But it doesn't stop there. The next phase of innovation sees COMECO extend the B2B ecosystem with a second marketplace backed by Atruvia which manages some 80 million bank accounts in Germany. The Atruvia-marketplace will have its own app, but retailers can cross-fertilize their offers across the entire ecosystem. And the plan is to scale the infrastructure on Ibexa DXP to build even more marketplaces, eventually also outside Germany.

The creation of a marketplace ecosystem for a combined fintech and retail platform is a brilliant innovation, with the potential to make deep and transformative inroads into European markets.

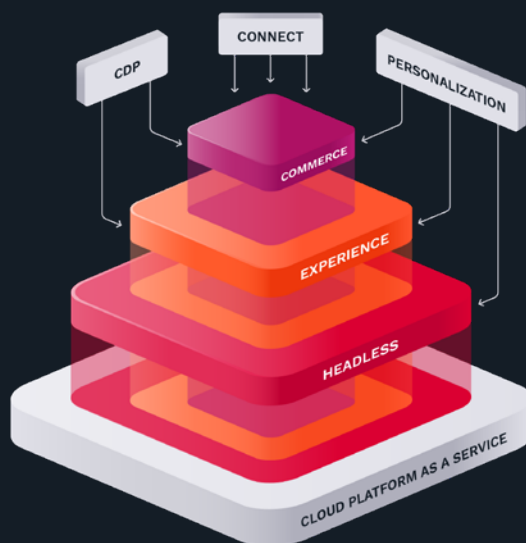
But what to call it? B2B2C2B? The fact that we are getting lost in acronyms tells its own story: boundaries are dissolving and the future is one of untold, fluid possibility.

Although the digital journeys of COMECO, Dymax, the manufacturer of building materials, and Groupe Atlantic are very different, these B2B businesses selected Ibexa DXP to accompany them on that journey for the same reasons: they all needed the platform's power and flexibility to achieve their goals, and to be ready for that future even as they shape it.



Ibexa DXP

Ibexa DXP is a Digital Experience Platform that comprises three modules, each of which offers the resources required to deliver world-class online experiences and grow ecommerce revenue. In addition, Ibexa Personalization lets you deliver highly targeted product and content recommendations, and Ibexa Cloud enables you to build and run projects faster and at lower cost.



Ibexa DXP is a powerful, modular platform that evolves with you

Ibexa Headless: A headless Content Management System (CMS) that enables you to deliver personalized content efficiently to your customers via a wide range of channels. Makes working across multiple channels, markets, and languages easy and affordable.

Ibexa Experience: Puts your customers at the center of everything you do and makes creating the various touchpoints they have with your brand easier than ever, enabling you to guide your customers through your critical business processes.

Ibexa Commerce: Provides businesses with a unified platform from which you can customize all aspects of the ecommerce experience. By integrating content, personalization, and commerce functionality into a single, dedicated interface, Ibexa Commerce helps you manage every moment of the customer journey.

Ibexa Cloud: A modern PaaS (Platform as a Service) that liberates your developers, lays the groundwork for future growth, and streamlines project delivery.

Ibexa Connect: an integration Platform as a Service (iPaaS) solution, speeds up digital transformation processes by laying the foundation for automation. It is a robust integration platform that enables you to visualize, design, and automate your work in minutes.

Ibexa CDP: Ibexa CDP is a customer data platform that unifies and leverages your customer data across various touchpoints, delivering a unified customer overview and enabling a more insightful omnichannel experience across every channel.

Ibexa Personalization: Puts your clients at the center of everything you do and makes creating the various touchpoints your customers have with your brand easier than ever.



Want to know more? Please get in touch

www.ibexa.co/contact

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About Ibexa

Ibexa Digital Experience Platform (DXP) enables organizations to stay competitive, optimize their revenue streams, launch new products and services and test-drive digital strategies. With Ibexa DXP, B2B companies can transform sales strategies and build frictionless buying experiences in a sustainable, cost-effective and fast manner.

Offering content creation, website building, ecommerce and personalization along with accelerated development capabilities, Ibexa helps companies to quickly embrace new business and sales strategies and build memorable experiences for their users across channels, unifying brand, content, product information, commerce and their existing business processes. With the help of our certified, trustworthy partners – digital agencies, system integrators and consultancies – they will progress in their digital transformation and quickly adapt to changing market needs while always putting the customer experience at the heart of their businesses.

Ibexa's reliable and secure DXP is trusted by thousands of users worldwide and a dedicated global partner ecosystem. Brands such as Crédit Agricole, Comscore, Hibu, Groupe Atlantic and Whirlpool rely on Ibexa as a strategic partner in their business. Founded in 1999, Ibexa is headquartered in Oslo, Norway and has offices in Germany, France, the UK, Spain, Poland and The Netherlands.

Resources

- Explore Ibexa software: www.ibexa.co/products
- Request a demo: www.ibexa.co/forms/request-a-demo
- Read success stories: www.ibexa.co/success-stories
- Get the latest Ibexa news and insights: www.ibexa.co/blog
- Read our software information and documentation: www.ibexa.co/software-information
- Find an Ibexa partner: www.ibexa.co/partners

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