Magento®

Enterprise/
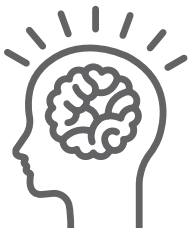# B2B eCommerce
Starter Guide

Magento Presents:
Community Insights

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Magento is proud to present 'Community Insights' to help merchants develop strategies and tactics to better serve their customers.

The Magento Partner Community is a trusted network of consulting and technology companies that help merchants grow their business, and create engaging customer experiences with the Magento Platform. These organizations provide valuable insights and practical takeaways from their real world experiences with merchants like you.

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Enterprise/ B2B eCommerce Starter Guide

SEPT. 2017

eCommerce Intelligence

A.

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Prepare to Win
or Prepare to Lose.

Prepare to Win or Prepare to Lose

In a world where GoDaddy promotes new and exciting web stores for $50 bucks a month that promise to produce vast riches in a day, it is fair to wonder why an enterprise level B2B eCommerce transformation operates at a completely different scale.

In fact, even within an enterprise level approach, there are different pathways various eCommerce agencies may propose. Some approaches are less transparent than others, and some approaches are simply not ready for enterprise scale.

In every eCommerce project, there is tension between what is necessary to get started versus what is necessary to build the "Taj Mahal" of websites.

Within any eCommerce initiative there are choices to be made at each functional level as to what can be accomplished quickly and "out-of-the-box" versus what will take additional work and customization to accomplish.

Regardless of the overall ambition of your eCommerce mandate, one thing always remains true when it comes to your customers: **Nobody likes a hassle**.

Your customers want their eCommerce experience with you to make their lives easier. As you simplify their lives, they will reward you with more of their business. Your customers are people, and people always gravitate to the path of least resistance.

We want that path to lead to **you**.

eCommerce Hierarchy of Needs.

Drawing Maslow into the equation might seem a bit academic but the model delivers immediate and practical application for B2B eCommerce execution.

Just as Maslow identified the hierarchy of needs for human fulfillment, your eCommerce initiatives must also evolve precept upon precept in order to address a hierarchy of needs for your company.

eCommerce Hierarchy of Needs

1. Physiological Needs = Survival / Presence *(The base of the pyramid)*

The foundation (base) of the pyramid contains our basic needs. Just as humans need food and water to survive, your company must be present online or it will cease to exist.

2. Safety = Order / Re-order / Fulfillment / Retention

Safety from an eCommerce perspective means that your customers are able to find, configure, buy and repurchase your products and services online: your catalog is showcased. No matter how complicated your backend processes, you must simplify the purchase process.

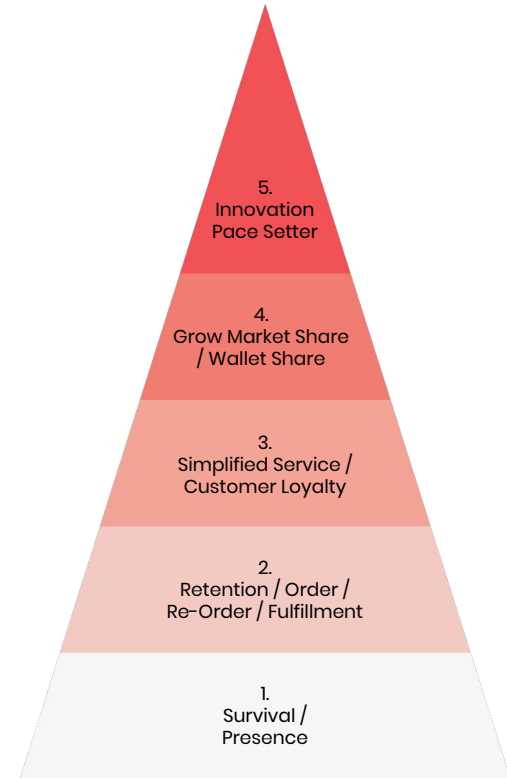**3. Love / Belonging = Simplified Service / Customer Loyalty**

Love and belonging in the eCommerce realm arise from how you treat your customers. Are you simplifying access to the information and support that your customer needs from you? If yes, you are fostering loyalty and protecting the lifetime value of that customer.

4. Esteem = Grow Market / Wallet Share

Once you have simplified the core purchase and service experience for your customer, it is time to leverage advanced analytics and deliver customer facing tools that are personalized for the customers you serve. This will lead to higher order values, more conversions and better margins.

5. Self Actualization = Innovation Pace Setter *(The top of the pyramid)*

The days of being satisfied with fundamental eCommerce execution are coming to an abrupt halt. In most industries, there is at least one traditional competitor that is redefining expectations through a new level of eCommerce execution. On top of that, marketplaces like Amazon are inflicting pain. Once you get your fundamentals in order, you need to continually improve in order to stay ahead of the curve.

5.
Innovation
Pace Setter

4.
Grow Market Share
/ Wallet Share

3.
Simplified Service /
Customer Loyalty

2.
Retention / Order /
Re-Order / Fulfillment

1.
Survival /
Presence

Customer Simplification.

Shielding your customers from backend complexity.

Customer Simplification

Earlier generation B2B eCommerce sites were designed to display a product catalog and automate transactions, acting as little more than a customer-facing window into a company's ERP. Our first B2B clients, for example, wanted us to take their print forms for completing an order by fax, and reproduce it online.

These older sites may be capable of locating a product and taking an order, but they are not doing enough to help the customer. If anything, bad B2B sites shift burden to the customer as they struggle to navigate through difficult options in order to complete a simple transaction. As a consequence, sales suffer and the business absorbs unnecessary costs.

In the age of sites like Amazon and Grainger, the standard for simplified eCommerce is already set. B2B organizations realize that they need to reboot their eCommerce strategy, because customers are growing less patient with the status quo.

Customers vote with their index finger to point and click their way to other providers. Often, this revenue loss is exasperated by the fact that the losses are coming at the expense of the company's highest margin categories. For example, when parts and supplies are not easily associated with your customer's previous selections, then your customer reacts like every other human being on the planet. They seek the path of least resistance, and that path often leads them to Amazon, or worse, a direct competitor.
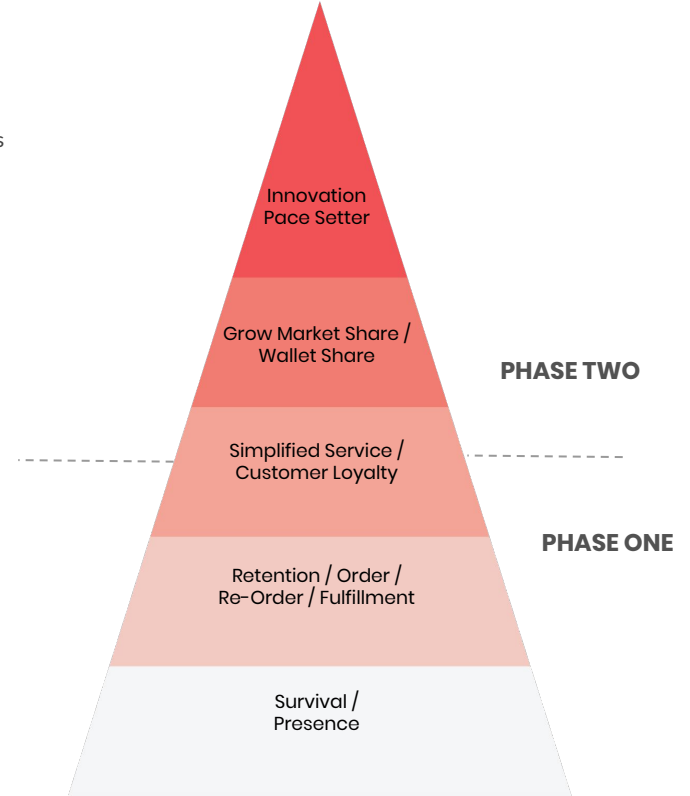
As consumers, we have all experienced sites that are clunky and weird. Usually, when a site's navigation is confusing, we get spooked and jump to another provider. In exceptional circumstances, we may pick up the phone to work with a particular brand; but, most of the time we are quick to jump to another provider that makes our transaction easier.

Customer Simplification

Even though a B2B enterprise has the benefit of history, a contract, and negotiated pricing that insulates the enterprise from some immediate customer churn, that doesn't make eCommerce execution any easier. In fact, in B2B, it is usually harder to meet customer' expectations of simplicity, because the transaction itself is more complicated. To get B2B experience right, we need to deliver the straightforward approach of B2C eCommerce, while addressing additional relatively complicated dynamics like:

B2B Dynamics:

- Multiple Sales Channels
- CPQ - Configure Price-Quote
- Customer Side Spend Management
- Line of Credit and PO Purchasing
- Customer Side Approval Workflows

- Complex, configurable products
- Customer specific pricing & catalogs
- Advanced customer administration
- Punchout / Round Trip Procurement
- Product Mix/ Regional

Innovation
Pace Setter

Grow Market Share /
Wallet Share

PHASE TWO

Simplified Service /
Customer Loyalty

PHASE ONE

Retention / Order /
Re-Order / Fulfillment

Survival /
Presence

The Perfect Phase One.

The concept of Irreducible Complexity is a bit high-minded for our tastes, but then again we already dragged Maslow into it, so . . .

The Perfect Phase One

Addressing Your Irreducible Complexity

When building an effective mousetrap, multiple parts must work together. If you don't have a minimum (platform, spring, hammer) all working together in unison then you don't have a mousetrap. That's the concept of Irreducible Complexity**.**

For B2B eCommerce to be effective, the concept of Irreducible Complexity also applies. Multiple elements must work together in order to have impact. For example, you can have the most beautiful site in the world, but if your product information is not easily searchable and valid, then you will not produce results. Conversely, you can tie together all of the steps it takes to get a transaction processed and out the door, but if the interface is a scattered mess then it won't work.

No two projects possess the exact same threshold for irreducible complexity; a frictionless transaction depends on what your customer needs to accomplish with you.

Good eCommerce is all about Customer Simplification

Whenever our agency starts a B2B project, we pull multiple executive stakeholders into a room and we focus on the customer personas that visit your site and the journeys they take in order to purchase products from you.

For example, if your customers need you to support purchase workflows because one user of the site is a recommender while another is the approver of a transaction, then your site must have a data model that identifies the various roles of your users and support expectations, so that each of your client stakeholders is satisfied with a simple transactional experience that is optimized for their distinct role and purpose when doing business with you.

THAT is your irreducible complexity - you have identified "Phase one".

The Perfect Phase One
The B2B Buying Journey

The typical customer-side eCommerce journey will typically fit into these 5 categories.

01

Identify Problem & Need
/ Digital Marketing

The customer has a need or a problem they want to solve.

Strategy: Either web or mobile, leverage advanced search techniques that get your customers to the good stuff faster.

02

Research
/ SEO

The customer begins researching options.

 Strategy: Search Engine Optimization directs the customer to your business. Provide multifaceted search options on your site that are tuned for jargon, competitive product names, etc.

03

Evaluation of Alternatives
/ User Experience, Tools, Merchandising

Your customers need to evaluate viable options.

Strategy: A strong onsite user experience creates an intuitive review process. Give the customers tools to easily compare options side-by-side. Conduct merchandising. Give them all the options they need without requiring them to leave your site.

04

Decision to Purchase
/ Checkout Terms

Your customer wants to buy something from you.

Strategy : In B2B, your pricing and checkout need to reflect the personal terms of that client. You should include rapid reorder tools, and the ability to upload spreadsheets for more complex orders. Be sure to recommend options that add value.

05

Post-sale
/ Personal Customer Portal

Your next sale is an extension of your fulfillment and execution post sale.

Strategy: provide a personal customer portal to track orders, pay invoices, report on history, etc.

eCommerce Intelligence

The Perfect Phase One

Grooming Your Phase-One Plan

The "C" in eCommerce is capitalized for a reason. Your digital strategy is simply an extension of commerce. It is all about customer simplification. When it comes to grooming your scope for phase-one, the primary consideration should be centered upon the value added to your customer.

### From day-one, your customer should be able to

- come to your site to place orders,
- request quotes,
- check order status,
- review order history,
- receive relevant recommendations,
- and be notified with contextual alerts.

They should be able to self-serve common tasks like

- reviewing or paying their bill,
- tracking an order,
- or managing a warranty.

The tricky part of eCommerce execution is not so much the storefront as it is the backend associations amongst products, workflow support, and customer context.

Good eCommerce gets customers to the good stuff faster. It is personal, contextual, and relevant. To be successful, never settle for a generic "one-size-fits-none" approach. Center your project around the foundational simplification human beings desire. After all, eCommerce is not really B2B or B2C, it is H2H - it is human to human, and human beings like things to be easy.

C-Suite / Board   Decision Makers   Influencers   Researchers   End Users
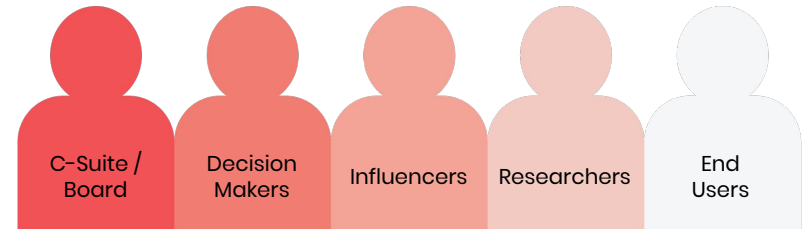
Who are the typical B2B buyer stakeholders that use your site? Often they fit into these 5 categories.

10 Foundational Considerations for a Typical B2B Phase One.

Some projects require additional complexity but these 10 items are considered in virtually every B2B eCommerce initiative.

10 Foundational Considerations for a Typical B2B Phase One

01

Deploy a B2B platform that identifies your customer to personalize their experience.

02

Modern search tools **simplify your customer's ability to find product**.

03

Your **product information content** needs to be associated in order to improve sales on your site.

04

B2B Order Processes are more sophisticated than B2C. You need to address minimum complexity to support your customers' order process.

05

Your site should **associate your sales reps, distribution centers, and/or distribution partners** with the client's eCommerce activity.

06

The site needs to **support critical communication** that your customer expects from you.

07

If you are global, then the site should be global too (but often by phase two).

08

If you brand **multiple business units,** then optimize experience for each one

09

Your **eCommerce should support punchout** and/or offer distinct client-side interfaces.

10

Architect the site for the long haul.

10 Foundational Considerations for a Typical B2B Phase One

01

Deploy a B2B platform that identifies your customer to personalize their experience.

- In most B2B sites, you will enable the customer to login and/or automatically identify them so that you can tie them to a location or business entity and understand their roles and privileges in the purchase process. Most B2C platforms do not support this fundamental requirement, so be sure your platform is optimized for B2B.

- For the vast majority of B2B sites, the platform must be selective in what it displays to the customer based on their identity. Their shopping experience should be populated with customer specific pricing, product mix, and terms that are relevant to them.

02

Modern search tools simplify your customer's ability to find product.

- Your site needs a proven, multi-faceted search engine in its core.

- It should include the ability to create synonyms and find things based on industry jargon, competitive or alternate product names, and SKUS. Your site should associate products and recommendations quickly based on previous customer selections and order history.

10 Foundational Considerations for a Typical B2B Phase One

03

Your product information content needs to be associated in order to improve sales on your site.

- The ERP knows that a product exists, is available in inventory, is available for the client to buy in their region or within their contract, how much it costs at the contracted price, payment terms, delivery expectations, etc.

- Today's modern architecture will often include a third party PIM (Product Information Management) platform that consolidates the supply and enrichment phases of this critical information.

- Product information content (product pictures, associated relationships amongst products, recommended options, long descriptions, bulleted/marketable short descriptions and specifications, related media, etc.) can be added and structured into your platform in a variety of ways.

- The level of ERP integration required in most B2B projects is usually a significant portion of the overall service effort, because these systems need to work closely together.

- Your ERP remains your system of record, but eCommerce is the system of reference. The ERP is about fulfillment; eCommerce is about experience and sales.

- The complexity of your product information, the amount of categories and attributes involved, the amount of content suppliers and stakeholders in your organization, the amount of special handling exceptions or regional nuances if you are global, or the mix of syndication points tied to your product content are all key indicators that will determine if your organization will benefit from a PIM in day-one architecture.

10 Foundational Considerations for a Typical B2B Phase One

04

B2B Order Processes are more sophisticated than B2C. You need to address minimum complexity to support your customers' order process.

- At a minimum, you need to support the methods of payment/purchase that your customer is entitled to use with you by contract. If they are able to purchase with a PO and Net 30 terms, then your site should support it.

- If you offer credit, there needs to be a way for your customer to assess where they stand in terms of credit with you, and should be able to draw from that line of credit in the purchase process (often referenced via the ERP).

- If you have location buyers, or end-user buyers that can make selections, but require an approval from an authorized buyer on the account, then your site should support and automate that workflow for your buyer.

- Your customer should have simple access to order history and/or shopping lists to simplify complex purchases that occur more than once.

- The system should enable your internal sales reps to set up shopping lists, and give your customer an easy way to set up and manage lists globally and by user.

- Historical purchases should include both online and offline orders, so that associations, recommendations, and repurchase options are valid.

10 Foundational Considerations for a Typical B2B Phase One

05

Your site should associate your sales reps, distribution centers, and/or distribution partners with the client's eCommerce activity.

- The platform's job is to amplify the ability of your sales rep to cover accounts, not compete with them.

- Your sales reps should have the ability to intervene and assist clients with complex configurations and providing the customer with a simple "quick order" option.

- Your site should have the ability to receive "Requests for Quote," and share valid quotes with appropriate expiration.

- You should create and expose tools that help both rep and customer properly configure a product mix in a guided way that is compliant with operations policy.

- The site should allow reps or managers to offer special discounts within parameters.

- If you have a distribution center strategy, then the customer should be able to quickly access inventory and location information related to their primary center and access alternates as they seek to fulfill their same day order.

- You should have options for delivery or pickup that the customer can select.

- The eCommerce platform needs to support proper analytics that associates your customer activity and outcomes on the site with your sales reps or distribution channels.

10 Foundational Considerations for a Typical B2B Phase One

06

The site needs to support critical communication that your customer expects from you.

- At a minimum, your site should automatically send transactional order information through email and set the proper expectations related to fulfillment, and share any additional instructions or expectations that are valid in your fulfillment process.

- Best practice is to include a personalized customer portal from day-one, where all transactional information can be accessed. The information will include things like open invoices, service tickets, order history, credit information, warranty information, shipping confirmations and status, etc. You can start with basics and build additional self-service tools over time to reduce customer service expenses and improve customer satisfaction.

07

If you are global, then the site should be global too (but often by phase two).

- Most companies choose to begin with a core region and grow globally.

- Your eCommerce platform should be able to interface with multiple ERP's, so that if you have other ERP's in other regions or lines of business, then you can still leverage the same eCommerce infrastructure.

- The platform must be multilingual and search optimized for variance by location, region, etc.

- Multiple currency, tax rules, etc. need to be addressed (often with a packaged extension).

10 Foundational Considerations for a Typical B2B Phase One

08

If you brand multiple business units, then optimize experience for each one.

- Modern eCommerce architecture enables you to leverage common backend components that support completely different customer experiences based on brand so that your look, feel, functions, and product content are completely branded for the valid site.

09

Your eCommerce should support punchout and/or offer distinct client-side interfaces.

- In most B2B platforms you can brand microsites with customer specific branding. A branded customer microsite can reside on your client's internal purchase sites but remain fulfilled and managed by your backend systems - a huge advantage for your company.

10 Foundational Considerations for a Typical B2B Phase One

10

Architect the site for the long haul.

- From the very beginning, regardless of your phase-one scope, build the infrastructure of your site with the bigger picture in mind. Even if you are limiting your initial production requirements for a phase-one foundational roll-out.
- Like the old saying goes, "An ounce of prevention is worth a pound of cure."
- Work with an experienced partner that can help you anticipate your longer term.

The Absolunet Approach.

Absolunet helps retailers, distributors, and manufacturers bridge the gap between how they sell and what customers expect in the digital economy.

The Absolunet Approach

We remain successful as we grow, because we are driven by an unwavering set of critical values:

A Results-oriented Culture

Everything we do, every action we take, is directly tied to our clients' goals.

Expertise + Creativity

We hire people who are experts in their field and driven by pragmatic innovation.

eCommerce Focus

Our track record and reputation is built upon more than 100 eCommerce initiatives that leverage our top-notch skills across merchandising, logistics, product information management, omnichannel execution, performance optimization, marketplace expansion, distribution enablement, analytics, SEO, digital marketing, and more.

Rigorous Management

Our expectations are very high, but also very clear. We operate with transparency and we leverage best practice acceleration with every client.

Capacity + Scale

We grow by remaining intimate with our clients. We deploy cross-functional client dedicated teams that remain in relationship with our clients over the long haul.

Stability

The majority of our clients work with us for many years and our agency enjoys very low staff turn-over. Our stable client base and team are our most important assets.

Integrated Services

No silos. Our cross-functional approach and team coordination is a refreshing asset that we diligently protect every day. Our integrated approach produces exceptional outcomes.

Communication + Transparency

Our word is our bond and we honor long-term relationships. If something goes wrong, we make it right. We talk straight and earn trust every day.

Technological Expertise + Hand-selected Partnerships

We remain on the forefront of technology and integration expertise. We intentionally invest in partnerships with technology providers we trust to deliver value to our clients.

How Absolunet can help.

Get curious

If you've read this far, you're probably getting ideas or have questions about how you can use digital to get the edge for your business.

You'll be amazed at what's possible today. What was complex 5 years ago is now automated and simple.

Your business is about to go from flip-phone to smartphone.

Get started

We don't sell software, we help businesses use digital to move more merchandise, understand their people and manage with better oversight.

Here is what we can do for you:

- Strategy + Analysis: from exploration to audit to eCommerce business plan.
- eCommerce Platform Development: customer-centric, frictionless and profitable interfaces that work with your systems.
- eMarketing + Advisory: leveraging digital to grow your business

Get in touch

Let's talk. You can tell us about your business, including ideas or challenges you're working on. We'll share what we've learned and what we know, including case studies, best practices and industry trends.

Go ahead, make your competition look like they're still in 1995.

Reach out at
info@absolunet.com

BRIDGE THE GAP.

The best time to invest in B2B digital commerce was last year. **The second best time is today.** Disrupt or be disrupted. (Yes, you can keep your ERP.)

Whether exploratory, advisory, strategic, technical or financial, we should really have a chat about your digital future - because that future, competitively speaking, is now.

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About Absolunet

Absolunet helps North-American manufacturers, distributors and merchants bridge the gap between how they sell and what customers expect in the digital economy.

Absolunet is an eCommerce agency and integrator with 160 people obsessed with delivering results, creating ROI-producing (and award-winning) eCommerce experiences since 1999. Known for its annual Top 10 eCommerce Trends report, Absolunet is a certified Magento Enterprise Solution Partner and is Magento's fastest-growing North-American partner, as well as being a Sitecore "Gold" partner and InSite Platinum partner.

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+ Fashion, Apparel, Sporting Goods

+ Utilities, Lotteries, HVAC

+ Technology, Education, Media

+ Automotive, After-market, Trucking

+ Food, Groceries, Restaurants/QSR

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eCommerce Business Plan

eCommerce Site Development

eMarketing

Consulting/Advisory Services

Evolution + Managed Services

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