

ORACLE

# Essential Strategies for B2B Commerce



AN ELEVEN-MINUTE READ

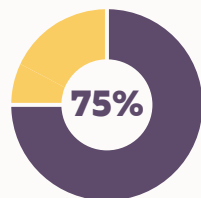


# Exceed buyer expectations with B2B commerce

As B2B buyers demand better experiences, digital commerce platforms strive to offer the same self-service buying channels typically reserved for individual consumers. The COVID-19 crisis has accelerated this change, making digital commerce the number one priority for manufacturers, distributors, and brands that hope to thrive.<sup>1</sup>

**Businesses do a tremendous amount of purchasing. In fact, the value of global B2B commerce has reached a mammoth \$21 trillion, which is 83% of all commerce. By comparison, B2C commerce was valued at just over \$4 trillion.<sup>2</sup>**

The trend for existing and new B2B vendors to adopt commerce platforms is now the norm. Competitors lurk around every corner, looking to carve out market share, or create business models that extract value from an existing vendor's business.



**75% of B2B companies are actively developing market-place strategies to compete with Amazon and Alibaba.<sup>3</sup>**

The old way of doing things can leave many organizations struggling to meet digital customers' needs—customers who expect the same array of purchasing options they have in their personal lives. Success means B2B sellers deliver unique and engaging commerce experiences that suit their customers' specific business models. Otherwise, they risk creating inefficiencies that hinder growth and disconnected experiences that erode customer loyalty.<sup>1</sup>

This guide outlines strategies to help B2B companies scale their businesses while delivering complete, self-service commerce experiences across the channels their customers prefer.



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# B2B commerce, defined

B2B commerce facilitates the digital sale of goods or services between businesses.

Over the past decade, the discipline has changed drastically, shifting from a heavy reliance on suppliers, partners, procurement teams, and contracts toward a more agile model fueled by digital, data, machine learning (ML), and artificial intelligence (AI). As evidence of this trend in B2B, self-service digital commerce sales increased to over 56% in 2020, while purchases through sales reps declined to under 30% over the same period.<sup>4</sup>

So, while business buyers today expect the same treatment as their consumer counterparts, there's more to consider because B2B encompasses more than individual buyers making one-off transactions.

**“The B2B commerce market is far more complex than online retail (B2C). There are often long-term relationships between business customers with recurring purchases. Nevertheless, B2B customers also expect convenient online ordering options that they know from their private lives.”**

*Hansjürgen Heinick, B2B Commerce Expert at IFH Köln, Germany<sup>5</sup>*

When executed properly, modern B2B commerce strategies deliver tremendous benefits and outcomes.

- A commerce experience that meets customers where they are and makes buying easy
- Streamlined, efficient purchasing processes that leverage ML and AI
- A better understanding of customers that increases revenue and customer lifetime value (CLV)

## How digital enables new B2B commerce experiences

Digital has allowed business buyers to transact as they would in their personal lives, so organizations have the opportunity to rethink how to target and sell in a highly competitive market. Additionally, it allows them to redefine transactions and reimagine their business models—regardless of what type of product you sell, and how it is paid for or managed.

As part of this change, many companies have simplified complex purchasing into streamlined, technology-driven processes. Doing so frees up employee time for other high-value activities, including innovating the customer experience or expanding the business into new areas, products, services, brands, or markets.

Lastly, digital commerce channels provide a means for organizations to deliver on their customer experience promise by using data to understand customer preferences and fuel the entire customer journey with enhanced insights at every step.



## B2B commerce, defined

B2B commerce encompasses six different use cases.



**Direct to business:** Digitizes how employees make business-related purchases, including authorized business tools, equipment, and products.



**High-value and considered business purchases:** Allowing purchasers to initiate a quote or online order that's then completed by a sales rep.



**IoT and machine to machine:** When many devices instantly transmit data from the buyer to the vendor via a connected device.



**B2B commerce marketplaces:** Additional, off-site channels with enticing offerings that increase brand visibility.



**Complex pricing, product configurations, and quotes:** Guided, self-service experiences for buyers that ensure complete, accurate ordering while eliminating the need to rely on sales reps.

Let's start building your strategy for B2B commerce.



# Build your foundational strategy

Building and delivering an agile and personalized B2B commerce experience requires a complete view of customer data across marketing, sales, and commerce. To succeed, you first need to gain a clear understanding of the legacy processes and procedures that digital commerce can streamline. With this knowledge, you can identify the appropriate digital channels for your company and work toward a more agile and adaptable commerce experience.

When developing a comprehensive strategy, there are six key factors to consider.

## 1. Customer expectations

B2B customers have changed. The options available to them in their personal lives have resulted in increased demands related to B2B interactions, and the COVID-19 pandemic helped accelerate the underlying digital transformation.

**In 2021, B2B businesses are well positioned to take advantage of new strategies and tactics—like selling directly to customers, launching subscription models, leveraging marketplaces, and incorporating advanced technologies—to meet buyers' expectations well into the future.<sup>3</sup>**

## 2. Revenue and value

An important driver for B2B commerce, value should be considered as part of your overall customer strategy. B2B customers seek out partners that deliver an advantage that helps meet specific needs, including

- **An entirely new business model** that changes how products and services are sold, and to whom
- **Automated pricing and product configurations** that improve order accuracy, shorten sales cycles, and lower operational costs
- **Commerce options** that are in context with your business and your customers
- **A B2B commerce environment** that allows you to leverage IoT to facilitate re-orders



## Build your foundational strategy

### 3. Financial opportunities and competitors

A complete view of your accounts enhances B2B sales and commerce. This means you understand how buyers respond to your marketing programs, and which perform best. You also understand which historic or current issues may affect future sales. This empowers sales teams with the right account information to help customers and maximize revenues. Despite all your efforts, price can be the ultimate point that makes—or breaks—a purchase decision. So, it's essential that you understand your competitors, new disruptors, and mega vendors.

- **Disruptor:** A company that provides a more streamlined offering to replace one of your core lines
- **Mega vendor:** A digital giant that fights smaller companies for B2B customer attention

### 4. Innovation and R&D

Technology is the ultimate enabler of business transformation and provides the backbone needed to promote growth—especially when used to optimize key processes like sales and commerce. Take inventory of your customer expectations, your competitors, and conduct an internal gap analysis on your ability to execute.

### 5. Employee tools

Sales leaders want nothing more than to streamline how sales teams work, and retooling sales processes is an important objective. Examine your sellers' needs and consider expanding processes to empower a more mobile workforce. Depending on the nature of your business, you may also have the opportunity to extend commerce to your mobile workforce so they can upsell while on-site with a customer. Mobile options are also a great idea for new showroom businesses that don't

necessarily have inventory in-house because they've taken an experiential approach to front-end sales.

### 6. Executive sponsorship and vision

Clearly define your vision for sales optimization and secure executive sponsorship and support from the start. This will ensure cooperation across the various lines of business (LOBs) you interact with, who together determine your strategy's success. This exercise will also allow you to establish clear metrics that help you understand what that success will look like.

Each of these strategic considerations works in concert with the others to provide a balanced approach and help you realize gains across all lines LOBs.



# Five steps to get started with B2B commerce

01

## Understand the competition and market disruptors

Taking inventory of your competitors and market disruptors can reveal revenue opportunities you didn't know existed. Look for different ways to conduct competitive research, such as reading industry trends, analyst reports, and other reviews, or by interviewing your customers to find out how their expectations have changed. Are they seeking more or different ways to buy from you, and how will those impact your commerce processes? If possible, conduct a win-loss analysis.

02

## Analyze the comprehensiveness of options you deliver

Are you equipped to deliver on customers' changing expectations? If you aren't positioned to delivering existing and new consumption models, you may be at risk. Gain a strong understanding of which of your current channels work well and why. Also, how will shifts to your commerce offering affect your supply chain? Can it keep up with fluctuating demand? What technologies do you need to set that up?

03

## Talk to sales and marketing leaders at your company

Gain a clear view into what the market says about your company compared to others. Are you considered a leader? Have your customers responded to your streamlined purchasing experience? Are competitors and disruptors carving out market share at your expense? Are your competitors expanding their product and service offerings in new and innovative ways your management hasn't considered? If competitors seem to know something about your customers that you don't, make it a priority to find out.



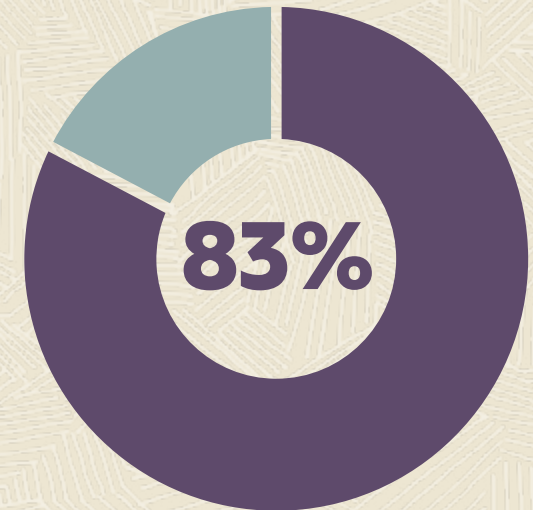
## Five steps to get started with B2B commerce

### 04 Discuss your technology roadmap with IT

To understand the business pressures your IT leaders face, ask about plans to upgrade the sales infrastructure. Additionally, talk about the ability to experiment with emerging technology, such as mobile tools, ML, AI, and sales tools used to configure, price, and quote. You'll want to deliver management insight into the sales process, including customer-initiated quotes, sales-initiated quotes, quotes in progress, and other pipeline-related management views.

### 05 Establish clear project champions

Strong champions across partnering LOBs influence the success of any initiative. Take inventory of the LOBs your new strategy will impact (sales, marketing, and supply chain) and make those connections early to maintain momentum as you execute.



**83% of B2B companies report that B2B buyers actively ask for a broader selection of purchasing options today, a figure expected to grow to 87% by 2023.<sup>3</sup>**





# Reap the full benefit of B2B commerce

Remember that a buyer-centric commerce strategy will help you tackle complex challenges and take advantage of growth opportunities. As you keep moving forward, keep these takeaways in mind.



## 1. Maximize revenue

Moving beyond single product sales opens up revenue opportunities



## 2. Remove complexity

Guided selling and quoting helps simplify pricing for accurate digital sales



## 3. Improve performance and accuracy

Automation improves sales flow efficiency



## 4. Become a trusted advisor

Subscriptions grow recurring relationships and revenue



## 5. Let customers decide how to engage

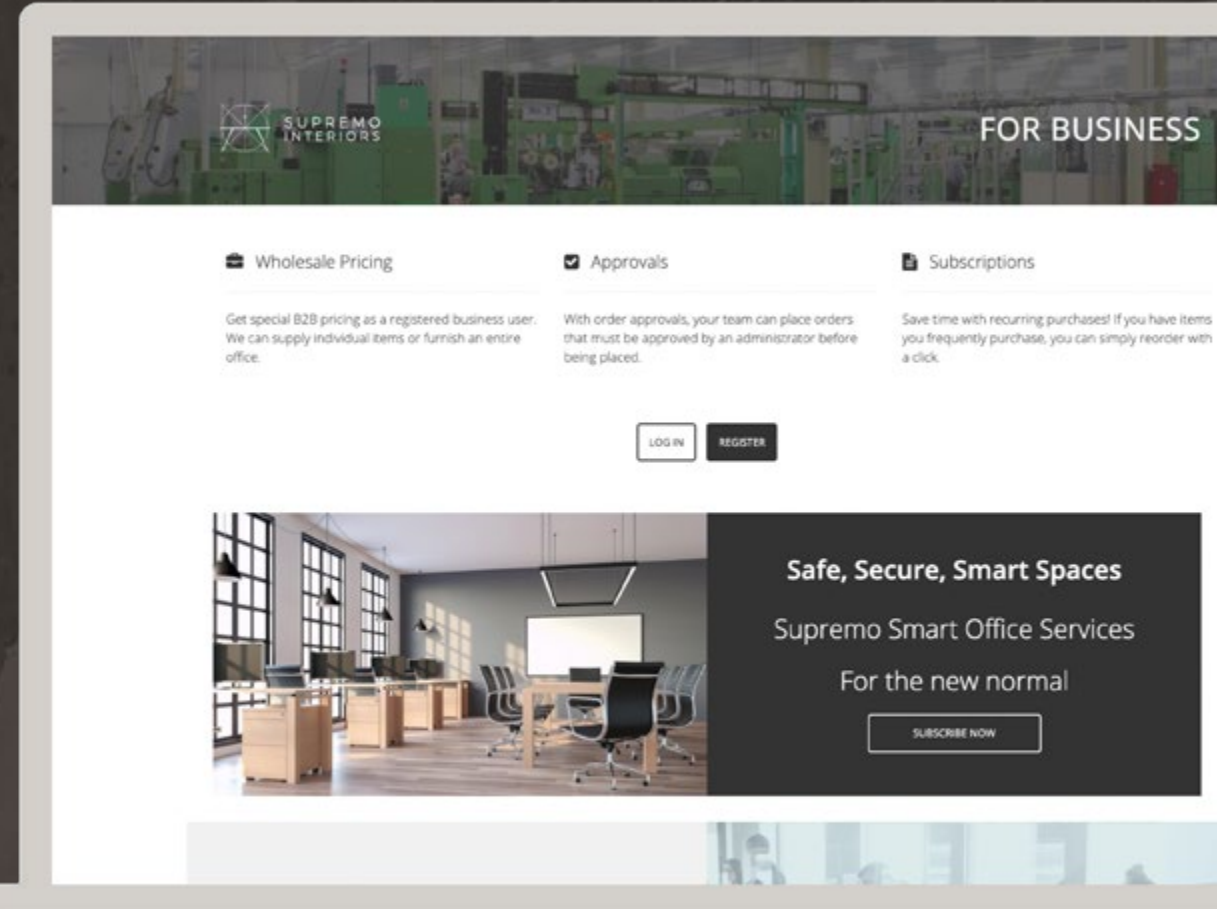
Expanded self-service capabilities remove the barriers to engagement with your customers



# Differentiate your commerce experience with Oracle

Deliver complete, self-service commerce experiences across the channels that customers prefer.

[Want to learn more?](#)



# To the experience-maker who's always moving forward

As modern customers shape-shift from one moment to the next, it's critical to maintain pace with their expectations. To help, we created the Ignite series to fuel your continuous pursuit of customer experiences that always hit the mark.

Guides like this one on B2B commerce aim to advance your expertise and help you craft foundational strategies in less time so that you can get back out there to captivate customers and drive revenue.

## What will you discover next?

- [Essential strategies for digital customer service](#)
- [Essential strategies for customer loyalty marketing](#)
- [Essential strategies for content marketing](#)



## About Oracle Advertising and CX

Make every customer interaction matter by connecting all your business data across advertising, marketing, sales, commerce, and service. Oracle Advertising and Customer Experience (CX) is a connected suite of applications that goes beyond traditional [CRM](#) to help you create and nurture lasting customer relationships. Build a complete view of every interaction and every customer, no matter how and when they engage. Empower your entire business to deliver exceptional customer experiences—from acquisition to retention—and everything in between.

## Sources

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