Simplifying eCommerce strategies for long term success

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In this whitepaper we consider the new eCommerce challenges and opportunities facing B2B businesses, explain why ERP remains the workhorse of the operation and reveal the incredible value that can be attained through integration.

Pre-pandemic, the majority of companies had an eCommerce strategy. Post pandemic, eCommerce is the strategy; and that is raising a new set of business challenges that companies need to address urgently.

From marketing and customer experience to supply chain relationships, fulfilment and strategic direction, businesses need great control, end to end visibility and the joined-up operations that enable automation, scalability and the ability to maximise ever-expanding online opportunities.

Contents

Embracing the opportunity

Over the past decade the accessibility of eCommerce platforms and technologies has created new routes to market for traditionally B2B-only operations – but, for many, it took the market upheaval of a global pandemic to actively explore the possibilities.

Over the past 18 months, customer behaviour has changed radically and for the good. Both business and consumer customers have explored online buying for an ever-expanding type of product range – even complex, high value items are now routinely purchased online.
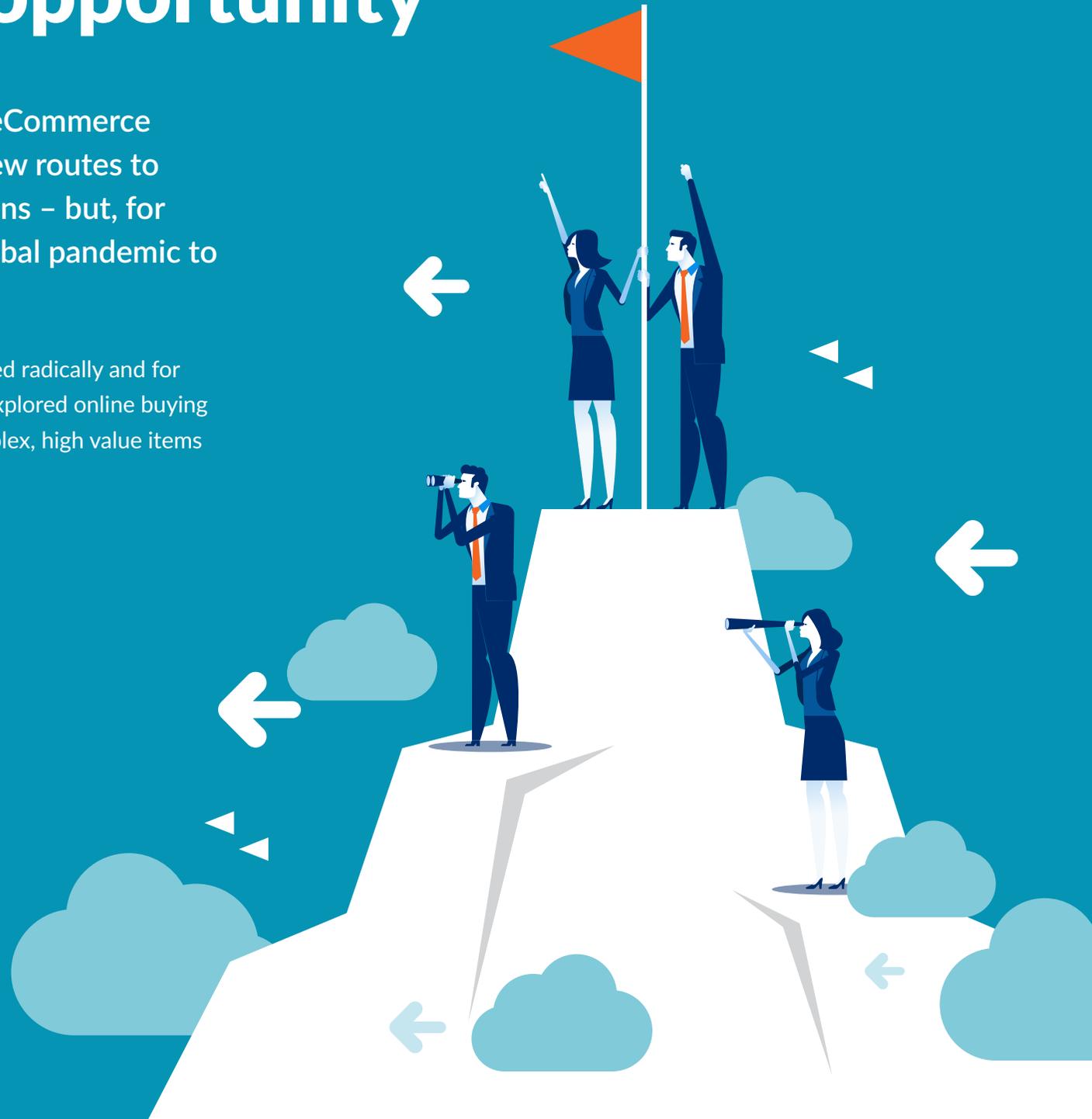
70%

Almost **70% of global internet users aged 16 to 64 use shopping apps every month,** according to the Digital 2021 – Global Overview Report.

14.1%

e-retail sales account for 14.1% of all eRetail sales worldwide and Statista forecasts that these figures will **keep growing and reach 22% in 2023.**

'Shoppertainment'

Innovation is occurring at an unprecedented rate. **How many UK businesses are ready for 'shoppertainment', something that is already part of the eCommerce model in China?** More than two-thirds of European consumers have expressed an interest in 'shoppertainment' – online shopping via livestreaming, interactive games and video content – according to a 2021 Forrester and AliExpress report.

Improve engagement with existing customers

eCommerce is now a catch-all term that encompasses so much more than an online shop. From Amazon to eBay, Shopify to Just Eat, Google and social media 'buy now' buttons, new opportunities to reach customers appear daily. Direct to Consumer (D2C) and Manufacture to Consumer (M2C) are growing fast – with B2B companies exploring eCommerce to cut out the middle man and gain access to the consumer for the first time.

Alongside new growth opportunities, B2B companies are also looking to improve the efficiency and effectiveness of existing processes for selling and servicing companies. While the majority have explored B2B business portals over the last decade or so, there is so much that companies can offer over and above a basic website. Can customers gain self-service access to order, invoice and payment history? What about easily accessible information about products and services? Can the sales team use the same portal to find customer information and support their activities? Does it include Live Chat to provide prospects with immediate feedback on their questions?

For the average SME the opportunity to improve engagement with existing customers online is an exciting one. By extending and improving the experience of

existing, loyal customers through self-service account administration and easy repeat ordering, eCommerce overcomes the admin overload of rekeying orders and responding to customer demands for copies of invoices. It frees up staff to spend quality time nurturing prospects and supporting customer needs. The value of an integrated solution that supports process automation is clear.

eCommerce is a multi-channel sales and service opportunity; it is an amazing platform to support growth - but companies need to get the entire experience right. Whether the management team is looking to reach out to a new customer base through multiple marketplaces or improve efficiency and productivity through automation

and providing customer self-service, it is vital to create the right, integrated model that ensures everyone in the business is using the same, trusted information source.

Online customers have raised the bar. They have more choices than ever before, which means there is little tolerance for problems or delays. Businesses need to get every step right, from perfectly presented product information and accurate and up to date stock data; to varied and clear delivery options; excellent fulfilment; efficient delivery and, at every stage, relevant and timely customer communication. Every part of the business must work perfectly and seamlessly together.

eCommerce is no longer a stand-alone business channel – it is important to integrate with your ERP system.

"Every single step of the business operation needs to be optimised if businesses are to maximise the multi-channel opportunity."

Does your business know the answer?

"If a customer is converted from Twitter and makes a purchase via a website, how is that order captured?"

A single source of information is essential – integrating the core ERP system with an eCommerce website provides end to end visibility across the entire customer conversion process.

"What happens when something goes wrong – how are customers getting in touch, via Twitter, in store, call centre?"

With an integrated ERP system you will ensure that the cusotmer service team has immediate access to customer, product and shipment information. This is essential for businesses to deliver the rapid and relevant customer response required.

"How are marketers ensuring high-quality imagery and messaging across multiple channels and meeting the specific image style and product expectations of marketplaces?"

Integrating ERP with an eCommerce website provides a single source of information which can be enriched and enhanced to provide marketing with complete control over all resources. This helps to meet product expectations and manage Stock Keeping Units (SKUs).

"If the order is international, how is the shipping decision made? And is the business losing money on overseas customers?"

Using an inbuilt shipping matrix within the integrated eCommerce website provides the business with complete control over the pricing and delivery options presented to customers – and ensures that information is seamlessly provided to the warehouse and fulfilment team.

"How easy is it for customers to repeat order?"

Automatically refilling a customer's online shopping basket each day/week or month can improve the customer experience and generate regular income.

DONT INCLUDE IN PDF

Improving customer acquisition, building customer loyalty

Almost two thirds (61%) of B2B transactions now start online, creating very different models of customer acquisition. With so many online marketplaces, businesses can expand their reach and scale up quickly – but only if every aspect of the process works. The diversity of choice – choice of provider, choice of buying model, choice of delivery option, choice of payment – has changed the way businesses interact. There is little patience for mistakes. Individuals are actively searching for information: from product and service description to imagery, pricing to delivery options, the clarity and relevance of the information and messaging has never been more important.

"An eCommerce trade portal can deliver business value in three key areas – reducing the administrative overhead, improving the customer experience and supporting sales growth."

As businesses have expanded their routes to market, there is a very real risk that each channel will offer a different experience. Even worse, different pricing and product information. Disconnected engagement channels will undermine customer confidence. A company must interact with customers consistently, irrespective of whether the customer is on a website, marketplace, using an app, viewing an ad, on social media or interacting with the contact centre via live chat.

When thinking about taking advantage of new opportunities, it is also important to consider how online resources can support current sales activities and enhance rather than detract from existing routes to market.

Tight integration between eCommerce and the ERP enables businesses to automate many processes that currently demand far too much manual intervention – with manual rekeying of orders and responding to customer requests for basic information being the prime examples. With integration, online orders are automatically updated within the ERP – ensuring both accuracy and speed - and removing the need to have individuals dedicated to transferring orders from the website to the ERP system.

Benefits of giving each customer a profile on a B2B trade portal:

Available data 24/7: essential information such as; order history, payment terms, invoices, dispatch notes and tracking data, is accessible to customers around the clock.

Self-service: access and improved experience.

Supports prospects and customers to make better buying decisions: such as how to locate spare parts, even book the annual product service.

Information can be better presented to support the buying process: Using the embedded Product Information Management (PIM) users can create a diagram of a product with the ability to highlight and read about component parts, even click through to order.

The portal can also support trade reps who are for many B2B companies still a vital resource. Providing these individuals with the most effective tools can transform their sales potential. The benefits to a trade rep are:

Visual access to data: customer information, including sales history and CRM is more accessible.

Speedy order placement: they can order direct while on the road – or encourage a customer to register a profile and order direct.

Increased time: to spend on nurturing customer conversations, leaving the technology to automate the essential processes.

"Any break in the customer experience leads to lost revenue, missed conversions, even brand abandonment."

Committing to marketing

From social media to meeting the expectations of marketplaces, marketing has taken centre stage over the past decade. The roles and remit of marketing has expanded significantly – and if the business is to ensure brand consistency across every route to market it is vital that marketing is kept in the loop with the rest of the business.

Is marketing informed if the returns team is seeing the same product come back repeatedly due to a product misdescription? Is the product information being updated across every platform to avoid repeat issues and reduce the number of returns? Creating a strong feedback loop is an essential part of a successful, joined-up eCommerce operation.

According to Acoustic, the average large marketing team uses 90+ tools to support day to day activities, and rarely do they speak with each other – nor are they integrated with the core business data, namely the ERP software. Smaller marketing teams may lack the range of sophisticated tools but they too are lacking vital business knowledge and often struggle with information spread across multiple locations, from spreadsheets to Word documents and image files.

"Marketing is not just about customer acquisition and retention – in an online world, marketing needs to be embedded within the business."

How to integrate eCommerce into your existing website

The foundation for marketing is the same for every other part of the business – accurate, up to date information about every single product and service.

1 Using the core **Stock Keeping Unit (SKU)** information as the foundation for marketing eradicates the disconnect and confusion that can occur when information is dispersed.

2 Enriching core product data with a **Product Information Management (PIM)** provides the marketing team with a single location for all descriptions and imagery and a full audit trail.

3 Workflows can help individuals to track progress, to ensure all approval steps are taken.

4 Alerts can be used to ensure product information is not published until ready.

5 Corporate standards can be maintained while the specific needs of each marketplace can also be enforced, meaning the business can always comply with imagery expectations first time.

"Integrating the ERP system with a dedicated eCommerce website provides marketing teams with the foundation for consistent, trackable activity across every channel."

End to end business operations

With ever-improving integration opportunities through application programming interfaces (APIs), marketing can confidently add the tools required to keep track of customer engagements across different channels and measure performance. Plus, of course, marketing is embedded within the rest of the business – information from the warehouse about returns can be automatically flagged through the ERP, enabling marketing to rapidly update product descriptions or tweak imagery to improve the customer experience and reduce returns.

A single source of all marketing information in one, cloud-based solution, also means the often dispersed marketing team, including contractors and freelancers, can work together, collaborating effectively to ensure messaging and imagery is consistent.

"B2B companies will maximise eCommerce opportunities when marketing becomes a core, integrated business activity."

Your eCommerce Strategy Simplified

Business to business
Trade desk
On the road sales

Business to consumer
Internet buyer

Magento · shopify · amazon · ebay · woo

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Sales and marketing
Finance and leadership
Fulfilment
Supply chain, goods in
£3,732.0   £732.00
Sage ERP
sage
Customer service and returns
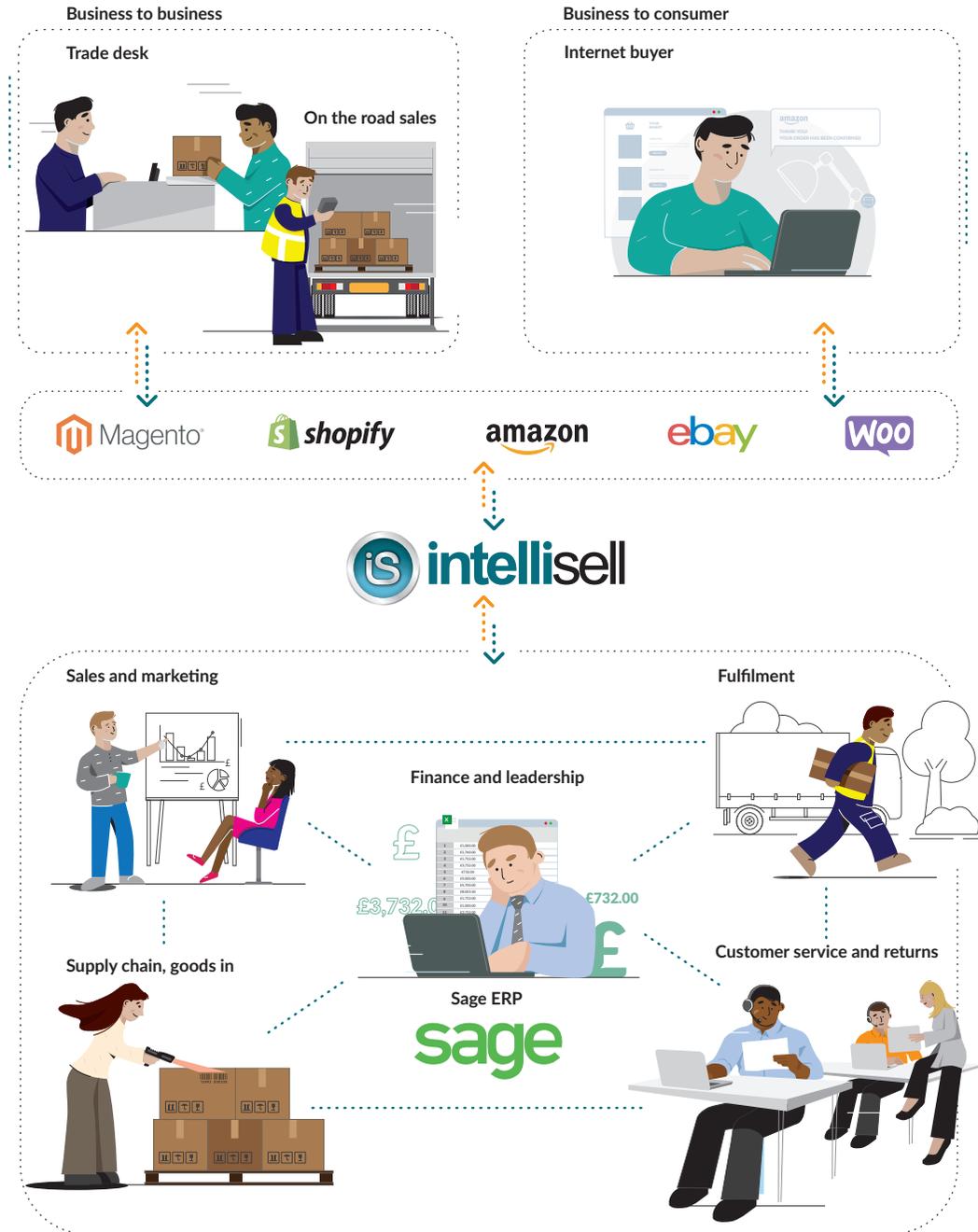
Direct to Consumer (D2C)

B2B businesses are also exploring the potential of connecting directly with consumers (Direct to Consumer). This can significantly expand a company's potential customer base – but it also requires an understanding of the new consumer customer. How will consumers engage with the brand? Do they have more questions about the product? Typically the consumer sales cycle will be shorter – and it can be valuable to add services such as 'Live Chat' to websites. A switched-on customer services team, able to respond immediately to customer questions, can provide a significant boost to conversion rates.

Consumers also take a different approach to buying decisions. They rely heavily on social media not only for information about products and brands but also inspiration. They are often not looking just for information but advice and ideas about how, where and why a product might work for them.

D2C product information requires a more innovative look and feel. Both description and imagery need to be tailored to the consumer expectation – while still retaining the overall corporate look and feel to reinforce brand messaging and concept.

"Direct-to-Consumer is growing fast – even before the pandemic, D2C brands had captured significant share across categories — 20% in mattresses, 15% in shoes, and 12% in razors – and 40% of consumers expect D2C brands will comprise four out of ten of their purchases by 2024."

Transforming Customer Experience

According to Accenture, 80% of CEOs recognise the need to deeply reimagine how they engage with and treat their customers in a post-pandemic world. Given the changes to customer expectation, supply chains, even ways of working, businesses that grasp the chance to move beyond traditional 'customer experience'(CX) towards 'business experience' (BX), will be best placed to achieve differentiation in an increasingly commoditised world.

"There are two key components of optimal customer experience. Firstly, truly efficient, intelligence-driven business processes. Secondly, excellent customer communication."
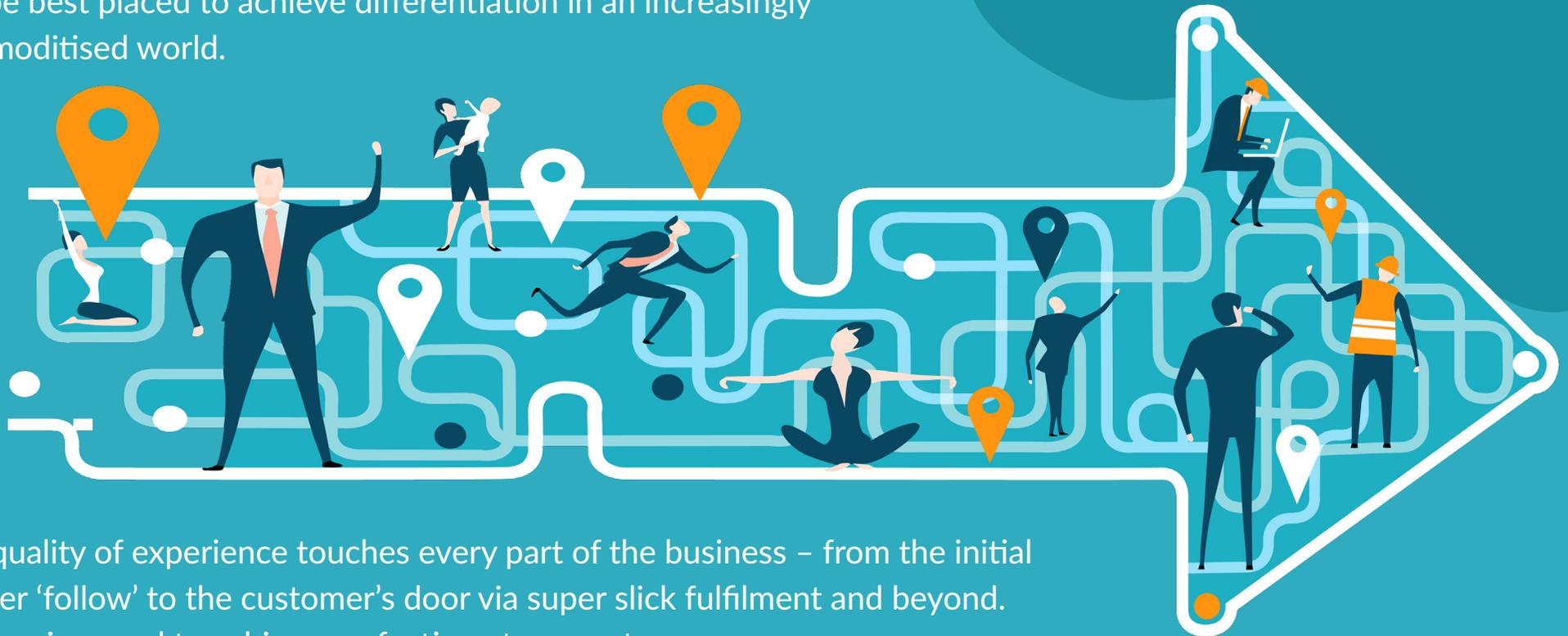
The quality of experience touches every part of the business – from the initial Twitter 'follow' to the customer's door via super slick fulfilment and beyond. Companies need to achieve perfection at every step.

Make customers' lives easier with repeat ordering

Automatically populating the shopping basket with frequently ordered products each week or month is a great option for customers – and generates a regular, repeating revenue stream. The purchase process is simple – with customers quickly confirming and/or changing quantities. Or customers can opt to spread payments through regular monthly contributions – something that works well for annual product service costs, for example.

"According to Bold Commerce's Subscription Trends 2021, over 70% of D2C brands have integrated subscriptions into their eCommerce strategies. It's all about improving the customer experience while generating more regular, guaranteed monthly income – an approach that can resonate powerfully with B2B as well as D2C markets."

Intelligence-driven business processes

Research confirms that 42% of customers missed an average of three deliveries due to miscommunication by a brand or courier during the pandemic. That number is expected to rise as people return to work and holidays, with nearly two-thirds (63%) of consumers expecting to be away from home more frequently.

HOVER, then click on the bullet points below to skip to the topic of your choice **>>**

- **Seamless operations**
- **Automating fulfilment**
- **Continual improvement**
- **Customer communication**
- **Reach out to your customers**

42%

of customers missed an average of 3 deliveries due to miscommunication by a brand or courier during the pandemic.

Seamless operations

Automated, efficient processes are at the heart of a great customer experience. Providing browsing customers with accurate, up to date stock information on the website or marketplace is not an option, it is a necessity. Customers need certainty in an uncertain world and any business failing to provide trusted information online will rapidly lose credibility.

Many businesses are looking for Order Management Systems to create 'a new customer', process the order, link with stock and automate shipping models – yet they already have these solutions in place. The existing ERP software provides a foundation for effective eCommerce and delivers the data required for simplified management at every stage.

An eCommerce website that is integrated with ERP software will automatically provide up to date stock information. In addition, combined with information from courier systems can also provide a range of delivery options for customers. Check-out processes should be seamless – and followed by immediate notification of order confirmation.
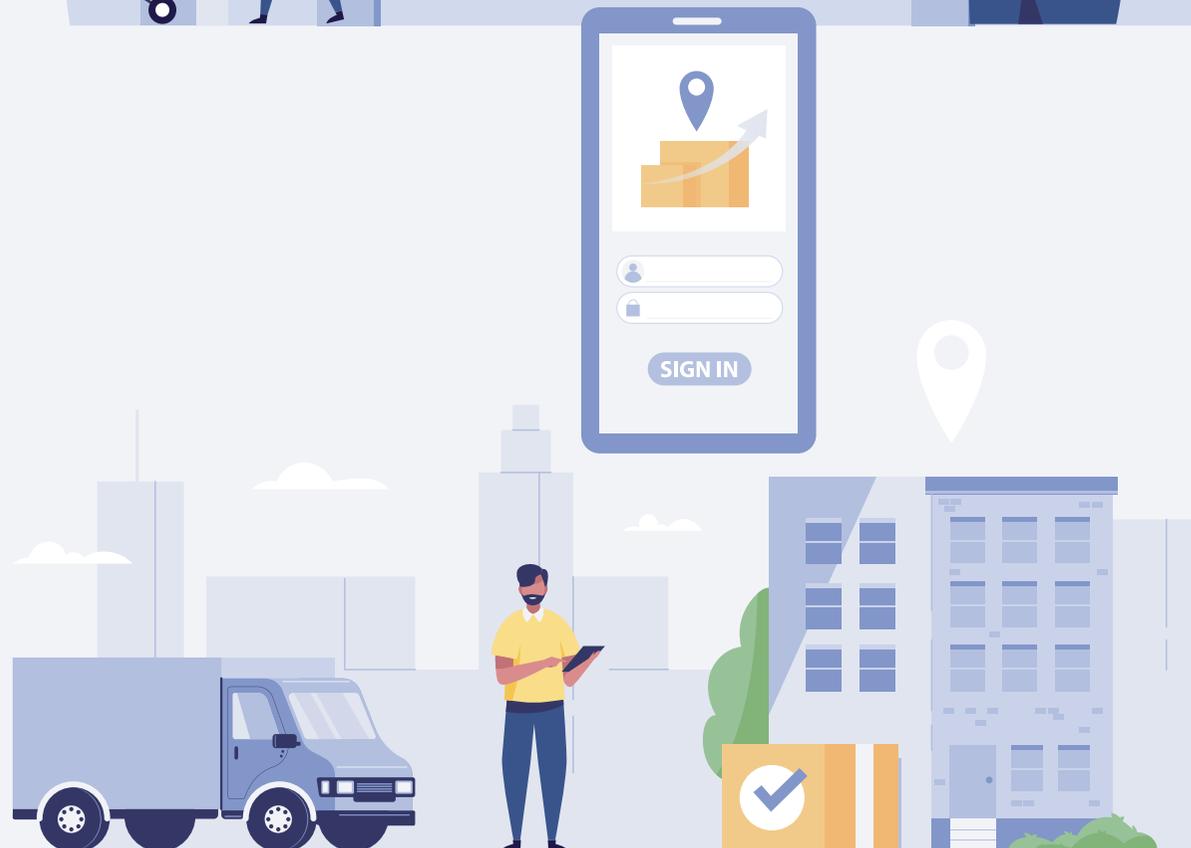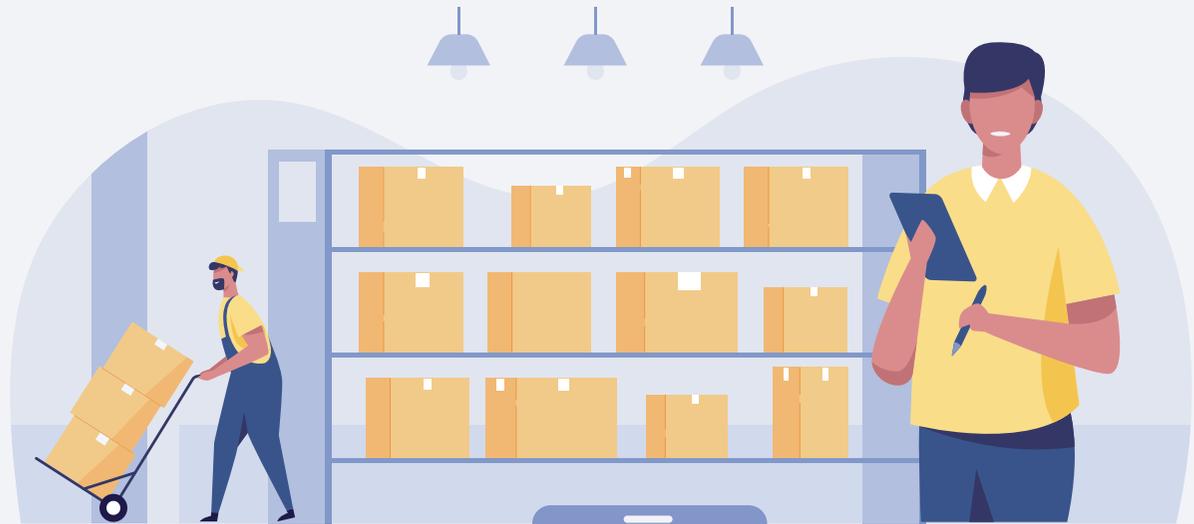
See more about customer communication >>

Automating fulfilment

Fulfilment is still an area that many organisations are struggling to optimise – a situation made worse by the ongoing shortage of delivery drivers. Businesses relying on manual processes for updating orders not only risk picking and packing errors – which are devastating to customer experience and perception - but they are also hugely dependent on the skill of individual warehouse managers. In many cases, warehouse managers are making dispatch decisions with no information about customer value or courier costs, decisions which can quickly erode any profit margin.

What happens when new channels and customers are added? Without efficient, automated operations, warehouse performance can fall apart quickly – resulting in a poor experience for the brand new customer base, which is unlikely to return. All the good work and investment undertaken by marketing to acquire new customers is destroyed at a stroke.

Warehouse process improvement, especially picking and packing accuracy, is key to minimising mistakes; mistakes that both undermine the customer's perception of the business and add considerable costs due to returns and replacement. Integrating Warehouse Management Systems (WMS) with the ERP adds to the pool of invaluable business data and supports the end to end automation. Staff are then freed up to focus on exception management and remediate any serious issues that could impact the customer experience

"62% of respondents to a recent study mentioned human error from manual process management as the number one root cause of inventory or fulfilment issues".

Continual improvement

Customers provide a raft of information that can be used to achieve incremental gains – with the right approach. Routinely checking trends in returns information will highlight if an item is repeatedly returned to the warehouse because there is an ongoing fault with the product. Failing to track these repairs and the speed with which the issue is remedied could lead to unhappy customers. Problems with packaging that leads to product damage should be immediately referred to the warehouse for immediate improvement; while customer feedback about product descriptions can be used by marketing to fine-tune the way items are presented online.

Using automated alerts – for example, if a returns threshold is passed for a product – will ensure the business can quickly manage the exception and ensure any possible issues that could affect the customer experience are minimised.

Customer communication

Wherever possible, customer communication should be self-service and automated – it makes the customer's life easier and massively reduces costs for the business. From confirming order receipt to updating shipment dates and sharing delivery information, providing the customer with their choice of communication channels, including apps, SMS and email, is a great option. Simple integration with the ERP software and eCommerce website should trigger these automated communications throughout the fulfilment process, all the way through to returns.

In addition to the standard FAQs, B2B customers also welcome advice and guidance – such as video demonstrations of a product set up and in use, as well as customer case studies. Taking the time to show customers how products and services work and demonstrating an understanding of their pain points helps to build confidence in a business.

Integrating the ERP software with an eCommerce website also enables account customers to log in to access the latest information about product status, shipment dates, order history and payment terms – as well as organise returns if necessary.

Reach out to your customers

Businesses also need to support direct communication –
from Live Chat with the sales and customer services team
via the website, to telephone access to service and support.
Any customer-facing staff need access to the latest, accurate
information – from product news to customer history and
shipment status if they are to rapidly address customer
concerns.

The per-user license cost, however, deters many businesses
from providing everyone with access to this vital resource. A
cloud-based dedicated eCommerce website integrated with
ERP data is a far more cost-effective option and, because it
is scalable, means the business can rapidly expand access to
data on demand.

A fast, efficient response is key to achieving those vital 5*
reviews that increasingly inform buying decisions for both
B2B and B2C customers.

*"Businesses need to think seriously about where
customers engage and when, what that experience
looks like and, critically, how they are checking the
quality of interaction at every step."*

LIVE CHAT

Informing strategic direction

For the C-suite, the speed with which new eCommerce channels are changing business direction is also a strategic challenge. Opportunities are coming thick and fast, and businesses need not only to be able to adapt fast but also expand at scale if a new channel takes off. What happens to the customer experience if demand soars from a new D2C channel? Is a business risking its long term B2B customers in a bid to reach a new market?

Cloud based eCommerce provides an inherently scalable model, allowing a business to expand in response to customer demand – but not every opportunity is equally valuable.

How is the business answering key questions in a market that is constantly changing?

Managing

Which channels work for the business? And how fast is that changing? Tracking a channel's profitability day by day can reveal unexpected implications of shifts in customer behaviour and the impact of new competition.

Planning

What is the cost of adding a new channel? Can the business scale up to meet any spike in demand – and at what cost? What is the impact on existing customers? From customer acquisition to fulfilment and customer service, it is vital to understand the new costs at every stage of the process.

Forecasting

The shift from traditional B2B operations to an eCommerce model can turn traditional customer buying patterns on their head. From social media influence to customers looking for solutions in an increasingly fragmented and unpredictable supply chain, forecasting is becoming ever more complex. As companies look to add new channels to market, such as drop shipping or Third Party Logistics (3PL), it is vital to have the ability to understand the potential impact on the rest of the business. What capacity is in place to support additional customer demand? How confident is the business in its suppliers and supply chain? Where is the contingency?

"Businesses need continuous, trusted end-to-end visibility and insight to understand performance and successfully adapt."

Business Intelligence

Over the past decade, businesses have recognised the importance of accurate, real-time information to support both operational and strategic decision making. The shift towards an eCommerce dominated business model has further underlined the essential need for trusted, high-quality data – data that can be both easily understood and effectively used.

By using ERP data as the core business foundation and exploring the power of APIs to integrate a raft of other business applications, including Business Intelligence (BI), companies can transform the way they respond to new opportunities. Data confidence ensures new eCommerce channels are weighed up and explored intelligently; while the use of data to support automation ensures the C-suite can focus on exception management, prioritising the most urgent and valuable areas of business development.

"Accurate, up-to-date ERP data is invaluable: it can provide immediate feedback into customer demand for products, as well as insight into potential changes required to optimise the fulfilment model. Integration can offer a dashboard view of operations, delivering affordable, cloud-based, immediate information to everyone that needs it across the business."

Start small

For most companies, the best plan is to start small – try out a small niche of the product set, for example via Amazon or eBay, and assess the business impact. This evaluation will encompass both customer response to the chosen products – which could be the top-selling range or old stock that needs to be shifted – as well as each step in the fulfilment process and overall customer experience.

The same approach can be used to try new business plans – such as offering a small subset of customers a sustainable delivery option - and assessing the response.

"Today's retailer has plenty of options to choose from for where to host their online shop. Selling through an online marketplace, such as Amazon or EBay, is a great start to build a consumer base and sell your products – but it's worth doing your research."

Keeping on track

Is the business measuring the success of each channel? What are the Key Performance Indicators (KPIs) and how are they being monitored? Dashboards can provide every part of the business with tailored information views, helping staff to prioritise their response and ensuring any problems – such as escalating warehouse delays – are immediately addressed by relocating resources.

Real-time profitability tracking can transform performance – for example, by comparing delivery costs and the performance of each courier and tracking customers' preferences, a business can continually refine the customer offer to improve customer experience whilst also maximising profit.

Accurate data is also vital to add intelligence to forecasting, including 'what if' scenarios. The ability to compare the likely impact of, for example, a 10% increase in customer demand versus 20%, can help the business to de-risk a fast expanding eCommerce operation.

With great data, companies can also explore new concepts – such as the potential value of adopting more sustainable strategies. Are customers interested? What are the delivery options – growing numbers of carriers are switching to electric vehicles, for example. What about packaging costs? With a single source of business information, companies have a solid data foundation to use to compare different options for business expansion and change.

Building the right solutions to support an effective eCommerce business is not plug and play for most businesses today – but it could be, if companies take the right approach. Businesses have relied on ERP solutions for decades to provide the foundation for manufacturing, distribution, accounting – as eCommerce transitions from an add-on to core business model, ERP remains that operational cornerstone.

Winning access to a new channel is just the start of an eCommerce model. From marketing to fulfilment to customer services, businesses need an end-to-end business strategy – and that strategy requires a trusted, accurate, real-time source of business data.

"Successful eCommerce begins and ends in the ERP system."

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