

B2B Ecommerce

B2B MERCHANTS PROVIDE A PERSONAL EXPERIENCE FOR CUSTOMERS

By **Daniele Forte**, Multichannel Merchant

Much like B2C ecommerce today, merchants on the B2B side are making a conscious effort to make the experience as seamless as possible. Whether it is through a sales representative from the company or through the company's website, B2B merchants are giving their clients an optimal experience.

Today, B2B customers want a personalized experience from the merchants they're working with; much like B2C customers, they want the merchants to know them and understand what they want.

Brandon Finch, Director of EBusiness at Jelly Belly, said that features and functions in B2C are now making their way to the B2B landscape—functions like faceted search and merchandising, along with content strategies.

He added that some are hard-core B2B channels such as basic shop and get out, while others are more shop, browse and discovery channels.

Jelly Belly attracts clients through the strength of the brand and its presence at trade shows. Finch said there is very little prospecting and there are enough people coming to Jelly Belly wanting to sell their products.

Finch said they are working to attract repeat customers through more automated marketing programs encouraging repeat customers, a program that will be centered on seasonality.

Gillian Hawkes, Senior Director of Ecommerce Product Management and Strategy for Staples, said knowing what the customer wants is not just about the product it also includes the content, the community, ideas and services you provide which is a big theme on the B2B side.

For Erin Condren, a customized product, gifting and office supply retailer, that was recently introduced on Staples.com and in select stores, launching on the B2B side has proven to be successful.

Erin Condren, Founder and Chief Style Officer for Erin Condren, said that while it has seen success with their direct relationships they have built with their B2B clients such as Staples, there aren't any plans to create specific sites for B2B customers.

Attracting Your B2B Customer

How are you attracting your B2B customer? While many might believe it shouldn't take much to get their attention, that is definitely not the case. There are so many ways B2B merchants are attracting their clients. B2B merchants are developing relationships with their clients by meeting them at trade shows, promoting the brand through magazine publications or simply creating robust marketing programs to attract potential clients.

For shoe retailer Chinese Laundry, attracting the B2B customer is accomplished through customer de-

CONTINUED ON PAGE 2

FEATURED IN THIS REPORT



Page 2
**How Chinese Laundry
Attracts the B2B Customer**



Page 3
**How Staples takes full
Advantage of its
Staples Advantage website**



mand and partnership. Scott Cohn, Vice President of Ecommerce for Chinese Laundry, said partnering with Project Runway, Miss Universe, bloggers and magazines helps develop a relationship with potential customers.

"Regardless of the technology, you have to have the right product," said Cohn. "If you're interacting with your customers faceless over the internet, you don't get the type of questions face to face, you lose that interaction and knowledge of what their customers are asking for and what is missing in the store."

When it comes to selling the Chinese Laundry brand for potential B2B clients, Cohn said they work with anyone from the general manager level in department stores to the president of the company. Sales teams on both sides work together.

Cohn said the benefit of having their salespeople sell to clients this way is the ability to gain a better understanding of the business by having that personal interaction. At this level the company and customers can talk about why certain items are important to the mix thereby creating a personal relationship with them.

NanoLumens, an outdoor/indoor LED display manufacturer attracts its customers through trade and vertical publications, digital ads, paid search, webinars, events and trade shows, among other tactics.

"We have a fully flushed-out marketing program that handles all that email, we do direct mail, outbound calls, PR and thought leadership," said Deborah Fisher, Vice President of Global Marketing for NanoLumens. "We have an interesting sales tool, a product called iPresent, which is a hand-held device that can hold our library of images, putting it into the hands of the salespeople and customers."

Stone product company Carolina Stone attracts its

B2B customers through its website reaching out to both homeowners and contractors.

In 2011, Carolina Stone began working with BuildDirect, an online marketplace that provides homeowners the products they need and want when renovating their homes.

Prior to working with BuildDirect, Carolina Stone was forced to scale back its operations. Carolina Stone attempted to contact distributors and explore other sale channels to expand the company, but nothing worked.

Carolina Stone turned to BuildDirect which helped them resolve several supply chain issues associated with shipping bulky building materials.

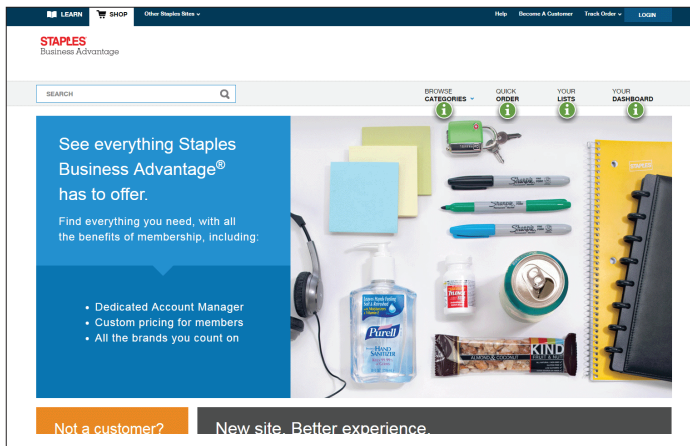
The partnership between Carolina Stone and BuildDirect, allowed customers to purchase stone products for their build and remodeling needs and offered Carolina Stone a distribution partner to expand its sales channel.

Once Carolina Stone worked through inventory challenges, overnight sales skyrocketed and within a year of working with BuildDirect sales increased by 350%. Carolina Stone was able to develop an instant national footprint due to BuildDirect's invocative supply chain network.

While Carolina Stone still sells locally, 75% of its annual sales come through BuildDirect and transformed Carolina Stone as sales continue to climb year-over-year.

"We got along pretty well, when the economy crashed, we tried anything and anywhere to sell our stone, we lined up the orders and scheduled shipments and opened our eyes and started selling on the Internet," said Carl Toop, Co-Owner of Carolina Stone.

Using BuildDirect's strategically distributed ware-



houses a shipment that would have cost an average of 56% of the purchase price, now only costs 5% of the purchase price. Today, sales with BuildDirect have increased 42% year-to-date.

Do You Need an Ecommerce Site?

An ecommerce site can do wonders for a brand, but in the B2B sector is it needed as much as it is needed in B2C? Some merchants will have different approaches when it comes to deciding whether they need a website or not when selling to their B2B clients. Some don't have an ecommerce site at all, while others have more than one, treating it much like a B2C site. Some merchants have taken the more direct approach and are working with clients one on one.

NanoLumens, for example doesn't have an ecommerce site. Fisher said the reason there isn't a website is because its product isn't one that can be shipped and the product cost is a quarter of a million along with the installation. Its sale cycle is 16 to 18 months.

Chinese Laundry doesn't have an ecommerce site specifically for B2B customers. It continues to evaluate options trying to determine what is the most appropriate for its customer base.

"We have looked into these things, gone and sat with customers and see how they've utilized other ways they can buy from other brands," said Cohn. "There are two or three services you can have customers sign up and buy from the inventory that is out there, they have nice tools and order information to send back and forth systematically."

Cohn questioned whether it was worth creating a B2B website that is equal to a B2C website that the

vendor has to look at or is it worth having the potential client sign up into that service.

Staples, on the other hand takes full advantage of its ecommerce site with its Staples Advantage Site for B2B customers.

"It's a competitive advantage to have a website, everyone has a website. Where the competitive advantage comes is in some of the features that other competitors do not have," said Hawkes.

Staples also has a mobile app for its B2B customers and buy-online pickup-in-store capabilities as well.

"The way we support the brand we convey the value proposition for Staples and offer many of what our competitors don't," said Hawkes.

Hawkes said what needs to be recognized is that clients want to get in and accomplish their tasks. On its website Staples makes the effort for customers to come and purchase.

"Proactive selling and discovery shopping is great."

Some of the ways Staples has made it easier includes making search functions simpler and putting the "recently purchased" front and center for customers to view immediately.

"You really want to make it more enjoyable in a subtle way," said Hawkes.

Hawkes said that a lot goes back to personalized content and relevance. The smaller the customer, the more open they are to having an experience that is customized to them.

"For larger customers we have the ability to provide a simpler customized assortment with better functions and features," said Hawkes. "At the end of the day we try to partner with them."

Jelly Belly has two websites for its B2B side, one for specialty customers like mom and pop-type candy stores and the other for direct store delivery for regional grocery chains.

"The specialty customers are the discovery shoppers; they run one shop in a couple of locations, they are acting more like consumers, whereas the direct store delivery realm is handled by brokers for the stores, so they want to get in and get out," said Finch.

Finch added that Jelly Belly's specialty site is designed much more like a consumer site with a lot more imagery and content.

"It has a traditional organization that you would find on most ecommerce shopping sites," said Finch, "whereas the direct store delivery [site] is stripped down and designed to get the buyer through the process as quickly as possible."

Selling Through Your Sales Team

Selling through your sales team offers your B2B clients a chance to work directly with the retailer creating a personal relationship that a website may not be able to create between the retailer and its clients.

Fisher explains that NanoLumens has a pretty traditional set up, it has marketing hitting the top of the funnel, with a business development group that takes the leads and opportunities to qualify what is sent to a company.

"Once it has been qualified, the salespeople take it from there," said Fisher. "There is a lot of cross-checking; we have sophisticated marketing, very vertical in nature in terms of our messaging."

NanoLumens also drives repeat customers through its sales team. Fisher said NanoLumens works with PR and provides case studies to keep the relationships between NanoLumens and its clients warm.

"In some cases, they tell us it's time for more," said Fisher. "It's not as processed oriented as our new business is."

Fisher said they do have some repeat business that is successful, particularly in the retail market where



it is able to work with global merchants that have flagship locations around the world.

"That is an interesting relationship we are looking to grow, we are learning the ropes," said Fisher.

Jelly Belly also has sales representatives on top of their two websites, and they have broker organizations that also have representatives, Finch explained.

"The specialty customers can be self-served through the site or call customer service or deal with their sales representatives, and there are brokers that are placing orders on behalf of clients," said Finch.

Finch said the benefit of having sales representatives working with clients is the one-to-one relationships and proactive selling and discovery shopping is great. [With repeat clients?] – No.

"The website can't ask questions and match sales strategy to upcoming products," said Finch. "Personalization is not there yet, it's the proactive one-to-one relationship" that builds a customer relationship.

MULTICHANNEL MERCHANT

MULTICHANNEL MERCHANT delivers in-depth analysis of trends and best practices, as well as news, research, tactical/how-to and resource information to help marketing, ecommerce, operations and senior management at companies that sell merchandise through multiple channels and deliver the merchandise to the customer wherever they choose- at home, work, store or other locations.