# Why Using a B2C Platform for Your B2B E-Commerce is a Bad Idea



## What do Companies Need in Order to Compete in B2B Commerce Today?

Many companies started their first foray into B2B digital commerce with pilot projects, often built with homegrown systems or on lightweight, legacy platforms that were designed to support the bare minimum requirements. As the popularity of digital commerce for B2B has grown, new business models such as Direct to Consumer or selling through online marketplaces have emerged and Manufacturers and Distributors have found that their homegrown systems aren't capable of supporting these new strategic initiatives.

In order to stay competitive and capitalize on the advantages of these emerging strategies, companies are faced with choosing a new platform that will support their long-term plans. Not only that, they need to launch these new strategies quickly and affordably, in order to not miss their window to win and retain B2B buyers looking for more modern experiences. Where should Manufacturers and Distributors start this daunting task?

The time to ask this question was yesterday. Leaders in B2B commerce are already establishing new levels of ease and efficiency that will become the norm in B2B digital commerce. In order to catch up, companies must seek out B2B-first commerce technology that allows them to activate these new strategies before their buyers move on to other sellers.

## B2B vs B2C — What's the Problem with Choosing a B2C Platform?

Everyone talks about the importance of offering a B2C-like experience for B2B buyers, right? So, when beginning a new digital commerce initiative, why wouldn't a Manufacturer or a Distributor start their search with the leading B2C vendors who seem well-proven in delivering digital commerce experiences?

It's important to understand what B2B buyers mean when they say they want B2C-like experiences. What they like about a seller such as Amazon is how easy it is to use, from its effective search capabilities to its personalized



recommendations. Amazon is able to do this so well because the company has invested time understanding the way its customers buy products, with tailored experiences for different categories such as books or furniture.

To achieve the same quality of experience, Manufacturers and Distributors need to develop the same understanding of their buyers. It's not as simple as taking a recommendation feature that Amazon uses and applying it to a B2B site. If it doesn't meaningfully help buyers do their jobs, then it won't result in satisfied customers.

On top of that, B2B buyers have needs that go beyond what they see on a product page, such as purchasing on behalf of an account rather than as an individual; higher volume orders; regular replenishments that could be automated; contract-pricing; quotes and negotiated pricing; and so on. These are capabilities that B2C doesn't need to worry about, and thus are added as an afterthought to B2C technologies (if they're added at all).

According to a 2019 survey, 45% of B2B sellers have lost a customer due to the quality of their commerce experience, a sign that many sellers are investing in ineffective systems and technologies for their B2B buyers.<sup>1</sup>

This figure may be attributed to the fact that businesses are using B2C solutions rather than ones that have been tailored for B2B needs first.

While many of these B2C vendors claim that they've done the work of understanding B2B and tailoring their B2C features for it, deeper evaluations show that B2C commerce tools are simply not designed for B2B requirements and therefore cannot be expected to deliver what's needed for B2B success. Using a B2C solution will require investment in customization, thus slowing down the time to market and increasing the risk that buyers will move on to other sellers that met their expectations faster.



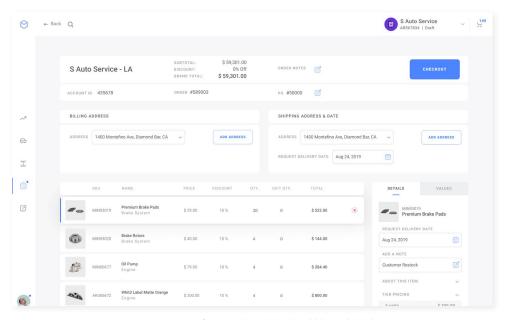
<sup>1</sup> New Data Shows Lackluster B2B Commerce Experiences Drive Away Buyers

#### What Do We Mean by B2B-First?

There are two parts to thinking about B2B needs.

#### **Core Functionality**

The first is core functionality. Given that B2B buyers have unique requirements around their buying terms and workflows, a B2B-first platform should support common B2B selling models with out-of-the-box capabilities, rather than requiring sellers to support these through customization. Every piece of customized code adds to the cost of maintenance over time. If you're a B2B seller trying to catch up with customer expectations, can you really afford to spend your IT resources on building and maintaining the table-stakes features of your digital commerce solution? Every hour your company spends on this is an hour delay in getting to market with an adequate digital commerce site.



Some B2B core functionalities that should be included out-of-the-box are bulk pricing, reordering, buyer workflows, etc.



#### **B2B Experience Management**

The second part to consider is experience. B2B digital commerce focuses on known users, long relationships, and multi-contact journeys involving sales and service teams. B2C experiences prioritize casual browsing for anonymous, individual users, rather than on efficiency for B2B buyers purchasing on behalf of accounts. A lot of what makes sense for B2C doesn't work for B2B, and trying to tweak B2C features for B2B situations will result in a longer implementation time and more customization to support.

For example, AI-driven product recommendations are a popular feature today, and many B2B sellers are quick to put recommendations like Amazon's "Also-Boughts" on their product pages. Those are designed to encourage an individual to add an item to their cart on impulse, increasing the average order value. However, many B2B buyers don't have in-the-moment control over what they're allowed to purchase and won't react to Also-Bought recommendations in the same way. Instead, they will appreciate recommendations that help them find the right product when they're searching, such as recommendations imbued with deep product information like product interdependencies, or recommendations around what product offering they should look at based on their industry.

A technology solution that has already thought through problems like these and built support for these types of B2B experiences takes companies one step closer to a differentiated experience, saving on both the time of customization and the research required to identify that pain point in the first place.

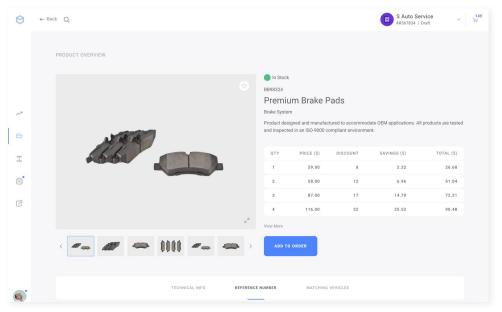
In addition, companies that have risked the early adoption of CX solutions have found that B2C CX management tools fall short in addressing the clear complexities of the multi-contact experiences in a B2B world.<sup>2</sup>



<sup>2</sup> Account Experience Book

The more complex the product offerings, the more valuable a Sales Representative or live Service Representative can be for B2B buyers, who will often prefer that personal touch and reward it with long-term loyalty. This requires a solution that enables sales and service teams to use the digital commerce site as a tool for customer context so they can proactively respond to customer needs.

It takes a focused, dedicated B2B-first approach to keep in mind these kinds of complexities, and companies that partner with technology solutions will benefit from being able to support these experiences sooner and avoid having to force-fit B2C tools for their needs.



Provide recommendations to B2B buyers with product and industry information that they will actually find useful.

### B2B-First: The Most Effective Way to Decrease Time-To-Market

The growth in B2B digital commerce over the past few years has been exciting, and there's still plenty of room to grow for the companies that get started soon. There are still many B2B sellers that are trying to catch up to the most minimal requirements of a modern digital commerce site for their buyers, meaning there's still room to outpace the competition. Those that get there first will buy themselves time to differentiate themselves with strategies and features that haven't even been thought of yet. Those that dawdle will have even more to catch up on a year or eighteen months from now.

The most effective way to decrease time-to-market is to choose a vendor that prioritizes B2B needs when it comes to core functionality and experience management. Settling for a technology approach that doesn't put B2B at the center will increase the risk that, as the company strategy evolves, even more unmet B2B needs will be unmet and the time-to-market for every improvement will continue to stay high. To stay relevant in both the short-term and the long-term, B2B sellers must strongly consider a B2B-first approach for their strategy.

#### **Moving Forward**

See how a digital commerce solution that was built for complex B2B needs first can help your business. Request a demo of Liferay Commerce here.



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