A look into the Future of Commerce for B2B Enterprises

Learn Strategies to improve for B2B Consumer Relationships

A WHITE PAPER

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Introduction:

Current State of B2B

The global business-to-business (B2B) ecommerce market size was valued at USD 6.64 trillion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 18.7% from 2021 to 2028.

This upward trend in revenue growth is being driven by companies revolutionizing their user experience in order to meet the evolving needs of B2B consumers. The nuances of customer preferences surrounding product availability, accessibility, and viability require thoughtful consideration from B2B solution providers seeking to remain competitive in the marketplace.

Redefining industry standards for the consumer purchase decision process requires organizations to pivot towards multi-channel fulfillment. Historically, B2B companies were not among the early adopters of ecommerce, but according to a 2021 study conducted by Grand View Research, the pandemic was a springboard for heightened consumer preference for online shopping. Retailers who use this insight to inform their go-to-market strategy are more likely to find new growth opportunities.

Industry experts say the global disruptions of the past two years are likely to keep impacting how organizations conduct business, and ecommerce will be the cornerstone of success for B2B relations over the long term. According to Forrester, the projected revenue by 2027 will result in the B2B ecommerce market outpacing business-to-consumer (B2C) ecommerce sales. As consumer online purchasing experiences continue to influence the expectations of B2B buyers, marketplace competition has heightened. Streamlining the online purchasing experience is paramount to ensure that organizations recruit and retain loyal customers.

A 2019 study conducted by Gartner supports this insight seeing that 77 percent of B2B buyers surveyed feel that their latest purchase was either "very complex" or "difficult." The ongoing supply chain crisis has exacerbated the problem and served as a catalyst for the development of innovative solutions in the marketplace. The shifts in customer behavior brought about by the pandemic are set to leave lasting impacts on business operations for years to come. In the wake of a heightened adoption of online shopping, B2B consumers must be ultra-selective in choosing a fulfillment service provider. Companies can confront these challenges with customized digital solutions, streamlined purchasing systems, and omnichannel fulfillment strategies.

Looking Forward, Forecasting Trends for 2022

A look ahead from Managing Director and CEO of Visionet, Arshad Masood

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The pandemic caused a lot of unprecedented disruptions, which negatively influenced supply chain operations. Adaptation is the keyword here. Our strategy was to utilize the latest strategies and technologies to negate the disruptions caused by the COVID chaos.

The pandemic has shown how vulnerable we are without proper future planning. Failing to plan is planning to fail. The most important resolution should be to strive towards exploring newer domains in the world of technology and remove any aspect of stagnancy from your business.

In my opinion, the pandemic served as a catalyst for change and growth. It was nothing short of an accelerant for businesses that were willing to get out of their comfort zone and innovate in terms of newer domain discoveries.

Stepping into the future, I believe, we will witness more adoption of hybrid cloud services and usage of AI in the cloud. Moreover, upcoming trends will include an approach that focuses on hyper-personalization and a holistic digital transformation approach.

I expect we will enter a new world built on the precipice of digital transformation. Companies that do not evolve to the new normal will not be able to survive. Furthermore, hybrid working models will be put into practice and more emphasis will be put on remote work.

The real challenge right now for enterprises is to invest in emerging technologies. Most executives simply lack the knowledge of what can be done with technologies like channel Discovery, customer segmentation, and the prowess of cloud and robotic process automation (RPA).

Supply chain disruptions have presented a great opportunity to help our customers. These disruptions were not the result of software bugs. We have to rethink how we align and collaborate with our partners, vendors, and customers. We need a near real-time picture of all these interactions.

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Managing Director and CEO of Visionet Systems, Arshad Masood

Arshad started off his career with IBM Corporation in the US and held dynamic roles in sales and management. He founded Visionet Systems Inc in 1994 on the backdrop of being a co-founder and President of GeePs Inc. & Aereon Solutions. His distinct qualities and a knack for innovative ideas led towards an everlasting legacy that he is currently building on. If you didn't know, Visionet started out of his apartment and the rest is history. Arshad is an ardent believer in engineering-centric products and services. This has been his mantra since the very beginning but with time the focus has also shifted gears towards improving business processes.

Trend Number 1:
Faster and Easier Order Fulfillment

It's been widely accepted that first impressions are everything, and in the digital age, customers' first impressions can be made with the click of a button. While this is not a new phenomenon (many B2B retailers have been using the internet to conduct their operation for at least two years), it is cause for placing an elevated focus on buyer purchase experiences. Most B2B buyers conduct approximately 12 online searches before making a purchase from a specific brand, and 87 percent of shoppers place a high value on a seamless shopping experience. This makes faster and easier order fulfillment strategies a requirement for companies wishing to increase or sustain marketplace competitiveness.

Website-buyers are 57% down the sales funnel by the time they navigate to a particular brand's website.

A study by the National Retail Federation revealed that seven in 10 customers shop in micro-moments throughout the day. As a result, providing a frustrating purchase experience when they are finally ready to buy can leave lasting negative impressions. Why is this significant for B2B consumers? Because, according to BigCommerce, similar purchase preferences exist on the B2B side, with buyers claiming to place

80%	**77%**	**72%**
of orders via	of orders via	of orders via
website	email	mobile phone

Studies show that in response to this trend, marketing executives are allocating 55 percent of their budget to digital efforts that help provide a more personalized buying experience.

Almost four in 10 U.S. manufacturers still struggle with their order-to-cash processes. Receiving and fulfilling online orders requires a more structured – and complex to manage – supply chain. To engage in ecommerce, manufacturers need to select tools that can improve their data inventory systems and sync production, storage, and delivery schedules.

Establishing strong provider relationships has grown increasingly complex over the past two years, as government and company mandated COVID mitigation protocols limited in-person interaction. In turn, the divide between work and home life became increasingly blurred as dining room tables turned into board meeting rooms and family pets turned into coworkers. This required additional staff training and subsequent staffing shortages, making the transition to multi-channel optimization a quick and costly one for many retail leaders. These changes in the nature of B2B relationships must be considered when developing plans to increase the speed and ease of order fulfillment, resulting in a greater ability to maintain consumer relationships and mitigate the supply chain disruptions of recent years.

Maintaining and nurturing customer relationships in a digital age is of utmost importance. According to Gartner's latest B2B Buyer report, 84 percent of B2B buyers would prefer to buy from a supplier with whom they had a standing relationship – even if competitors offered better business terms. B2B customers have much greater long-term purchasing power than B2C buyers, making positive customer relationships even more crucial. Providing an exceptional customer experience is a major component of creating impenetrable relationships with online shoppers. Delivering a fast, easy-to-use B2B ecommerce store that prioritizes customized digital solutions, streamlined purchasing systems, and omnichannel fulfillment strategies is a significant step in the right direction.

See These Trends in Action

A dynamic platform that provides an enhanced customer experience and improves conversions, blends entertainment with instant shopping to keep the viewers watching longer and generate product reviews and insights to foster trust. Make impulse buying effortless through in-video high-speed checkout without leaving the experience. Go live in just 3-4 weeks with a cloud-hosted SaaS platform that offers plug-and-play functionality.

Live Commerce is truly a next-generation live streaming ecommerce platform focused on convenience, accessibility, and human connection. These define competitive advantage for modern-day retailers, and Live Commerce empowers your brand to check all the boxes of new ecommerce trends.

Delivering a dynamically different enterprise integration platform with integrated order to cash, delivery, and end-to-end fulfillment processing that integrates seamlessly with multiple enterprise systems, achieving profitable growth through improved velocity while making good on promises to your customers with minimal time and effort.

PartnerLinQ also converts logistics overhead into a competitive advantage by enabling an adaptive supply chain with real-time visibility, removing paperwork and manual data and from load tenders to invoices, status messages to freight receipts delivering a fully integrated network that exceeds service-level agreements.
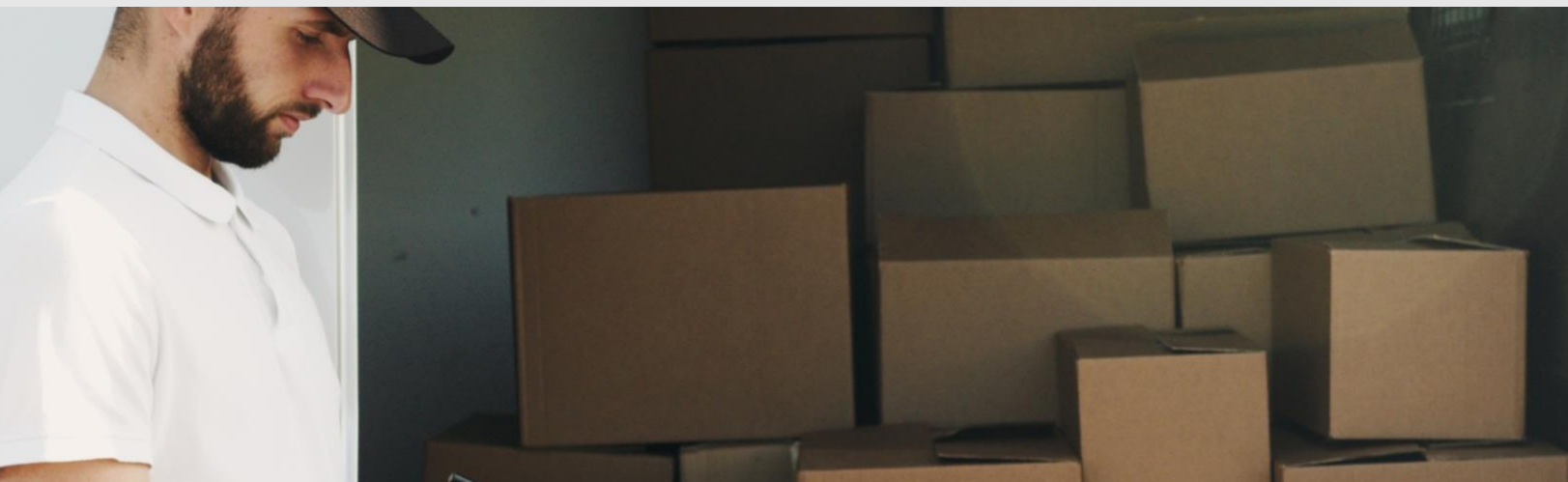
Trend Number 2:
Prolonged Resources Shortages

These supply chain disruptions are projected to continue through the end of 2022. Delays in delivery and inventory availability remain top of mind for B2B consumers. Buyers are wise to pad their budgets this year, seeing that inflation will lead to a stark difference in cost for the same materials that may have been purchased in 2019.

The workforce crisis prompted by the "Great Resignation" will continue to result in personnel shortages well into late 2022. To date, the U.S. economy adds 300,000 new jobs on a monthly basis, which is why lead analysts advise that the 450,000 jobs created in the last 12 months are not cause for celebration but instead an indication of a downturn in employee recruitment and retention.

According to the U.S. Bureau of Labor Statistics, 4 million Americans quit their jobs in July 2021. The month of April saw the greatest rise in resignations, and an increasing number of people have given their two-week notice since then – a record-breaking 10.9 million open jobs were reported at the end of July 2021.

The U.S. isn't alone in trying to combat the loss of skilled workers. It's a global issue that will have a greater influence on B2B enterprises in 2022. Disruptions in the supply chain and workforce instability will contribute to higher delivery costs and a lack of inventory.

Though these issues are complex, Visionet has a suite of product offerings that can help B2B companies combat these. challenges.

See These Trends in Action

PartnerLinQ
Connect Possibilities.

Purpose-built for rapid deployment, implementation, and success comes completely installed and configured with intuitive partner onboarding, exception handling, business rules engine, centralized management, and common processing workflow, drastically reducing the onboarding cycle, support costs, and friction that impacts order processing times. It's the right fit for businesses of all sizes.

LIVE Commerce

The manifestation of Visionet's promise to revolutionize customer experience through product innovation and experience design. It is a live streaming marketplace where sellers can create their shopping channels and host live streaming shows to sell directly to a global audience. The platform is built around three imperatives: seller scalability, human connection, and shopper convenience.

Catapult

A comprehensive, multi-tier commerce implementation plan designed to enable rapid ecommerce adoption leveraging Microsoft or Salesforce technologies packaged with Visionet accelerators. This product allows for cross-channel digital buying experiences.

Trend Number 3:
B2C Expectations in the B2B Experience

Amazon, DoorDash, InstaCart, and other ecommerce platforms that enable you to easily order what you need, when you need it, have influenced consumer expectations in general, as well as in the B2B space. Total customer satisfaction is becoming increasingly elusive as B2B customers demand faster delivery and simpler logistics. According to a recent McKinsey report, one of the top nine contributors of increased customer satisfaction in omnichannel retail is logistics.

One study noted that 50 percent of B2B buyers touted improved personalization as a driving factor when selecting a supplier.

One feature that is especially important for B2B buyers is the ability to pay on account. The customer's credit terms (including their credit limit) are defined in the manufacturer's Systems Applications and Products Enterprise Resource Planning (SAP ERP) system.

This means that a minor error message during checkout can cause a major issue for the customer. If a credit is blocked due to a large unpaid balance, the customer must be notified immediately. However, this is frequently not the case because most B2B ecommerce solutions have limited credit status capabilities in their standard user experience. This requires real-time SAP integration.

48%

of consumers spend more money when they have a customized purchase experience.

See These Trends in Action

PartnerLinQ
Connect Possibilities.

A business integration solution that allows organizations to build their digital partner ecosystems leveraging APIs and robust EDI capabilities. PartnerLinQ delivers a compelling value through seamless integration with legacy and cloud-based TMS, WMS, and ERP systems and provides a centralized view of success and the ability to identify friction in any part of your supply chain for improved agility and better business outcomes.

Modern shoppers are now looking for more interactive, engaging, and enriched shopping experiences which include live product reviews and demonstrations. Hence, livestream ecommerce sales continue to enjoy explosive global growth and an increasing share of online purchases. Progressive ecommerce businesses are quickly adopting live streaming as their preferred selling channel to engage more directly with shoppers.

SELLERS

Set up livestreams. Get real-time engagement metrics. Deliver a fully branded experience.

Showcase and review products. View reactions and comments. Engage with live shoppers. Get insightful event analytics.

HOST

BUYER

Join streams to shop live. Get rewarded for interactions. Browse product catalogs. Complete purchases seamlessly.

Trend Number 4:
Headless Commerce

Growing customer interactions necessitate the development of innovations such as headless commerce: an architecture that separates the front-end and back-end of an ecommerce solution in order to provide customers with faster and more flexible ecommerce experiences. The front-end or the "head," which in many cases can be the template or the theme, has been decoupled, leaving only the back-end, allowing both sectors to be modified as needed without affecting one another.

The ecommerce industry is expected to grow by 50 percent in the next four years with a projected value of 7.4 trillion dollars by 2025. For businesses in the ecommerce space to thrive, let alone survive, they must embrace innovation on a scale never before seen and achieve breakneck speed to market time. Having your ecommerce site's front-end and back-end separated enables you to do just that.

Gone are the days of monolithic systems that limit creative control and customer satisfaction as a result. Consumers are shopping from websites, social media, and marketplaces versus just one company homepage. To be successful in the ecommerce industry an omnichannel strategy is essential. Headless commerce platforms can offer centralized channel management enabling businesses to manage all of these platforms all from one place. With the decoupling, you can make quick changes to the front-end and connect multiple commerce platforms, marketplaces and more to the supply chain, either through your own warehouses or direct-and-drop shipment vendors, all without affecting the end customer's experience at all.

User experience is everything in a consumer landscape that is focused on instant gratification. With the ideal load time for mobile sites falling between 1-2 seconds, it is not shocking that just about half of mobile site visits are abandoned visits when the load time is above 3 seconds. Because headless commerce separates the front and backends, this problem becomes obsolete as there are far fewer issues on the storefront view or front end of the site.

Incorporating headless commerce into a company's digital supply chain allows it to reap the benefits of increased visibility, greater flexibility, and greater resilience throughout its ecommerce pipeline. In addition, headless commerce platforms can enhance security through this decoupled architecture.

# See These Trends in Action

PartnerLinQ
Connect Possibilities.

With its multi-channel integration capabilities and evolutionary decoupled architecture, PartnerLinQ integrates seamlessly with a headless commerce architecture to provide customers and connected trading partners with an end-to-end integrated experience with limitless flexibility across channels. It provides a layer of API integrations that enable the delivery of tailored experiences that are specific to the preferences of individual customers.

PartnerLinQ is able to help merchants dramatically decrease operating costs through powerful monitoring capabilities and provides merchants with a quick and efficient onboarding process so they can quickly start using and seeing the results of the platform.

Catapult

Catapult provides customized, comprehensive, multi-tier commerce implementation plans with rapid ecommerce adoption in mind. The plans provided by Visionet experts are created with headless commerce and the customer experience in mind to create incredible cross-channel digital buying experiences.
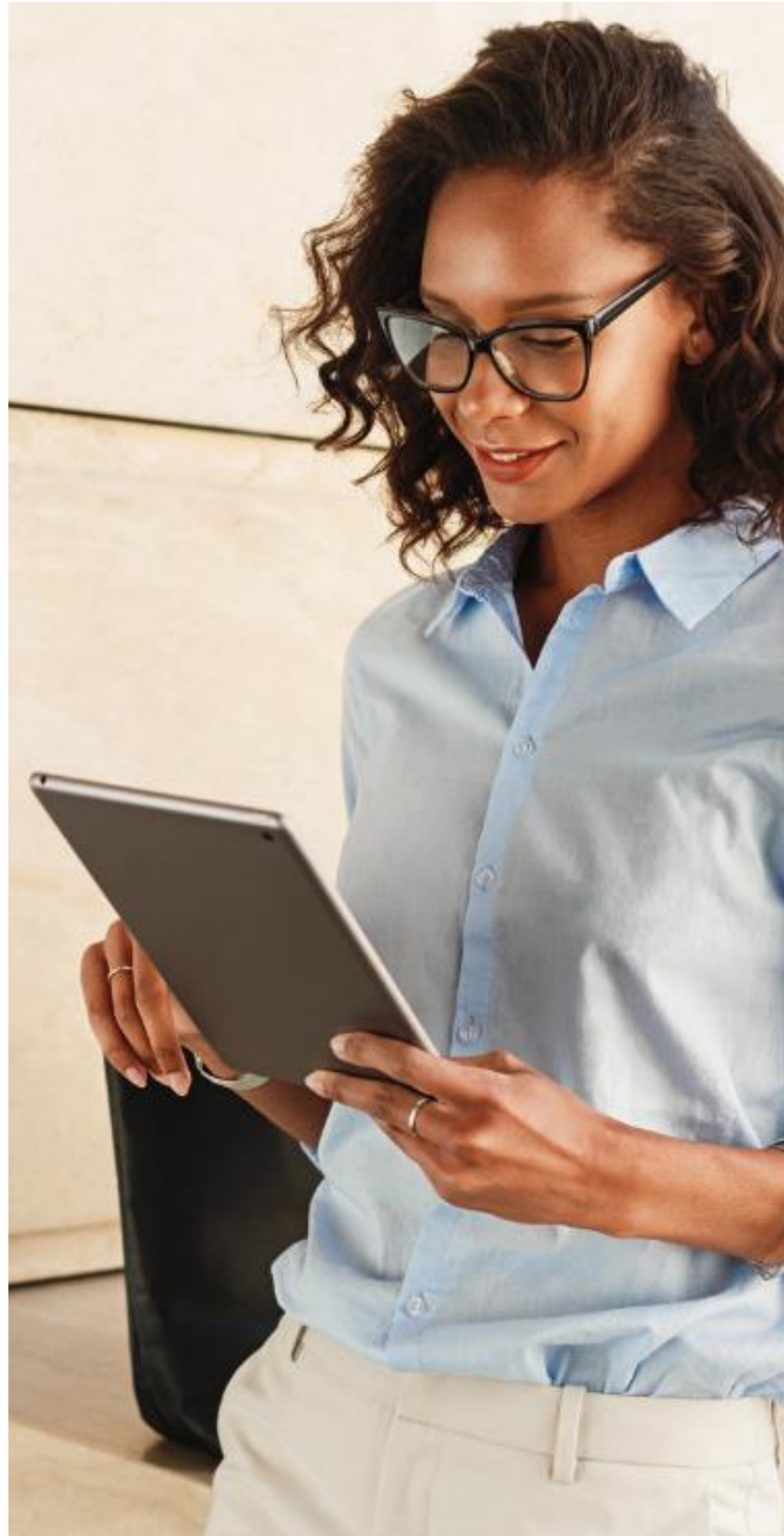
About Visionet Systems

Visionet Systems is a full-service IT consulting and services company serving global brands. For over 25 years, it has delivered digital solutions and services that help enterprises increase agility, reduce costs, and minimize business risk. In July 2021, the company was named a finalist of the 2021 Microsoft Dynamics 365 Commerce Partner of the Year Award. In August 2021, Arshad Masood, CEO & Managing Director, Visionet, was named the winner of the EY Entrepreneur Of The Year® 2021 New Jersey Award.

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