

7 Ways Distributors Can Improve eCommerce Sales

Important tips for getting the most out of your eCommerce platform



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Executive Summary

eCommerce is ingrained in modern consumerism—and it's not just in the B2C space. B2B eCommerce is expected to reach \$1.8 trillion and account for 17% of all sales by 2023.¹

As much as people enjoy the personal relationship that may accompany a traditional purchasing transaction, the convenience that eCommerce provides for last minute, urgent, or unexpected orders is invaluable. Not to mention, customers have come to expect an online ordering option and many simply prefer this way of shopping.

Most distributors recognize that eCommerce is a vital tool to augment their current operations and make them better able to compete geographically and with large companies like Amazon and Grainger. According to Industrial Distribution's 72nd Annual Survey of Distributor Operations—published in 2019—69% of respondents say eCommerce is a priority, and the technology respondents are most likely to adopt in the next two years are online web ordering and CRM—both tied at 29%.²

However, implementing an eCommerce solution is merely the first step in the online sales journey. To leverage the system to its fullest extent, it should be part of an omni-channel commerce strategy. According to Forrester Research, “B2B sellers must implement a flexible and scalable commerce infrastructure that offers a full spectrum of options, including pure self-serve websites, salesperson-intermediated full-service, and hybrid selling models.”³ Still, many distributors can do more to optimize their efforts in this space. In this report, we'll address seven ways you can hone your eCommerce strategy to optimize online sales.



¹ US B2B eCommerce Will Hit \$1.8 Trillion By 2023, Landscape: The B2B eCommerce Playbook, January 28, 2019.

² Industrial Distribution 72nd Annual Survey of Distributor Operations, June, 10, 2019.

³ The Case For Omnichannel B2B, Business Case: The B2B eCommerce Playbook. August 11, 2017.

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1. Use a technology platform that offers the same functionality as a B2C site

Your customers have probably been using eCommerce in their personal lives for a long time. They have certain expectations about the way a system should perform, the features it should contain, and the service they can expect from the business. It's important to make sure that whatever platform you use for eCommerce provides all the functionality that users have come to expect in the consumer space—including product shipping and tracking information, product recommendations, order history, videos and pictures, and a place for customer reviews.

Not only are these self-service functions expected by the user, it also makes servicing these customers more cost effective for the business. It refocuses customer service professionals on more strategic engagements while automating the rest. According to Forrester Research, "Many B2B eCommerce sites have successfully replaced expensive human support functions with search engines, algorithms, and detailed FAQs. In doing so, B2B companies have substantially reduced the costs they bear for supporting clients."³

Still, with an omni-channel commerce strategy, customer service plays a vital role. "B2B buyers are increasingly availing themselves of a middle ground, making purchases

via a combination of self-service and full-service. Here B2B sales and customer service agents facilitate a mostly self-service sales process by answering questions via chat functions, email messaging, and click-to-call."³

It's also important to provide a personalized online shopping experience that mimics a B2C site. This ensures customers can log in to their account and view their own product list, special pricing, and any other unique terms they may have with the business. This creates a seamless experience between offline and online ordering channels. Syncing your eCommerce platform with your enterprise resource planning (ERP) software can accomplish this important task.

It's particularly valuable to find an ERP software that's able to sync information like price and quantity to the eCommerce system in real time to make sure the customer always sees the most up-to-date information. This helps promote a more positive experience for customers and leads to fewer phone calls to customer service—not to mention all the duplicate data entry this kind of connectivity would help you avoid.

2. Build your eCommerce site to promote SEO

The definition of search engine optimization (SEO) can be oversimplified as the way search engines like Google and Bing locate and organize web content and present the findings to people who are searching. SEO can be organic (unpaid) or paid (advertisements). In reality, search engines use an extremely

complex algorithm that—among many other things—scans web content to match search terms to keywords on websites to present the most appropriate results to the person searching.

It's important to build out product descriptions that utilize words that your customers will use to search for your product. However, as a distributor, you can't simply go by the manufacturer's description, since identical web content will compete for placement in the search results. Instead, if your eCommerce site is driven by your ERP, product descriptions—along with prices, specs, and more—can populate your eCommerce site and make updating the content much easier. When in doubt, enlist the help of a web marketing expert who can recommend specific keywords, metadata, and campaigns to improve your customer engagement through SEO.

Fawcett Co., a manufacturer of custom industrial mixing equipment and accessories, uses Epicor Commerce Connect (ECC) to connect their ERP to their eCommerce site. Fawcett Co. did not pay for any online advertising the first year after implementing ECC and completely relied on the system to drive SEO. In that year, they saw a 35% year-over-year increase in Internet sales—with most sales going to "guest" checkout. Fawcett was able to verify that the guests truly were new customers—not existing customers using the guest checkout function—finding the company via online search. All of this was accomplished by simply making sure that the information in their Epicor® Prophet 21® ERP system that populated ECC was complete and accurate.

³ The Case For Omnichannel B2B, Business Case: The B2B eCommerce Playbook. August 11, 2017.

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3. Tie back to your ERP system for accurate data

It's vital that the information on your eCommerce site is accurate and up to date. Customers expect this, and you can't let them down. Inaccurate information could result in lost sales and customers never returning to your site. There are simply too many competitors vying for the same customers, and this is a mistake you can't make. Forrester Research echoes this by professing that "B2B digital business professionals are beginning to understand that the customer experience is vital to retention and revenue. They realize that they are well behind where they need to be in terms of catching up with customer experiences provided by B2C sites."⁴

With a completely standalone eCommerce site—where you must manually update information—it's easy to present inaccurate information to customers. It also makes a lot of extra work for your business to update, maintain, and secure. Instead, tying your eCommerce site to your ERP system ensures product descriptions, available inventory, pricing, and more are in sync. It also means your site is more secure, since standalone sites are more vulnerable to hacks and other cyber threats.

If possible, update the information stored in your ERP system before going live with an eCommerce solution. This includes product verbiage, item descriptions, product categorization, images, and attributes for product comparisons.

4. Migrate existing customers to eCommerce site

Migrating existing customers to your eCommerce site may be easier than you expect. According to Forrester Research, 40% of online adults in the United States "prefer to use self-service customer service rather than speak with a live person on the phone."

This is good news for the business, since it costs less to service customers online than via traditional methods. However, there are opportunities to marry the two modes of service. Forrester Research says, "B2B customers now use multiple channels to research and buy products and services. They determine where, when, and how to execute a purchase based on a variety of factors, such as price, convenience, and quality—and often mix and match channels to optimize their experience."

Encourage your current customers to utilize your online site once you've optimized it by tying the data within your ERP system back to the eCommerce site. This way, customers can see specific price lists you've set up for them, their order history, and any other special terms you've arranged. Without taking this step, you risk creating confusion and more work for your business.

By facilitating orders in this manner, you promote a seamlessly integrated ordering process that customers enjoy with transactions that can accommodate their business and timelines—no longer bound to your customer service office hours.

5. Nurture new customers gained from online sales

As previously mentioned, eCommerce can reach new customers through SEO—helping to drive growth and increase market share. This is a very cost-effective way to acquire new customers—if you're able to fully leverage organic SEO and convert new customers on your site.

Beyond converting a first-time visitor to your site, you want to keep that customer coming back. It's important to nurture these customer relationships just as you would with a customer that you see face-to-face. Be sure to reach out to new customers in a planned, consistent manner—via email, phone call, or both—to check their needs, announce new product introductions, and communicate important company news. You can accomplish this via a marketing automation system connected to your CRM driven by your ERP. Connecting these systems allows you to tailor your message to the customer and track your interactions so that you can tie results back to your eCommerce strategy.

6. Compete to win

Consider expanding your online presence with a pluralistic omni-channel commerce strategy by selling on popular online marketplaces like Amazon Business. Many distributors are already doing this, and customers are familiar with Amazon from their personal lives. While this strategy is a great way to reach customers at their convenience, there's a cost and risk associated with it such as platform fees and data sharing—Amazon can access your product information and selling trends. Also, before you enter this market, it's imperative that you can deliver on your promises because negative reviews will hurt your reputation. This strategy is not for everyone but clearly works for many.

⁴ Measuring Up: Benchmarking Your B2B eCommerce Performance Benchmarks: The B2B eCommerce Playbook, January 12, 2018.

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Additionally, your eCommerce site should be a place where customers don't just go to purchase products—they should go there for quality information as well. Robust content—including online catalogs and FAQs—can lead to more commerce. According to Forrester Research, "Sites that are filled with ample content, especially those augmented by sophisticated merchandising tools such as zoom and video, are well positioned to sell more than sites that lack content."

7. Add value to your eCommerce

To compete in the online marketplace—especially against large competitors—consider ways that you can shift your business model to add value to eCommerce activities.

For example, Jergens Industrial Supply (JIS) responded to its ever-growing online competition by turning vending machines on the shop floor to "smart machines" that are integrated into its ERP software—Epicor Prophet 21. Now, when a customer needs an item from the vending machine, they

press a "JIS Express button" that sends the order information to Prophet 21 software or platform. If a customer has multiple buttons within their facility, they receive a consolidated order to approve at the end of the day. After reviewing and confirming the order, the system prompts replenishment items to be delivered to the site.

According to JIS general manager Matt Schron, "More and more customers are jumping online and buying...we needed to get ahead of that click. We gave people access to the tools they need to do their jobs right on the shop floor."

With its JIS Express buttons, JIS offered customers yet another way to order products. Distributors should continue to explore innovative ways like this to reach customers via a combination of channels to stand out in the marketplace.

Conclusion

The simple act of having an eCommerce site is the first step in building your online sales, but there are a lot of elements that go beyond this step that can take your sales to the next level. According to Forrester Research, you must also "decide what key performance indicators and metrics matter to [your] business

and then put the right people and technologies in place to track, analyze, and act on the important data they collect. The next generation of data analysis will be predicated on responding to customer behavior in real time—an emerging reality in which few B2B companies have invested sufficient time exploring."

One of the most important ways to fully leverage your eCommerce site is to bring your back-office data to life and create new value for your customers by tying your eCommerce site to your ERP software. ERP software can help you build your product pages with the proper categorization, ensure data is up to date and accurate, and provide customers with personalized information. This, in turn, creates a more memorable, pleasant customer experience through self-service, order history, personalized price lists, real-time stock information, and more.

To learn more about eCommerce and ERP software options, visit www.epicor.com/ecc.



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