

# Buyers Have Changed: Evolve With Them



The landscape of B2B buyers has changed dramatically since the digital revolution. Not only do B2B buyers shop differently now, but they also have different expectations when it comes to eCommerce. The shift toward digital marketing to attract and retain B2B buyers has led to major disruptions in the business model of manufacturers and distributors.

To remain competitive, manufacturers and distributors need a strategy for eCommerce. There are multiple paths to take: build your own site, work with marketplaces like Amazon, or find the right business partner to enable you to reach a highly fragmented market.

## Quick Takeaways

- B2B buyers are changing, so your strategies to attract them must, too.
- Determining what channel to optimize for B2B buyers can be challenging because there are many options, most of which have limitations and challenges.
- Distributors should reconsider their business model and reshape it with a partner that can assist them with reaching their target audience.

## B2B Buyers Have Evolved

B2B buyers have evolved significantly in the past few decades. Part of this change is due to technology and how easy the internet has made it to find, learn about, and purchase goods. Buyers crave convenience and can gather information with an easy search.

### **The eCommerce environment is both dynamic and competitive:<sup>(1)</sup>**

- 77 percent of B2B buyers purchased more products online in 2019 than in 2018.
- 33 percent of B2B buyers begin their search on Google or Amazon Business.
- 75 percent of B2B buyers would pay more for the same product if the site had excellent eCommerce and customer portal capabilities.

The explosion of B2B eCommerce means that anyone, anywhere, at any time can be on your website shopping. It's eliminated much of the need for traditional B2B sales tactics like cold calling, meeting customers in person, or mailing out a catalog to customers.

Another major disruption to old B2B buyer personas is that most buyers are now millennials. Millennials make up about 73 percent of the current B2B buyer landscape.<sup>(2)</sup> This generation is made up of digital natives who have been using technology since they were very young.

They have high expectations when buying personally or professionally, desiring immediateness and consistency in their experiences with brands. They also hit the search engine as the first approach to finding what they need. They do, however, weigh the reviews of others who have used the product they are considering.

With the changing face of B2B buyers, manufacturers and distributors need to shake up their business models to keep pace with where their target audience is and to be in tune with how and why they buy.

## Why B2B eCommerce Is for Every B2B Business

Perhaps you are worried about the threat of commoditization, price transparency, or losing a direct connection with your customers, which makes you concerned that eCommerce is a losing proposition. Don't be concerned. It's very much **not** a losing proposition.

B2B eCommerce is six times larger than B2C eCommerce globally.<sup>(3)</sup> B2B buyers are buying more and more products online each year, and they are searching online to find the best products for their needs. If your online sales are stagnant, it's not because there isn't a market share to grab. Rather, it could be you aren't optimizing your eCommerce business or encouraging its growth.

What's critical is to assess the opportunities for energizing your online profit growth. You have multiple options when it comes to driving eCommerce revenue, but which one has the best return on investment (ROI) and will bring you the lift in sales you desire?

## Building Your Own eCommerce Site

Developing your own eCommerce channel has its advantages. You'll have complete control over the look and user experience and you maintain the interactions with your customers. But, as you ponder this decision, you must also decide if you are looking to bring in new business or operate primarily for your existing customers.

First, if you don't have a site today, you'll have to make a considerable investment to launch your eCommerce site, including fees for developers, digital marketers, and more. Once you launch, you'll have to work on how to be found by buyers, which involves competing with big players that have substantial budgets for digital advertising and search engine optimization.

Going this route means you have to become an eCommerce expert, manage multiple types of campaigns to push traffic to your site, and continue to improve and evolve your site. You may see some results, but it requires significant resources to reap a strong ROI.

If you would prefer to focus on existing customers, a customer-only site with a login to access might be an option. You can offer conveniences and additional services to increase your base business. However, if you're looking to attract new customers, you will need to make a substantial investment to drive traffic.

## Listing on Marketplaces

B2B marketplaces have become the modern department store. Just look at some of the most valuable and successful businesses in the world, Amazon and Alibaba, which are not only B2C but

B2B marketplaces as well. They invest significantly to drive traffic, offering an opportunity for more customers to see your products.

While these businesses wrote the book in many ways, the landscape has become crowded, with availability and delivery becoming commodified. These marketplaces are open platforms to sell products. Your company and the products you sell would certainly get exposure on a marketplace, but other distributors, as well as the manufacturer, may also be listing the same items as you. The competition will be fierce, and it may drive a purchase choice based on price alone.

These marketplaces also typically charge a commission on all sales and you still have to spend money on their programs to drive traffic to your items. Just being on a marketplace doesn't equate to higher sales. You will need to invest and actively manage your listings to get the greatest results.

## Partnering with an Online Distributor

You've seen the challenges that come with choosing the other options—infrastructure concerns and high competition, along with constant changes to buyer expectations. These more traditional approaches to B2B eCommerce all have limitations, but there's a new approach to the market: partnering with an online distributor—like Zoro.com.

An online distributor is not a marketplace. It operates in some of the same ways, allowing different brands in a variety of industries to sell their goods online. The difference is that you'll be an actual partner, not a vendor. Further, this type of platform doesn't monetize search or hit you with excessive fees to drive purchases based on what they want to promote versus what your customers want.

### **A strong online distributor partner should be able to offer:**

- A consumer-like online shopping experience that reflects current B2B buying expectations
- Exceptional search engine and digital marketing capabilities to strategically reach new customers
- Continued investment in their technology platform to meet the changing needs of B2B buyers
- A supplier partnership program that will partner, not compete, with you on your strategic goals
- Responsive customer service that is available to help your customers with questions and concerns

With this option, the pressure to keep up with digital transformation in buying channels is alleviated. The online distributor provides the technology infrastructure and digital marketing strategies while you handle fulfillment.

Deciding to go this route can also provide you with a competitive advantage in your market, as your competitors are probably hosting their own site or using a marketplace. Being an early adopter of this model could help you gain market share.

## Choosing a B2B Online Distributor

If you realize the potential of online distributors as your gateway to strong eCommerce returns, there are some specific pieces of information you should seek out, including:

- Traffic statistics, including volume and customer demographics, to determine whether the distributor can help you reach new customers

- Digital marketing capabilities: Ask questions about how they attract buyers and their success, especially in digital channels
- The customer experience, including ease of using the site and customer reviews on overall satisfaction
- Onboarding: What is the process to get started?

Once you've chosen an online distributor, you'll want to outline your eCommerce strategy with your partner. This strategy could include things like deciding which products to sell online, how to best feature them to ensure buyers have a good understanding of their benefits, and outlining the margins you expect. As your products begin selling, continue to work with your online distributor partner to optimize content and increase conversion.

## Expand Your Reach and Increase Sales and Profits

B2B companies have an opportunity to disrupt eCommerce. While there are many pathways to reaching B2B buyers online, some have more advantages than others. Running your own online site, whether for all or for existing customers, is expensive and requires multiple full-time employees to manage and promote it. Becoming a supplier on Amazon is an option, but you'll have very little control over your success.

That leaves the option of finding a true eCommerce partner, like Zoro. Our eCommerce platform is unique and designed to help manufacturers and distributors. Your success is our success; that's why we consider it a true partnership.

Find the help you need and form a collaborative partnership with Zoro. Visit [Zoro.com/sell-on-zoro](https://zoro.com/sell-on-zoro) to learn more about the Zoro Supplier Program today.

### Footnotes:

1. <https://www.avionos.com/2019-b2b-buyer-report/>
2. [https://madewithmerit.com/reports/Millennial\\_B2B-Report-Merit.pdf](https://madewithmerit.com/reports/Millennial_B2B-Report-Merit.pdf)
3. [https://www.usitc.gov/publications/332/pub4716\\_0.pdf](https://www.usitc.gov/publications/332/pub4716_0.pdf)



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