

The B2B Ecommerce Playbook

# Making the Move from DTC to Wholesale





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### B2B ecommerce is the next frontier for brand growth.

The direct-to-consumer (DTC) market has experienced explosive growth in recent years, driven by the increasing popularity of ecommerce and evolving consumer preferences.

Savvy entrepreneurs and ecommerce business leaders have capitalized on this trend, tapping digital insights to establish successful DTC brands that cater directly to end consumers; however, as the ecommerce landscape continues to evolve, many DTC businesses are now considering expanding their reach by venturing into wholesale, or business-to-business (B2B), channels.

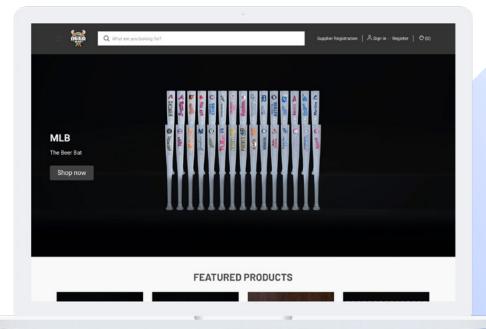
DTC brands have poured significant time and resources into digital channels to drive brand awareness and customer acquisition, but growth has significantly slowed year over year. While **ecommerce revenue** increased by a staggering 30% from 2019 to 2020, it only saw an 8% boost from 2021 to 2022.

Brands have also seen the overall cost-to-revenue ratio of digital advertising change as the landscape has grown more crowded and competitive. Burdened by escalating customer acquisition costs, DTC brands are now seeking alternative strategies to expand their reach and grow their businesses.

Despite the saturation of traditional growth channels, both online and offline, B2B ecommerce has emerged as a powerful growth vehicle. Advances in ecommerce technology have enabled brands to craft seamless and engaging ecommerce experiences that allow them to sell their products and services to businesses of all sizes. These experiences are tailored to address the unique preferences and decision-making processes of B2B buyers.

Are you ready to unleash your business's untapped potential with B2B ecommerce and propel your company to unprecedented heights?

This comprehensive playbook provides the roadmap to success, equipping you with the knowledge and strategies to transform your business model and seize the limitless opportunities of B2B commerce.





### Cashing in on the B2B ecommerce gold rush.

The B2B ecommerce market is on an exponential trajectory, reaching a staggering \$3 trillion by 2027, according to **Forrester** — nearly double the size of its \$1.7 trillion total in 2021. B2B ecommerce is also growing twice as fast as its DTC counterpart, presenting an unparalleled opportunity for brands seeking to expand their online presence.

A confluence of factors is fueling the B2B ecommerce revolution, including the persistent digital transformation of businesses and the shift from traditional manufacturing and distribution sales methods.

Evolving B2B buyer expectations are also accelerating growth in this sector. For example, retailers are attempting to diversify their brand and assortment mix in order to differentiate against competitors and adapt to consumers' expectations for more unique and sustainable product options. Online channels and ecommerce platforms give buyers the power to quickly research and discover new brands and easily purchase from their suppliers.

# HOW ARE B2B BUYERS USING DIGITAL PLATFORMS IN THEIR PURCHASING JOURNEY? Transact or purchase 74% Research or browse 64% Request a quote 56% Source: The Global B2B Buyer Behavior Report

## B2B ECOMMERCE WILL REACH \$3 TRILLION IN MARKET VALUE BY 2027.

-Forrester

By integrating B2B ecommerce into your brand strategy, you can reap a multitude of benefits, including:

- ✓ Forging a gateway to a wider audience, including opportunities for global expansion, propelling revenue growth and market share expansion
- ✓ Fostering brand recognition and loyalty, establishing a strong reputation among industry peers and partners
- ▲ Enabling larger order sizes, boosting average order values and profitability
- ▲ Improving gross merchandise value (GMV)

B2B ecommerce presents an undeniable opportunity for brands seeking to expand their reach and establish a robust foundation for long-term global growth. However, before embarking on the technical implementation of a B2B ecommerce solution, brands must first delve into the intricacies of the B2B buying experience, understanding how buyers make decisions, the challenges they encounter, and the factors that contribute to their success during the browsing and purchasing journey.



# Inside the mind of the B2B buyer.

While both B2B and DTC ecommerce involve selling products and services online, the B2B buying journey is a distinct landscape that demands a tailored approach. Navigating this landscape requires understanding the unique mindset and motivations of B2B buyers.

Bigger purchases mean bigger opportunity for loss.

Increased scrutiny means longer buying cycles.

The most fundamental difference lies in the elevated stakes for B2B buyers. Unlike DTC consumers who can easily return or absorb the cost of an unsatisfactory purchase, B2B buyers carry significant responsibility for the success of their business outcomes. Their decisions directly impact the success of their businesses, often involving large-scale purchases and strategic partnerships. A wrong choice can have major consequences, potentially jeopardizing their jobs and the overall health of their organizations.

If you want to build trust and credibility among buyers, you need to ensure your ecommerce experience is not only seamless, but also touts robust capabilities that meet their needs.

After all, B2B buyers are well-informed and discerning, conducting thorough research and entering the buying process with clearly defined objectives. When they're looking for products to purchase for their businesses, these customers turn to general internet search (65%), product catalogs (42%), and online marketplaces like Amazon (40%), among others.

General internet search

65%

Product catalogs

42%

Online marketplaces like Amazon

40%

Source: The Global B2B Buyer Behavior Report

These buyers demand comprehensive product details and seek to establish trust with their chosen vendors. Wholesale brands must prioritize providing B2B customers with comprehensive, tailored information about their products and services, as B2B buyers consistently rank detailed product information and custom pricing and discounts as the most essential aspects of their online purchasing experience.

# Inside the mind of the B2B buyer.

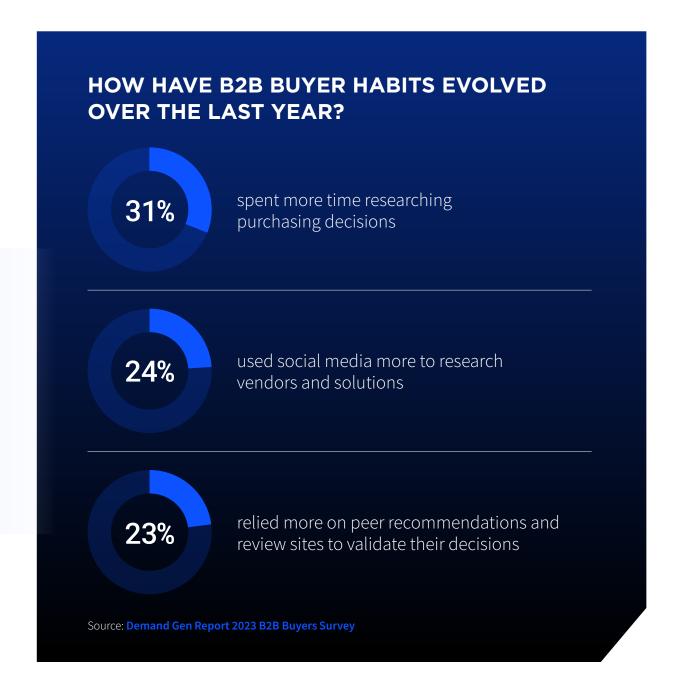
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Additionally, B2B sales cycles are inherently longer than DTC cycles. Over the past year alone, **B2B buyers said** they have spent more time researching purchasing decisions (31%), used social media more to research vendors and solutions (24%), and have relied more on peer recommendations and review sites (23%) to validate their decisions.

B2B buyers require time to thoroughly evaluate products and services and obtain approvals from higher-level decision-makers. In some cases, the buying committee for these high-value purchases can include **up to six people**. B2B brands must exercise patience, persistence, and a tailored approach to nurturing relationships throughout the extended sales journey.





### DTC to B2B success story.

### **BB Wheels**

BigCommerce customer **BB Wheels** began selling aftermarket car wheels on Craigslist, but quickly grew to selling directly to consumers in 48 U.S. states. Soon after, owner Dan Goebel decided to take his business to the next level and sell to other businesses.

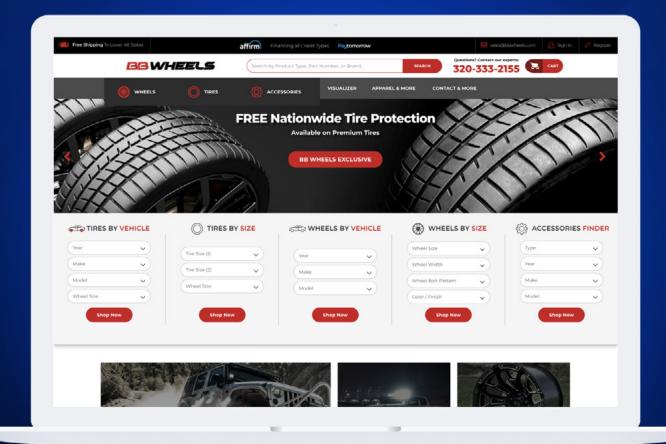
Leveraging BigCommerce's native B2B functionality, like price lists, discounts, and customer groups, Goebel has found massive success. By selling to both consumers and business buyers, BB Wheels has continued to grow year over year.

63%+
conversion rate

34%+
revenue

8%+
customer base

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# Three key steps for B2B ecommerce success.

As the B2B buying journey becomes increasingly complex, the need for a high-touch, customer-centric experience intensifies. To effectively cater to the nuances of B2B buyers, it's crucial to establish a champion within your organization to spearhead the development of a robust digital strategy tailored to the B2B realm.

Once a key leader is identified, brands should venture through a three-step journey to ensure their B2B evolution is successful.

### STEP 01:

Lay your foundation

### STEP 02:

Conduct a technical gap analysis

### STEP 03:

Prioritize differentiated features for B2B buyers

### STEP 01:

Lay your foundation

This step encompasses all the baseline work required to ensure your B2B ecommerce experience is strategic, including:

### **▲** Identifying your target audience

Understanding your target audience's demographics, buying behaviors, and pain points is crucial for tailoring your B2B ecommerce experience to their specific needs and preferences.

### ▲ Assessing the total addressable market

Determining the size and scope of your potential customer base helps you gauge the market opportunity and make informed decisions about resource allocation and marketing strategies.

### Evaluating the geographic growth potential

Finding the geographic regions where your target audience is concentrated and where there is significant growth potential allows you to prioritize your sales and marketing efforts as well as effectively localize your offerings.

### Defining your target company types

Identifying the specific types of companies that are most likely to benefit from your products or services helps you focus your messaging and outreach efforts on the most relevant prospects.

### ▲ Crafting and building your buyer personas

Developing detailed buyer personas that represent your ideal customers provides a comprehensive understanding of their motivations, challenges, and decision-making processes, enabling you to create a personalized B2B ecommerce experience that resonates with them.

Finally, establish a strong foundation for your B2B brand proposition by clearly defining your company's core values and differentiators. Craft compelling messaging that highlights the specific benefits your products or services offer to B2B customers, emphasizing how you can empower them to achieve their business goals and enhance their market position. Showcase the impact your offerings can have on the bottom line of B2B customers and validate your value proposition with real-world examples and case studies.

### STEP 02:

### Conduct a technical gap analysis

Assess your current tech stack to ensure your existing systems adequately support the demands of B2B ecommerce.

### Ask yourself:

### 01

Does your business's ecommerce platform already offer the capabilities you'll need to succeed selling wholesale?

### **02**

If not, how can outside systems integrate with your existing platform to create a high-quality B2B experience?

### 03

If outside systems and functionality cannot easily integrate, is it time to look for a solution that can provide critical DTC and B2B capabilities from within a single platform?

Without the right technical infrastructure, your B2B ecommerce experience could quickly create complexity for customers as well as your internal teams.





### STEP 03:

Prioritize differentiated features for B2B buyers

# B2B BUYERS' MOST-USED PAYMENT METHODS INCLUDE: Credit card 77% Debit card 47% ACH/direct debit 38% PO invoicing 31% Digital Wallets (Apple Pay, Google Pay, Amazon Pay) 28% Third-party payment apps (PayPal, Venmo, Cash App) 27% Source: The Global B2B Buyer Behavior Report

Like their DTC counterparts, B2B sites should have cross-channel continuity to maintain a consistent and seamless experience, no matter where or how buyers are shopping. Still, a B2B ecommerce site cannot simply replicate a DTC ecommerce site.

B2B buyers' primary responsibility is to make the best purchase decisions for their business and their customers. They require a tailored experience that differs from the DTC model in several key aspects, including:

- ✓ **Tailored pricing:** Implement flexible pricing models that cater to B2B customers, including personalized pricing and tiered discounts.
- ✓ **Streamlined bulk ordering:** Provide a seamless process for ordering large quantities of products and managing delivery to multiple locations.
- ▲ Efficient order fulfillment: Implement a robust order fulfillment system to ensure timely and accurate processing and delivery.
- ✓ Dedicated customer support: Establish dedicated account managers and technical support personnel to provide personalized assistance to B2B customers.
- Payment flexibility: The ability to offer payment on terms your buyers expect, using the payment methods they prefer (including ACH and bank transfer). With enhanced connectivity to offer you L2/L3 preferential credit card transaction rates. All without being penalized for using some of the best payment providers across the globe.
- ✓ Dedicated account management: Offer a dedicated account management portal where customers can access order information, manage account settings, and connect with their assigned account manager.
- ✓ Seamless reordering and subscriptions: Facilitate easy reordering of frequently purchased items and enable subscription plans for recurring product replenishment.



### DTC to B2B success story.

### **Toolsaver**

**Toolstop** began selling tools and hardware in the 1960s directly to consumers in the UK. But as time went on, they noticed more stores purchasing their products to resell. That's when they decided to start **Toolsaver**, the B2B arm of the brand.

Since switching to BigCommerce, **Toolsaver** has been able to streamline the ordering process on its own site, rather than processing orders over the phone or by fax. Toolsaver can also better manage marketplace sales through the Codisto and Feedonomics integrations, making order management easier through the same ecommerce backend.

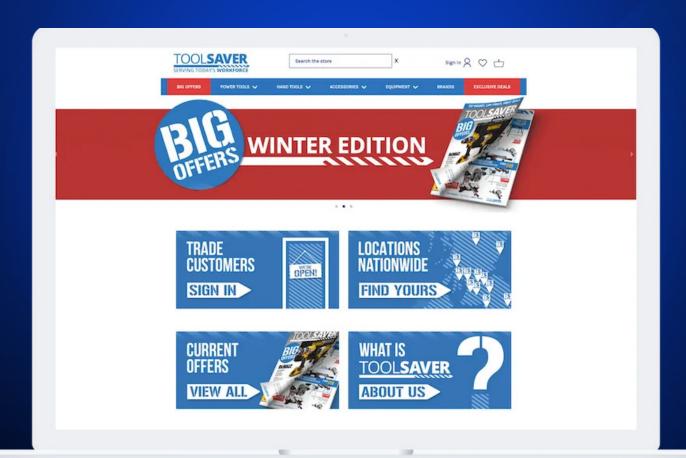
Between calendar 2021 and calendar 2022, Toolsaver saw:

19.9%+ orders

23.5%+

3%+
average order value (AOV)

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### Embark on a journey of innovation, differentiation, and growth.

The vast majority (83%) of B2B buyers say they prefer ordering and paying for products and services through digital commerce, according to **Gartner**<sup>®</sup>.

This growing preference presents a compelling opportunity to expand your reach, increase revenue, and enhance customer satisfaction by embracing B2B ecommerce. Still, transitioning from DTC to B2B ecommerce is not a mere switch; it's a strategic journey that demands a reliable partner to guide your transformation and ensure success.

At BigCommerce, we possess the deep expertise, comprehensive capabilities, and unwavering commitment to support you throughout your B2B ecommerce journey. Our platform seamlessly integrates robust B2B commerce features with our already extensive DTC functionalities, enabling you to streamline operations, optimize customer experiences, and achieve your business objectives, including:

- ▲ Effortless setup and operations: Enjoy seamless setup and ongoing management with our user-friendly interface.
- ✓ **Unparalleled performance and scalability:** Our platform seamlessly handles high-traffic volumes and order surges without compromising performance.
- ▲ Essential B2B features and functionality: We provide a comprehensive suite of native features tailored for B2B businesses, including quoting, self-service and invoice portals, rolebased permissions, easy reordering, and buy-again options.
- ✓ **Unwavering security:** Our commitment to data security is unwavering. We hold numerous security certifications and employ a dedicated team to ensure compliance with industry regulations and safeguard our customers' data.
- ▲ **Exceptional support:** We offer unparalleled customer support, with teams of experts ready to assist you with everything from store setup and troubleshooting to launch and ongoing customer success.



Interested in learning more about how BigCommerce can support your B2B transition?

Talk to an expert today to see how our intuitive tools and ever-expanding platform can help your business grow to new heights.

**BEGIN YOUR JOURNEY** 

