



# 2018 B2B ECOMMERCE REPORT



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## The potential is massive

A report from [Forrester Research](#) in 2017 estimated business-to-business (B2B) ecommerce transactions would reach \$1.2 trillion by 2021. This will account for more than 13% of all B2B sales within the United States (up from the \$889 billion in sales by the end of last year). [Frost & Sullivan](#) provided an even more bullish view, with expectations that B2B ecommerce will hit \$6.6 trillion by 2020.

Despite being slow to adopt ecommerce, B2B brands are increasingly looking to digital means to boost sales -- a move driven by the success of Amazon Business and the changing B2B buyer demographic. In 2015, [Google found](#) that close to half of B2B buyers are Millennials, nearly double the number from 2012.

## The buyer is changing

As the “typical” B2B buyer changes, a business’ sales process should too. Where a Gen X buyer may prefer the handheld experience that a sales rep can provide, Millennials expect that same personalized

experience through streamlined, digital channels. That leaves merchants to decipher the modern B2B buyer’s needs, without much available guidance.

## The time is now

How are merchants adjusting their business models to accommodate ecommerce? How are they aligning with the new expectations for B2B sales? BigCommerce conducted a survey of more than 500 international merchants -- each relying on other businesses for at least part of their revenue -- to find out.

**39%** of respondents rely on B2B sales for more than half of their revenues

Though their B2B strategies vary, the group underscores a key truth: ecommerce is no longer nebulous for B2B but a driving force. Merchants need to take advantage of that growing opportunity or risk being left behind.

## An untapped opportunity

Historically, B2B sellers have shied away from the idea of selling online. B2B purchasing differs significantly from the way we buy as consumers and there are remarkable variations between how B2B buyers make purchases.

B2B is incredibly complex, from high-touch relationships and high-volume orders, to individualized pricing and long-term payment. Often B2B needs an experience tailored to individual accounts.

**78%** of survey respondents that sell online have done so for **at least two years**

And while many B2B sellers see these as insurmountable challenges to ecommerce, others saw it as an untapped business opportunity: 78% of survey respondents that sell online have done so for at least two years.

## The democratization of B2B

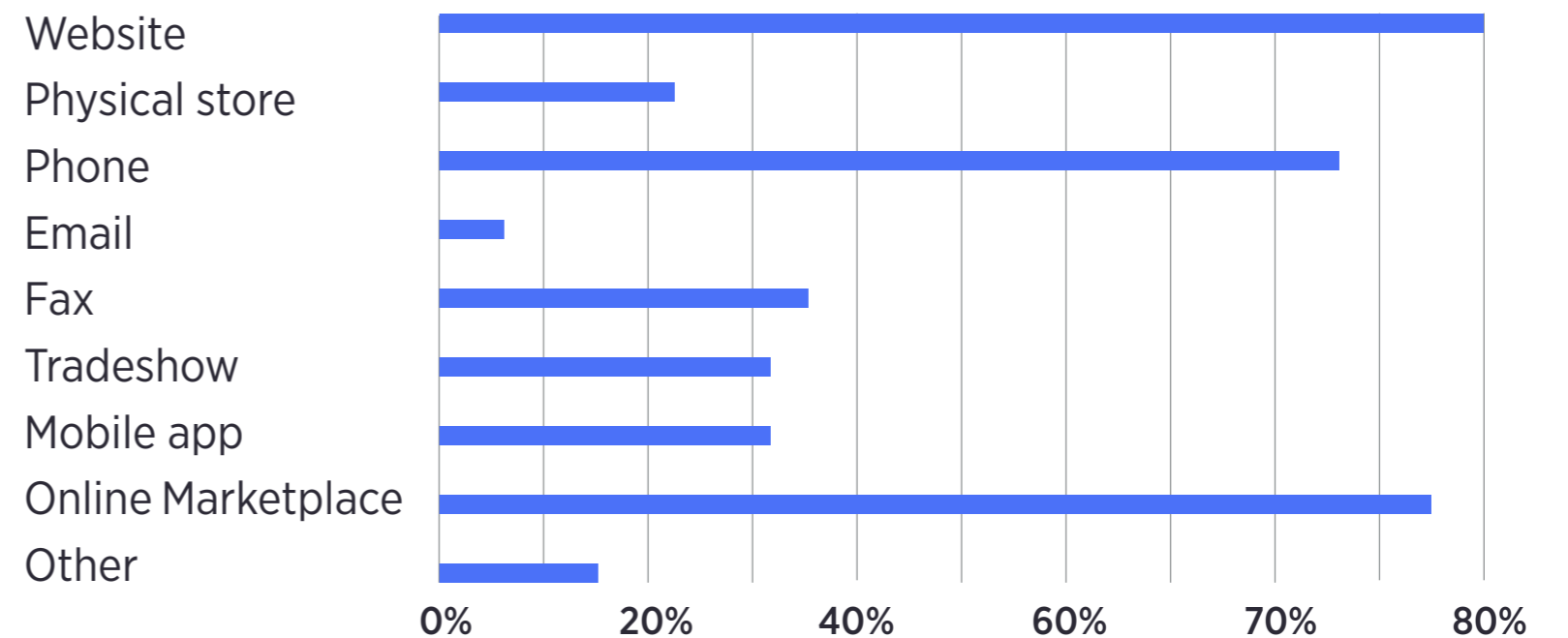
SaaS ecommerce platforms offer a new avenue for laggard B2B sellers to test the online waters. Many provide the out-of-the-box functionality and customization capabilities needed by B2B merchants, all at a practical price point.

**83%** expect to move online within the next 24 months

Through SaaS tools like this, more B2B businesses are making the move online. Of the group of BigCommerce survey respondents that have not yet made the transition to selling online, 83% expect to move online within the next 24 months.

Unfortunately, until ecommerce becomes a more widely embraced standard across the B2B industry, digitally-savvy companies are left balancing between two divergent customer experiences: buying online and buying in-person.

## How do you accept orders from business customers?



## Embracing a hybrid model

B2B buyers are the same people making purchases as consumers. It's a simple truth -- and often overlooked.

In the business-to-consumer (B2C) environment, buying online is not only accepted, but preferred for many. The [US Department of Commerce](#) found that, in 2017, ecommerce raked in a whopping \$453.46 billion, representing 16% of all retail purchases.

**16%** of all retail purchases were from ecommerce in 2017

As avid online shoppers, consumers have become accustomed to a certain site experience. Those expectations do not disappear when they put on their "B2B buyer's hat." A successful B2B ecommerce implementation mirrors the experience that a buyer would have in their personal life.

## B2B web buying should not be complicated

Leaders of B2B companies have to reconcile some difficult truths about selling online before ever making the transition. The complexities of the B2B sales process lended themselves to a

more walled garden approach, with buyers relying on internal sales representatives to navigate them through an ambiguous process.

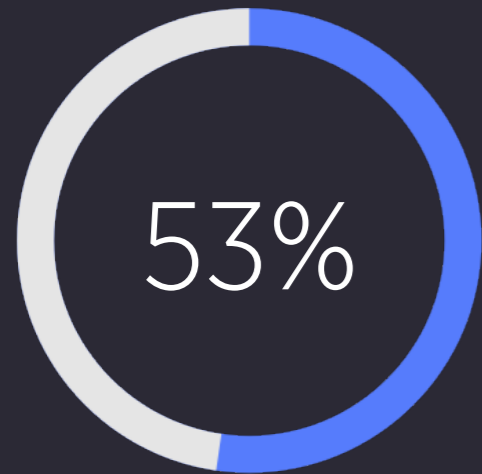
Ecommerce, on the other hand, demands a level of transparency that many sellers found disconcerting. Revealing B2B pricing online came second as the biggest concern for executive stakeholders prior to enabling ecommerce capabilities (33% of respondents). Many also expressed concern that moving online would eliminate the need for sales representative roles.

**33%** of survey respondents have concerns about revealing B2B pricing online

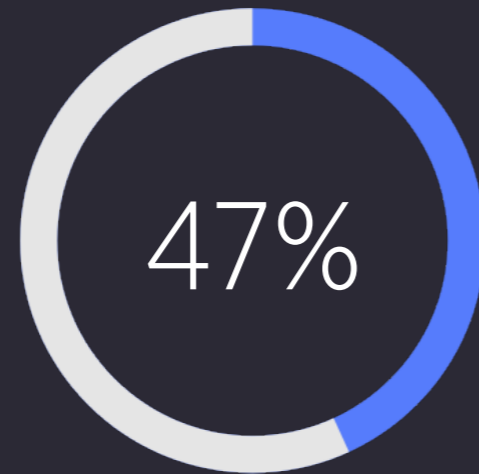
It seems that B2B executives were not wholly opposed to extending their sales presence online, they simply needed additional education on how ecommerce can complement their existing sales processes.

## How to succeed in B2B ecommerce

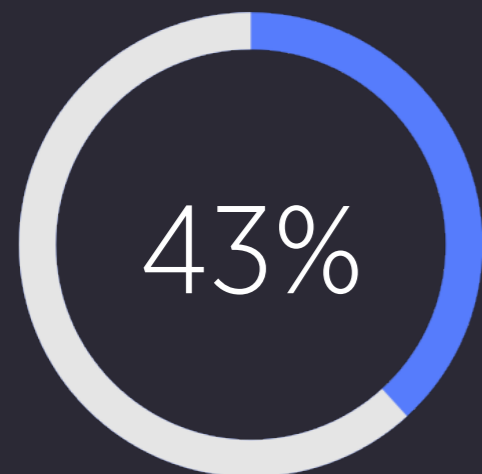
What are your top selling points for business customers?



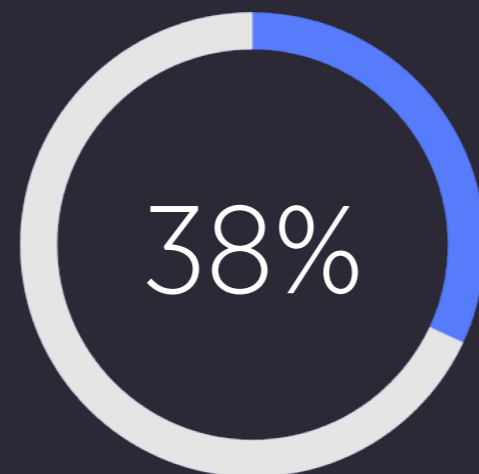
VENDOR  
REPUTATION



PRICE



CUSTOMER  
LOYALTY



EASE OF  
PURCHASE

It bears repeating: The key to B2B success is finding a balance between high-touch, one-on-one sales processes traditional buyers prefer and modern technological features that accommodate a digital-first buyer.

### Reputation even wins over price

With retail giants like Amazon and Walmart competing for market share, the B2C environment has become a race to the bottom on price. Aside from a few notable examples, consumers use price as the principal factor in purchase.

B2B buyers, on the other hand, tend to prioritize a business' reputation above all else. In fact, 53% of survey respondents identified reputation as one of their business' key selling points.

**Emphasize other areas where your business can truly shine:** product customization, customer service, technical knowledge, and, above all else, personalization. Not only do B2B buyers want the ability to customize a product, they also want to feel like the entire buying experience reflects their business needs.

**Take the time to consider how you can provide a personalized experience online.** It may be through payment options, individualized pricing, website and catalog content, or custom store accounts.

## Word of mouth reigns in B2B

In the traditional way of B2B selling, reputation is the best calling card. Many businesses relied on their customers to help generate business through word-of-mouth recommendations. In fact, deals were often won or lost based on a business' reputation amongst its buyers. This does not change online.

**63%** listed **word of mouth** as a primary sales acquisition channel

In fact, 63% of survey respondents listed word of mouth as a primary sales acquisition channel, highlighting the value buyers place on the experience of others. The importance of word of mouth also extends to the digital environment with social media serving as a top new business acquisition channel according to 41% of survey respondents.

**Understand how your buyers source vendor recommendations, and develop a strategy to drive visibility within each channel.**

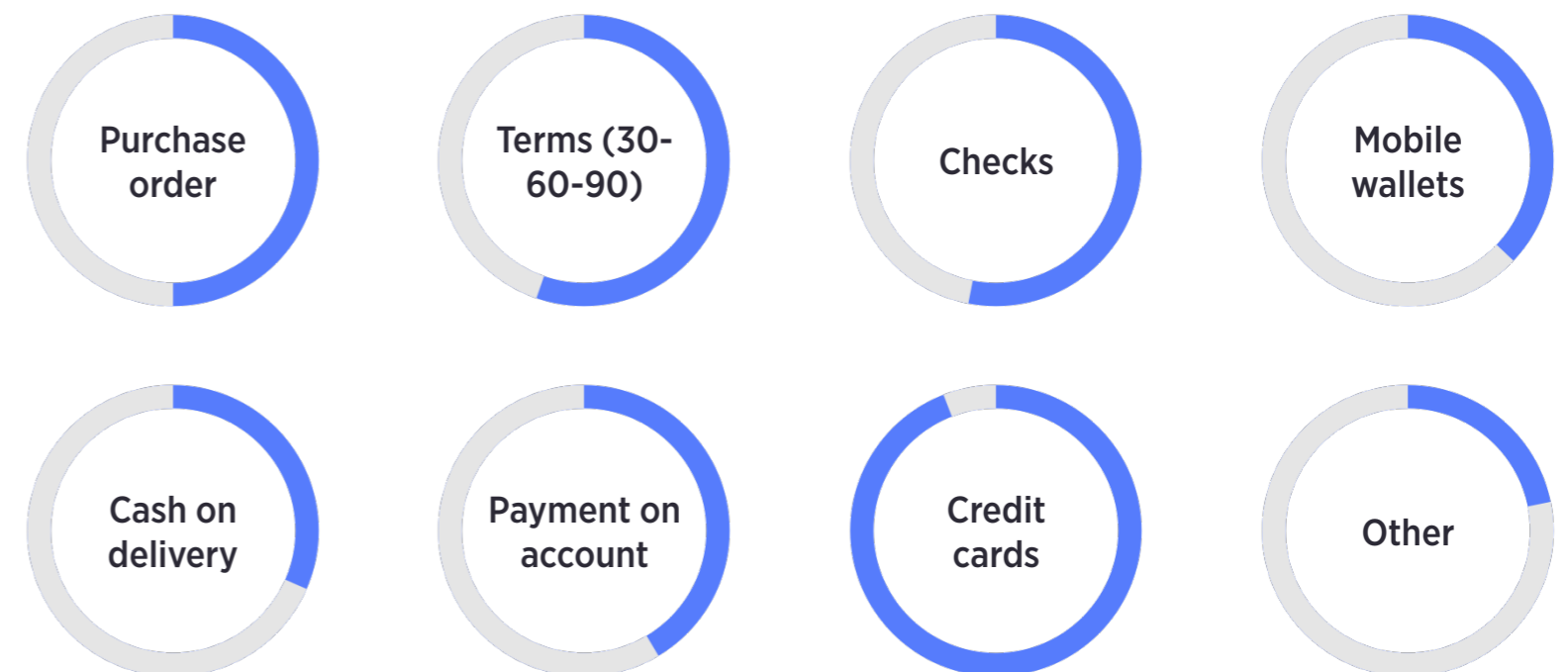
## Choice matters

Buyers want options. It's the seller's responsibility to provide those options to them, whether that's through a myriad sales channels or through specific website elements. Some merchants (15%) enable their B2B buyers to complete an order from anywhere with an app for mobile purchasing.

It's easy to see the value of choice by looking at how survey respondents felt about payment options offered: An overwhelming majority of merchants give buyers the ability to checkout with credit cards (94%), on payment terms (53%), with a check (51%), or through a specific purchase order (50%). Less expected, 26% of merchants offer mobile wallets, like Amazon Pay or Apple Pay, as a payment option.

They're simplifying the ecommerce buying process by enabling customers to complete a purchase in whatever way works best for their business.

## What payment methods do you accept?



## Keep it simple

An easy-to-navigate website was one of the most important selling features for 71% of survey respondents. Despite the complexities of B2B, the site experience should not require an advanced technical degree to navigate.

**A B2B site should help automate the purchase process for a buyer** -- the availability of in-depth product info, a tool for generating custom quotes, bulk ordering capabilities, and faceted search functionality all contribute to a streamlined ecommerce experience.

### Offer features that complement the work of an account manager.

Free them to focus on areas that benefit from a human touch: providing strategy or customer service, nurturing client relationships, and engaging in sales acquisition.

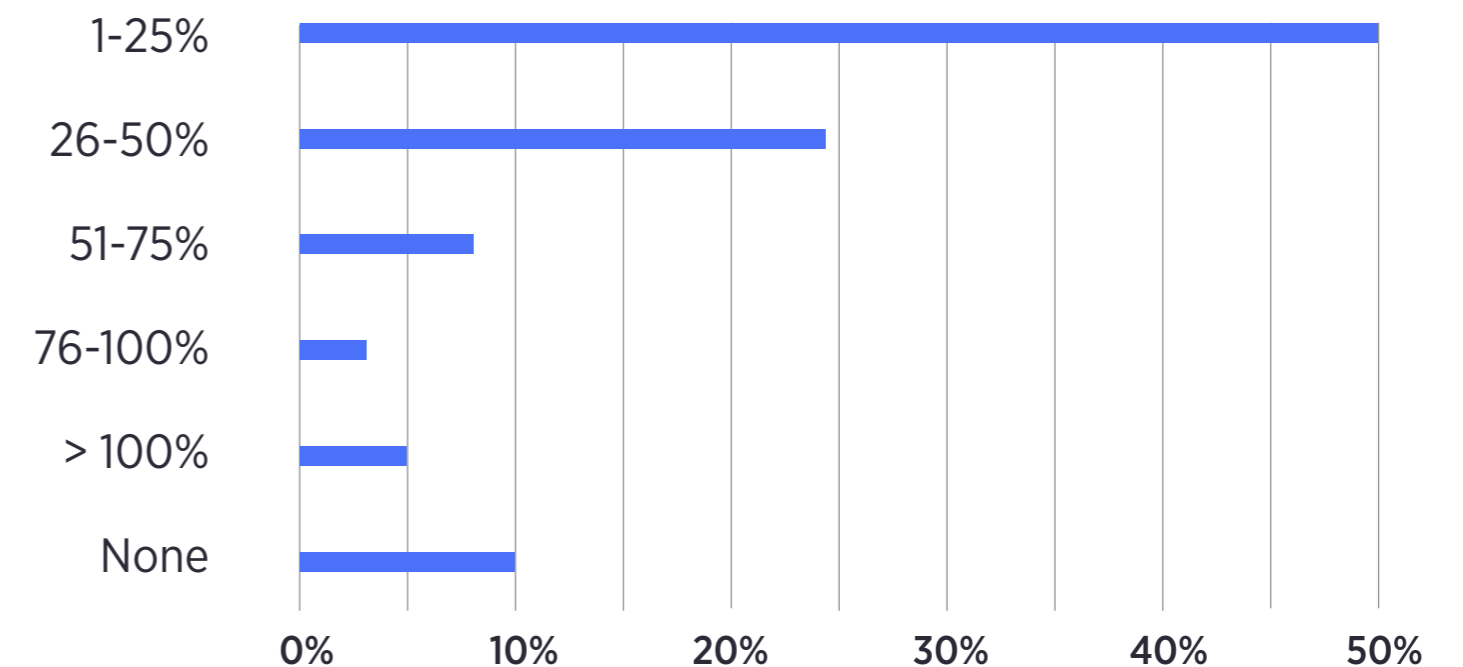
## What's Next?

B2B ecommerce, much like the broader ecommerce industry, is on the rise. Merchants are feeling especially optimistic about this upward trajectory.

Ninety percent of survey respondents expect to see some amount of B2B sales growth this year; of those, 5% anticipate B2B ecommerce sales will double. Ecommerce shows no signs of slowing down,

and merchants will need to invest time and resources in adopting ecommerce platform technology that enables them to capture market share.

## In 2018, how much do you expect online sales from business buys to increase, as compared to 2017?



## Survey Methodology

This survey was conducted between March 5 - March 16, 2018, and distributed to BigCommerce merchants through email and their BigCommerce control panel. Responses were collected from 525 BigCommerce merchants who have identified as having at least 1% of sales coming from business customers.

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