



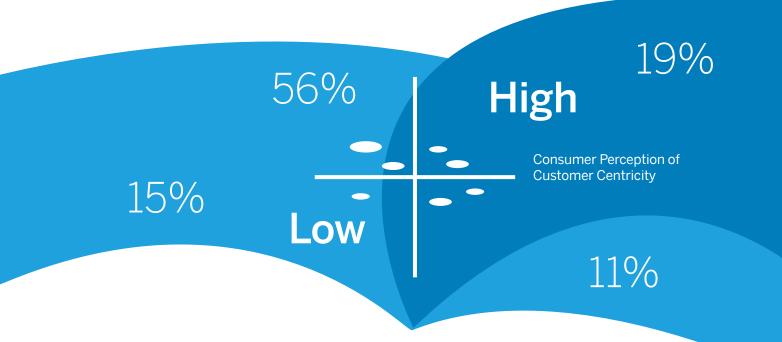
SAP Hybris (V)

**Point of View** 

# A powerful new customer experience approach for enterprise B2B commerce



# Are your customers really happy customers? And what can you do if they're not?



Maybe the obvious answer to the above question is to focus on customer experience – to drive extraordinary experiences for your customers. And that applies whether your customer is a B2C consumer or a B2B business buyer. But you are a company after all, so your next question has to be "how is this going to drive my top line growth and build business value?" Further, what role will technology play in the experience you give your customers?

This latter question is fundamental to how you keep your customers happy, as Mark Taylor, Chief Experience Officer, Capgemini's Digital Customer Experience (DCX) practice, explains. "Customer experience is like a layer cake. The icing on the top equates to the customer experience (what the customer sees, touches and feels), but this can only be supported by several layers beneath it, including the technology, enabling processes and the insights."

In many cases brands have implemented disparate and typically disconnected solutions (e.g. customer service, marketing activation, sales automation or commerce across specific channels), which, in turn, drives disparate and disconnected experiences.

This is backed up by a recent study by Capgemini's Digital Transformation Institute, which told that organizations and consumers are miles apart on the customer experience. Notably that there is a major gap between consumers and companies on customer centricity. We found that while threequarters (75%) of organizations believe themselves to be customer-centric, only 30% of consumers believe this to be the <u>case</u>.<sup>1</sup>

This doesn't bode well for the brands that aspire to deliver an engaging and compelling experience across all the touch points and 'moments of now' they have with their individual customers.

## The next generation of digital platform

If brands are to deliver on their ambition, they must build the ability to consistently support the entire customer experience life cycle (from initial contact, through the process of discovery, engagement and into a long-term relationship). This requires brands to think about transforming towards a single, consistent customer experience platform: one that supports the complete end-to-end customer experience with an enterprise-wide set of customer data and insights, best of breed technologies and enabling processes interconnected through a digital architecture to deliver personalized, adaptive experiences across channels. This next generation digital platform not only connects the whole client ecosystem of business and technology partners, but also the ecosystem of internet platforms, social networks and devices favored by the customer.

Of course, this isn't easy. But it's worth it. Let's go back to the business value of focusing on the customer experience. Customer experience is valuable. It's a game changer. Our **study**<sup>1</sup> revealed that *81%* of customers indicated they were willing to spend more for a better experience. This is consistent in every industry. Furthermore, our analysis tells that organizations tightly linking their business operations with the customer experience reap greater rewards in terms of *NPS*<sup>®</sup> and positive customer perceptions. This is not only true for the Business-to-Consumer (*B2C*) market, but more and more for the Business-to-Business (*B2B*) market. After all, one business buying from another, is just as much a customer as those in consumer-facing sectors.

And the B2B eCommerce market is a big opportunity. According to Forrester<sup>2</sup> estimates, the value of B2B eCommerce will reach \$1.2 trillion and account for 13.1% of all B2B sales in the US by 2021. At the end of 2017, Forrester expects eCommerce to reach \$889 billion and represent 11% of total B2B sales in the US.

#### SO HOW DO BRANDS TAP INTO THIS OPPORTUNITY?

At Capgemini we believe that experience is the new battleground, and how you connect is how you win. In fact, we'd go as far as to say that the customer experience has replaced marketing as the way that brands represent and deliver on their promise to the consumer. And just like B2C, B2B buyers can be fairly ruthless in their pursuit of the experience they want – voting with their wallets if their needs are not met.

B2B buyers and their behaviors are changing. Analysts show that there is a paradigm shift happening in the way professional business buyers navigate their buying journey. We believe this transformation is primarily due to four factors:



#### 1. AUDIENCE:

B2B buyers have changed significantly over the past five years. We see a younger workforce entering into corporate functions – and they expect more from every channel. These new B2B buyers are consumers in "real life" and correspondingly have been influenced by the customer experience standards set by the leading B2C proponents.



#### 2. CONTENT:

There is now diverse content easily accessible via digital channels to inform buying decisions, including pricing, inventory, product datasheets, maintenance manuals, and more. Its ready availability means a B2B buyer expects every relevant piece of content to be embedded into her/his journey in context, both during the buying process and post purchase – see also 'Hidden sales paths', below.



#### 3. SALES CYCLE:

New businesses operate in a highly agile environment. A B2B buyer typically has to support and work through many partners to manage an effective purchase across units with minimal wait time. This requires a transparent and connected information flow, with all purchasing information available in one place.

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#### 4. HIDDEN SALES PATHS:

The efficient, effective, easy to use, my way, anytime, anywhere demands of today's consumers are now standard. Analysts tell us there is a growing preference towards self-service. Forrester's The B2B eCommerce Playbook for 2017 advises that in 2016 68% of B2B buyers preferred to research online on their own, up from 53% in 2015. Equally, in 2016 B2B buyers who said that they did not want to interact with a sales representative as their primary source of research grew from 59% to 60%. So, as a business selling to other businesses, it's important to understand what makes your customer (the buyer) happy. We've already established that the more satisfied your customers are, the more they're likely to spend with you. We created the DCX Index to find out more about this. It measures the range and reach of an organization's Digital Customer Experience practices. In our survey, we asked company executives about the adoption of more than 80 practices that spanned the entire customer journey. Our findings point to a strong correlation between the quality of the experience and the financial performance of the company. In fact, the top DCX Index companies have outperformed the lowest-scoring ones by a factor of *2.7* in terms of stock price over the last 4 years.

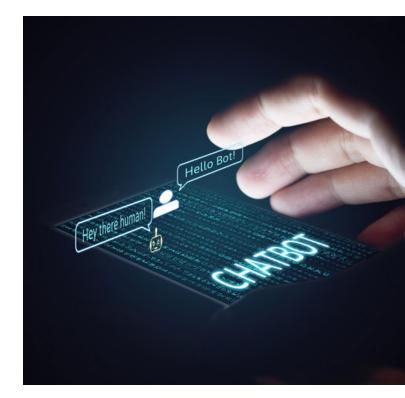
The report cites some great examples of customer experience pioneers, from Starbucks with *17 million* customers regularly using its mobile app as a key interaction mechanism with all aspects of the brand, to Citi India's use of voice-based biometrics to speed up the customer authentication process.

B2B companies wanting to tap into the promise of increased spending (as demonstrated in the Capgemini study) need to bring these kinds of examples into their offerings.

MSC Industrial Supply is a great example of getting this right in the B2B space. As one of the largest direct marketers and premier distributors of Metalworking and Maintenance, Repair and Operations supplies to industrial customers in the United Kingdom, it distributes over 200,000 industrial products from over 1000 suppliers to more than 50,000 customers.

It recognized the importance of personalization within its selling strategy and implemented new personalization software. Using data and knowledge about each customer (such as their preferences, order and viewing history) they provide targeted promotions, recommendations and suggest alternative and complementary products to help drive sales and enhance the shopping experience. MSC also offered fulfilment guarantees – committing to nextday-delivery in the UK on all orders placed online up until 7.00pm – making it competitive with Amazon Business who offer free one-day delivery on qualifying orders.

Since deploying the software, MSC has recorded significant benefits. For example, in a test period between April and November of 2016, the company says it converted 38% more visitors to buyers, increased the average order value by 12%, and increased by 46% the number of units sold per transaction. For more information, click on: www.digitalcommerce360.com<sup>3</sup>



Rockwell, a client of Capgemini and SAP Hybris, is another closer to home example. Rockwell Automation is the world's largest company dedicated to industrial automation and information. It sought to simplify its customer experience to drive productivity – both for its own business and for its customers. Capgemini implemented and went live with SAP Hybris Commerce in just eight weeks – the fastest implementation reported in history. Rockwell is now able to engage with clients on a subscription-based eCommerce model, is providing customers with instantaneous product and service access, and has enabled event-driven integration by automating the quotation and order management process.<sup>4</sup>

This is still just the start of a transformational Digital Customer Experience (DCX) journey for many companies. Our Capgemini offerings to build seamless commerce experiences for enterprises can help in achieving a higher DCX Index for enterprise (B2B) customers. We work with our strategic partner SAP to build customer-tailored applications (the technology layer in our customer experience layer cake) by integrating solutions from the SAP Hybris software portfolio, such as commerce, sales, service, marketing and revenue/billing.

Seamless commerce experience needs robust solutions, smooth integration and, above all, the best understanding of the enterprise's challenges in the new digital commerce world.



### **ABOUT CAPGEMINI**

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#### Reference:

<sup>1</sup>https://www.capgemini.com/resources/the-disconnected-customer-what-digital-customer-experience-leaders-teach-us-about/ <sup>2</sup>And the B2B eCommerce market is a big opportunity.According to Forrester estimates, the value of B2B eCommerce will reach \$1.2 trillion and account for 13.1% of all B2B sales in the US by 2021.

<sup>3</sup><u>www.digitalcommerce360.com</u>

<sup>4</sup>https://www.slideshare.net/capgemini/decode-digitalization-for-your-discrete-manufacturing-company.

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