



Digital Transformation in Businesses

The impact on B2B business models

Covering trends, business transformation and key elements intrinsic to B2B models vis-à-vis B2C models with a focus on the high-tech distribution industry.

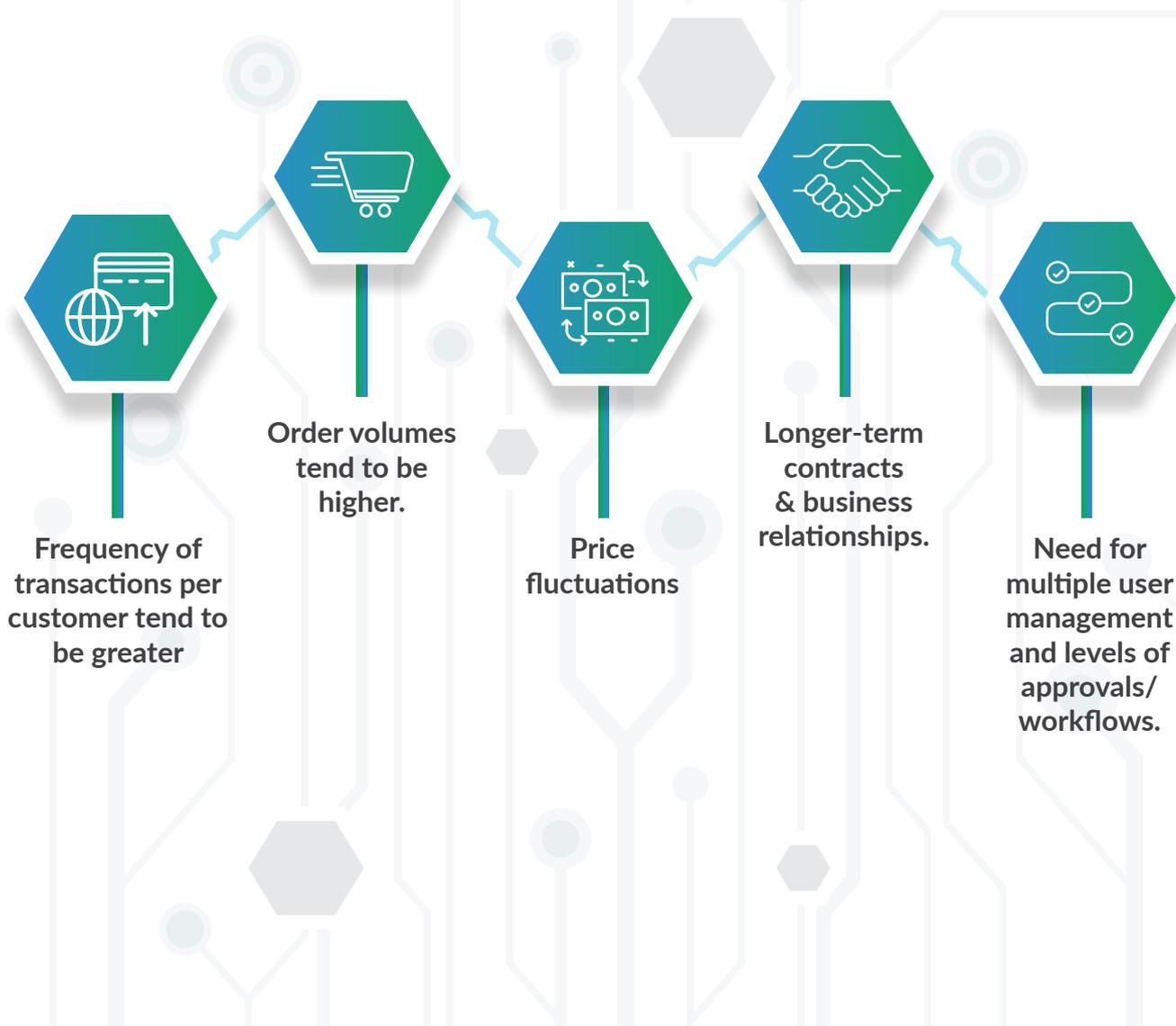
The B2B Business Environment Today

The B2B industry globally is on a robust upward growth trajectory due to the adoption of online business models and platforms by B2B players (manufacturers, distributors, wholesalers, retailers). As per analysts forecasts, revenue generated by global B2B players from their online platforms (ecommerce websites/marketplaces/portals) is expected to reach US\$6.7 trillion in sales worldwide by 2020. Given the size and opportunity of the market, B2B businesses will have no other option but to adapt and transform to this changed paradigm as fast as possible.

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B2C industries have been early movers onto the online & digital bandwagon, and B2B industries seem to be following the B2C path and replicate what is done.

However, B2B e-commerce is inherently complex than B2C models. Few differences in B2B models which need to be factored in while conceptualizing the B2B Digital Commerce platform include:



Delivering Superior Customer Experience With A B2B Platform

For delivering superior customer experience, software solutions and platforms need to ensure they come equipped with key features/functionality.



Personalization

Product catalogs, flexible pricing, discounts that are specific and relevant to the customer



Ease of use

Navigation, dashboards, etc.



Customization

Pricing, contracts, running campaigns, promotions, scheduled ordering, bulk and repeat orders, etc.



Scalable

Multiple users option for user groups with workflows for managing approvals hierarchy



Do It Yourself

Self-service features



Easy Integration

Integration with other back-end systems and applications (Financial, CRM, Document Management, etc.) for seamless and integrated user experience

Disruption & Drivers In The High-Tech Distribution Industry

In the high-tech distribution industry, it is an acknowledged fact that the advent and universal acceptance of cloud computing is the new normal in IT. It is the single biggest disruptor to the traditional business models of the high-tech distribution industry (comprising of distributors in IT, Telecom, Consumer Electronics, etc.).

Cloud computing is the new normal in IT

This disruption is manifested in multiple ways as below:

Shrinking margins in traditional business models.

New entrants (Digital Business) disrupting established physical players, with B2C like experiences in B2B world.

Disruption

Shift in end user purchasing behavior from Asset Purchase to “On-Demand Use” (Capex to Opex driving more digital offerings from OEMs).

Push from OEMs to re-model distribution business from “offline and volume” to “online and value”.

Reinvention Of Business Models Are Necessitated By These Triggers:

- Offering **B2C like experiences** in B2B business scenario.
- Distributors/Re-Sellers compelled to **offer** options and choices spread across **larger geographies/countries**.
- Higher margin with “Managed Services”** driving need to create bundled offerings.
- Real-time visibility** on Analytics across the Supply Chain for better efficiencies.
- Drive “Self-Service” portals for end users for **better user experience** and information on-demand.
- Managing renewals** efficiently and timely.

Nevertheless, the need of the hour for the High-technology industry distributors is to move away from “**offline and volume**” based business models to “**online and value**” based business models, i.e., undertake Digital Transformation initiatives. To cope with these needs and trends, many players (especially the larger players) have undertaken initiatives to change their way of doing business by implementing home-grown solutions to support their move to the online world.

How Relevance Lab Solutions Can Address The B2B Challenges

Digital transformation for a leading, large IT & Telecom Distributor implemented successfully by Relevance Lab.

- Partner/Reseller Registration, On-boarding, Credit limit, Order Placement & Billing.
- End-Customer On-Boarding, Spend Limit Monitoring & Modifications.
- Contract Management, Order Fulfilment & Returns Management.
- Vendor/OEM Bill Reconciliation.
- Catalogue & Content Management.
- Pricing, Discounts & Promotions Management.
- Rewards & Loyalty Management.
- User Roles Management.
- Reports & Dashboards.

This solution leverages our DevOps and Automation product (RL Catalyst) for Cloud Orchestration, Cloud Management & BOTs-based Automation. It includes a Cloud Marketplace and Portal for Digital Commerce, along with integration capabilities with Finance/Billing and Document Management applications. It also covers the “Day After Cloud” management aspects with “RL Catalyst ArcNet Command Center” for providing integrated Cloud Care services, which makes it a very attractive solution for online players like CSPs, MSPs and Hosting Providers too.

The value that our solution drives includes:

Increased Revenues:

- Enhanced access to the re-seller eco system.
- Cross-sell and Up-sell multiple products/brands.
- Differentiation with competition:
 1. Offering a single-window, end-to-end, transaction, reporting and analytical platform.
 2. Offering a B2C like web experience to the B2B customers (re-sellers and enterprise customers).

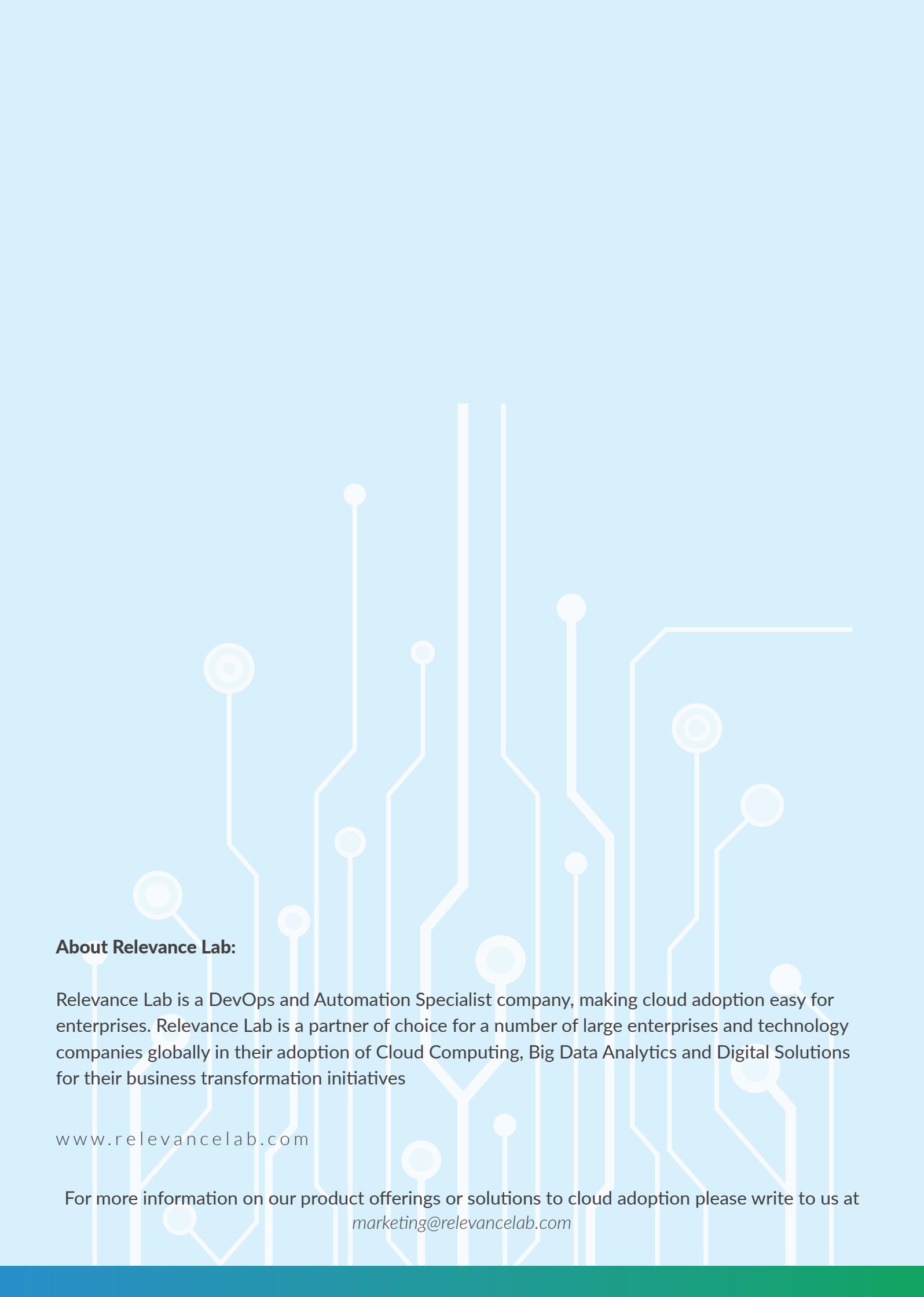
Reduced Cost of Operations & Increased Efficiencies:

- Automating manual processes involving phone/email/physical documents.
- Integrating multiple processes covering the spectrum of players – Distributor, Partner (Reseller), End-Customer, Vendor (Product OEM).

Faster Time to Market:

- Jumpstarting the digital journey by leveraging this platform-led approach with pre-built, industry-specific, business process and tech components.
- Asset-lite model by leveraging open source software components.

We further believe the context, applicability and value of this solution is relevant for B2B distributors in other industries with a multi-layer distribution model like Pharma, FMCG, CPG, Automotive, etc. – where cloud-driven online business models are driving them towards Digital Transformation.



About Relevance Lab:

Relevance Lab is a DevOps and Automation Specialist company, making cloud adoption easy for enterprises. Relevance Lab is a partner of choice for a number of large enterprises and technology companies globally in their adoption of Cloud Computing, Big Data Analytics and Digital Solutions for their business transformation initiatives

www.relevancelab.com

For more information on our product offerings or solutions to cloud adoption please write to us at marketing@relevancelab.com