

## Prevent conversion loss by providing transparent inventory and order information in B2B digital commerce

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Incorrect inventory information, an order status that cannot be accessed online, or delivery times which are not communicated accurately: these are all problems occurring in the B2B market in the transition towards digital commerce. It is an untenable situation; studies on self-service have shown that transparent pricing and inventory information are the top two factors in the success of a digital customer portal. To keep the customer satisfied and prevent conversion loss, it is essential that organisations start using a B2B e-commerce system with an integrated Order Management System (OMS). Only then is it possible to not only make a delivery promise, but also actually deliver on that promise.

### The delivery promise from B2C to B2B

‘Ordered today, delivered tomorrow’, ‘We still have three rooms available’ or ‘Your order is on its way’. Everyone immediately thinks about the same thing when they read those phrases: online orders and bookings. All of us have all grown used to this quick turnaround time and expect nothing less than up-to-date and accurate information about the status of our orders or the products we are interested in. IKEA is a great example: you can check online to see precisely which store has the preferred product in stock and where you can find it in the store. We enjoy high standards of service in our private lives, and expect that same convenience in our B2B experience. More and more organisations are on the verge of switching to B2B digital commerce; that step also involves increased transparency in the inventory and order information. However, that is easier said than done.

### The complexity of B2B order management

Many orders are still entered manually into the ERP system. The system meticulously keeps track of the current inventory, where it is located, how much of it the customer is allowed to use, and the logistic processes associated with an order. In the B2B market, we often have to deal with large order volumes, deliveries from multiple warehouses, or even special transport, which makes it more difficult to provide online access to information, and may even result in showing incorrect information to customers. In practice, we see that organisations try to tackle this problem in different ways:

1. The problem is largely ignored by sharing as little information as possible with the customer; sharing less means minimising opportunities to make mistakes. However, this has a negative impact on the customer experience; decreased transparency results in decreased trust.
2. An OMS is chosen which is separate from the e-commerce system, which cuts out an important part of the customer experience that you are trying to achieve with digital commerce. Status updates, order confirmations and other forms of communication from the OMS are not always in the same corporate style as the e-commerce system. In addition, prices and inventory information are stored in two separate places, which prevents the customer from accessing real-time information – and means that the information they see may not be entirely accurate.
3. The chosen solution is directly displayed from the ERP system and e-commerce system, without any enhancement, haphazardly showing inventory information from the back-end system in the front-end system. This data is too ‘crude’ to present to the customer and does not give enough information.
4. Only part of the product range is offered online, based on the complexity of the products and the added value that your sales staff has to offer. ‘Standard products’ that hardly need any additional explanation or framing in sales are often good choices in taking those first steps online.

Similar to price information, inventory and order information needs to be based on a single source of truth. One single source is needed in the organisation, which is 100% accurate. Product availability is one of the most important reasons why customers go to an online portal in the B2B market. They want to know how fast something can get delivered or what the status of an order is. If it is not available immediately, then it is important to know when it is: the Available To Promise (ATP) rules.

### Trust is the basis

The B2B purchase process consists of a number of different steps, and showing inventory and order information plays a key role in each. The minimum basic information that needs to be present in the digital channel is:

- Before the order is placed, the customer wants to know whether the products are in stock, where they are located, when they can be delivered and how. It is also important to share information regarding dividing orders into multiple deliveries.
- When the order is placed, the customer expects an up-to-date status of the order, such as the time and place of delivery.

If they do not have access to this information at all, if it is incomplete, or if it is incorrect, there is a good chance that conversion rates will decrease on the digital channel. Dissatisfied customers will contact customer service with complaints or questions, losing touch with the e-commerce platform. Once customers lose trust in the provided information, they will no longer place orders – and then self-service functionality has defeated its own purpose. You can only release the e-commerce system to your customers once you can get it to work for you. A fully integrated OMS in your B2B ecommerce system offers a solution to this predicament.

### Order management in digital commerce

In order to successfully implement digital commerce, organisations need an OMS that provides information to customers from start to finish. By choosing an e-commerce system with an integrated OMS, such as SAP Hybris, you ensure that the customer experience will be the same across all the channels, eliminating the need to purchase any supplementary, unconnected systems. SAP Hybris is powered by your ERP system. The ERP system ensures that orders are delivered, but status updates go through Hybris. A B2B e-commerce system with an integrated OMS has a number of key advantages:

- A consistent customer experience. Sending order notifications and proactively displaying and providing accurate information when something changes in the order process: these things are only possible when your OMS is fully integrated in your e-commerce system. The inventory and order information from the OMS is supplemented by the product and customer information from the e-commerce system, and communicated in the same corporate style. Regardless which channel the customer uses, the experience remains the same.
- No additional investments in separate systems.
- A uniform and reliable display of all order information. A single integrated system helps you avoid storing information across various different systems, leading to unreliable information and the lack of a single source of truth.
- The ERP system ensures there is a single source of truth, while an OMS integrated in the digital commerce environment ensures that this information can be shown to the customer in real time.
- The time-to-market is shorter, as no separate order management strategy needs to be implemented.
- It provides transparent insight into inventory, delivery times and order status.
- Internal notifications related to customer orders ensure that customer service can contact the customer proactively regarding changes in their orders.

## Constantly optimise the customer experience

Inventory information and current order status are the cornerstones for giving customers an optimal digital experience and preventing conversion loss on your online platform. It offers your customers the option to place regular orders through the e-commerce system. Once this is up and running, you can consider next steps such as providing options to request a quote from your online channel, place repeat orders, arrange replenishment, or even facilitating a B2B marketplace.

An omni-channel strategy also means that you have secured your sourcing rules in your order management system. The system needs to access the right inventory at the right time, and do so automatically. The selection criteria could e.g. be based on customer location, delivery speed or costs for logistics. The e-commerce system is the communication channel between your back office and the customer. Make sure that communication is transparent and reliable; that's how you will satisfy your customers.