



Advisory

Five Ways Distributors Can Compete with the B2B E-Commerce Giants

This *Advisory* is online at STAFDA's website, www.stafda.org. To find it, log in to the members-only section and click on Publications. We encourage you to share this *Advisory* with your colleagues.

In a market where big B2B e-commerce players dominate, it's understandable why smaller distributors may feel like the odds are stacked against them. Large online distributors and B2B e-commerce companies have strong buying power, big budgets, and solid marketing campaigns in their favor.

While competing with these big players may seem like a daunting task, a smaller distributor has unique advantages and qualities to make themselves a formidable competitor. Here's how to level the playing field.

1. Offer a Compelling and Elegant B2B E-Commerce Website

This may seem like an obvious recommendation, but it's where you need to start. Many of the big distribution e-commerce players do not offer compelling and elegant websites. They are often loaded with an overwhelming and distracting collection of product listings, various offers, and supplier advertisements.

Smaller distributors can offer a competitive differentiation by offering a B2B e-commerce website that is more appealing with minimal distractions. Intuitive navigation, site-wide and faceted search, content-rich product pages, targeted banner advertisements, and a streamlined checkout process will offer a customer-focused experience that will grow sales. Also, don't feel you need to offer an online storefront with every SKU you sell. Often the 80/20 rule applies, where 80% of your sales come from 20% of your product offering. Lead with your top selling 20% to create a compelling e-commerce distribution website in manageable way.

Bob DeStefano, president of **SVM E-Marketing Solutions**, is STAFDA's Online Marketing Consultant and the author of STAFDA's *Online Marketing Strategies* manual. As a B2B online marketing strategist, author, and professional speaker, Bob has more than 25 years of experience helping distributors and manufacturers grow their leads, sales, and profits online. Bob provides STAFDA members with 30 minutes of free phone/Zoom consultation each year, including a free Online Marketing Opportunity Blueprint & Website Analysis. Contact Bob at (877) 786-3249 ext. 234, bdestefano@svmsolutions.com, or visit www.svmsolutions.com/stafda. Visit www.svmsolutions.com for more information about Bob's company.

There are many options for creating a compelling and elegant B2B e-commerce website. My clients have experienced great success leveraging a completely customizable platform like **Magento Commerce**, as well as SaaS (Software as a Service) options like **BigCommerce** and **Shopify**. Also, be sure to check with your ERP provider to see if they offer a contemporary e-commerce add-on.

2. Leverage Your Smaller Size to Personalize Customer Service

The big distribution e-commerce players may seem to dominate the market, but as a smaller distributor you have a significant advantage the big players lack: Your company can provide the ability to be nimbler and more flexible in your approach to e-commerce. This offers you the ability to respond quickly to better serve your customers.

Personalized service and customer care are key advantages. Due to their immense size, larger online distributors can't offer this level of service. Large companies are all about making big sales numbers. Smaller companies can reverse that equation and create stronger long-term relationships by being closer to their customers.

As often as possible, take time to contact your customers personally. Listen and respond to their questions and comments. This attention to detail is a unique selling point for you since it will be an enormous and unmanageable task for the giants to do the same.

3. Provide Compelling Content to Market Your Knowledge

People don't choose to do business with you just because you offer the right products at the right price. They choose you because you have an experienced and educated team who offers customers valuable, specialized knowledge about the use and applications of your products. Big e-commerce players often ignore the value of educating customers.

To compete against the big boys, lead with your specialized knowledge on your e-commerce website by offering an educational resource center with valuable content in various forms including:

- An insightful blog
- Best practice articles
- 'How to' videos
- Downloadable educational guides
- Webinars
- Podcasts

By marketing your knowledge instead of just marketing your products, you will establish your team as experts and create a unique differentiation that will get noticed by your customers.

4. Nurture Relationships and Repeat Business with Your Customers

To be successful, you need to foster a culture of engaging with and listening to customers allowing you to thoughtfully respond to their feedback. Customer-focused email marketing and social media marketing provides an opportunity to build an ongoing, interactive dialogue with customers on a measurable and cost-effective basis.

When executed effectively, promotional email marketing is an excellent way to promote new products and encourage repeat purchases. According to a study by **Convince and Convert**, 44% of email recipients make at least one purchase per year based on a promotional email and spend 138% more than people who do not receive email offers. So, if you are not sending out promotional emails, it's time to start. In addition, an educational email newsletter will provide the opportunity to share your knowledge with customers and keep your company top of mind.

With the right strategy, your distribution company can also use social media to nurture relationships with customers — and attract new ones. Creating a branded presence on the major social networks can help you maintain strong relationships with customers and build trust, increase brand awareness, direct traffic to your website, and communicate directly with customers.

5. Attract New Customers from Search Engines

In 80% of B2B purchases today, the customer finds the supplier — not the other way around. Therefore, it's extremely important for your e-commerce website to be well placed in the search engines to ensure maximum exposure to your target customers.

Search engine optimization, also known as SEO, is the ongoing process of making your website's pages attractive to search engines to achieve better rankings in organic, or unpaid, search engine results. Your SEO campaign should focus on getting your website on the first page of the search results. The higher you are listed on the first page of search results the better, since most searchers prefer to click on the first few links.

With pay-per-click advertising, or PPC, your company pays a predetermined amount to have text or visual based advertisements listed in paid search results. You will only be charged when a searcher actually clicks on your ad and visits your site, regardless of how often the listing is displayed, making it a results-focused, action-oriented advertising vehicle as compared to traditional print advertisements. Also, PPC ads can be targeted based on geographic areas to ensure they only show up in front of searchers within your territory.

If your product pricing is publicly visible on your website, and you can assign prices and photos to them, consider utilizing **Google Merchant Center** to make your products available to potential customers when they search on any **Google** property. While the data requirements and specifications are strict, this effort can pay big dividends in the form of a steady stream of new business.

Finally, you can use **Google My Business** and **Bing Places for Business** to promote your distribution company in the local search results — free of charge. After you claim your business profiles, you can manage how your company appears in search results, including business name, location, hours, and photos. In addition, you can learn how and where people are searching for you, as well as monitor and reply to customer reviews.

As a distributor, competing against the B2B e-commerce giants may seem like a like a David versus Goliath scenario. But just as David didn't shy away from the challenge, you have every reason to be optimistic about your success. By leveraging these strategies and your unique advantages, you have the qualities needed to succeed.