Surviving Supply Chain Disruption

How Businesses Can Manage
Supply Chain Disruptions with
B2B E-commerce

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Overview: The Supply Chain Crisis in Australia & New Zealand

Though COVID-19 is often blamed for the acceleration of the supply chain crisis, shifting geopolitical conditions, technological growth, and increased regulatory scrutiny have meant permanent changes have been a long time coming.

For manufacturers, distributors and wholesalers trying to keep afloat, an innovative approach is necessary for continued growth. E-commerce adoption and optimisation have been an integral part of both surviving and thriving in the current economic landscape.

This guide will walk you through the goals, challenges, and opportunities in e-commerce – as well as how it can help streamline supply chain operations and mitigate complex logistical challenges.

Not sure where to get started with your e-commerce journey? Download the Supply Chain & E-Commerce Handbook for more.

Download the handbook →

Strategies for Building Resilience

For many businesses, the pandemic has proven a valuable lesson in the necessity of disaster-preparedness. Future-proofing your business means meeting your customer expectations where they're at, thinking beyond the next two years, and figuring out what it means to build a fruitful long-term business strategy.

Businesses in Australia and New Zealand are working actively on shifting to a more future-proof strategy. One survey by PROS in 2021 found that 55% of Australian manufacturers plan to reshore manufacturing operations to Australia by 2023[1]. Other experts agree that 2022 will see procurement and supply management having crucial roles in improving digital capabilities of businesses.

> **The supply chain crisis is an opportunity to think about new ways of working, with methods that are sustainable, streamlined, and people-forward. Here are some key takeaways for businesses trying to weather the supply chain storm:**

1. Map your Supply Chain

According to Yossi Sheffi, director of MIT Centre of Transportation and Logistics[2], supplier mapping can be a valuable way to spot vulnerabilities and keep effective contingency planning in place.

Supply chain mapping involves identifying key stakeholders, understanding supplier relationships, and establishing cost and timings involved in each part of the chain. Once this is done, you can identify risks and track the flow of data between touchpoints to identify where processes might be streamlined.

Supply chain visibility allows you to identify potential opportunities when it comes to supplier locations, planning inventory buffers, and fostering close relationships with critical suppliers to keep operations running smoothly.

2. Improve Workforce Planning

Implementing an integrated e-commerce solution allows you to prioritise what's most important to the continued functioning of your business – the people. Marcus McNamara, Head of APAC at Sana Commerce, writes about the value of buyer- seller relationships during this time.

As he explains: 'Sellers and logistics operators need ways to maintain a healthy and productive workforce in support of 'new normal' operating conditions. Part of putting people first is improved workforce planning, which may require system investment'.

When you automate processes and eliminate data silos, there's less pressure on your business to stretch resources too thin, leaving your staff focused on how to sustain growth.

3. Invest in Communications

In times of crisis, speaking with a unified and clear voice indicates strong leadership and direction. But effective communication exists beyond good PR or marketing. Your customers manage their expectations based on the information you provide them, so staying transparent and as accurate as possible is integral to productive relationships, especially during supply chain bottlenecks.

One way to strengthen communication is by optimising your e-commerce offering. By clearly indicating how much inventory is available, how long shipping might take, or any added costs, you enhance your business's ability to survive supply chain bottlenecks. Building interaction into every touchpoint will keep customers loyal, and less likely to jump ship to a competitor.

4. Strengthen Customer Relationships

84%
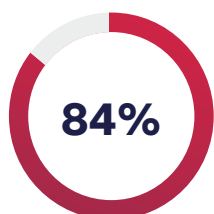
Now more than ever, customers want to connect with your business. According to Sana Commerce's B2B Buyer Report 2022, **84% of buyers would prefer to buy from a supplier whom they had a great relationship with, even if the terms of business were less preferential[3].**

We've already discussed communicating with your customers at each touch point of their purchase journey – customer personalisation takes this to the next level. Each of your customers are different. Having this reflected on your web store can help boost revenue and leave them feeling personally catered to without overextending your sales or customer service teams.

5. Impact of Personalising your Online Customer Journey

PERSONALISATION TACTIC

IMPACT

| Stock-level alerts on frequently bought items | Add urgency to purchase decisions |

| Restocking schedule notifications | Increased forward orders |

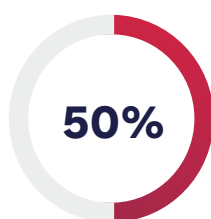| Offer direct-from-manufacturer drop shipments | Speed up the click-to-customer cycle |

| Reserve stock for scarce items | Retain your most important customers |

Supply Chain & E-Commerce: What to Watch Out For

50%

While the pandemic might have shifted many businesses online, there is still immense room for improvement when it comes to digital strategy. According to an independent study commissioned by Sana Commerce, **50% of B2B buyers are looking to complete their purchases online, as opposed to just 28% two years ago.**

Poor B2B e-commerce experiences are failing modern buyers, whose expectations have been moulded by their experience shopping for B2C goods. **There's a very good reason for this: B2B suppliers cannot apply the same solutions that work with consumer goods to their extensive product catalogues and complex customer agreements.**

Not all e-commerce platforms are built with this in mind. Choosing an integrated e-commerce solution can ensure you're avoiding some of the most common pitfalls B2B buyers face today.

1. Order Errors & Data Inaccuracy

Despite needing the convenience of an e-commerce experience, many buyers are blocked by online order errors with vendors.

Most Common Order Errors Faced By B2B Buyers

01

"I often order something, but find it's not in stock."

53%

02

"I often have to contact customer service because of inaccurate or missing

49%

03

"I often find that the order status information on my supplier's website is incorrect ."

48%

04

"I often find the product information is incorrect."

45%

Data inaccuracy might seem like a minor inconvenience on paper, but it can cause severe frustrations for customers. Order errors result in time wastage and add further strain to the supply chain.

Many B2B businesses struggle with data silos, with disconnected systems leading to an increased occurrence of errors and a sub-optimal customer experience. The availability of real-time inventory information and the existence of a single source of truth are all made possible when your e-commerce platform integrates with your ERP.

An integrated e-commerce platform ensures you're able to use a single, central hub of business data, eliminating silos of information and optimising your data maintenance process. With a supply chain characterised by unpredictable shifts that affect product restocks and delivery, this consistency is more important than ever.
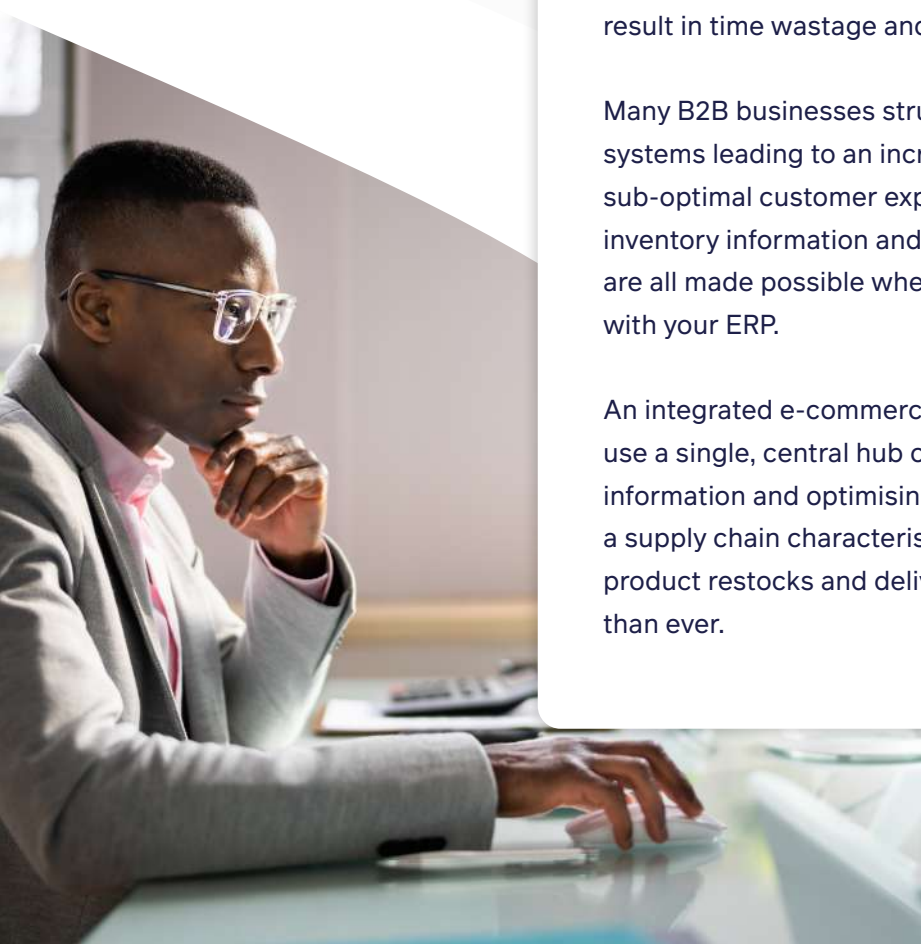
2. Shift to Direct-to-Consumer Sales

Though many manufacturers, distributors, and wholesalers worry about the increase in D2C, its presence proves a valuable opportunity to create a whole new revenue stream for B2B organisations.

B2B businesses that invest in an e-commerce strategy experience a marked improvement in revenue, profitability, and order process efficiency. According to independent research commissioned by Sana Commerce, most see ROI within their first year.

ROI of E-Commerce Implementation by B2B Businesses

Revenue growth	**22%**
Profitability increase	**21%**
Improved sales order process efficiency	**91%**

B2B online shopping is here to stay – stay ahead of the curve by identifying a solution that works best for your business and it's unique needs.

There's a lot more where that came from.

Learn how to future-proof your business with actionable insights on e-commerce strategy.

Download the handbook →

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