

The best of both markets

Five reasons to choose hybrid solutions that support B2B and D2C selling.



The lines between B2B and D2C commerce are blurring.

Today's consumers are shopping online more than ever, and this is especially true for consumer goods. The pandemic ushered in a surge in e-commerce activity, and consumer goods sales grew 34 percent compared to pre-Covid-19 times. It's no surprise, then, that consumer goods companies are adding direct-to-consumer e-commerce stores.

The opposite is also true: A growing number of customer-focused consumer goods companies are moving into B2B commerce. As pandemic-driven uncertainty lingers, consumer goods companies want to build relationships with successful retailers that are capturing a growing share of both online and offline markets. And this means providing easy-to-use buying options for wholesale customers.

Whether you're adding B2B or D2C digital storefronts, you'll need a new set of commerce features that you'll have to either build or buy.

This guide identifies five reasons to choose hybrid solutions that combine strong B2B and D2C functionality.

D2C commerce is a big opportunity...

Worldwide, D2C sales are increasing for 84 percent of consumer packaged goods (CPG) companies.

...but channel relationships are also critical

Building strong relationships with retailers that offer a great omnichannel experience—including in-person pickup and shopping—is also important for growing your brand. Online grocery sales are on track to reach 6.4 percent of total grocery sales by the end of 2021—which means 93 percent of retail grocery shopping is still happening in person.



1. You'll save on efficiency.

Running two separate e-commerce solutions—one for wholesale selling and one for D2C—can lead to duplicating efforts and systems. You'll have to manage two vendors, as well as two platform lifecycles and update schedules. You'll need to integrate both your platforms with CRM, ERP, and other systems. And you'll be juggling two sets of infrastructure requirements.

Overall, your ecosystem will be more complex and require a lot more work to maintain. You may need different teams to support each system, and you may not have enough time to scale or fully customize either one. It will also be more difficult to get a holistic view of business performance because your web, customer, and product data will be siloed in different systems.

With hybrid solutions, you can support wholesale and D2C models with one infrastructure, efficiently manage both with the same team, and gain a unified view of your business results.

2. You'll get a jump on the competition.

Adding a consumer- or business-facing model can take time, especially when you need to configure a new platform or add extensive customizations to your existing one. If you employ hybrid solutions, you can get to market much faster. Instead of buying or building new features, you can "flip a switch" and start configuring products and processes.

3. You'll stand out more.

Some B2B-only solutions lack the "consumer-like" features that both business buyers and consumer shoppers expect, like rich content, visual merchandising, personalization, and more. But staying behind the digital curve doesn't work anymore. Business buyers require a high-quality digital experience. In fact 73 percent of 20- to 35-year-olds are involved in product or service purchase decision-making at their companies, and they overwhelmingly prefer a more modern digital experience.

A platform vendor with roots in both wholesale and D2C commerce will offer a common architecture with shared content and design elements. This means you can easily craft your B2B experience to include the consumer-like features B2B buyers want while providing a consistent brand experience across all your sites. If you're selling directly to consumers, you'll be able to create the engaging and personalized experiences today's shoppers take notice of.

4. You'll be ready for anything.

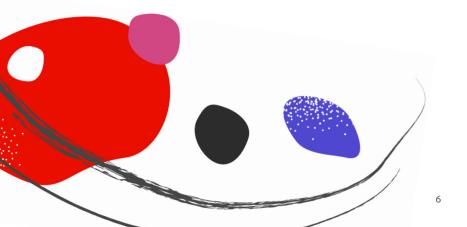
D2C commerce provides an important diversification benefit. Some consumer goods companies rely on a handful of major retailers to sustain their revenues, which keeps marketing costs to a minimum but also exposes them to customer risk. A thriving D2C operation can offset this risk and help your organization maintain revenues if any of your big customers run into trouble.

Plus, if your hybrid software package offers multi-site support, you'll be able to rapidly add new storefronts as demand evolves.

5. You'll make better use of your data.

When your B2B and D2C data is in one place, you can stay ahead of the data latency that usually comes with waiting for channel partners to get you the information you need. Hybrid solutions let you collect and normalize all known and unknown data into robust, real-time profiles that marketers can use to deliver personalized experiences across any audience or channel, at scale.

You can also use first-hand consumer behavior data to quickly inform product development, assortments, pricing, and promotions and share business critical information with retail partners.





Key takeaways

You'll save on efficiency. Hybrid solutions are easier to manage and offer a 360-degree view of your business.

You'll get a jump on the competition. Hybrid solutions can dramatically reduce time to market.

You'll stand out more. Hybrid solutions can support a unique and engaging user experience that elevates your brand above the rest.

You'll be ready for anything. Hybrid solutions give you the flexibility to quickly adopt new business strategies and models, now or in the future.

You'll make better use of your data. Hybrid solutions simplify data management and utilization.

Adobe can help

Adobe Experience Cloud and Adobe Commerce Cloud are leading hybrid solutions for consumer goods companies looking to enhance their e-commerce strategy.

Adobe Experience Cloud is the most comprehensive suite of customer experience management tools on the market. With solutions for data, content, engagement, commerce, personalization, and more, Experience Cloud is built on the world's first platform designed explicitly for customer experience. Each product is infused with artificial intelligence and works seamlessly together, but also integrates with your existing technology and your future innovations so you can consistently deliver the right experience every time.

Adobe Commerce is the world's leading digital commerce platform. With it, you can build engaging shopping experiences for every type of customer—B2B and D2C—on a scalable, enterprise-level, open-source platform with unparalleled security, performance, and low total cost of ownership. Businesses of all sizes use Adobe Commerce to reach customers wherever they are, across devices and platforms, including marketplaces. More than a flexible shopping cart system, Adobe Commerce is the building block to business growth.

Learn more about <u>Adobe Experience Cloud</u> and <u>Adobe Commerce Cloud</u>.

Get details

Sources

P.J. Bednarski, "Established CPG Brands Have Even Stronger Pandemic Sales," Marketing Daily, May 15, 2020.

"The Direct-to-Consumer Opportunity: How Consumer Goods Companies and Retailers are Responding to a Changing Landscape," PA Consulting, August 2018.

Bourcard Nesin, "Will Consumers Stick With Online Grocery? The Post-COVID World of U.S. Online Grocery Growth," Rabobank International, June 2020.

Adam Vasquez & Heather Wadlinger, Ph.D., "B2B Report: Millennials," Merit, March 2016.

