

Manufacturers... Digitise and sell direct



By Greg Gatherer
Account Manager
Liferay Africa

The past couple of years brought massive changes to almost every sphere of industry, including manufacturing. In the face of a global pandemic and its attendant lockdowns, digital transformation was accelerated and only became more important amidst disruptions to global supply chains. And while the vast majority of digital transformation initiatives in manufacturing targeted internal processes, they've thrown up other opportunities too. Perhaps most notably, digital transformation has fundamentally changed how manufacturers can sell to their customers.

Research from Statista suggests that the global business to business (B2B) e-commerce market is valued at around US\$15-trillion. While manufacturing e-commerce has been big business for some time now, many manufacturers have had to rely on wholesalers to sell their products online.

But it doesn't have to be that way. Right now, there's a massive opportunity for manufacturers to go direct to market. In doing so, they stand to not only improve their own bottom lines, but also create better customer experiences and even create much-needed jobs.

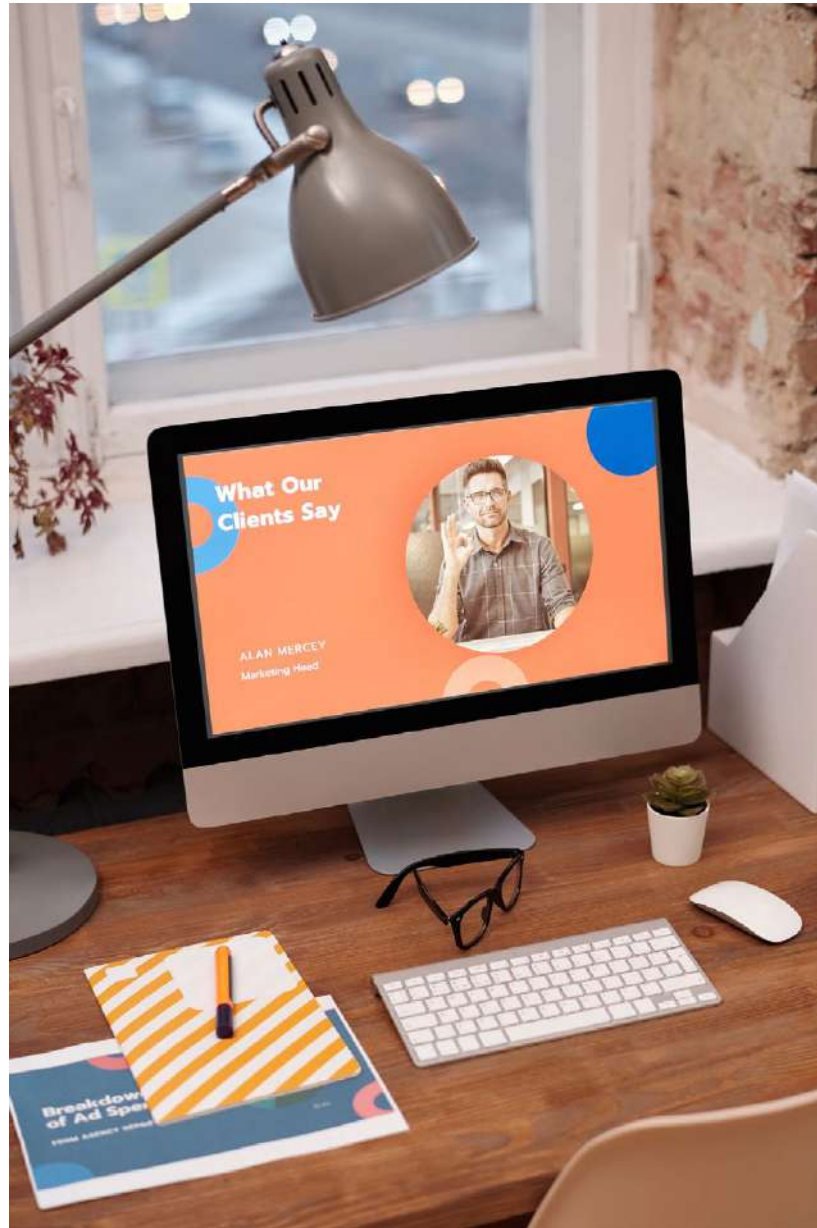


Image courtesy of Mikael Blomkvist, Pexels

The trouble with wholesale

While the online wholesale model undoubtedly provides an important means for manufacturers to dip their toes into the e-commerce arena, it does come with some notable drawbacks. Aside from the obvious one of the wholesalers taking a cut of

each sale, it also means that manufacturers aren't in charge of their own digital customer experiences. They're also left relying on the wholesaler's data when it comes to understanding things like sales volumes and demand.

That said, it's understandable that many manufacturers took this route initially. Established manufacturers especially have a lot of core legacy systems that were difficult to blend with a self-operated e-commerce platform. Additionally, traditional means of direct sales were challenging for manufacturers to digitise. This is especially true for B2B customers, who face considerations that business to consumer (B2C) simply don't have to deal with. These include purchasing on behalf of an account rather than as an individual, higher volume orders, regular replenishments that could be automated, contract pricing, as well as quotes and negotiated pricing.

As a result, manufacturers aren't able to implement simple e-commerce overlays and provide their customers with the experiences they demand.

Enabling technology

Fortunately, a growing number of enabling technologies mean that it's become a great deal simpler for manufacturers to sell directly to their customers. Alongside the ability to create virtual digital warehouses, they can create digital stores and mechanisms for attracting customers to their



stores. This means that purchases can be made directly from the manufacturer's conveyor belt, with no wholesaler-shaped middleman necessary.

Of particular importance in this regard is a digital experience platform (DXP). With a DXP, manufacturers can integrate their commerce experiences with various software systems and touch multiple areas throughout the company. A DXP should also be able to integrate with a digital commerce solution to give customers and distributors a centralised location for information, shopping, and self-services.

By embracing this approach, manufacturers don't just give themselves the ability to create great customer experiences but also to automate sales processes and, ultimately, produce more for less.

An evolving approach

Beyond this shift to direct e-commerce sales, manufacturers should be looking to the next phase in their evolution. Here, they can look at real-world examples of how other sectors are changing their approach to e-commerce.

Egyptian company MaxAB, for example, is changing the relationship between wholesalers and retailers by allowing them to buy goods and request delivery logistics and delivery from one app. It also includes new supply chains and embedded financing options. Critically, it doesn't just service large retailers, but small independently-owned ones too. This approach means that those retailers can focus more on growing their own businesses and are more likely to be predisposed to MaxAB in the future.

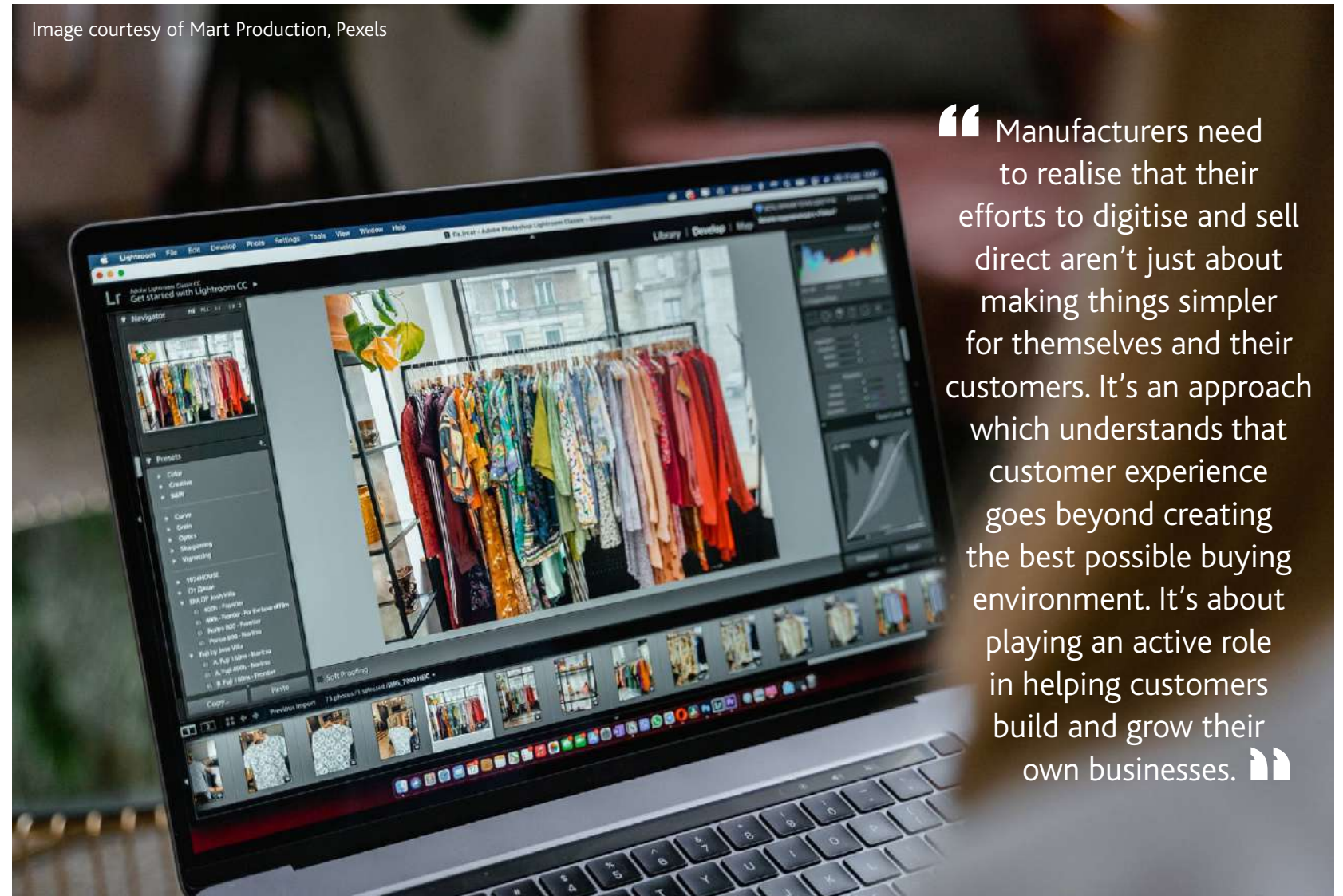


Image courtesy of Mart Production, Pexels

“Manufacturers need to realise that their efforts to digitise and sell direct aren't just about making things simpler for themselves and their customers. It's an approach which understands that customer experience goes beyond creating the best possible buying environment. It's about playing an active role in helping customers build and grow their own businesses.”

Imagine if a local cement manufacturer took a similar approach to small builders in South Africa. What kind of growth could it unlock for itself and its customers? How many additional jobs could it create in a country desperately in need of them?

A holistic approach to customer experience

Ultimately then, manufacturers need to realise that their efforts to digitise and sell direct aren't just about making things simpler for themselves

and their customers. Rather, it's an approach which understands that customer experience goes beyond creating the best possible buying environment. For manufacturers especially, it's about playing an active role in helping customers build and grow their own businesses.

With this holistic approach, built on the right tools and technologies, manufacturers not only give themselves the ability to stand out from their competitors but also to build long-term loyalty from an ever-expanding pool of customers. **SR**

**STEALTH
WIPES**

**PROTECT ME.
PROTECT YOU.**

STEALTH WIPES NOW OFFERING :

- Sanitising Wipes
- All Purpose Wipes
- 70% Alcohol Wipes

**ALL PRODUCTS OFFERED IN DIFFERENT
SIZE VARIANTS :**

- 100 Wipes
- 200 Wipes
- 500 Wipes
- 1000 Wipes
- 2000 Wipes



Please contact us for more info.



ENQUIRE NOW