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The truth about B2B eCommerce in the Healthcare industry

What role does B2B eCommerce play in the Healthcare industry? And how can you use it to ensure your company's survival?



The challenge with Healthcare

Survival of the fittest

Healthcare is a sector like no other. While most industries suffer from inevitable slow periods of fluctuating sales, Healthcare bucks the trend, instead promising stable growth and consistent demand. Even before the world had even heard of 'COVID-19', middle-income families were spending more and more on their health.

But as the industry grows, so too does the competition, which makes standing out from the crowd difficult. Still, the pace of change in the Healthcare industry is often slow, and that presents an opportunity for B2B companies who are willing to move fast. Those who invest in digital commerce to offer Healthcare organizations a seamless buying experience are the ones who will survive the longest.



Did you know?

The Healthcare sector is valued at over **\$4 billion**, and is said to be growing twice as fast as the rest of the world economy – most likely due to aging populations across the world.

The 4 pain points of B2B Healthcare

And how eCommerce can cure them

Regulations and compliance

Regulations on Healthcare products are understandably strict, and can greatly slow down your digital transformation if not taken seriously. They also vary across the globe, making life even harder when it comes to cross border transactions. A purpose-built B2B eCommerce solution makes carrying out essential audits much easier, taking the headache out of meeting regulatory requirements.

A long sales process

There are few impulse purchases in Healthcare. Whether it's cutting-edge tech or PPE, every purchase decision is carefully researched and considered, and can often take as long as 12 months to make. With better eCommerce technology, B2B Healthcare companies can accelerate the sales cycle with smoother checkouts and streamlined customer journeys, as well as maintain stronger brand awareness throughout with better marketing.

Regular price fluctuations

Healthcare is a particularly unique sector when it comes to pricing, in that prices must be carefully set to ensure that quality healthcare is affordable for the widest possible audience. Because of this, prices change – and fast. In response, a B2B eCommerce platform can provide buyers with real-time information on availability, price and fluctuations, enabling cost comparisons and more informed decisions.

Information overload

More Healthcare B2B buyers are looking for self-service, which means they require clearer product information and user interfaces. Thankfully, B2B eCommerce gives you the tools to do just that, with comprehensive product catalogs, descriptions and shipping options. Just remember that any online content around healthcare products is subject to Google's "Your Money Your Life" rules. So keep your product descriptions accurate to the letter, or they won't appear in any search results.

The potential side-effects of transparency

Getting **to the heart** of the problem

If B2B Healthcare companies want to survive in this fast-growing market, then a functional eCommerce platform has to be part of that plan. And for a number of reasons.

Not only will an eCommerce platform make it easier for your B2B buyers to get the products they need quicker, it will also empower them to make better, more informed decisions – because they can compare prices and specs instantly, rather than via a telephone.

However, this heightened level of transparency could lead to a new problem further down the line. It's no secret that the prices individual healthcare organizations pay for their products is a relatively hush-hush affair, but an open eCommerce platform with clear prices could make the market price visible to everyone. That puts the bargaining power back in the hand of the buyer, meaning B2B Healthcare companies may need to consider more competitive pricing strategies if they don't want to lose out.

Still, if Healthcare organizations know that they can secure all the products they need online – and at the best possible price too – then this will only boost their desire for B2B eCommerce platforms even further. Rather than avoid the problem, why not try to solve it ahead of time?

Because real-time pricing and better order tracking will create a better Healthcare industry for everyone – one where efficiency is the name of the game. And the key is B2B eCommerce.

10 parts to a healthy B2B eCommerce strategy



The ability to integrate with data points and other important systems across your business (especially an ERP)



Multi-channel support, and being able to go DTC



Personalized pricing and customized pricing structures



Scalability, so that your platform grows as you grow



A visually appealing platform which has good UX and is enjoyable to use



Self-serve, making it quicker and easier for customers to make orders and reorders



Using advertising, PPC and SEO to attract new customers



Repeat customer rewards to encourage loyalty



Strong product descriptions which bring your goods to life



Multilingual and multicurrency capabilities, if you have international ambitions

Did you know?

A reported **85%** of B2B buyers interact and purchase Healthcare products from OEMs via digital channels.

Balancing B2B & D2C

Is it worth adding a Direct-to-Consumer channel?

While the lengthy timescales of B2B Healthcare can be annoying for OEMs, they can be even more frustrating for consumers who have to wait just as long. For that reason, more companies are seeking to go directly to their end-users, with 'Amazon Pharmacy' representing probably the most high-profile expansion into the D2C space.

So, it's worth asking: "should I be considering D2C?"

The D2C channel has been steadily growing in popularity in the Healthcare industry for a number of years now, and the opportunity is ripe. By offering customers a more convenient means of getting the products they need to live a healthy life, you can supplement your existing B2B revenues with a new stream of sales.

Of course, adding a D2C element to your existing eCommerce strategy comes with its own logistical and administrative challenges, not least the issue of developing a more 'customer-friendly' persona for your business. But, if you've already got a B2B eCommerce

platform in place, there's no reason why you can't successfully expand it to incorporate D2C.

In fact, there are a number of reasons why you may want to do this:

- **First**, it opens up another revenue stream for your business (although admittedly with lower margins).
- **Second**, operating in and being visible to the public can help build brand awareness, increase loyalty and enable future growth.
- **Finally**, just because you're serving customers directly doesn't mean you have to turn off your existing B2B revenue streams. When done correctly, they should both complement each other.

Going D2C might not be right for your business right now, but part of the market is certainly heading that way. And when it gets there, having a strong eCommerce presence in place will help you catch up.

Did you know?

Public interest in D2C health has **quadrupled** in the last 5 years.



When Healthcare gets even healthier

The secret behind GE Healthcare's success

GE Healthcare – the leading Healthcare manufacturer and distributor – first opened its online GE Healthcare Service Shop in 2019 as a simple ordering portal. Since then, the site has received numerous upgrades including a larger product inventory, advanced site search, faster reordering, daily deals and trackable deliveries.

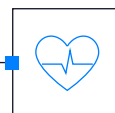
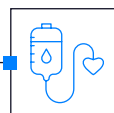
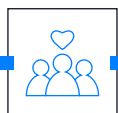
According to GE Healthcare, its online inventory is now valued at more than \$1.5 billion, and is made up of

almost 500,000 part numbers. More impressively, the online store processes around 6,000 products every day, and boasts a 96% on-time delivery rate.

Tim Erickson, GE Healthcare's General Manager for Asset Recovery and Ecommerce, claims the goal was to "bring a more business-to-consumer experience to business-to-business buying", and that their customers "want an OEM who can supply multi-vendor support."

The good news?

In summary, **the main five benefits** of using B2B eCommerce in the Healthcare industry are...



1

It gives you a better platform to win more clients and grow your business

2

It provides a better experience for your customer, resulting in increased average order value and retention

3

It streamlines the sales and supply chain processes so that you can get life-saving products from A to B quicker, for less

4

It future-proofs your business, scaling as you grow to ensure that you can always meet increased demand

5

It maximizes speed, efficiency and sales

Did you know?

In North America, hospitals are estimating to be purchasing **as much as 14.5%** of all services, parts and devices online

Ready to heal the Healthcare world with B2B eCommerce?

DJUST get in touch.

Speak to us today,
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