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The truth about B2B eCommerce in the Automotive industry

What role does B2B eCommerce play in the Automotive industry? And how can you use it to win the race?



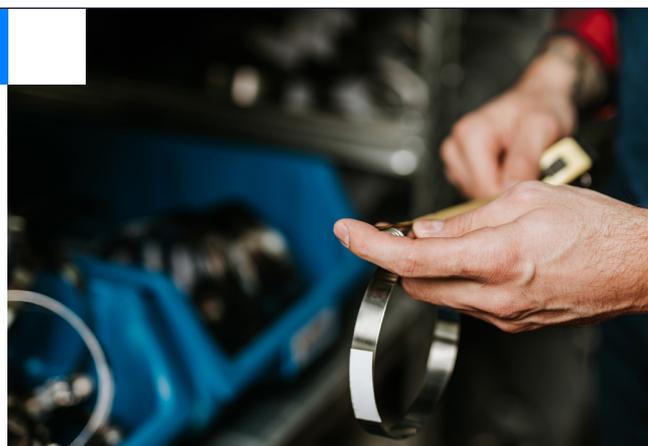
The challenge with the Automotive industry

It's time to shift gears

Cars aren't selling like they used to, but that doesn't mean it's the beginning of the end for the B2B Automotive industry. In the UK, for instance, although the number of cars sold per year decreased from 3.1 million in 2016 to around 2 million in 2021, the number of cars on the road increased from 31.8 million to 32.7 million in the same period (according to Statista, that is).

So if there's more cars on the road, that means there's more car parts on the road too – as well as more competition between B2B Automotive companies to supply those car parts. To win the race, these companies need both quality products, and a streamlined solution for buying them.

That's where B2B eCommerce comes in...



Did you know?

The automotive manufacturing sector is expected to see revenues of **\$8,921 billion** by 2030.

The 4 speed bumps in the B2B Automotive chain

And how eCommerce can bypass them

Expensive inventory

Automotive inventories are typically made up of thousands of unique parts and products, each with their own subset of variations. Stocking all those items can be unnecessarily costly, especially if you're holding more stock than you actually need to. But with an eCommerce platform that's linked to your ERP, you can forecast future demand more accurately and optimize your inventory as a result. That way, you can guarantee order fulfillment without incurring excess costs.

Complex orders

While it's great for your clients, customization inevitably increases the complexity of your sales process – and if you're managing all those custom orders manually, there's a high chance of errors occurring. Rather than run the risk, you can use a B2B eCommerce platform to automate time-consuming processes like order management, quote generation and re-ordering. Plus, you can also provide self-serve options, speeding orders up and reducing your workload even further.

Product customization

Every client wants different things, which means offering product customization is key to your success. An integrated B2B eCommerce platform makes this easy, enabling your clients to compare all the different sizes, shapes and colors of a product on a single screen. It also enables smarter product matching, so that your webstore can recommend complementary or substitutable products to clients when they're browsing – for more cross-selling and up-selling opportunities.

Supply shortages

Anyone who's tried buying a car in the last few months understands the frustration of waiting months before it arrives. To combat this, a B2B eCommerce platform gives you an overview of your entire supply chain so that you can keep your clients up to date on a product's availability in real-time. This level of insight is also helpful for ensuring better quality management, as you can track and trace exactly where a part came from to make sure it's up to scratch.

Why you should care about aftercare

And how B2B eCommerce can drive better aftercare results

There are a number of stages involved in the Automotive B2B world, from the people who sell the cars to people who made the cars and all the way back to the people who sourced the original materials for the car in the first place. But one stage is of utmost importance - the supply and distribution of after-market parts.

The original sale of a vehicle makes up only a small percentage of that vehicle's value to the B2B Automotive industry; most of the money which is spent on a vehicle is used to maintain the vehicle after it's been sold. And as the average age of vehicles continues to rise across the globe, that means there's even more maintenance to do.

That being said, Automotive aftercare isn't just a case of replacing old parts. It includes the likes of warranties, insurance and MOTs. Rather than rushing into hasty decisions, the new generation of B2B buyers want to make informed purchases and at their own pace. Because aftercare is now too valuable to get wrong.

Thankfully, informed purchases are exactly what a B2B eCommerce solution will give your clients. The high level of customization it enables is great for the aftercare sector and its even-more-complex-than-usual orders. Custom orders, flexible payment options, bespoke shipping requirements - all can be done via an intuitive web store, and in just a few clicks.

Just remember that, with the rise of electric vehicles, the aftercare market could be due some serious changes in the near future. So make sure you're planning for an electric future when organizing your online inventory.

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?

The European aftermarket serves around **320 million** passenger vehicles and light commercial vehicles a year, generating over **€240 billion**.



Balancing B2B & D2C

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

Millennials and Gen Z have re-invented the DIY market, with more and more people trying their hand at vehicle maintenance. And when [studies](#) show that the majority of vehicle owners who try their hand at DIY continue to do so in future years, it's worth asking: "should I be considering D2C?"

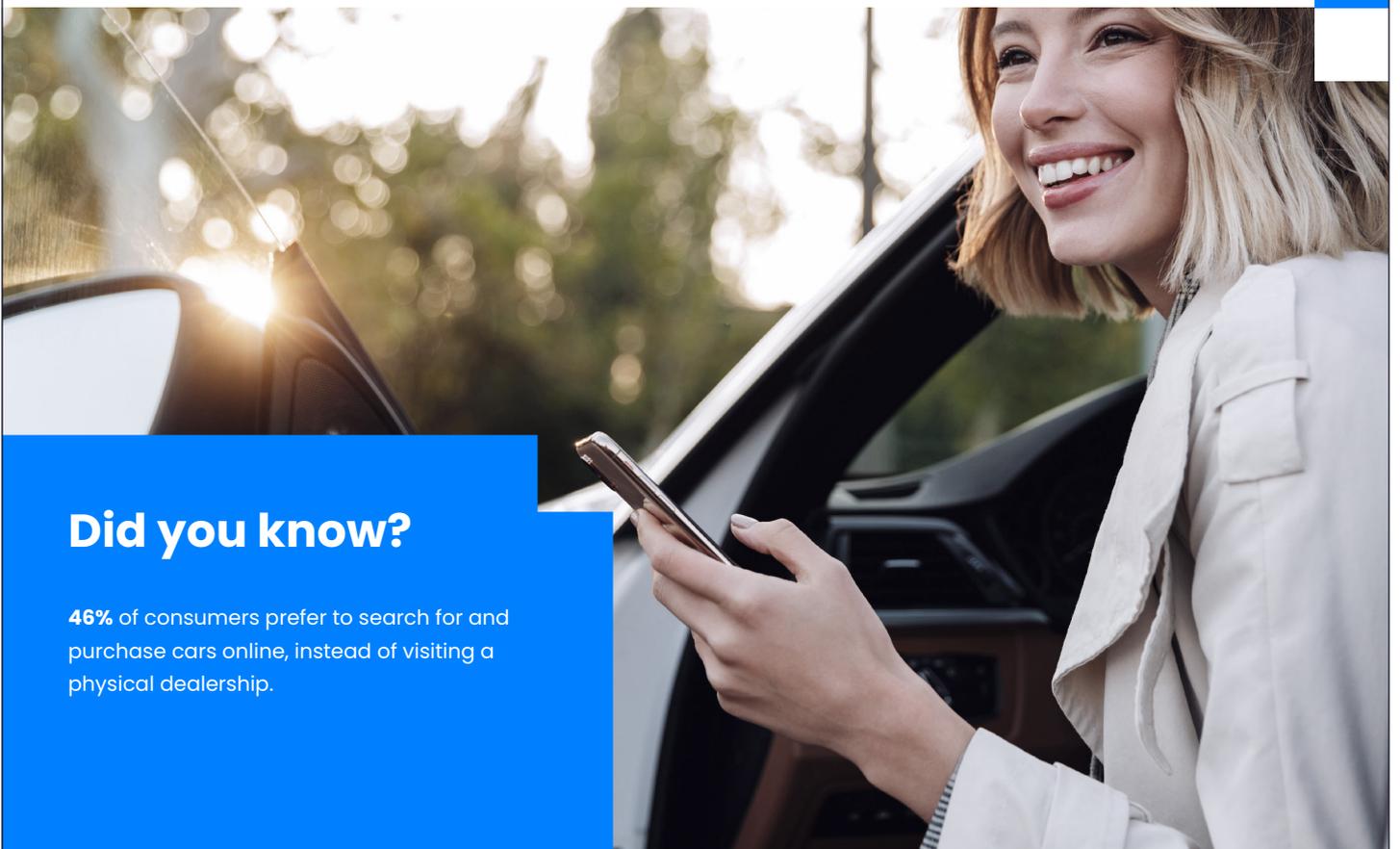
The D2C channel has been steadily growing in popularity in the Automotive industry for a number of years now, and the opportunity is ripe. By offering customers a more convenient means of getting the products they need, you can supplement your existing B2B revenues with a new stream of sales.

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?

46% of consumers prefer to search for and purchase cars online, instead of visiting a physical dealership.

Lifting B2B eCommerce

The secret behind TruPar.com's success

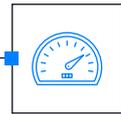
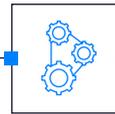
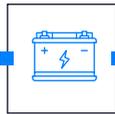
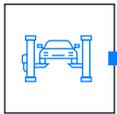
With more than 600 brands and 45,000 customers to its name, TruPar.com is an Automotive wholesaler which sells parts for a wide range of forklifts.

After moving its massive database online with a B2B eCommerce webstore, the company saw a 25% increase in online revenue and a 70% increase in average order value – all the while with 8 million SKUs in its active inventory.

Since the site's prices fluctuate regularly, manufacturers have to input updated prices into TruPar's ERP on a daily basis, whereby the site calculates accurate real-time pricing to enable more informed decision making.

Five insights to go?

In summary, **the main five benefits of using B2B eCommerce in the Automotive 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?

The demand for new battery electric vehicles could see a **55% reduction** in the aftermarket profits of a typical OEM by 2035.

Ready to drive more Automotive sales with B2B eCommerce?

DJUST get in touch.

Speak to us today,
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