Make or Break Your Future B2B eCommerce

How To Move Your Legacy ERP To Modern eCommerce

DJUST.

"In this new business age, you need to be competitive. With everyone moving to digital systems and automating their core processes, the extent to which you engage with digitalization can be the difference between making or breaking your B2B eCommerce business."

Arnaud Rihiant
Founder of DJUST

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Where to start?

Before we dive deeper into how businesses can integrate legacy ERP into modern eCommerce solutions, let's take a look at the basics and the core definitions of B2B eCommerce and Enterprise Resource Planning (ERP).

What is B2B eCommerce?

B2B eCommerce is the online sales of goods between businesses, and it's a sector that's growing rapidly.

While the options for B2B eCommerce platforms have traditionally been rather limited, there are now a growing number of viable channels which businesses can use to effectively expand their reach, and get their products and services to the right people.

With **Forrester** predicting B2B eCommerce sales will hit $1.8 trillion in the US by 2023, it's clear that B2B businesses need to get themselves in gear, and implement the necessary internal structures now in order to stay competitive in the digital future.

B2B eCommerce sales
$1.8 trillion

2023

What is ERP?

Enterprise Resource Planning.

Enterprise Resource Planning (ERP) is a software system of company data that allows businesses to have full view and control over multiple aspects of their operation - including eCommerce, supply chain, accounting, procurement, and many others.

ERP is an evolution of Material Planning Resource (MRP) for businesses to track inventory and materials from one centralized system to increase efficiency and productivity.

Over time, technology and innovation have developed and adapted to internal customer needs. These systems such as SAP ERP and Oracle ERP grew into monolithic structures that allowed various departments to communicate and share data and information across an organization.

Marketing & Sales

Account Management

Supply Chain Management

ERP System

Finance

Quality Management

HR

Challenges with classical ERP systems

Despite the relevance and use of legacy ERP systems, these monolithic ERPs are not enough anymore, as customers and eCommerce are changing.

Not suited to a multi-channel approach
Traditionally, ERP systems were built for internal organization and information sharing, not for modern sales across multiple channels such as the website, the mobile and other AI and IoT enabled channels. Today's multiple channels require a transformative and generational modernization to meet new demands in order for a business to scale.

Too dependent on interconnected modules
Many ERP eCommerce solutions depend on multiple layers of modules to connect and send data to and through various systems, often as part of a monolithic system. This means that if one aspect of the system fails, the entire system follows, requiring extensive time and resources to fix.
Let's take a look at how businesses can move their ERP into a modern eCommerce solution.

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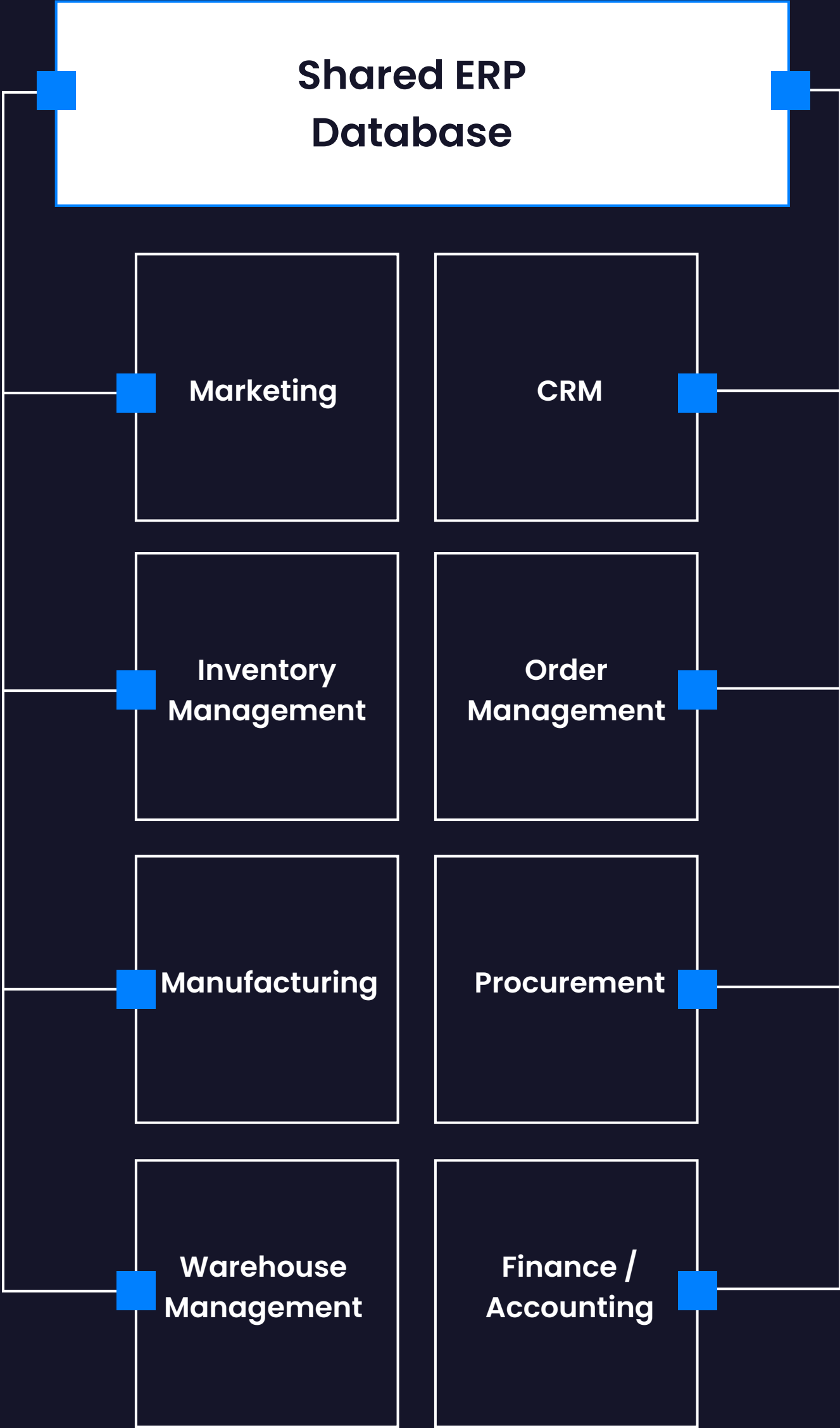Web

Mobile

IOT

X

X

X

Legacy ERP
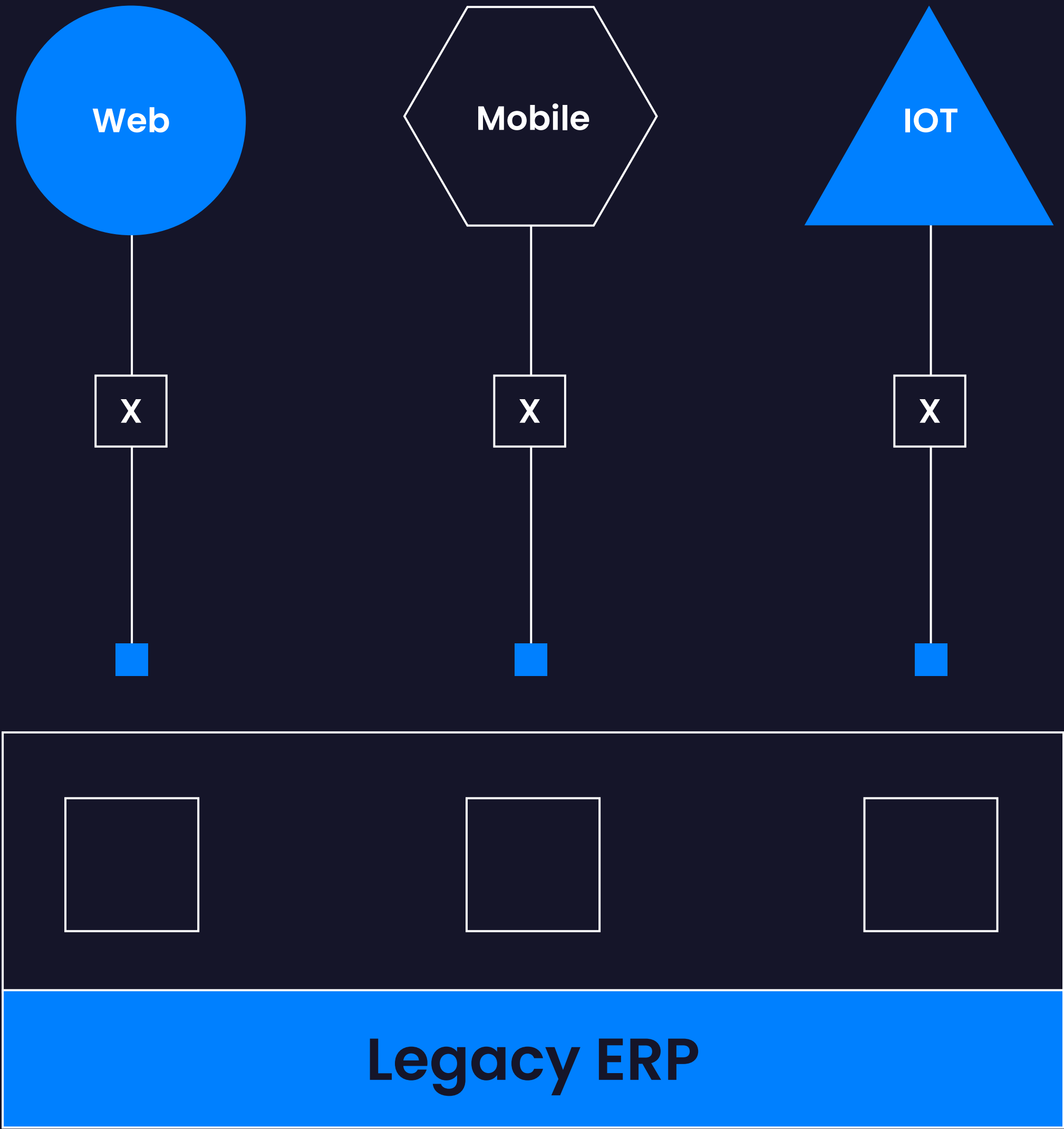
Step 1: Evaluate your current ERP capabilities

Before you move your ERP system into a modern eCommerce solution, you need to evaluate your existing ERP capabilities. For example:

- **What data is collected across your business systems?**

- **How is the data shared across the business?**

- **How do each department manage this data?**

- **How do each department use this data for better insights?**

Looking at the most important data to your company and your industry, such as customer data, inventory data and vendor data, can help determine how and if there's any misinformation or gaps in your system.

It's important to evaluate how much pressure you're placing on your ERP. When your ERP is being asked to do more than it's expected to, problems start to appear. These issues could cause system slowdowns, poor performance, and other misinformation that directly affects the customer experience, like incorrect stock information or wrong shipping details.

Shared ERP Database

Marketing	CRM
Inventory Management	Order Management
Manufacturing	Procurement
Warehouse Management	Finance / Accounting

Step 2: Identify key issues

Businesses often identify issues in ERP and attempt to work around them by making adjustments and adaptations to a system that wasn't built for that. This results in further resource strain and system inefficiency due to feature extensions.

Identifying and analyzing the main issues in your ERP is crucial. You need to work out where insufficient or inaccurate information is and how it's managed, in order to establish a clear understanding of what you need your modern eCommerce system to do and automate.

The key considerations for identifying key issues:

- Where do you enter your data manually?

- Where is your data inaccurate and why?

- Where is your data insufficient?

- What transactions go wrong and why?

- What are your customers' patterns?

These questions will inevitably provide more clarity on your gaps in implementation, day-to-day operations and communication and training.

Businesses that connect their ERP system service to a modern eCommerce platform remove the burdens from their ERP. All eCommerce-related activities are streamlined and automated, reducing strain on your resources.

?

ERP

Step 3: Focus on organizing your data

During the process of analyzing and looking at key issues, you should also locate the highest concentration of data inaccuracy and data misinformation. This department and system should be your priority when upgrading processes and integration with new eCommerce solutions.

The benefits of going headless:

- Moving your ERP system into a headless B2B eCommerce solution will help you with data consistency across departments and sales channels.

- Headless solutions are built to automate and streamline manual tasks and processes, eliminating errors and inaccuracy. This will allow your team and customers to receive and share real-time data.

- If your business is struggling with accurate information between vendors, sales channels and your ERP, headless B2B solutions can help automate and streamline consistent product information instantly from one place without depending on a multi-layered backend system.

- With consistent and instant product information shared to all your sales channels, the customer experience will be richer and consistent while you will be reducing human error and labor.

- Headless B2B eCommerce also helps with accurate order management and real-time stock insights, enriching the customer experience who will be informed in real-time if a product is available or not. In addition, your business will be able to make proactive actions for restocking.

ERP

Headless APIs

OMS

PIM

CRM

Warehouse Manager
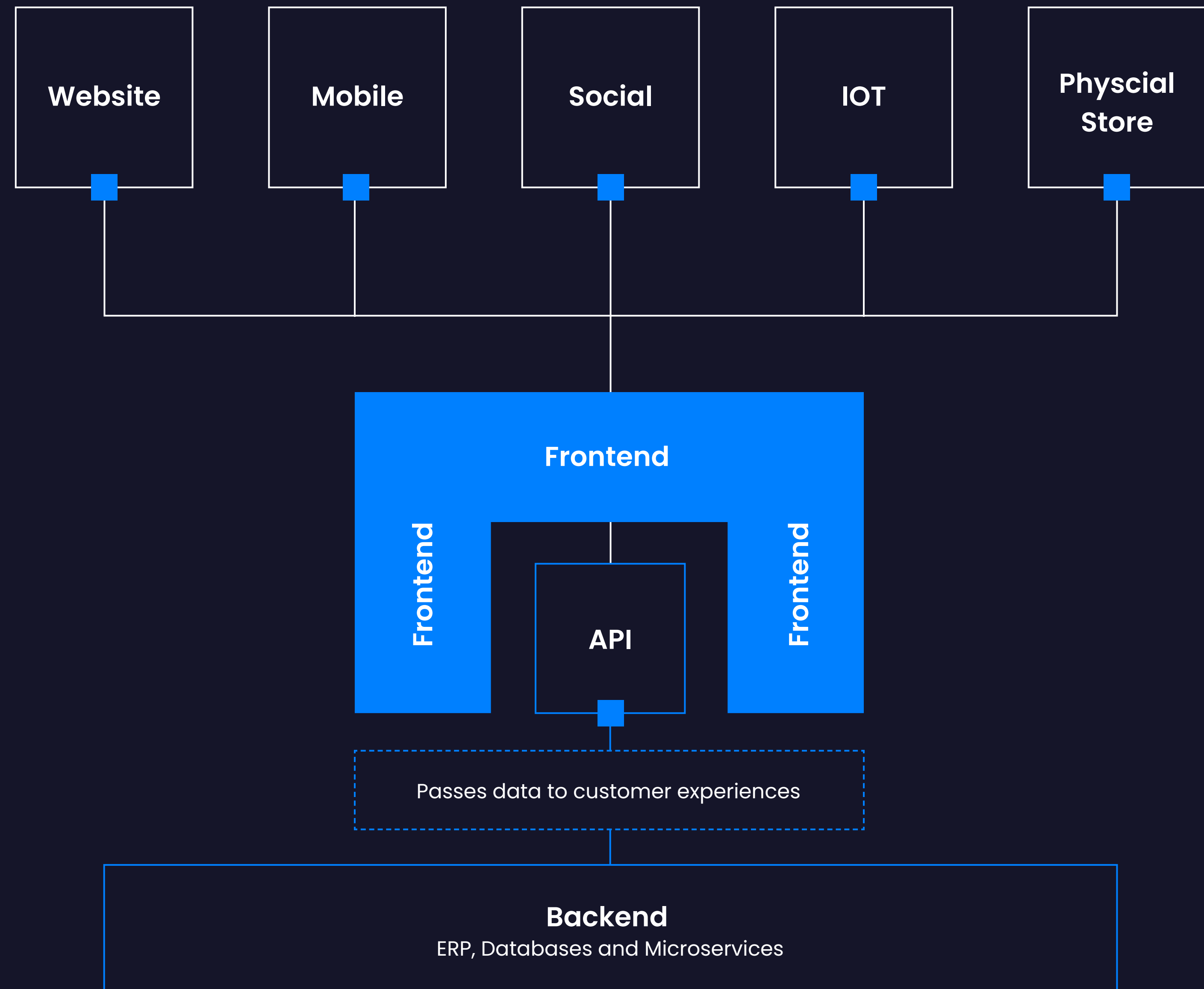
Other Microservice Integrations
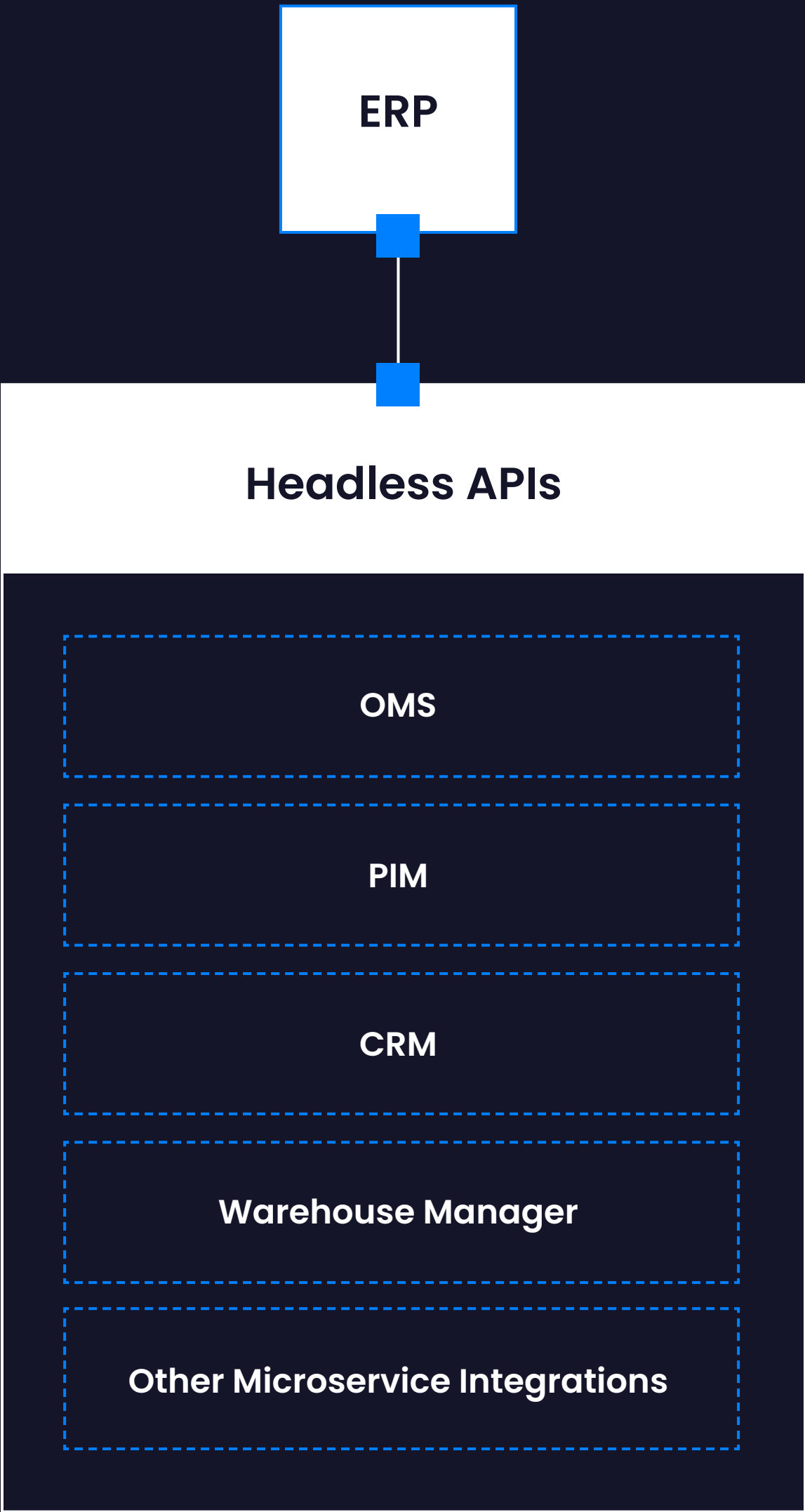
Step 4: Decouple your backend and frontend

ERP is a backend system which makes it harder to scale to additional and newer channels, without adding stress to the system.

Delivering a consistent customer experience is increasingly challenging in B2B eCommerce, as customers expect the same buying experience as B2C. Decoupling the backend (your ERP) from the frontend, using headless software and microservice APIs, allows you to connect and access channels beyond the online storefront, all while providing a consistent customer experience.

With a headless eCommerce solution, customers are able to have a consistent experience across all sales channels, be informed on what inventory is in stock, and reorder or take advantage of promotions. In turn, your team will be able to track and manage their orders, all in real time.

Website

Mobile

Social

IOT

Physcial Store

Frontend

Frontend

API

Frontend

Passes data to customer experiences

Backend
ERP, Databases and Microservices

Step 5: Test, train and learn

ERP integration in modern eCommerce is not an immediate fix, and an effective implementation strategy doesn't end with the technical installation of the necessary software itself. In order for your business to get the most out of your new B2B eCommerce solution, you need to look further, taking into account the ongoing practices you'll need to implement post-set up.
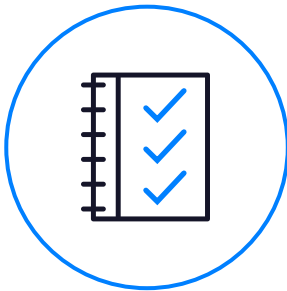
Testing your system

There are always setbacks when it comes to integration, but you can't mitigate delays by skipping over the testing phases. Sure, this may allow launch dates to be brought forwards and deadlines to be 'met', but if an inadequately tested system causes problems down the line, it'll impede your progress far more than it would have at this earlier stage. Ensure your dataflow is quick and efficient, and your modern ERP eCommerce system is practically solving the issues you identified pre-integration.

Training the right people

Your new headless eCommerce solution will only be as effective as the people who end up using it. It doesn't matter how revolutionary your new system might be - if those responsible for using it aren't competent in the software, then your business will ultimately suffer. If you're not using a SaaS model, where the provider takes on all use and maintenance responsibilities, then you need to take the time to train your team so they're ready to get started with the system the very second it goes live. This can absorb a lot of project resources and budget.

Keeping your data secure

The age of digitalization is also the age of cyber threats. The more personal information pumped into online servers, the more vulnerable businesses become to malicious attempts of data theft.

An ERP requires large amounts of data to be synchronized across multiple platforms, which makes it a valuable target for anyone trying to harm your business. From the very moment you start integrating your B2B eCommerce platform into your new ERP, you should factor in any steps you can take to protect yourself from potential attacks.

A roadmap for successful ERP integration in modern ecommerce

When it comes to moving your ERP to a modern and headless eCommerce solution, the 'when' is just as important as the 'what'. Once you've established the rationale for your new solution and how you want to go about implementing it, the next most important step is thinking about timings and priorities.

The absence of a clear timeline can present a real obstacle for businesses, so it's best to conceptualize an ERP integration in modern B2B eCommerce with the following structure:

3. Organize the data

WIth your current ERP's capacity and pain points in mind, organize your data so it meets the requirements of your new B2B eCommerce solution.

6. Training

Ensure all staff who will be interacting with the new system are adequately trained.

4. Integration and implementation

Configure your headless eCommerce solution to suit your new requirements, and begin data importation with your ERP.

7. Deployment

Get your modern eCommerce solution live, and put it to work with your ERP.

2. Create a timeline

Draw up a progress timeline that will map your path to full integration.

5. Testing

Liaise with the IT department to thoroughly test different functions of the system pre-launch, allowing time for improvements.

8. Ongoing support

Keep on top of any issues that arise, ensure that everyone is comfortable with use, and feedback on how effective the integration has been in different areas.

1. Evaluate and Analyze

Assemble a project team containing members of different internal groups to discuss current issues that need resolving.

When mapping out the road to success, consider the following:

✓

Be realistic

ERP integration with modern eCommerce takes time, but it's a lot more effective and efficient than adding complex extensions to an existing ERP that isn't up to the task. Setting realistic deadlines for your move to modern B2B eCommerce allows you and your team to transition into a new digital reality, with room for accuracy, improvement and learning. This also prevents any rushed completion of data synchronization inevitably coming back to haunt you.

✓

Think big, start small

You don't need to start big to succeed. Often starting smaller and focusing on the most important elements in your new eCommerce solution will lead to success. This is because the concept is tested with products actually being sold, and the people from your organization can manage the new platform systems.

✓

Set goals

Being able to accurately measure the success of your project is crucial. Before you begin the process, specific quantitative KPIs should be established in order to track the progress of your ERP integration over the course of its implementation and beyond.

✓

Be flexible

No ERP integration into modern eCommerce solutions will ever materialize in the exact way that it was initially imagined. Be prepared for your project to take unexpected turns, and you'll have the necessary leeway to adapt your approach as the project begins to roll out, no matter what happens elsewhere in your business.
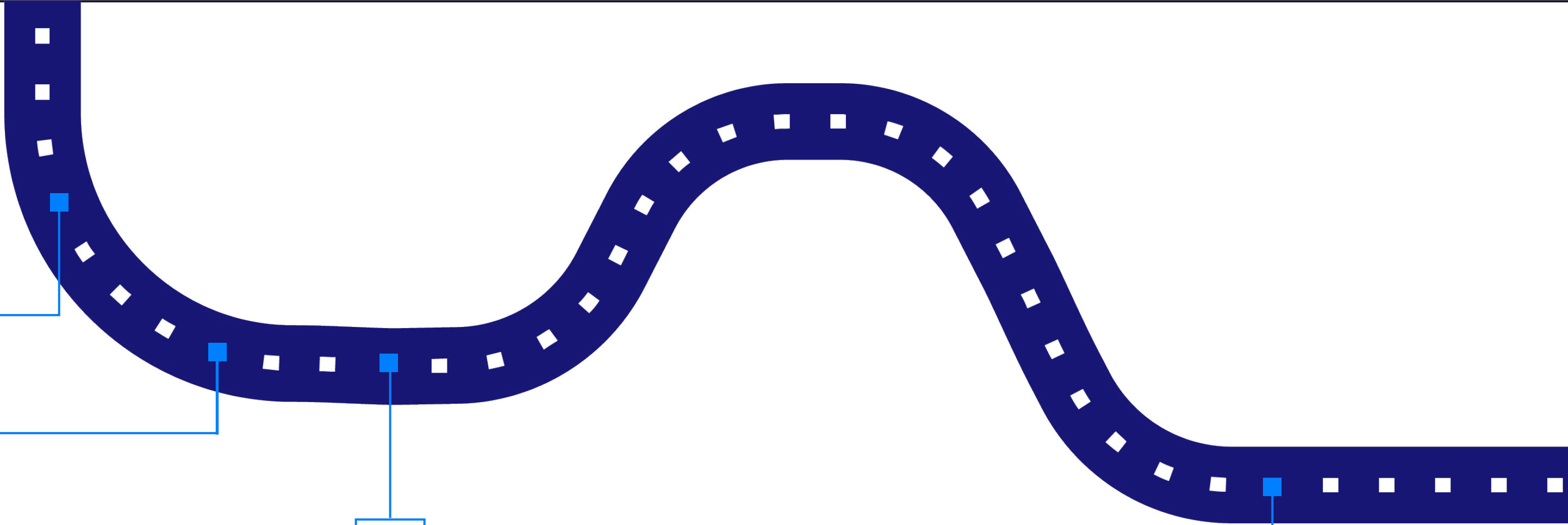
Make or break your business

By unifying your business under a single, centralized view, synchronizing your data across platforms and new sales channels while automating labor intensive processes, you'll be prepared for the future.

Moving your classic ERP to a headless B2B eCommerce solution is the difference between making and breaking your business. Meeting your customers' demands and offering a consistent,rich experience is no longer a "nice to have" but a question of survival. Businesses must adapt and adjust their digital eCommerce model. **Fast.**

Key considerations:

1 In your existing ERP system, how is data shared and used across your organization?

2 How is data shared across the organization today?

3 How many feature stretches have you done on your existing ERP system?

4 How do you manage your stocks and your product information across channels?

5 What department has the most inaccurate data and why?

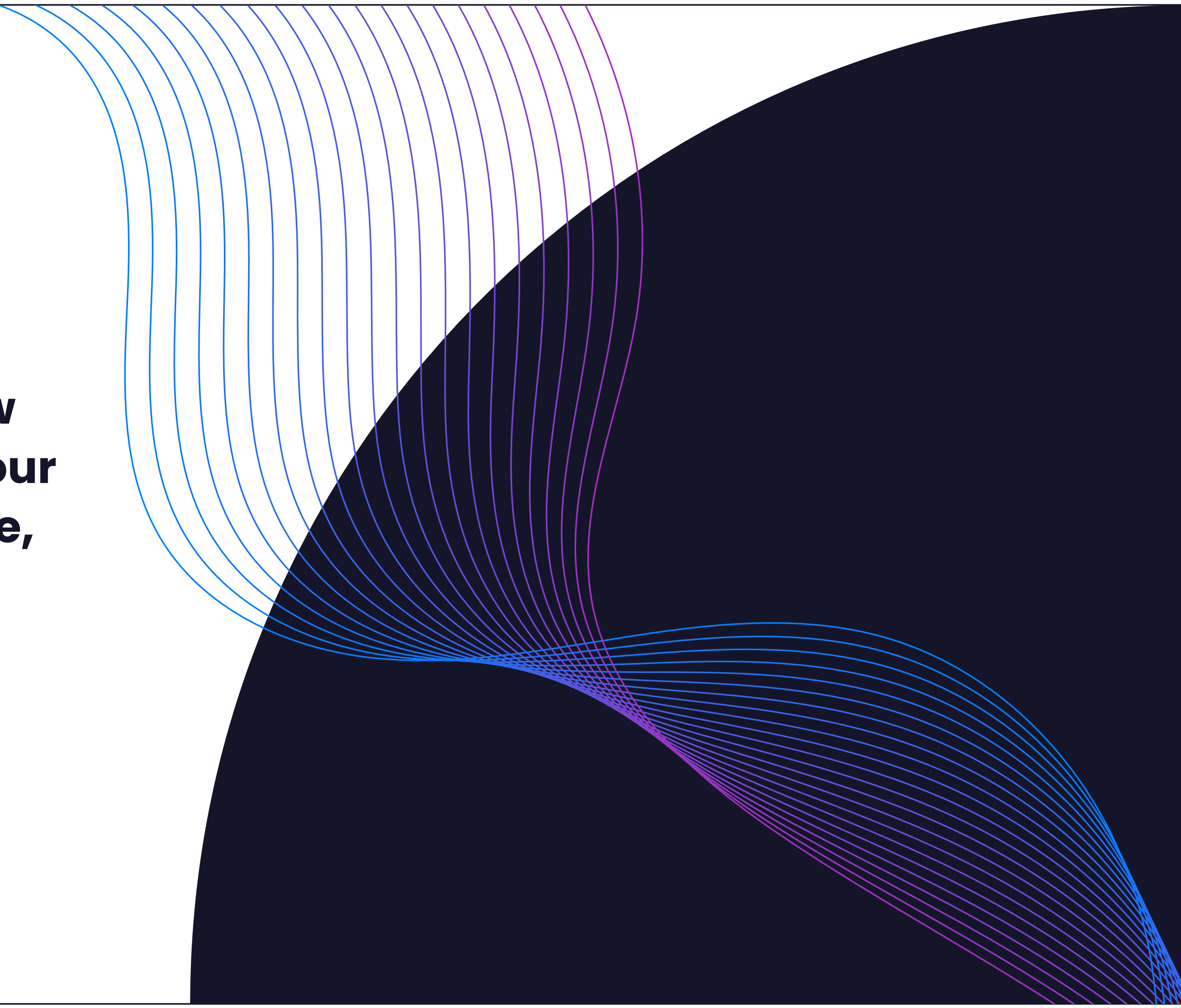**6** What are the core issues with your current ERP system and how can you resolve them?

7 What visibility do you have over your customers' orders and demands?

8 How does your company strategy align with your digital ambitions?

9 How have you planned on moving your ERP into modern eCommerce?

10 How many internal capabilities do you have for your new B2B eCommerce project (IT, marketing, sales)?

11 How much return on investment do you expect over the next 3 years?

For more information on how DJUST can help you move your ERP into modern eCommerce, **get in touch today.**

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