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White Paper

B2B Digital Transformation? Fix Your Customer Service First

Jason Bloomberg

President, Intellyx

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Ecommerce has come to dominate the business-to-consumer (B2C) purchasing landscape. However, in the business-to-business (B2B) world, ecommerce is but one of several sales channels.

Both B2B purchasers and businesses want to deliver a consumerized experience. Achieving such Amazon-like interactions within corporate purchasing and order processing departments, however, has largely been out of reach.

One reason for this unattainable goal: B2B customers submit almost half of all orders manually, typically via email, and B2B orders tend to be far more complex and detailed than consumer orders.

As a result, customer service representatives (CSRs) must manually enter many orders, devoting a large percentage of their time to this error-prone activity. Other sales channels like Electronic Data Interchange (EDI) enable machine-to-machine ordering, but error handling is complicated.

Zero-touch sales order automation solutions like Conexiom's can digitize emailed orders, giving CSRs more time to build customer relationships, versus focusing in the mundane task of order entry.

In addition, automation also reduces errors and minimizes service disruptions so the end result consists of both increasing sales as well as customer satisfaction – a win/win for everyone involved.



Understanding Shifting B2B Customer Experience Expectations

As consumers, we all know how ecommerce has changed the purchasing landscape. Amazon and its ilk have upended market after market, as we would all rather purchase everything from groceries to clothing online.

What hasn't changed: the dread we feel when we have to call a company with a problem. Ecommerce is all well and good until something goes wrong, and we end up in some kind of voice response hell, spending hours trying to resolve a problem.

Such is the consumerized purchasing experience: routine, efficient ecommerce interactions punctuated by excruciating ordeals involving conversations with oft-maligned customer service representatives (CSRs).

B2B, however, is a different story. B2B transactions tend to be far more complicated than B2C ones. Yet, as ecommerce increasingly penetrates B2B purchasing, do buyers expect a similar consumerized experience?

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Perhaps equally important, how should the companies doing the selling rise to the challenges of shifting buyer expectations in order to meet both their profitability and customer satisfaction goals?

While there are some superficial similarities between the B2C and B2B purchasing experiences, there are also some fundamental differences. For one, companies have



been electronically-enabling B2B purchasing for decades, primarily via Electronic Data Interchange (EDI).

EDI arose during an era where automating B2B transactions involved complex, expensive technical integration capabilities. In addition, EDI has proven to be inflexible, especially in the face of web-based ecommerce technologies that have transformed the B2B purchasing world. Furthermore, EDI is expensive to implement – for both buyers and sellers.

Nevertheless, EDI remains one of the most popular B2B purchasing mechanisms – not because anyone particularly likes it, but rather because of its stickiness. It may not work particularly well in many cases, but it does work, so it's often easier to leave it alone rather than rip it out and start afresh with a more modern approach.

Ecommerce has also transformed the B2B purchasing arena, albeit not as universally as on the B2C side. Depending on industry, several ecommerce vendors have cracked the B2B nut, and true to form, Amazon itself has come to dominate B2B purchasing almost much as it has B2C.

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Nevertheless, EDI and web-based ecommerce only make up a portion of the B2B purchasing interactions a company is likely to conduct. The missing piece of this story: *email*.

For decades, the primary technology that B2B purchasers used to place orders was via fax. Thankfully, faxing is gradually on its way out, as email becomes the preferred mechanism for placing orders – although fax certainly accounts for a small, but significant percentage of incoming orders at most organizations.



From the perspective of the seller, then, orders are coming in via a mix of EDI, ecommerce, and email – each of which requires different business processes and different handling mechanisms to ensure accuracy and overall customer satisfaction. And who in the organization takes the brunt of all this busywork?

The CSR, of course.

Customer Service is a Digital Priority

B2B purchasing complexity can range from the simplicity of consumer ordering on Amazon to transactions of astounding complexity – think purchasing parts for assembling airplanes, perhaps, or ordering surgical equipment for a hospital.

Furthermore, this inherent complexity varies from industry to industry as well as from order to order.

Meanwhile, purchasers are placing their orders via a mix of EDI, ecommerce, and email. In the case of email as well as many other situations, the CSR must handle part or all of the order entry manually.

Even for the purely electronic orders, CSRs are still not off the hook, as they are on the front line of problem resolution. Any issue with an order – from an ambiguous quantity to mis-entered special instructions to incorrect or missing part numbers – results in an exception a human must resolve.

At that point, either the CSR or the customer must place a phone call or send an email to the other, interacting until they resolve the problem.

The end result: wasted time, running up costs for the company and frustration for the customer. Increased risk of data entry errors. And perhaps most significantly, the focus on problem resolution distracts the CSRs from their most important duty: sales.

In fact, the CSRs' sales role differentiates B2B purchasing from ecommerce-led B2C. In the 'Amazoned' consumer world, the web site handles the sales. Consumer ecommerce firms depend upon online merchandising, recommendation engines, customer ratings, and other automated techniques for making the sale – not human beings.



For complex B2B sales, however, the personal touch of the CSR is essential – not simply for problem solving, but for ensuring the customer is ordering precisely what they want and need, given the broader business context of the sale.

Whether it be alloy options in industrial manufacturing, regulatory constraints in healthcare, or any of a plethora of product and customer-specific characteristics, an experienced and knowledgeable CSR is essential for ensuring the customer places the orders they actually want to place.

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In commoditized businesses (including most distribution businesses), customer service is the most important capability that differentiates you from your competition. Don't let your CSRs spend all their time resolving problems with orders, or they won't have the time to help customers place the right ones.

Inhibitors to Transformation

Customer service isn't rocket science. Every competent executive realizes how important customers are to their business and wants to keep them happy. Why, then, does it seem to be so difficult to transform the company to put customers at the center of their digital efforts?

There are a number of potential inhibitors to successful digital transformation. Technical debt in the IT department is typically high on the list. Today's enterprises labor under the burden of antiquated, legacy assets that resist any kind of automation – let alone customer-focused automation. As a result, most of the IT budget goes to 'keeping the lights on' rather than providing increased value.



'Swivel chair integration' is also a common issue – the swivel chair being the one the CSR sits in. If your CSRs interact with multiple screens to meet a customer need, they're stuck in the swivel chair, rekeying information from one screen to another. Such rekeying is slow, error-prone, and sucks up the CSRs' time – time better spent providing value to customers.

A third issue that often goes unnoticed: tribal knowledge. The more complicated the business process, the more likely it is that certain individuals are the only ones within the organization who know how the business actually operates in such situations. If they leave, then customers suffer and the organization wastes time and money retraining replacements.

Given the complexity of many B2B purchasing processes, it can take a new individual many months to get up to speed. Given the turnover common among CSRs, however, loss of tribal knowledge is surprisingly common and can set back a transformation effort by months.

B2B Customer Experience in the Digital Era

Given this modern digital context for the work of the CSR, we must answer a critically important question: how should CSRs spend their time in order to provide optimal value to customers and thus to their employer, and how can technology best support this customer service goal?

According to *The 2019 U.S. B2B Ecommerce Market Report* by B2BecNews, 49.3% of all U.S. B2B sales are still handled manually, with an additional 32.5% via EDI, and the rest divided between ecommerce sites and e-procurement networks.

Given this still-massive percentage of manual handling of orders – most of which arrive by email, with a few faxed and phoned-in orders in the mix – the bulk of any B2B CSR's time consists of a combination of manual data entry and error correction.

Automating such order entry is thus an obvious strategy for freeing up CSRs' time for more valuable tasks. However, the two primary means for sales order automation – EDI and ecommerce – still account for a minority of orders, in spite of decades of market penetration.



Minor improvements in electronic procurement, therefore, are unlikely to move the ball. In order to make a dramatic shift in how CSRs spend their time, it is essential for businesses to automate sales orders that arrive via email.

It's important, however, not to fall into the EDI trap. Because EDI message formats were so constrained given the technology capabilities at the time of EDI's development, senders of EDI messages typically had no recourse but to use custom message fields and formats in order to adequately represent their orders.

As a result, the recipients of those messages – the sellers – had to customize their order processing software accordingly, often making customizations unique to particular customers. The end result: an expensive system for both parties to maintain.

Modern sales order automation cannot afford to fall into this trap, even when automating orders that arrive via email. Instead, such automation must be 'zero touch' – that is, the automation software must be able to process incoming email without kicking errors or other issues out to CSRs, regardless of the format of such orders.

The sales order automation from Conexiom stands out because of its ability to deliver on this goal of zero-touch sales order automation. The improved speed of order handling coupled with the dramatic reduction in error rates are reasons enough to go with a solution like Conexiom's.

Given that email and EDI orders make up roughly 80% of all B2B orders, bypassing the CSR on the placement and error correction of such orders shifts CSRs' available time dramatically.



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orders, bypassing the CSR on the placement and error correction of such orders shifts CSRs' available time dramatically.

Furthermore, now that companies can process orders automatically, quickly, and accurately, customer interactions with CSRs now shift to different conversations altogether. Such conversations can now focus on value-added topics that better meet complex customer needs while also improving the sales results of the CSRs – a win/win situation for everyone.

The Intellyx Take

Digital transformation is a strategic business initiative that leverages technology to provide better customer value. It requires that enterprises reorganize to better meet customer needs as they adopt change as a core competency.

While such a comprehensive effort gets the thumbs up within many enterprises' boardrooms, it can be difficult to put into practice. Just what technology should organizations implement? How will such reorganization impact the day-to-day work of employees? What sorts of change should people become more competent at handling?

When customers manually enter half of all orders, and EDI handles another third, the adverse impact to the organization can be dramatic. Remember, you can't sell anything unless customers can place orders, and if you can't sell, then your business cannot survive.



The answer to such questions can be as simple as identifying the proper starting point for the digital effort. Can you find some task or process in the organization whose limitations impact customers, employees, and the bottom line?



Look no further than order entry. When customers manually enter half of all orders, and EDI handles another third, the adverse impact to the organization can be dramatic. Remember, you can't sell anything unless customers can place orders, and if you can't sell, then your business cannot survive.

For these reasons, the zero-touch sales order automation from Conexiom is at the eye of the digital storm.

Conexiom offers a solution that works with existing systems without the need for a large software installation. Customers don't need to change their buying behavior. And perhaps most importantly, Conexiom codifies even the most complicated business logic that lives in the heads of CSRs, empowering them to focus their time on serving customers.

The end result: higher revenue, better customer experience, and overall, improved business value.

It's easy to think of order entry as just another back-office activity and CSRs as just another cost center. Don't be fooled. The broadest, most creative digital transformation plans cannot even get off the launching pad if an existing process is so painful and time-consuming that no one has the time or the predilection to proceed with them.

You may think that sales order automation is but one small piece in a large puzzle. It's not. Solve your order entry problems and your CSRs will finally be able to focus on customer service instead of customer problems.

Look no further for how such a straightforward change in the day-to-day life of your people can drive digital transformation in the enterprise.



About the Author: Jason Bloomberg



Jason Bloomberg is a leading IT industry analyst, author, keynote speaker, and globally recognized expert on multiple disruptive trends in enterprise technology and digital transformation.

He is founder and president of Digital Transformation analyst firm Intellyx. He is ranked #5 on [Thinkers360's Top 50 Global Thought Leaders and Influencers on Cloud Computing](#) for 2020, among the top low-code analysts on the [Influencer50 Low-Code50 Study](#) for 2019, #5 on Onalytica's [list of top Digital Transformation influencers](#) for 2018, and #15 on Jax's [list of top DevOps influencers](#) for 2017.

Mr. Bloomberg is the author or coauthor of five books, including [Low-Code for Dummies](#), published in October 2019.

About Conexiom

Conexiom[®] eliminates the manual entry associated with the processing of business documents through its purpose-built, AI enabled solutions. Conexiom simultaneously increases customer satisfaction while reducing costs, improving productivity and accelerating order-to-cash cycle times. Conexiom gets you touchless, faster—and your customers and trading partners don't have to change a thing about how they do business with you.

For more information, visit <http://conexiom.com>.