

# The B2B e-commerce comparison guide

## COMPARING AND CONTRASTING THE DIFFERENT E-COMMERCE APPROACHES AVAILABLE TO BUSINESS SELLERS

The digital evolution continues. Today the majority of procurement professionals place orders online, which is one of the reasons that by 2021, the US B2B online market will grow to \$1.2 trillion.\*

Innovative sellers are taking advantage of the boom in B2B e-commerce by selling to businesses and organizations through a variety of online channels. But which is the right approach?

Let's look at five of the major B2B e-commerce options available to sellers today and see how they stack up in four categories: cost, shipping, control and technology.

### Wholesale bazaar

**B2B marketplace for wholesalers:** Designed to connect international manufacturers to businesses, wholesale bazaars act as a middle man between buyers and sellers, facilitating the sale of goods overseas.

- Cost**  
Requires a deposit, sells premium memberships and charges a commission for transactions. For smaller businesses, selling in a wholesale bazaar can be cost-prohibitive.
- Shipping**  
The operator of the bazaar provides no storage or shipping services for manufacturers. Seller handles storage, fulfillment, shipping and customer service.
- Control**  
Sellers have partial control over their e-commerce presence in a wholesale bazaar. Sellers are responsible for product listings, but the platform has limited user features.
- Tech**  
Technical adoption is straightforward. Sellers with modest technical skills can adopt this solution.

#### Typical buyer

A wide range of retailers and SMBs worldwide; typically a buyer places bulk orders through a wholesale bazaar then resells the products in domestic markets

#### Typical seller

International manufacturers or wholesalers

#### Focus

The needs of international manufacturers

### B2B e-commerce website

**Purpose-built direct business sales:** Built to meet the specific needs of business buyers, B2B e-commerce websites offer features like purchase orders, credit limits, variable business pricing, order authorizations and more.

- Cost**  
Depends greatly on the features offered. Creating and operating a secure website that provides seamless procurement while keeping PCI compliant involves substantial costs. Sellers must also make a significant investment in marketing to drive traffic to their site.
- Shipping**  
Seller handles every aspect of storage, fulfillment, shipping and customer service.
- Control**  
Seller has complete control over the customer shopping experience but is also responsible for data security.
- Tech**  
Operating an e-commerce site that meets the elevated expectations of today's buyers requires a significant investment in technology and staff. Sellers should factor constant upkeep and maintenance into their costs.

#### Typical buyer

SMBs and large businesses

#### Typical seller

Manufacturers, wholesalers and distributors who want complete control over their e-commerce offerings

#### Focus

Flexibility and B2B features

### Modified B2C e-commerce website

**Repurposed out-of-the-box retail site:** Some sellers have budget constraints or want to start B2B sales right away. For them, adapting an existing e-commerce web platform to meet their B2B needs seems like a fast, efficient way to get to market — but is it?

- Cost**  
Relatively affordable; the low starting cost is offset by operational inefficiency and the limited utility to business customers.
- Shipping**  
Seller handles storage, fulfillment, shipping and customer service.
- Control**  
Partial; seller can customize the web shopping experience but is limited by lack of B2B features.
- Tech**  
Low technical barrier to entry, but seller must add modules and apps to provide basic B2B functionality such as POs, buyer authorization and adjustable pricing.

#### Typical buyer

SMBs that don't have strict procurement processes and employees making one-time purchases with P Cards

#### Typical seller

Retailer interested in diversifying into B2B sales or budget-conscious manufacturer, wholesaler or distributor

#### Focus

Affordability and speed to launch

### E-procurement integration

**Customized "punchout" catalogs:** Built to cater to large organizations who purchase goods and services through an e-procurement system, punchout solutions are useful for vendors with big clients. Buyers purchase directly through a sellers' punchout catalog without ever leaving their own e-procurement system.

- Cost**  
Punchout integration companies charge a monthly fee, and most charge transaction fees.
- Shipping**  
Seller handles all storage, fulfillment, shipping and customer service.
- Control**  
Limited; punchout catalogs can vary from simple spreadsheets to custom websites, but the products and content offered are dictated by the needs of large clients, not the preferences of the seller.
- Tech**  
Sellers must invest in open-source punchout systems that integrate with the various e-procurement platforms of their current and potential customers.

#### Typical buyer

Large corporations and government agencies who must follow specific procurement processes

#### Typical seller

Established manufacturers and wholesalers with their own storage and shipping capabilities

#### Focus

The needs of large organizations with sophisticated e-procurement systems

### Amazon Business

**The B2B marketplace on Amazon:** Created with the needs of the business customer in mind, Amazon Business provides the same price, selection and convenience that buyers love about Amazon, but with the features and functionality they need from a procurement solution at work. Sellers in the growing Amazon Business Marketplace have access to more than one million business customers.

- Cost**  
Affordable for any business; sellers pay a modest monthly account fee and a referral fee per transaction, as well as fulfillment and shipping costs, which vary widely from product to product. There's no fee for listing products.
- Shipping**  
Sellers can choose from a range of fulfillment and shipping options, including merchant fulfillment, Fulfillment by Amazon and Seller Fulfilled Prime.
- Control**  
Sellers have a great deal of control over how their products and company are listed on Amazon Business, and can set pricing and shipping as they see fit.
- Tech**  
Amazon Business provides sellers with a simple, scalable e-commerce solution that is easy to adopt but also offers advanced features and analytics. Sellers who already have a Professional Selling account will find it as easy as signing in and changing a few settings.

#### Typical buyer

SMBs, large businesses, enterprises, government organizations and institutions

#### Typical seller

Amazon Business supports sellers that have their own storage and shipping capabilities as well as those interested in exploring Fulfillment by Amazon

#### Focus

The needs and buying preferences of the business customer

### Amazon Business — a versatile solution for sellers of all kinds

Amazon Business is the ideal e-commerce marketplace for manufacturers, wholesalers and distributors who want to grow their B2B sales and reach new customers. Buyers in industries ranging from healthcare to manufacturing to education value the price, selection and convenience of Amazon Business, which is why the number of products sold to business customers across 14 sectors grew by an average of 186% last year.

Versatile, cost effective and scalable, Amazon Business provides sellers with all the tools and features they need to meet the increasing demands of today's business buyers.

SEE HOW AMAZON BUSINESS CAN HELP

LEARN MORE

\*B2B eCommerce Playbook for 2018, Forrester Research, September 2017