

Executive Guide to Enterprise eBusiness Success

A COMERGENT WHITEPAPER

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EXECUTIVE OVERVIEW

Today's global enterprise must respond quickly and dynamically to everchanging market conditions. To achieve this, customer and partner-facing processes become top priorities as companies focus on what they sell, where they sell and how they sell.

Enterprises adopt eBusiness initiatives to support the customer-facing strategies and technologies that are critical to competitive advantage. Whether it's B2B, B2C or B2E (Business-to-Everyone), finding the right practices and solutions are important to optimize the customer and partner experience. A holistic, proven step-by-step approach for success includes leveraging existing investments (e.g. ERP, CRP, legacy), personalizing the user experience, and streamlining the buying process in order to quickly improve profits.

Automating and maximizing the selling and ordering process yields great rewards, such as improved customer and partner retention, higher sales volumes while reducing risk and costs, and increased revenues and profits. Today's enterprises not only sell a disparate array of products and services, they typically sell them through multiple channels, including direct to consumers and businesses and through channel partners. eBusiness solution benefits include:

- **Increase revenues** through optimal customer and partner management.
- **Gain greater visibility and control**, which are necessary to automate customer and partner-facing operations.
- Enable **greater channel efficiency and effectiveness**.
- **Reduce costs** through automated sales, administration and service activities.

So what's the best approach in assessing enterprise eBusiness needs? Are you ready to integrate eBusiness? And what are the best practices to create an optimized customer experience? This guide outlines the strategies and steps to answering these questions.

DEFINING EBUSINESS AND ITS VALUE

eBusiness is a business model where the traditional business processes merge with Internet technologies in business-to-business (B2B), business-to-consumer (B2C) and business-to-everyone (B2E) sales scenarios. eBusiness may be powered by technology, but it is all about business change and evolution. By harnessing Internet technologies to extend the reach and range of your business, you can respond more quickly to market shifts, reach new markets, serve existing customers and partners better, and cut product and service development cycles.

eBusiness enables organizations to:

- **Simplify the selling process** – Obtain the right products and services, getting the right price and ordering the right way.
- **Synchronize and enable channel partners** – Involve partners in the selling and delivery value chain.
- **Ensure a seamless experience for customers and partners** – Coordinate on-line, call center and direct sales.

- **Automate ordering processes** – Take orders more simply and managing orders more effectively.
- **Extend and leverage** – Harness the information in enterprise resource planning (ERP) systems for customer and partner-facing processes.

SELF-ASSESSMENT ON EBUSINESS READINESS

To thrive in the Internet-enabled world, companies need to transform their business systems to embrace eBusiness technologies. What kind of eBusiness architecture — vision, strategy, cross-functional processes, integrated applications and IT infrastructure — is needed to support new ways of doing business? Executives can eliminate their strategic blind spots by taking responsibility for understanding the implications of up-and-coming technologies and anticipating when they will affect business strategy.

Even though formulating an eBusiness strategy appears to be challenging, there are few guidelines that managers can use to reduce the risk. These guidelines are presented here in the form of strategic questions and their answers will form the foundation for your eBusiness initiatives.

10 Questions to Ask Prior to Launching an eBusiness Initiative

Understanding the customer and partner

1. Who are my customers and partners?
2. How are my customers' and partners' priorities shifting? How do my customers and partners want to do business with my company?
3. How will eBusiness help make it easier for customers and partners to do business with my company?
4. Who should be my target customer and partner?
5. How can my organization add value to the customer and partner experience? How do my products and services reach them?

Technology

6. Have we investigated our industry's technical trends that impact our go-to-market strategies?
7. Can we create a unified experience into and across web self-service, sales and CSRs?

Competition

8. How can my enterprise become the customer's and partner's first choice when buying in my market segment?
 9. Who are my real competitors? How are my competitor's business models different from mine?
 10. Are they reaching customers and partners differently? Are my customers migrating to competitors due to their technology advances?
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Successful eBusiness adoption is driven by a comprehensive corporate strategy that requires a vision and commitment from the top down. It is a process that requires transformation within the company and extends to changing relationships and interactions with customers and partners. Furthermore, a plan should be in place to periodically re-examine the vision and competitive offerings to insure eBusiness adoption both inside and outside the company.

To determine readiness for eBusiness adoption, evaluate these factors:

1. **Attitude:** Corporate-wide attitude towards eBusiness adoption is greatly influenced by individuals within your organization.
2. **Aptitude:** Aptitude assessment gives your organization the ability to synchronize all internal parties to optimize the customer experience.
3. **Access:** All departments and divisions must have the ability to access appropriate offerings presented by eBusiness.

Even after evaluating attitude, aptitude and access, there still must be an overall corporate strategy supporting eBusiness adoption that considers the customer and partner environment, readiness and the overall impact.

PROVEN IMPLEMENTATIONS MAKE THE DIFFERENCE

Best practices for any model (B2B, B2C or B2E) can be culled from successful organizations that have implemented eBusiness based on different strategies and different markets. As the eBusiness market develops, we continue to learn why certain practices are working and why some are not. There is no one elixir for all business models, but lessons can be learned from each eBusiness situation. They include:

- **Coordinating all touch points.** In many companies, the inquiry-to-cash process travels through a maze of departments and manual touch points. A successful eBusiness application can organize, centralize and standardize the product and service ordering process.
- **Making sure you are customer and partner-ready.** Organizations can create new business opportunities when they extend eBusiness applications to their existing customers and partners. Companies should provide enough time to adequately train and educate customers and partners prior to deploying any eBusiness initiative.
- **Empowering your customer: Self-service.** It is essential to define eBusiness objectives for 24 hours-a-day, 7 days-a-week self-service systems that do not require the aid of sales personnel. The impact of the customer push for self-service is quite dramatic, and understanding the requirements for a new eBusiness infrastructure and integration is essential.
- **Personalizing the online sales experience.** It is critical to provide your customers and partners with products and services that they are interested in and will want to buy. And that personalization carries over to entitlements that only show the products and services, and pricing that they are entitled to see.
- **Ensuring a seamless customer and partner experience.** An organization must establish a comprehensive deployment plan that takes into account a company's products and services, sales, lines of business and distribution organizations. By adding value and continually improving the user experience, customers and partners will want to keep doing business with you.

- **Offering your customers and partners a guided selling and configuration approach.** Many companies have problems retaining their customer base. It is important that eBusiness contributes to higher customer service levels by providing users with tools that allow them to configure and select the right products and services.
- **Increasing process visibility.** Business customers need to have access to order status, product information, pricing and availability. Providing visibility to other available products, services and promotions can help create additional demand. Companies must strive to build internal eBusiness applications and processes that open the black box and make internal operations more transparent.
- **Increasing speed of service: For both customers and partners, “time is money”.** Customers and partners count speed of service as one of the key reasons why they do business with certain companies. Customers and partners hate delays that are often due to excessive order hand-offs. To succeed, companies must reduce the processing time between search, selection, order entry and order fulfillment.
- **Integrating your sales and services.** The need to attract, acquire, leverage and retain customers is a primary concern for businesses. Customers want service before and after the sale, not merely traditional service where a company sells a product and then hands the customer off to a customer service group. Today, service must start before the sale and be inherent in every customer interaction with the company.
- **Multi-channel integration: look at the big picture.** Multi-channel integration is critical as customers expect consistent service – no matter which channel they use – when they interact with a company. Multi-channel integration is not a technical issue; it is a management issue. This requires managers to look at the big picture. Otherwise, each sales channel may be considered a success, but the sales process as a whole is not.

Self-Evaluation of eBusiness Factors

Before embarking on your journey into eBusiness, you must first evaluate your company and its offerings. This evaluation process cannot be done off the cuff, but must include careful and complete assessments. The better this initial assessment, the better ROI you will gain with your eBusiness investment – now and in the future.

Sales Model

- ✓ Does your organization have multiple lines of businesses?
- ✓ Do you have variety of complex offerings? (e.g. goods, services, parts, contracts, customer prices and more)
- ✓ Do you have direct and indirect distribution channels targeting various segments such as verticals, national accounts, OEMs, resellers and partners?
- ✓ Do you serve wide a customer base including large, SMB and international customers?

Product and Service Mix

- ✓ What is the range of products and services that you plan to offer online?
- ✓ Are all of your products hard goods?
- ✓ Do you offer intangible services such as warranties, service agreements and bundled packages?
- ✓ Do you let users know what accessory or additional items are compatible and available with a purchase about to be made?
- ✓ Do you sell parts?

Configuration and Solution Views

- ✓ Are your products and services complex? Do they require configuration in order to sell them?
- ✓ Do you offer custom orders?
- ✓ Do your customers need to be guided through the configuration and ordering experience?
- ✓ Do you recommend specific products and services based upon a customer's or partner's profile?

Searching

- ✓ Do you want to let users search for keywords in order to find the desired products and services?
- ✓ Do your users want to search to find products and services through attributes such as brand, model, specifications and price range?

Pricing

- ✓ Is all pricing the same, regardless of who is making the purchase?
- ✓ Do different groups of customers and partners see different pricing for the same items?
- ✓ What is your pricing strategy for your channel business?
- ✓ Do you use coupons, club memberships or other type of promotions?
- ✓ Do you up-sell, cross-sell or bundle items to create purchase incentives?

Order Management

- ✓ How are orders brokered?
- ✓ What options are needed for shipping, payment or other terms?
- ✓ What are allowed shipping and payment methods?
- ✓ Which back-end systems (ERP) are required to process an order?

Payment and Shipping

- ✓ Who processes payment? How is it calculated?
- ✓ How do you handle partial shipments?
- ✓ What types of payments do you need to support your customers?
- ✓ Can customers ship to a different address other than the billing address?
- ✓ Do you provide consolidated billing or multiple invoices?

Customer Service

- ✓ Consolidated customer service or separate?
- ✓ Should your customer service representatives (CSRs) have a view into customer orders in real-time?
- ✓ Do you want to provide customers and partners self-service to check on the status of their order(s)?
- ✓ Do you need multiple brand presences?
- ✓ Will customers come to your site only or are partner storefronts needed?

Technical

- ✓ Are you looking for an open, standards-based architecture?
- ✓ Should I build or buy? How complex are my needs? What is my internal skill sets, deployment timeframe and on-going support needs?
- ✓ How important is up-time and SLAs?
- ✓ Do my requirements include a service-oriented architecture (SOA) and prepackaged integration capabilities?
- ✓ Who is going to administer your eBusiness initiative? How am I supporting administration access and permissions?
- ✓ How many platforms do I need to support?
- ✓ How do I protect my customers' and partners' data?
- ✓ How will I integrate with multiple internal and/or partner systems?
- ✓ What do I need to do to support my varied partners' technical capabilities?

Self-Diagnosis of eBusiness Capabilities:

Focusing on eBusiness is critical for an organizations' success. In order to retain their leadership position, successful firms should emphasize the following:

- **Customer Service Excellence** – Delivering what customers want, when they want it and how they want it — with hassle-free service and superior value.

Service excellence requires making a concerted effort to serve your customers well throughout all touch points. If your organization is focused on service excellence, this strategy requires anticipating the target customers' needs and sharing information is mandatory to provide a unified experience for customers and partners.

- **Operational Excellence** – Processing product and service orders quickly and error free — eliminating as much human interaction in the process as possible.

Operational excellence depends on several key principles such as efficiently leveraging assets, managing efficient transactions, evaluating sales data history and continually measuring customer expectations. These activities optimize sales of products and services and deliver integrated information and experience to all key stakeholders in and outside the business.

With the type of your organization in mind, use the following company self-diagnosis chart to rate eBusiness capabilities. Your answers will guide you to the necessary action items.

Company Self-Diagnosis Questions	Yes / No
Do your company's products and solutions require configuration?	
Is the ordering process manual and fragmented?	
Is it difficult to put together product bundles that include hard and soft goods?	
Are your product catalogs constantly out-of-date and costly to produce?	
Are your dealers struggling to provide online service?	
Are you providing a single face to your customers and partners?	
Are your pricing and discount methods inconsistent?	
Do you have excessive order changes and fulfillment delays?	
Are there excessive service parts returns?	
Is there a unified offering to all sales channels?	
Total # of Yes responses	

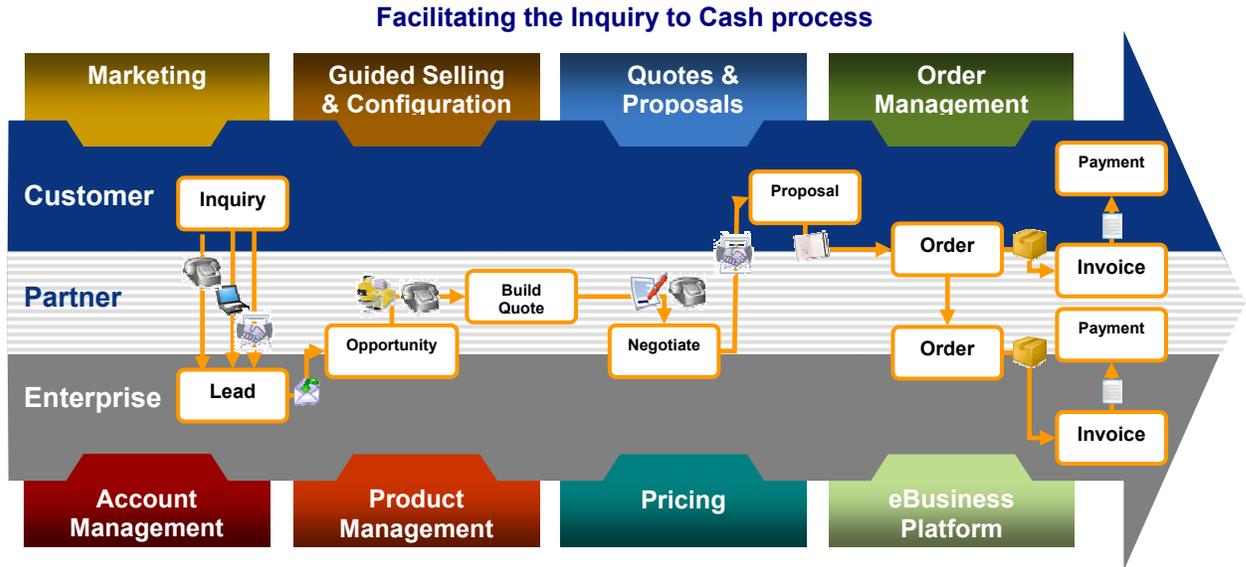
# of Yes responses	Action item
1-3	Explore eBusiness more thoroughly
4-6	Pull together a team to evaluate eBusiness
7-9	Prepare an eBusiness business plan
9+	Need eBusiness today

CHOOSING THE RIGHT SOLUTION

Given the importance of customer service and operational excellence, there is a strong evidence that the right eBusiness solution should:

- Make it easy for your customers to do business, however they choose.
- Coordinate sales and service touch points, both internal and external.
- Solve complex process problems and integrate systems in record time.

Your end-to-end customer selling and service processes can now be automated — from initial inquiry to the point of fulfillment and invoice payment. The Comergent solution enables your customers to capture, distribute and integrate orders from multiple sources and sales channels and split and distribute orders for processing and fulfillment across multiple lines of business or distribution partnerships. The Comergent Business System easily integrates with your multiple back-office ERP systems by leveraging an open, service-oriented architecture and messaging system.



Comergent Service Oriented Applications Orchestrate eBusiness for the Extended Enterprise

Customers and leading industry analysts point to the Comergent eBusiness System™ as the right solution to enable companies to conduct business with customers and partners on-line, over the phone, or in person. Comergent’s proven technology simplifies selling and ordering processes so that customers and partners get the right products and services at the right price, delivered the right way.

“We selected Comergent’s eBusiness solution because of its power and functionality and support for a sales channel business model. The Comergent system also easily integrated into our existing SAP and legacy back-end systems.”

*Judy Pluzen
Director of Business Operations
NEC Solutions of America*

“We evaluated a number of vendors and Comergent had the complete out-of-the box functionality we need to support our multiple lines of business and customers.”

*Charles Qian
Manager, E-Commerce Systems
Thomson Learning*

With the Comergent eBusiness System, an enterprise suite of modular applications, companies can coordinate and unify multiple sales and service touch points to drive measurable improvements in sales and channel efficiency and effectiveness. Partners and distributors are involved in the selling and delivery value chain; while customers enjoy a seamless experience on-line, via the call center and directly with an internal sales organization.

CONCLUSION

To successfully navigate today's competitive landscape, organizations must adopt an integrated sales strategy that strongly benefits customers and partners at every stage of the process. eBusiness enables this strategic approach, and is the key to thriving in a rapidly changing business environment. An integrated eBusiness strategy vastly strengthens and unifies the outward-facing sales process, which dramatically benefits customers and partners. In today's fluid business climate, this capability is paramount to business success.

Recommended Reading:

["What's Driving eBusiness" White Paper](#)

["Comergent Enterprise eBusiness" White Paper](#)

["Optimize Customer-Facing Processes by Leveraging and Extending ERP and CRM Investments" Article](#)

["Beyond CRM and ERP: eBusiness to Optimize Customer and Partner Sales" Article](#)

["Leverage Oracle Investments with eBusiness To Reach Customers and Partners" White Paper](#)

["Leverage SAP Investments with eBusiness To Reach Customers and Partners" White Paper](#)

ABOUT COMERGENT

Comergent is the leading provider of eBusiness solutions for the extended enterprise. The Comergent eBusiness System™ orchestrates complex product, selling, and order management processes across multiple enterprise systems, business organizations, and sales channels. Comergent's customers increase revenues while reducing the cost of sales by making it fast and easy for their own customers to do business with them. Customers include industry leaders like Applied Biosystems, Best Buy, DIRECTV, Gates Corporation, InterContinental Hotels Group, J. C. Penney, NEC Solutions America, Pearson Education, Pitney Bowes, Symbol, The Toro Company and World Wide Technology. Comergent is privately held with headquarters in Redwood City, Calif.

For more information about Comergent, visit www.comergent.com.