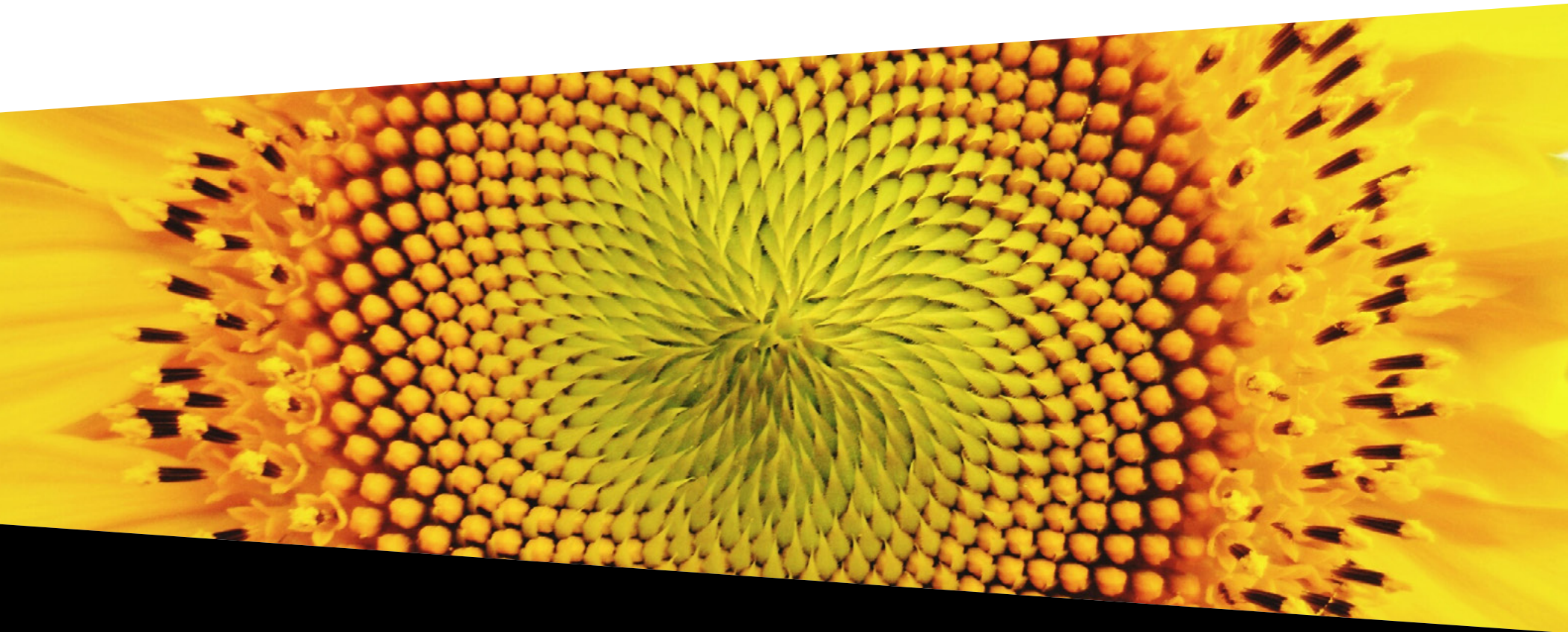


# Hybrid Growth Factor

How 3 businesses are growing fast with hybrid models that blend B2B and B2C eCommerce



# More and more of today's businesses are breaking out of their boxes.

They are blending B2C and B2B business models in new and innovative ways. Consumer brands are becoming wholesalers and selling direct to big companies. And B2B brands are adding direct-to-consumer stores and giving their small business customers a more "consumer-like" experience.

Whether the new business model you're adding is B2B or B2C, changing lanes isn't easy. B2B companies need to learn how to delight their

customers. And B2C companies need to understand the complexities of B2B selling.

The good news is that many companies have adopted a hybrid business model and achieved tremendous success. What do most of these organizations have in common? A willingness to innovate and an eCommerce platform that supports both B2B and B2C sales.

This eBook looks at three companies that are succeeding with hybrid business models and Magento Commerce.

# B2B really is different.

Many B2C businesses are eager to enter the multi-trillion-dollar B2B marketplace. But the complexity of B2B eCommerce can be a shock to people who've spent most of their lives in the B2C world.

**Here are just some of the ways in which B2B eCommerce is different:**

- Initial B2B sales cycles are frequently longer and involve more people.
- B2B customers often reorder the same products again and again (and again).
- B2B customers often need a custom price quote before they buy.
- Business purchases may require purchase orders and other extra steps like approval from procurement.
- Businesses may have very specific shipping requirements that vary by location.
- Businesses may require more detailed invoices and other documentation.
- Different businesses expect their own product catalogs and pricing.
- Different types of businesses may be subject to different tax rates.



Many B2C businesses are eager to enter the multi-trillion-dollar B2B marketplace.

Case study

## Wholesale, retail, and whimsy

### A Little Lovely Company creates fun, affordable decorations for kids' bedrooms.

They sell direct to consumers through brick-and-mortar stores and eCommerce. And they sell online to wholesale businesses and resellers. When they first started selling online, they set up a store on Magento Open Source. But they outgrew it quickly because it didn't fully support their growing B2B sales.

Rather than extend Open Source any further, they began looking for a hybrid eCommerce platform that could support their B2C and B2B businesses. Their requirements included:

- Unified management for both B2B and B2C selling
- Scalability and performance to support high volumes of traffic and transactions
- A unique experience for wholesale buyers and account management for their sales reps
- The ability to track resellers' locations and buying patterns to avoid unnecessary competition

When they switched to Magento Commerce, they didn't go it alone. They teamed with Netherlands-based solution partner Guapa. Guapa recommended a B2B-first approach to the migration, because wholesalers represent A Little Lovely Company's biggest market. And they made it their own with customizations like a color-coded order system to make work easier for B2B account managers.

## A Little Lovely Company

### Magento Commerce: B2B and B2C come together

A Little Lovely Company chose Magento Commerce as their eCommerce platform. Some reasons include:

- **Scalability and performance**—It's designed to easily handle seasonal demand and web traffic surges.
- **Rich B2B and B2C functionality**—It provides a complete set of features for both B2B and B2C commerce.
- **Multichannel capabilities**—Its multichannel capabilities help connect digital and physical stores as well as retail partners.

**Company:** A Little Lovely Company, founded in 2014

**Footprint:** 80 employees, two stores, 4,200 resellers, and 3,000 wholesale accounts

**Requirements:** Wholesale and retail sales (B2B+B2C), scalability, support for multiple stores and countries, easy to customize

**Solution:** Magento Commerce

**Partner:** Guapa

**Result:** 133% YoY growth within months of the upgrade

Read more at [magento.com](https://magento.com)

Case study

## Bringing high tech to businesses and consumers across Asia

**The Asia Pacific division of HP Inc. is an electronics innovator, specializing in PCs, printers, and accessories.**

The Asia Pacific division of HP Inc. makes 3D printers that can even print their own replacement parts. They sell online and in store, and their customers include consumers as well as small and medium businesses and employee purchase programs. In other words, they have a hybrid business model spanning B2B and B2C.

When they first introduced eCommerce, they used Magento Commerce 1.x to build web stores in Thailand and Indonesia. The initial experiment revealed they needed a lot more than the B2C basics. They needed an eCommerce platform with B2B and B2C capabilities to help them:

- Add more (lots more) local stores and more languages
- Connect the online and in-store experience
- Add more features for B2B buyers like a simple account dashboard

### **Magento Commerce: one platform for B2B and B2C commerce in 5 countries**

HP Inc.'s Asia Pacific division decided to migrate to Magento Commerce 2 because it offers hybrid B2B and B2C, is global-ready, and includes multichannel functionality. They use it to power web stores across five countries. All of these regional web stores share the same "HP Universe" back end.

The common back end provides a consistent brand experience and user-friendly management options while allowing each country to make customizations to meet local requirements. For example, the India site successfully tested a "click and collect" program ultimately adopted by 600 local stores. And Hong Kong connected eCommerce to retail point-of-sale systems, allowing online booking for in-store demos.

# HP Inc.

**Company:** HP Inc. (Asia Pacific)

**Requirements:** a hybrid eCommerce platform combining B2B and B2C features as well as support for multichannel sales and local commerce

**Solution:** Magento Commerce

**Results:** 600 stores now participating in the "click and collect" program

5 countries have rolled out hybrid commerce with Magento. More are coming soon.

Read more at [magento.com](https://magento.com)

Case study

## Reducing complexity, increasing loyalty

**Steelcase sells highly customized office furniture designed to help people reach their full potential.**

Founded in 1912, Steelcase makes and sells highly customized office furniture designed to help people reach their full potential. Their products are built to order, with a truly mind-boggling 25 quadrillion possible SKUs. And they sell them through an extensive network of dealers that reaches everyone from individual consumers to enterprises.

While Steelcase was initially an early eCommerce adopter, their first platform did not fully support their product lines or business model. They decided to replace their old eCommerce platform and reinvent their customer experience for both their dealers and their customers.

### **Magento Commerce: a built-to-order experience to sell built-to-order furniture**

Steelcase chose Magento Commerce because it's extremely flexible and offers a wide range of B2B and B2C functionality. Working with PunchOut Catalogs,

Steelcase created a whole new customer experience that revolves around:

- **Customer-specific sites where B2B buyers can make purchases:** On these sites, individual buyers answer questions to generate a custom product catalog based on their needs and locations as well as product availability. Automating the order process has minimized errors and dramatically sped up the product selection process.
- **A visual product configuration engine:** Using a simple interface, buyers can select a base chair type and customize elements like color, fabric, arm type, roller type, etc. Buyers then see a preview of their personalized chair with 3D visualization.
- **Support for punch-out purchasing:** "Punch-out" purchasing lets B2B buyers start from their internal eProcurement systems, like SAP and Ariba, and seamlessly "punch out" to the Steelcase web store where they can browse,

## Steelcase

search, and choose products to buy. When they're done, their shopping cart is automatically passed back to the eProcurement system where the sale is approved and becomes a purchase order.

Steelcase also uses Magento to power its direct-to-consumer web store.

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**Company:** Steelcase

**Footprint:** 25 quadrillion SKUs, thousands of B2B sites in development, 90% of B2B sales from eProcurement

**Requirements:** replace an out-of-date eCommerce solution with a modern, flexible, and hybrid platform with B2B and B2C capabilities

**Solution:** Magento Commerce

**Solution partner:** PunchOut Catalogs

**Result:** A foundation for thousands of custom sites

Read more at [magento.com](https://www.magento.com)

# How to choose a hybrid platform

## 10 questions to ask when you're choosing a hybrid eCommerce platform

- Does your platform have a complete feature set for both B2B and B2C business models?
- Can your platform run B2B and B2C web stores from a unified product catalog?
- Does your platform support multichannel sales and order management?
- Does your platform allow mobile-first development?
- Does your platform offer no-code page development tools?
- Can your platform scale to handle spikes in traffic during peak periods?
- How can you customize the user experience for customer segments?
- Can you get analytics from multiple storefronts?
- Does your platform have a large developer community and many pre-built extensions to quickly add features?
- Is there a large, global network of solution partners?

Learn more about hybrid commerce with [Magento.com](https://www.magento.com)



## ABOUT MAGENTO

Magento, an Adobe company, is a leading provider of cloud commerce innovation to merchants and brands across B2C and B2B industries and was recently named a leader in the 2018 Gartner Magic Quadrant for Digital Commerce. In addition to its flagship digital commerce platform, Magento boasts a strong portfolio of cloud-based omnichannel solutions that empower merchants to successfully integrate digital and physical shopping

experiences. Magento is the #1 provider to the Internet Retailer Top 1000, the B2B 300, and the Top 500 Guides for Europe and Latin America. Magento is supported by a vast global network of solution and technology partners, a highly active global developer community, and the largest eCommerce marketplace for extensions, all available for download on the Magento Marketplace.

[www.magento.com](http://www.magento.com)