

B2B benchmarking: consumer electronics retailer example

Study



Management Summary

- » In consumer electronics retail the **B2B market is hardly developed** – Many retailers do not offer a systematic program for business customers

- » The **race to claim the first-mover advantage has already begun** – Aside from traditional retailers, online pure players and manufacturers play an important role

- » Providers of good B2B programs **make use of the opportunities of digitization** to transfer B2C standards such as a broad offering or pricing transparency to B2B

- » To better utilize the B2B potential, so far inactive retailers need to create **service and customer oriented B2B programs**, while manufacturers can use existing **platforms**

- » Successful consumer electronics B2B approaches rely on six **key characteristics**: Smooth customer journey, comprehensive offering, network with partners, B2B organization & marketing, lock-in effect

Multiple consumer electronics retailers in German-speaking Europe either do not have a B2B program or it is weakly developed

		MC	IR	MC	MC	IR	IR	MC	MC	MC	MC	MC	ON	MC	ON	MC	MC	MC	MC	ON	ON	IR	MC	MC	MC	MC	MC	MC	MC	MC	MC	ON	ON			
		Retailer 1	Retailer 2	Retailer 3	Retailer 4	Retailer 5	Retailer 6	Retailer 7	Retailer 8	Retailer 9	Retailer 10	Retailer 11	Retailer 12	Retailer 13	Retailer 14	Retailer 15	Retailer 16	Retailer 17	Retailer 18	Retailer 19	Retailer 20	Retailer 21	Retailer 22	Retailer 23	Retailer 24	Retailer 25	Retailer 26	Retailer 27	Retailer 28	Retailer 29	Retailer 30	Retailer 31	Retailer 32	Retailer 33	Retailer 34	Retailer 35
Target groups	Companies																																			
	Authorities, public institutions																																			
	Schools, universities																																			
	Clubs																																			
	Other																																			
Services	Delivery																																			
	Delivery - Speed																																			
	Installation, setup, commissioning																																			
	Repair																																			
	Repair - Execution																																			
Sales channels	Return																																			
	Service																																			
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	B2B portal in online shop																																			
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Purchasing & advice	Multi-channel / channel networking																																			
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	App																																			
	Catalog order, print																																			
	Contact person																																			
	Business customer hotline																																			
Prices & conditions	Chat for business customers																																			
	Discounts, bonuses																																			
	Specific B2B offers																																			
	Customer card																																			
	Purchase on invoice																																			
	Individual credit																																			
	Individual payment targets																																			
	Leasing, borrowing of products																																			
	Extended warranty																																			
Retailer's B2B program covers criterion		Retailer's B2B program does not cover criterion																																		
		1) MC ≙ Multi-channel retailers, ON ≙ Online retailers, IR ≙ International retailers																																		

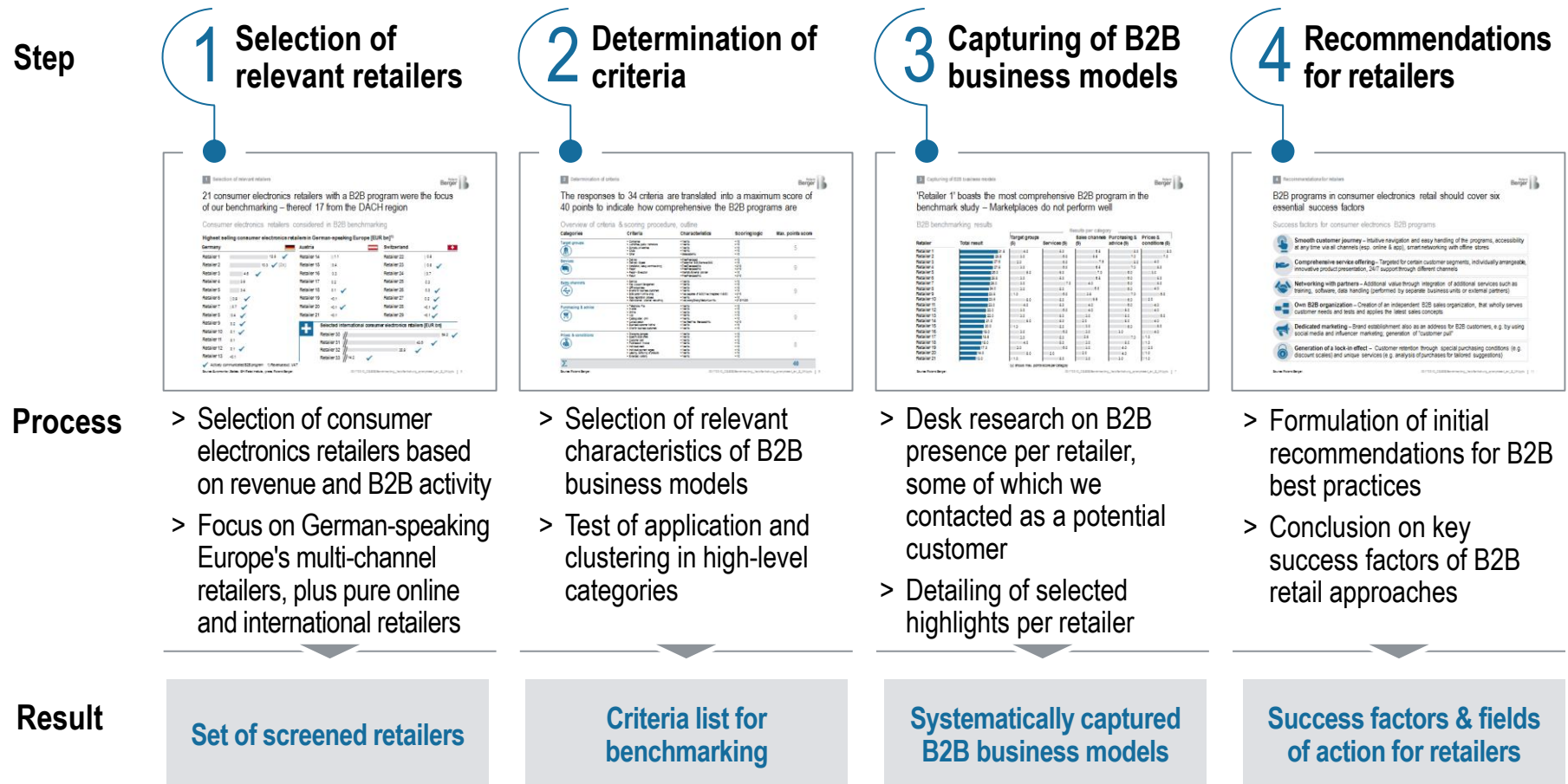
Retailer's B2B program covers criterion

Retailer's B2B program does not cover criterion

1) MC \triangleq Multi-channel retailers, ON \triangleq Online retailers, IR \triangleq International retailers

Our consumer electronics B2B benchmark study was conducted in four steps

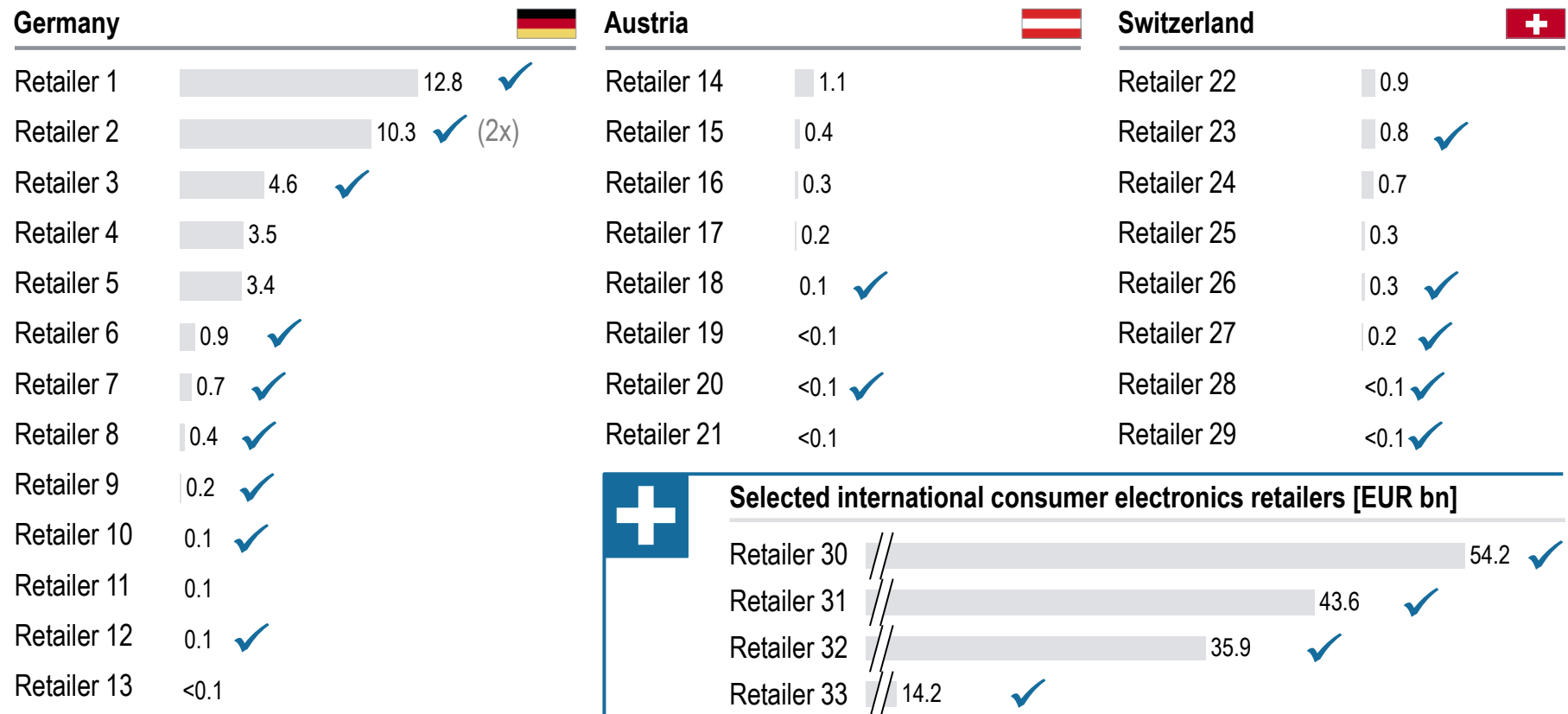
Consumer electronics B2B benchmarking procedure



21 consumer electronics retailers with a B2B program were the focus of our benchmarking – thereof 17 from the DACH region

Consumer electronics retailers considered in B2B benchmarking






Highest selling consumer electronics retailers in German-speaking Europe [EUR bn]¹⁾



✓ Actively communicated B2B program 1) Revenue excl. VAT

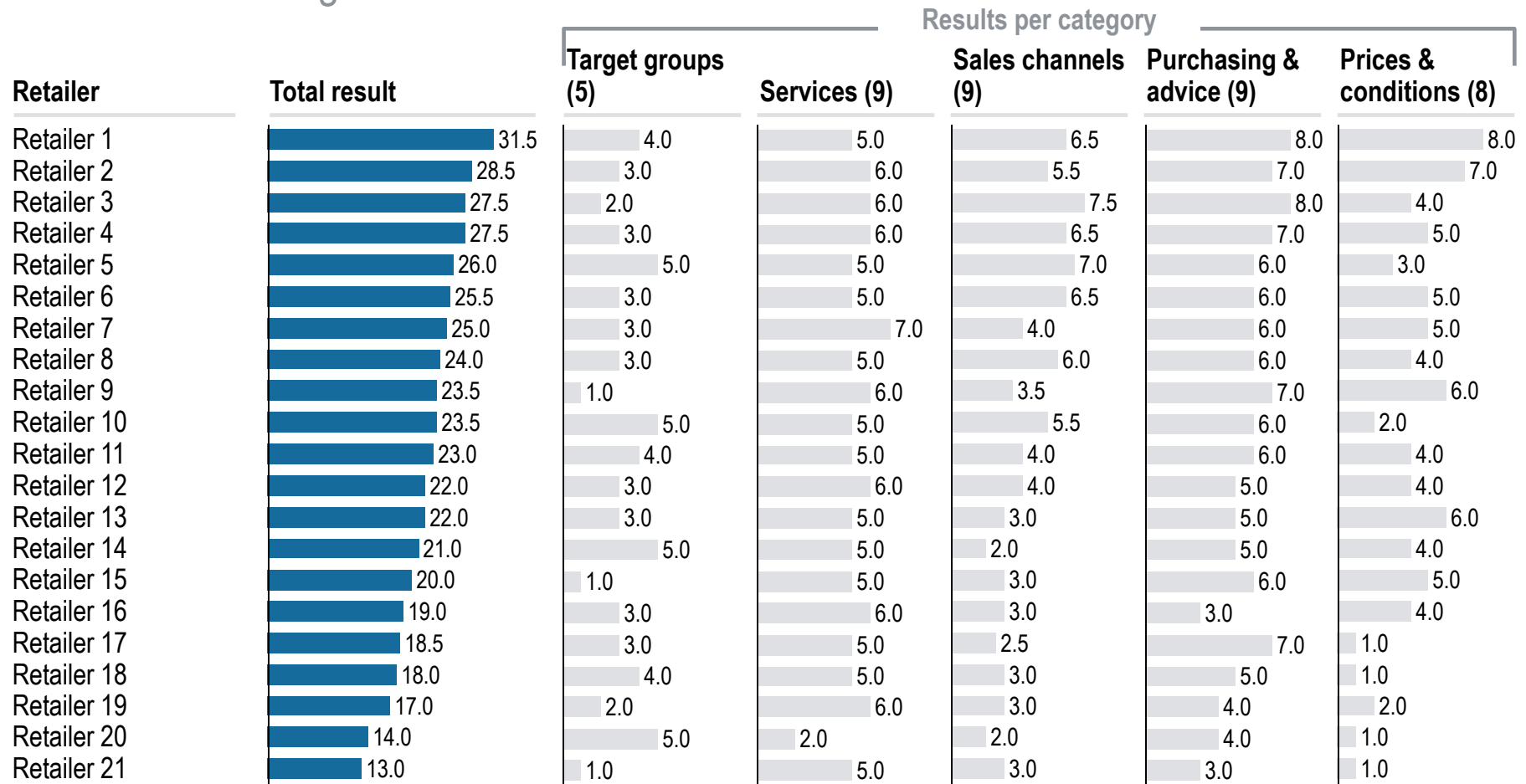
The responses to 34 criteria are translated into a maximum score of 40 points to indicate how comprehensive the B2B programs are

Overview of criteria & scoring procedure, outline

Categories	Criteria	Characteristics	Scoring logic	Max. points score
Target groups 	> Companies > Authorities, public institutions > Schools, universities > Clubs > Other	> Yes/No > Yes/No > Yes/No > Yes/No > Selectable/No	> 1/0 > 1/0 > 1/0 > 1/0 > 1/0	5
Services 	> Delivery > Delivery - Speed > Installation, setup, commissioning > Repair > Repair - Execution > Return	> Free/Fee-based > Faster than B2C/Same as B2C > Free/Fee-based/No > Free/Fee-based/No > Internally/External provider > Free/Fee-based/No	> 1/0 > 1/0 > 2/1/0 > 2/1/0 > 1/0 > 2/1/0	9
Sales channels 	> Service > Key Account Management > Offline business > Events for business customers > B2B portal in online shop > Easy registration process > Multi-channel / channel networking	> Yes/No > Yes/No > Yes/No > Yes/No > Yes (separate of B2C)/Yes (integrated in B2C) > Yes/No > Very strong/Strong/Medium/Low/No	> 1/0 > 1/0 > 1/0 > 1/0 > 2/1/0 > 1/0 > 2/1.5/1/0.5/0	9
Purchasing & advice 	> Telephone, Fax > In store > Online > App > Catalog order, print > Contact person > Business customer hotline > Chat for business customers	> Yes/No > Yes/No > Yes/No > Yes/No > Yes/No > Yes (free)/Yes (fee-based)/No > Yes/No > Yes/No	> 1/0 > 1/0 > 1/0 > 1/0 > 1/0 > 2/1/0 > 1/0 > 1/0	9
Prices & conditions 	> Discounts, bonuses > Specific B2B offers > Customer card > Purchase on invoice > Individual credit > Individual payment targets > Leasing, borrowing of products > Extended warranty	> Yes/No > Yes/No > Yes/No > Yes/No > Yes/No > Yes/No > Yes/No > Yes/No	> 1/0 > 1/0 > 1/0 > 1/0 > 1/0 > 1/0 > 1/0 > 1/0	8
Σ				40

'Retailer 1' boasts the most comprehensive B2B program in the benchmark study – Marketplaces do not perform well








B2B benchmarking results



(x) shows max. points score per category








We captured the B2B programs of 21 retailers along the dimensions of our benchmarking catalog comprising 34 criteria

Detail results benchmarking (1/3)

		1 	2 	3 	4 	5 	6 	7 
Target groups	> Companies	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Authorities, public institutions	> Yes	> Yes	> No	> Yes	> Yes	> Yes	> Yes
	> Schools, universities	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Clubs	> No	> No	> No	> No	> Yes	> No	> No
	> Other	> Selectable	> No	> No	> No	> Selectable	> No	> No
Services	> Delivery	> Fee-based	> Free	> Free	> Free	> Free	> Free	> Free
	> Delivery - Speed	> Faster than B2C	> Faster than B2C	> Same as B2C	> Faster than B2C	> Same as B2C	> Same as B2C	> Same as B2C
	> Installation, setup, commissioning	> Fee-based	> Fee-based	> No	> Fee-based	> Fee-based	> Fee-based	> Fee-based
	> Repair	> No	> No	> Fee-based	> No	> No	> No	> Fee-based
	> Repair - Execution	> No	> No	> Internally	> No	> No	> No	> Internally
	> Return	> Free	> Free	> Free	> Free	> Free	> Free	> Free
Sales channels	> Service	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Key Account Management	> No	> Yes	> Yes	> Yes	> No	> Yes	> No
	> Offline business	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Events for business customers	> No	> No	> No	> No	> No	> No	> No
	> B2B portal in online shop	> Yes (separate from B2C)	> Yes (integrated in B2C)	> Yes (separate from B2C)	> Yes (separate from B2C)	> Yes (separate from B2C)	> Yes (separate from B2C)	> Yes (integrated in B2C)
	> Easy registration process	> Yes	> Yes	> Yes	> No	> Yes	> No	> No
	> Multi-channel / channel networking	> Strong	> Low	> Strong	> Low	> Very strong	> Strong	> Medium
Purchasing & advice	> Telephone, Fax	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> In store	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Online	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> App	> Yes	> No	> Yes	> No	> No	> No	> No
	> Catalog order, print	> Yes	> No	> No	> No	> No	> No	> No
	> Contact person	> Yes (free)	> Yes (free)	> Yes (free)	> Yes (free)	> Yes (free)	> Yes (free)	> Yes (free)
	> Business customer hotline	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Chat for business customers	> No	> Yes	> Yes	> Yes	> No	> No	> No
Prices & conditions	> Discounts, bonuses	> Yes	> Yes	> Yes	> Yes	> Yes	> No	> No
	> Specific B2B offers	> Yes	> Yes	> No	> No	> No	> No	> Yes
	> Customer card	> Yes	> No	> No	> No	> Yes	> Yes	> Yes
	> Purchase on invoice	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes	> Yes
	> Individual credit	> Yes	> Yes	> No	> Yes	> No	> Yes	> No
	> Individual payment targets	> Yes	> Yes	> No	> Yes	> No	> Yes	> No
	> Leasing, borrowing of products	> Yes	> Yes	> Yes	> Yes	> No	> Yes	> Yes
	> Extended warranty	> Yes	> Yes	> Yes	> No	> No	> No	> Yes
Other	> Other characteristics	> Free professional journal	> Cashback of up to 6% of sales value	> Two leasing options for 24 and 36 months	> Connection with ERP systems possible	> Broad offering, transparent discount conditions	> Flexible invoicing and payment options	> Two leasing options for 24 and 36 months








We captured the B2B programs of 21 retailers along the dimensions of our benchmarking catalog comprising 34 criteria

Detail results benchmarking (2/3)

	8 	9 	10 	11 	11 	13 	14 	
Target groups	> Companies > Authorities, public institutions > Schools, universities > Clubs > Other	> Yes > Yes > Yes > No > No	> Yes > No > No > No > No	> Yes > Yes > Yes > Yes > Selectable	> Yes > Yes > Yes > Yes > No	> Yes > Yes > Yes > No > No	> Yes > Yes > No > No > Selectable	> Yes > Yes > Yes > Yes > Selectable
Services	> Delivery > Delivery - Speed > Installation, setup, commissioning > Repair > Repair - Execution > Return	> Free > Same as B2C > Fee-based > No > No > Free	> Free > Faster than B2C > Fee-based > No > No > Free	> Free > Same as B2C > Fee-based > No > No > Free	> Free > Same as B2C > Fee-based > No > No > Free	> Free > Faster than B2C > Fee-based > No > No > Free	> Fee-based > Faster than B2C > Fee-based > No > No > Free	> Free > Same as B2C > Fee-based > No > No > Free
Sales channels	> Service > Key Account Management > Offline business > Events for business customers > B2B portal in online shop > Easy registration process > Multi-channel / channel networking	> Yes > Yes > Yes > No > Yes (integrated in B2C) > Yes > Medium	> Yes > No > Yes > No > No > No > Strong	> Yes > Yes > Yes > No > Yes (integrated in B2C) > Yes > Low	> Yes > No > Yes > No > Yes (integrated in B2C) > Yes > Medium	> Yes > Yes > Yes > No > No > Medium	> Yes > No > No > No > Yes (integrated in B2C) > Yes > No	> Yes > No > No > No > Yes (integrated in B2C) > No > No
Purchasing & advice	> Telephone, Fax > In store > Online > App > Catalog order, print > Contact person > Business customer hotline > Chat for business customers	> Yes > Yes > Yes > No > No > Yes (free) > Yes > No	> Yes > Yes > Yes > Yes > No > Yes (free) > Yes > No	> Yes > Yes > Yes > No > No > Yes (free) > Yes > No	> Yes > Yes > Yes > No > No > Yes (free) > Yes > No	> Yes > Yes > No > No > No > Yes (free) > Yes > No	> Yes > No > Yes > No > No > Yes (free) > Yes > No	> Yes > No > Yes > No > No > Yes (free) > Yes > No
Prices & conditions	> Discounts, bonuses > Specific B2B offers > Customer card > Purchase on invoice > Individual credit > Individual payment targets > Leasing, borrowing of products > Extended warranty	> Yes > No > No > Yes > No > Yes > Yes > No	> Yes > Yes > No > Yes > Yes > No > Yes > Yes	> Yes > No > No > Yes > No > No > No > No	> Yes > Yes > Yes > Yes > No > No > No > No	> No > Yes > No > Yes > No > Yes > Yes > No	> Yes > Yes > No > Yes > Yes > No > Yes > Yes	> Yes > No > No > Yes > No > Yes > Yes > No
Other	> Other characteristics	> Flexible finance options for B2B customers	> Appointment for registration required	> Individual conditions upon request/per order	> Fixed bonus depending on purchasing volume	> Individual payment dates and options	> Extended warranty of 24 months	> Individual purchasing conditions negotiable

We captured the B2B programs of 21 retailers along the dimensions of our benchmarking catalog comprising 34 criteria

Detail results benchmarking (3/3)

	15 	16 	17 	18 	19 	20 	21 	
Target groups	> Companies > Authorities, public institutions > Schools, universities > Clubs > Other	> Yes > No > No > No > No	> Yes > Yes > Yes > No > No	> Yes > Yes > Yes > No > No	> Yes > Yes > Yes > No > Selectable	> Yes > No > Yes > No > No	> Yes > Yes > Yes > Yes > Yes	> Yes > No > No > No > No
Services	> Delivery > Delivery - Speed > Installation, setup, commissioning > Repair > Repair - Execution > Return	> Fee-based > Same as B2C > Fee-based > Fee-based > External provider > Free	> Free > Same as B2C > No > Fee-based > Internally > Free	> Free > Same as B2C > Fee-based > No > No > Free	> Free > Same as B2C > Fee-based > No > No > Free	> Free > Faster than B2C > Fee-based > No > No > No > Free	> Fee-based > Same as B2C > No > No > No > Fee-based	> Free > Same as B2C > Fee-based > No > No > No > Free
Sales channels	> Service > Key Account Management > Offline business > Events for business customers > B2B portal in online shop > Easy registration process > Multi-channel / channel networking	> Yes > No > Yes > No > No > No > Medium	> Yes > No > Yes > No > No > No > Medium	> Yes > No > Yes > No > No > No > Low	> Yes > No > No > No > Yes (integrated in B2C) > Yes > No	> Yes > No > No > No > Yes (integrated in B2C) > Yes > No	> Yes > No > No > No > Yes (integrated in B2C) > Yes > No	> Yes > No > No > No > Yes (integrated in B2C) > Yes > No
Purchasing & advice	> Telephone, Fax > In store > Online > App > Catalog order, print > Contact person > Business customer hotline > Chat for business customers	> Yes > Yes > Yes > No > No > Yes (free) > Yes > No	> Yes > Yes > Yes > No > No > No > No > No	> Yes > Yes > Yes > Yes > No > Yes (free) > Yes > No	> Yes > No > Yes > No > No > Yes (free) > Yes > No	> Yes > No > Yes > Yes > No > No > Yes (fee-based) > No > No	> Yes > No > Yes > Yes > No > Yes (fee-based) > No > No	
Prices & conditions	> Discounts, bonuses > Specific B2B offers > Customer card > Purchase on invoice > Individual credit > Individual payment targets > Leasing, borrowing of products > Extended warranty	> No > No > No > Yes > Yes > Yes > Yes > Yes	> No > Yes > No > Yes > No > No > Yes > Yes	> No > No > No > Yes > No > No > No > No	> No > No > No > Yes > No > No > No > No	> No > Yes > No > Yes > No > No > No > No	> No > No > No > Yes > No > No > No > No	
Other	> Other characteristics	> B2B registration only via regular contact form	> Two leasing options for 24 and 36 months	> Individual B2B offers upon request	> Display of prices excl. VAT in B2B online shop	> Free shopping reporting & analysis tools	> 'Request for quotation' is a standard function	> B2B registration without any obvious advantages

B2B programs in consumer electronics retail should cover six essential success factors

Success factors for consumer electronics B2B programs



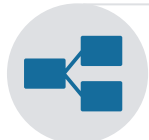
Smooth customer journey – Intuitive navigation and easy handling of the programs, accessibility at any time via all channels (esp. online & app), smart networking with offline stores



Comprehensive service offering – Targeted for certain customer segments, individually arrangeable, innovative product presentation, 24/7 support through different channels



Networking with partners – Additional value through integration of additional services such as training, software, data handling (performed by separate business units or external partners)



Own B2B organization – Creation of an independent B2B sales organization, that wholly serves customer needs and tests and applies the latest sales concepts



Dedicated marketing – Brand establishment also as an address for B2B customers, e.g. by using social media and influencer marketing; generation of "customer pull"



Generation of a lock-in effect – Customer retention through special purchasing conditions (e.g. discount scales) and unique services (e.g. analysis of purchases for tailored suggestions)

Before creating a new B2B program/redesigning an existing B2B program, key questions need to be asked and answered

Framework for B2B programs



Goals

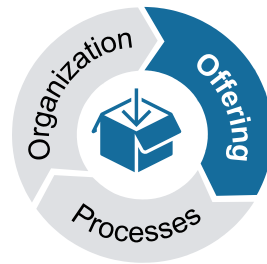
- > What are the quantitative goals and are these goals accomplished? (Revenue, number of B2B customers, contribution margins, cross-selling between business units, ...)
- > What are the qualitative goals and are these goals accomplished? (Profiling, positioning, ...)
- > What role does the B2B program take in the overall corporate strategy?

Business case

- > When and how is the program profitable?
- > How is the program financed?
- > Do (smaller) B2B customers pay a fee?
- > What are critical success factors and sensitivities of the program?
- > What are program effects (higher purchasing values, higher visiting frequency, ...)?

Milestones

- > What steps and responsibilities are necessary to float the program?
- > What will happen within the next 24 months?
- > When is the program going to be officially or extensively promoted? Is there a kick-off event?
- > What about the project organization?
- > Which milestones are critical to success?



Target groups

- > Who shall be targeted or is already being targeted? Who is not? (Suppliers, SMEs, startups, clubs, cooperation partners, every B2B customer, ...)
- > Who shall be targeted within B2B organizations? Who are the target persons? Purchasers? CEOs?
- > How is the separation between customer segments working? Are there any increments?

Assortment and prices

- > How shall the B2B assortment be different or how is it already different from the B2C assortment?
- > Do the defined target groups ask for certain products? Are those products offered?
- > What types of pricing conditions are offered? Per order? Per B2B customer?
- > How does the pricing compare to the B2B competition?

Service and value add

- > What is the concrete service offering? Is there a service concept or a customer card?
- > Are discounts, advantages or bonuses offered?
- > How are points, advantages or bonuses collected? How are they redeemed?
- > Are there different (degrees of) benefits for different target groups?



Execution

- > How are the business units involved in the B2B program? How do they engage?
- > Which external providers are necessary?
- > Are cooperation partners involved?
- > What synergies and interfaces exist?
- > What are the implications for infrastructure and resources? IT? CRM?

Market cultivation

- > How is the program communicated?
- > What content for which target groups?
- > Through which channels? Is there a B2B portal?
- > Are events or entertainment available?
- > Who is in charge of communication?
- > How much budget is necessary?

Sales

- > How is the program's offering sold?
- > Is there a key account manager who centrally distributes the offering/benefits?
- > Are there any concrete sales or acquisition targets for the program? How are they incentivized?
- > Are target groups looked after differently?

In an initial discussion we would demonstrate specific approaches for the implementation/improvement of a B2B program

Next steps and contact

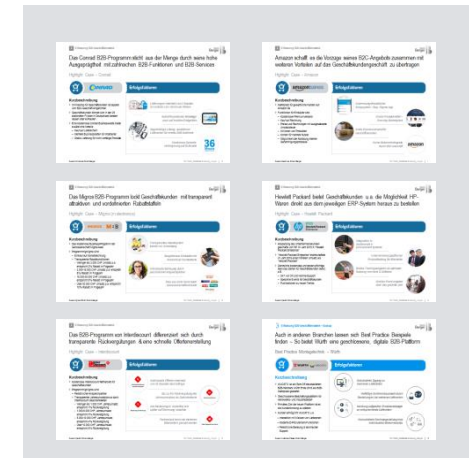
Existing B2B program

- > Joint assessment of **strengths and weaknesses** of the existing B2B program
- > Comparison with **competitor** B2B programs
- > Evaluation of **best practice cases**
- > Discussion of **vision** and **expectations** for your own B2B program
- > Identification of potential **quick wins** as well as further **potential**

Non-existing B2B program

- > Analysis of existing B2B programs of (direct) **competitors**
- > Evaluation of **best practice cases**
- > Discussion of **vision** and **expectations** for a new B2B program
- > Definition of **extra effects** of B2B approach as well as requirements for channel networking
- > Determination of specific **next steps**

Best practice cases



Your contact at Roland Berger



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- > Former Managing Partner at BBDO Consulting, part of global agency network BBDO Worldwide
- > Project experience through B2B program development for a leading international retailer



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