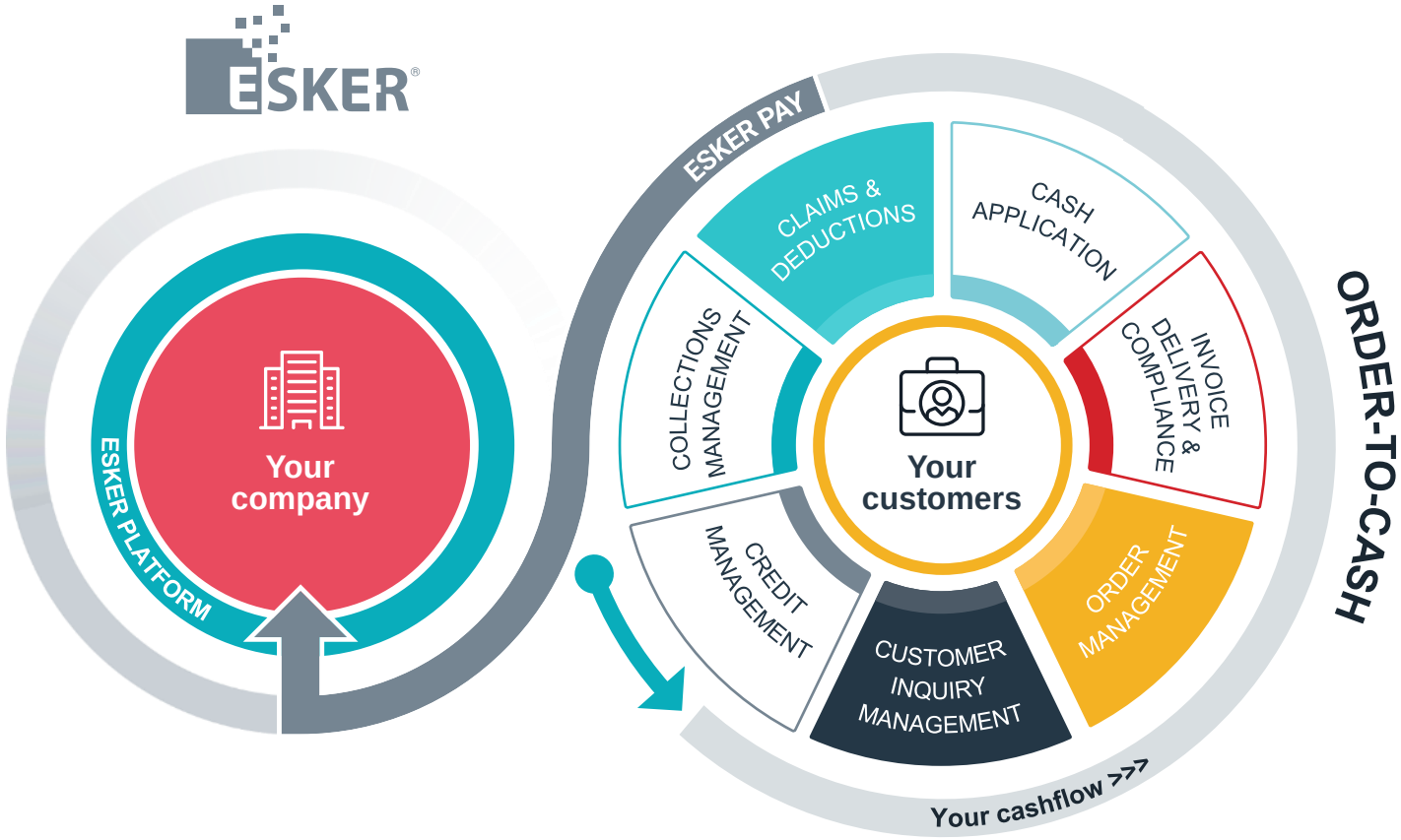
Quest for Frictionless Transactions

Working Project Charter

EMPOWER CUSTOMER SERVICE

A SUITE OF SOLUTIONS TO PROVIDE THE BEST CUSTOMER EXPERIENCE IN B2B



Tentative Meeting Agenda

1. What does the term “frictionless transactions” mean?
2. Where does this break down for B2B companies?

What are frictionless transactions?

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what does the term "frictionless transactions" mean for business to business companies

"Frictionless transactions" refer to business-to-business (B2B) transactions that are conducted smoothly and seamlessly, without any obstacles, delays, or errors that could potentially harm the business relationship between the two parties. In other words, it means that the transaction process is effortless and efficient, from the initial contact to the final delivery.

A frictionless transaction can involve a variety of factors, including streamlined ordering processes, automated payments, efficient shipping and logistics, and clear communication between both parties. By minimizing the potential for errors or miscommunications, businesses can save time and money, improve customer satisfaction, and enhance their overall reputation in the market.

Examples of technologies that can help facilitate frictionless transactions in the B2B space include electronic data interchange (EDI), blockchain, and artificial intelligence (AI). Overall, the goal of frictionless transactions is to create a seamless experience for both parties, enabling them to focus on their core business objectives without being bogged down by unnecessary administrative tasks or delays.

Lifecycle of the order

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what is the lifecycle of a b2b order

The lifecycle of a B2B order can vary depending on the nature of the product or service being sold, the industry, and the specific company's processes. However, the typical lifecycle of a B2B order involves the following stages:

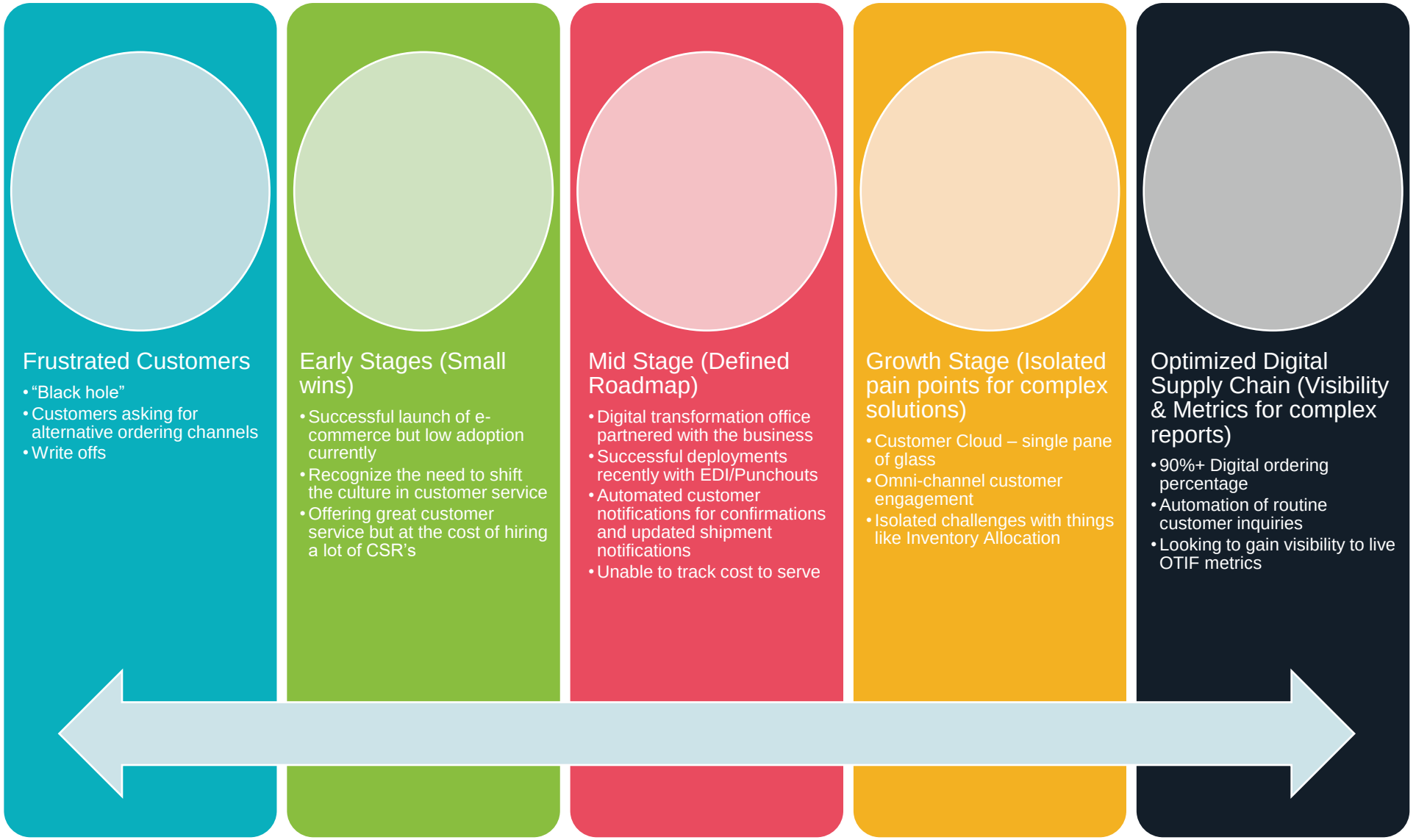
1. Inquiry and Negotiation: The B2B order lifecycle usually begins when a potential customer contacts the supplier with an inquiry about a product or service. The supplier then negotiates the terms of the order, including price, quantity, delivery timeline, and any other relevant details.
2. Order Placement: Once the customer and supplier have agreed on the terms, the customer places the order with the supplier. This can be done through various channels such as email, phone, or an online portal.
3. Order Processing: Upon receiving the order, the supplier begins the process of fulfilling it. This includes activities such as inventory management, production scheduling, and shipping arrangements.
4. Order Fulfillment: Once the product is ready, the supplier ships it to the customer. This stage involves activities such as packaging, labeling, and delivery.
5. Invoicing and Payment: After the product is delivered, the supplier sends an invoice to the customer, which outlines the details of the order and the payment due. The customer then pays the supplier according to the agreed-upon terms.
6. Follow-up and Support: The final stage of the B2B order lifecycle involves follow-up and support activities. This may include customer service, warranty or repair support, and future sales activities such as cross-selling or upselling.

Throughout the entire lifecycle of a B2B order, effective communication, and collaboration between the customer and supplier is critical to ensuring a smooth and successful transaction.

Regenerate response

What would your customer's say that it's like doing business with your organization?

Where are you in your digital transformation journey?



DIGITIZE CUSTOMER SERVICE

WITH ESKER'S AUTOMATION & COMMUNICATION PLATFORM

ESKER CONNECTIVITY SUITE

Customer service shared mailbox

- Requests*
- Orders
- Claims

CUSTOMER

*price, availability, order status, etc.

Esker self-service customer portal

- Responses
- Order confirmations
- Shipping notices
- Credit notes

CUSTOMER SERVICE

CRM

ERP

Transporter

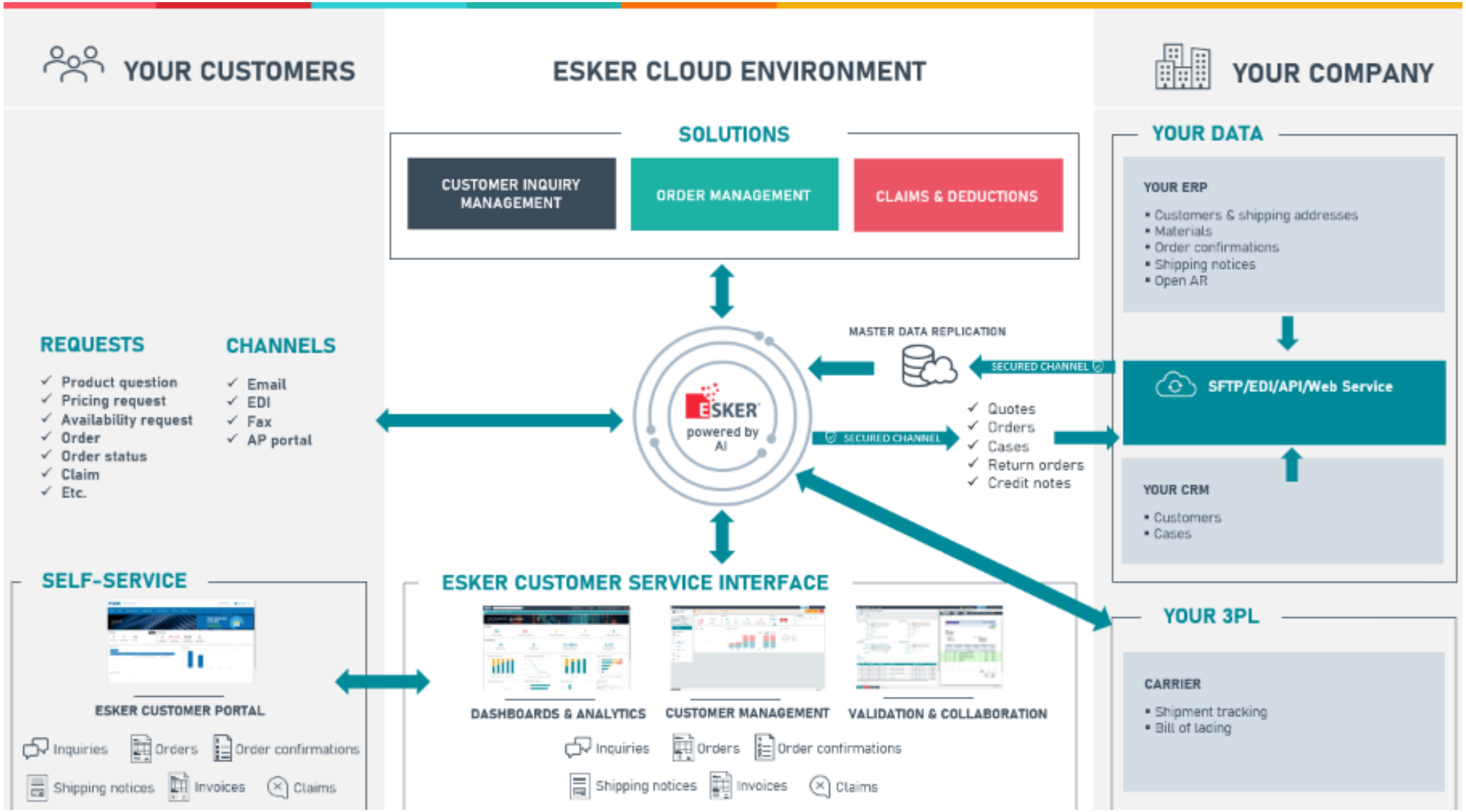
System integrations

Using pre-built connectors, file transfers, EDI, APIs/Web Services, RPA, etc.

ESKER

Improve CX at every touchpoint

Customer Segmentation



Problem Statement

Current Process:

- All orders that come into Esker Default under the general Sales Org
- Z1 is how customers are segmented – this populates based on the Sales Org
- Replies into a reps mailbox
- Call volume is decreasing, seeing an increase in e-mail / digital inquiries

List of Challenges:

- Every order is touched in SAP where the Sales Org is manually updated to the appropriate one
- Missed Quote Request deadline – Cost Altra $95,000 in missed revenue
- Running anemic levels with 25% attrition
- Missing a next day air request, Altra paying the expedite requests
- Unruly to manage the team with the limited visibility, 5 reps handle 85% of the workload
- No visibility to what types of inquiries are coming into the team, how long they take to process by each rep, turnaround time, or trends related to recent events
- Missed orders – 2 weeks late with termination of an employee and $50,000 in lost revenue

Who else is impacted by the lifecycle of the order?

Lifecycle of the order

Valuable dashboards for every user

Customer Service Management

Inquiries by category

Inquiries by date

Inquiries by customer

Orders by reception method

Order automation rate

Order validation & processing time

Number of order lines by month

Sales Reps

My pricing requests

My customers' orders by month

My top 10 customers

Supply Chain

Availability requests

Priority orders to validate

Order SLA compliance

Orders by day of week/month

Open non-trade claims

Finance

Open claims

Credit notes by date

C-Level Managers

Orders by country/division

Claims by country/division

Credit notes by country/division

Customers

My open inquiries

My draft orders

My pending orders

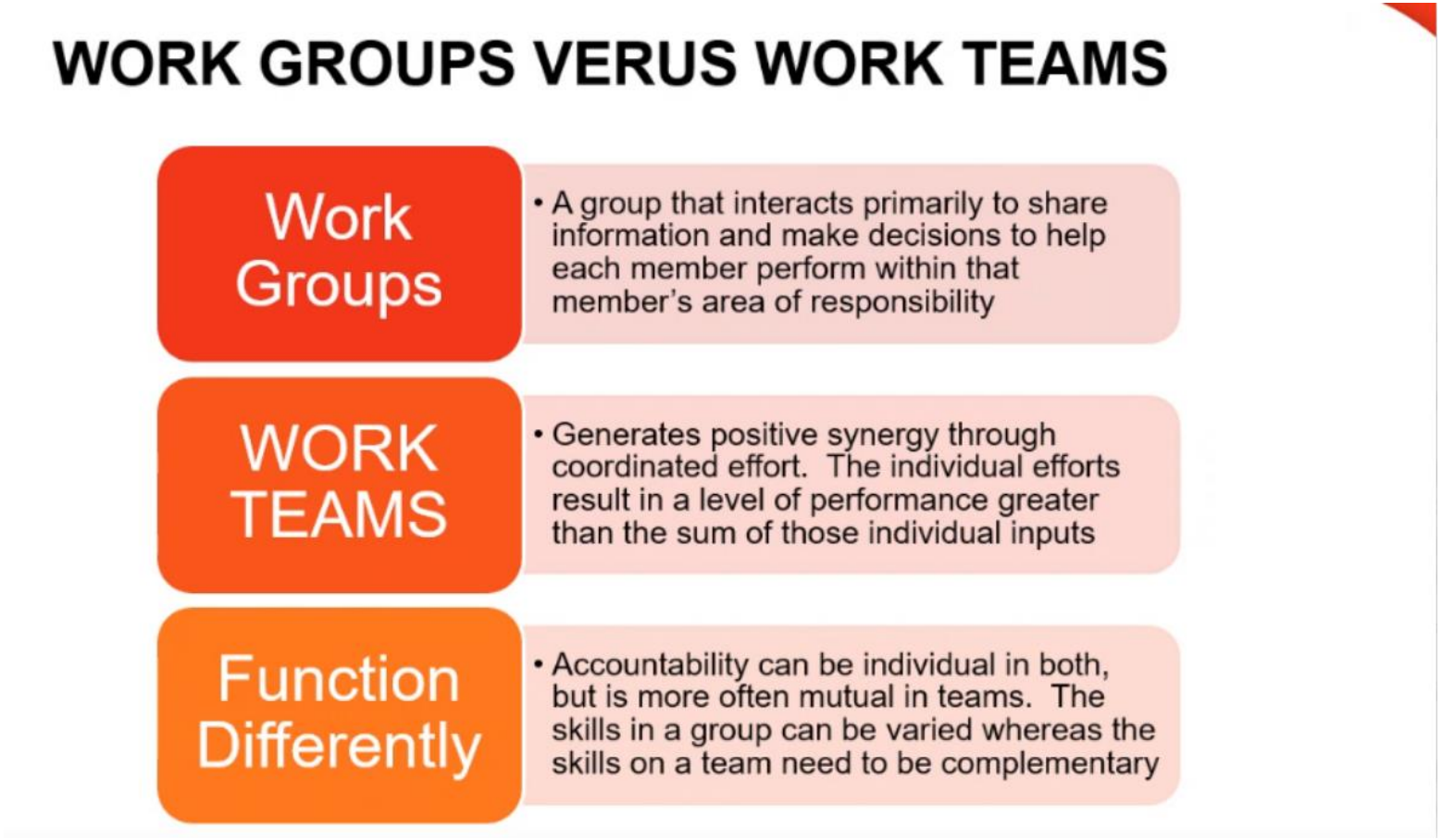
My order confirmations

My shipping notices

My open claims

My account statement

Vision To Be


WORK GROUPS VERUS WORK TEAMS
Work Groups
• A group that interacts primarily to share information and make decisions to help each member perform within that member's area of responsibility
WORK TEAMS
• Generates positive synergy through coordinated effort. The individual efforts result in a level of performance greater than the sum of those individual inputs
Function Differently
• Accountability can be individual in both, but is more often mutual in teams. The skills in a group can be varied whereas the skills on a team need to be complementary

Factors to consider when segementing your customer base

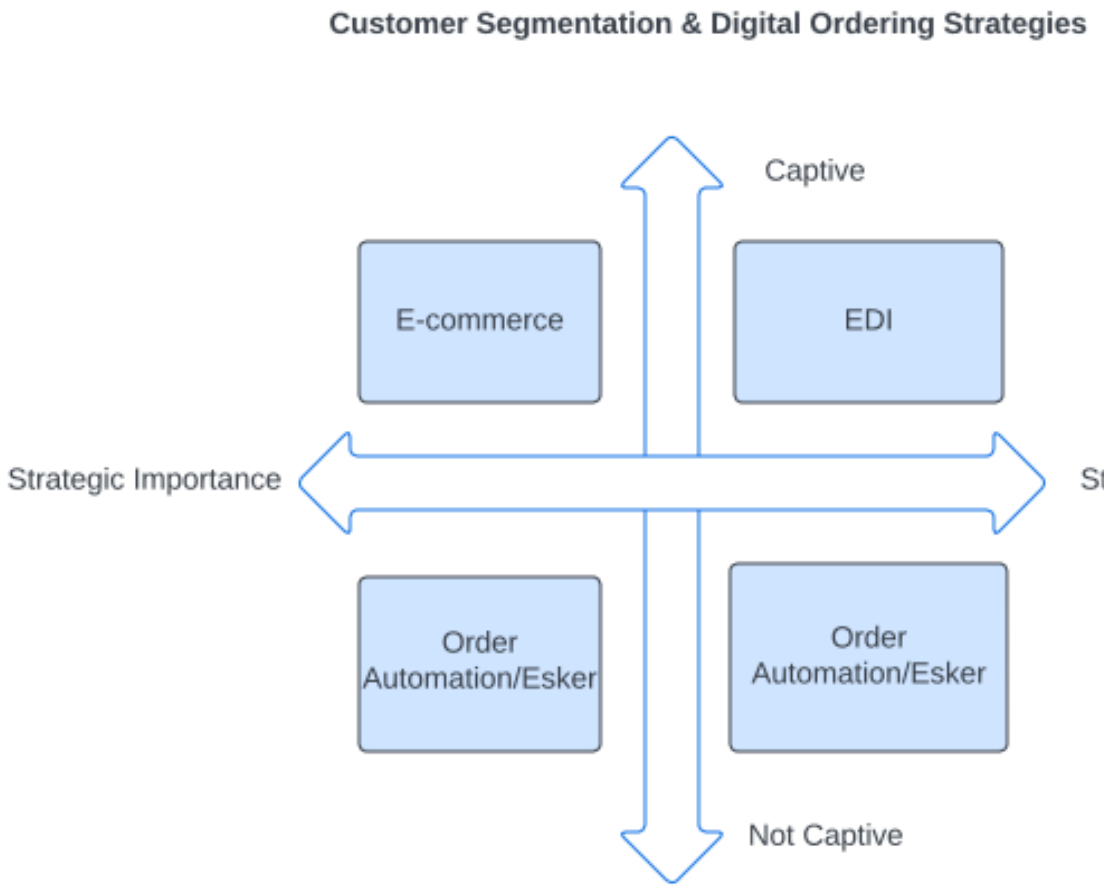
To transform B2B journeys, define a range of digital and human interventions, to be combined as needed for each situation.

Journey	Improved human interactions	Digitally enabled services	Fully digital, automated self-service
Identify	• Educational marketing • Strong technical expertise with focus on creating value for customer	• Live chat/call-back tool • Joint web shopping with sales rep	• Product/solution navigator • Product configurator • Lead capturing
Select and buy	• Independent performance comparisons • Simple and transparent pricing	• Sales rep empowered to live-quote based on dynamic deal scoring • Online content iterations and signature	• Interactive value calculators • Web shopping, including availability and delivery timing
Codevelop or customize	• Best-practice standards on project governance, resource tracking, and progress reporting	• Cloud-based collaboration platform • Interactive product/solution holding and simulation	• Open innovation platforms giving access to key data
Deal with issues	• Apology and acknowledgment of problem • Full transparency about situation • Explanation and help to prevent	• Augmented-reality tool to guide response • Visit scheduling and preparations based on remote diagnostics	• Self-help guides • Notifications tracking resolution progress
Use product	• Simple, intuitive interactions • Efficient packaging • Friendly service, looking to add value	• New offerings (eg, uptime guarantees or hourly pricing)	• Remote equipment monitoring to trigger maintenance
Reorder	• Offering but never pushing visits • Focus on simplicity (eg, clear product documentation and simple invoices)	• Next-product-to-buy engine to add value and drive cross-selling	• Analytics-based order reminder • 1-slide reordering through self-service website

McKinsey&Company

Source: https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/finding-the-right-digital-balance-in-b2b-customer-experience

Customer Segmentation



Not every customer is the same…

Customer Segmentation

Factors to consider:

- Profitablity/Margin
- Lifetime value/upside potential
- Ability to replace the customer
- Ability to influence the customer in how they do business

Value for XYZ Corp & Your Customers

For Altra's Customers

- Faster response times for those deemed strategic

For Altra

- Visibility to what types of inquiries are coming into customer service
- Preventing missed orders/quotes
- Protect market share gained during COVID
- Global scalability / global template

For Your Employees

- Workload spread across the team
- Visibility to underperformance

Return on your Investment

Hard Costs:

- Current team headcount is staffed 33% lower than average
  - Avoid having to hiring back 50% of staff due to the existing team's productivity increase
    - Or identify under performer that should be released
- Increased Revenue through not missing an order or RFQ

KPI's impacted (not currently tracked due to lack of visibility):

- Increase average number of inquiries processed per CSR
- Reduce average processing time per inquiry
- Reduce average time before an inquiry is addressed
- Knowing types of inquiries received and related trends

Item	36 Month Cost / Benefit
Software Investment over 36 months	(70,000)
X FTE's avoided hiring back x 3 yrs	+$300,000
Not missing an order / quote (1 x quarter.. Avg value of $50,000)	+ $600,000
Altra paying expedited freight for orders entered late	+ $X
ROI	+$830,000

So what?

1. Mckinsey Report states that operational improvements can:
    1. Reduce churn by 10-15%
    2. Increase the win rate by 20-40%
    3. Lower cost to serve by 50%