The Essential Guide to Driving eBusiness Adoption

Why eBusiness Matters and How to Get Started

A COMERGENT WHITEPAPER

EXECUTIVE SUMMARY

The Internet has had a far-reaching impact on all companies, dramatically changing the way business is conducted globally. Through eBusiness, companies can engage directly with their customers and partners online and automate all external-facing processes with a range of self- service applications, including ordering, information gathering, quoting, guided configuration of products and services, creating service renewals, managing warranties, handling product and parts replenishment and developing on-line catalogs. Via eBusiness, companies can reach customers and partners through a wide variety of coordinated, customer-centric sales and service touch points -- all at the speed of light. The ultimate result is competitive advantage.

Looking across the eBusiness landscape, many companies are building eBusiness sites to explore new ways to conduct business and open new revenue channels. Others use transaction-based sites to orchestrate very complex product, selling, and order management processes across multiple enterprise systems, business organizations and sales channels.

Driven by competitive pressures, companies are employing eBusiness in an effort to:

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

So what's the best approach in assessing your enterprise eBusiness needs? And how do you get started and drive adoption? This guide outlines the strategies and steps to answering these questions. Based on our customers' experience and leading industry analysts' feedback, Comergent eBusiness software is the right solution in enabling companies to conduct business with customers and partners whether 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 and delivered the right way.

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; customers enjoy a seamless experience on-line, via the call center and directly with an internal sales organization.

EVALUATING EBUSINESS READINESS

To determine readiness for eBusiness adoption, an organization should begin by conducting a three-step internal audit. The first step is to assess the corporate-wide **attitude** since the influence of individual attitudes impacts the adoption of all business decisions, including eBusiness. In the second stage, a company must assess **aptitude**, which is the ability to synchronize all parties in the extended enterprise in order to create an optimized customer experience. The last stage in the evaluation process is **access** -- all parties must have appropriate access to offerings presented by eBusiness.

Even after evaluating access, aptitude and attitudes, there still must be an overall corporate strategy supporting eBusiness adoption that considers the following:

A company's total e-economy:
-   Environment (the network, access and devices)
    -   Readiness (level of expertise to leverage environment)
    -   Uptake and use (they like it and use it or they don't)
   -   Impact (effect on business model, sales revenues, costs, etc.)

The impact on major stakeholders:
-   Business (executives)
-   Governance (executives in the company governing through their business)
-   Customers (are they ready and educated for eBusiness)
-   Partners (same as above)
-   Other key stakeholders

ADOPTING EBUSINESS

The following diagram "eBusiness Adoption Tracking" reflects the industry eBusiness adoption tracking cycles.

eBusiness Adoption Tracking
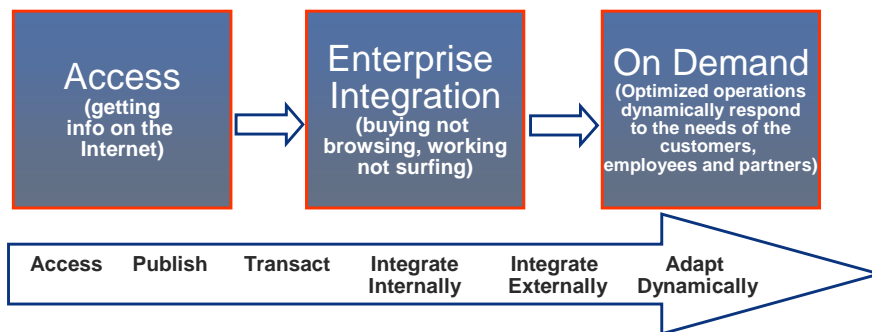
The eBusiness Adoption Tracking Diagram enables a company to track where they are today and begin to assess if it makes sense to move towards a fully "on demand" business model based on specific business requirements. But just what does it take to get from access to "on-demand?" Comergent recommends a top down eBusiness strategy and plan and a positive outcome to the assessment of the three "A's" (attitude, aptitude and access) before get ting started.

The eBusiness adoption process is not a single incident, and there are specific factors that influence a successful eBusiness implementation. At the top of the list, companies need to establish a top-down vision and then communicate it to all stakeholders and everyone in the organization. Furthermore, a plan should be in place to periodically re-examine the vision and competitive offerings.

To realize the eBusiness vision, a company must start by ensuring that both the chief executive and senior management are committed to eBusiness. New ideas and innovations must be constantly tested for eBusiness to thrive in the organization. Organizations must periodically consider emerging technologies in order to stay ahead of the competition. Equally important, business units must have the proper funding to meet eBusiness initiative needs.

It is imperative that both current information systems and technology infrastructure adequately support current and future business management requirements and initiatives. As an example, a company may experience a peak period of orders resulting from a new promotional offering and must alert suppliers about the pending high order volume. With its eBusiness offering in place, organizations are able to adequately respond to the peak demand period, including relaying information about the promotion, handling orders and working with suppliers.

To encourage users to do business via their eBusiness offering, companies should have customer incentive plans, and/or a plan to inhibit other ways of doing business – even going so far as to penalize customers in order to force eBusiness adoption. The eBusiness offering might first enable customer to come to the website and order items, and then they can call into a customer service representative (CSR) to inquire about order status. The CSR has details about the order, as well as other items that customer browsed on the site as well as information about margins they can cut to up-sell and expand the order. Incentive programs should be in place to help CSRs walk customers through the online ordering process. The long-term goal is for CSRs to continue to engage the customer in higher value operations, including servicing and up selling, and encouraging customers to make lower value purchases on their own as they get more comfortable with the site.

Partners should be involved and included in the eBusiness offering and their customer processes adopted. Furthermore, organizations should support whatever compensation and incentive programs their partners use to drive customer adoption to eBusiness. Many companies employ training and change management tools to help partners accept the new eBusiness offering.

Marketing and/or sales representatives must be tasked with driving a range of marketing activities to promote purchasing. Incentives to purchase via the eBusiness site can include "free stuff," such as free shipping or a buy one / get one free, affinity programs or time-based discounts. Advertising – both web and print – is essential. Other marketing tools include newsletters and e-brochures.

Special offers can help drive traffic, including white papers and case studies, premiums, trials, sweepstakes and drawings, or quick response cards with the chance to win a prize. Education is imperative, and can include webinars, online demos, CD mailers, certification programs, FAQs or training within the organization and at customer and partner facilities.

Some companies apply penalties for non-adoption. Limited product availability or surcharges for orders placed offline vs. priority shipment for online orders are ways to make the online purchase a more attractive option.

Successful eBusiness adoption is 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 interaction with customers and partners.

As a result, companies succeed in eBusiness by:

- Embracing the concept throughout the organization
- Ensuring it is seen as a competitive advantage
- Becoming both customer- and partner-centric
- Owning both the customer and partner experience
- Taking on an evolutional approach that focuses on people
- Focusing enterprise-wide and integrating with other IT systems
- Extending beyond the customer to the extended enterprise
- Starting with a true 360-degree view from within that extends externally across customers, vendors and distribution networks

The following diagram "eBusiness Adoption Success Tracking" is a useful index to help assess how ready and able your company is relative to driving a successful eBusiness strategy.   Companies who score high in the "Completely" column with a score of 14 or greater are able to successfully deploy and drive adoption for their eBusiness initiatives.   Companies who score above 14 in the "Almost" category are on the way to a successful eBusiness adoption with customers and partners.   For those companies who are not at these levels yet, this is a good tool to help drive adoption through the organization with executives and through measurable customer and partner programs.

eBusiness Adoption Success Tracking		No	Slightly	Almost	Completely
Vision					
	The organization has a clearly defined vision for eBusiness adoption				
	The eBusiness vision has been communicated to all stakeholders and is shared by all in our organization				
	The organization has a plan to re-examine the vision periodically				
Governance					
	Our chief executive and senior management teams are strongly committed to realize the eBusiness vision				
	We periodically conduct benchmarks of competitors' eBusiness initiatives				
	The organization recognizes that for eBusiness to thrive, new ideas and innovations need to be constantly tested				
	eBusiness has driven strategic alliances to the top of our board room agenda and our organization actively seeks strategic partnerships				
Execution					
	The current information systems and technology infrastructure will adequately support our current and future business management requirements				
	The organization understands the emerging best practices for technologies in use and for technology management				
	The business units have the proper funding to meet our eBusiness initiative needs				
	We have someone in our marketing and sales organizations tasked with driving adoption				
Customers					
	The organization has a plan to incent our customers to do business with us via our eBusiness offering				
	Our organization has a plan to inhibit other ways of doing business or penalize our customers to force adoption of our eBusiness offering				
	The organization has training and change management tools to support new customer behavior				
Partners					
	The organization has included our partners in our eBusiness offering and their processes with customers have been adapted				
	The organization supports our partners' compensation and incentives to do business with our eBusiness offering				
	The organization has training and change management tools to support new partner behavior for our eBusiness offering				
TOTAL					
		Low	Slightly	Medium	High

Once an organization has successfully deployed an eBusiness strategy and begun execution, there are many avenues to gain awareness and preference from a marketing and educational perspective. The following diagram "Sample eBusiness Marketing Strategies" lists some of the options used today to gain customer and partner acceptance and adoption of eBusiness offerings.

One key area to consider when marketing is permission marketing. A good marketing campaign is designed to obtain customer consent to receive information from a company for an offer and for ongoing promotions. Many states and countries have specific laws about this that need to be considered.

Sample eBusiness Marketing Strategies
Promotions
Free stuff (e.g. shipping, buy 1 get 1 free)
Time-based (e.g. extra discount for purchase now)
Combination Offers
Advertising
Web Banner, Pop-Ups, eNewsletters, Listings
TV
Radio
Print
Search Engine Marketing
Google Ad Words
Yahoo Overture
Directory and Community Listings (e.g. Business.com, Associations)
Special Offers
Incentives to purchase via eBusiness offering
Affinity/Loyalty Programs (e.g. points, reward systems)
Quick Response Cards (fill this out and win)
Surveys Results
Free Guides
White Paper/Article Reprint
Sweepstakes/Drawing for Prize
Game
Book Offer
Curiosity Quiz
Trial
Samples
Tickets/Passes
Market Analysis
Case Studies
Education
Webinars
Demos (online)
Certification Programs
Sales Training - Inside your organization
Training - Customers, Partners, Suppliers
How to Guide
FAQs
General
Direct Mail
eMail
eBrochure
Splash Page
Tradeshows/Events
Newsletters
Users Groups
Focus Groups
Blogs, RSS

The best offers can be categorized into two groups – those that create the highest **quantity** of responses and those that create the highest **quality** of responses.

The top 10 offers that create a high quantity of responses are:

• Free Guide
• White Paper
• Sweepstakes
• Article Reprint
• Book
• Newsletter
• Game
• Curiosity Quiz
• Survey Result
• Premium

The top 10 offers that create a high quality of responses are:

• Product Demo
• Sales Call
• Trial
• Needs Analysis
• Catalog
• Information Site
• Product Sample
• Case Study/History
• Seminar
• Pricing Discount

In the end, these eBusiness marketing strategies drive awareness and ultimately companies need to drives sales, the definitive measure. To drive sales, the most effective marketing strategy used today in eBusiness offerings are "promotions". Promotions can be time-based like the deal of the day or the month, combination offer, supported by a pop-up or special offer. In addition, promotions that combine two products or services together are effective to cross and up-sell and drive additional revenue. To summarize, an eBusiness offering must be compelling and

optimized to dynamically respond to the needs of customers and partners to fully realize the benefits of increasing revenue while reducing overall cost of sales, enable greater channel efficiency and effectiveness and gain control and automate customer and partner facing operations. It may start with a web presence, but it can take on much more meaning in your overall business when it becomes a truly 'on demand' offering for your customers and partners.

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 are able to increase revenues while reducing the cost of sales by making it fast and easy for their customers to do business with them. Customers include industry leaders like Applied Biosystems, Best Buy, Cisco Systems, Gates Corporation, InterContinental Hotels Group, J. C. Penney, NEC Solutions America, Nissan Motor Co., Pearson Education, Pitney Bowes, Stanley Works, and The Toro Company. Comergent is privately held with headquarters in Redwood City, Calif.

For more information about Comergent, visit www.comergent.com or call 866-236-7156.

Comergent Technologies, Inc.

1201 Radio Road
Redwood City, CA 94065
www.comergent.com

Toll-Free: 866-236-7156
Tel: 650-232-6000
Fax: 650-232-6010
sales@comergent.com