TOP 5 DIGITAL COMMERCE CHALLENGES FOR HEAVY DUTY AFTERMARKET COMPANIES

What You Can Learn from Companies That Successfully Launched Digital Commerce in 2020

Top Insights from Industry Leaders

You have a solid foundation: your customer relationships, aftermarket industry knowledge, and brick-and-mortar stores are powerful assets, but perhaps you're worried about overcoming the obstacles in launching your digital commerce customer experience. We asked leading companies about the top obstacles companies face in launching an eCommerce site. In this ebook, we'll answer the top 5 questions about eCommerce business transformation:

1. Will Amazon and other pure digital ecommerce players learn my business faster than we could learn and accelerate digital commerce for our industry? What is our defense playbook to protect and offense playbook to grow our business?

2. Should I upgrade my business system before I launch my online business with best in the industry customer convenience, or can I launch now and seamlessly migrate to the new business system when needed?

3. What should be my criteria for success in online business and how do I justify the investment and efforts necessary to launch my eCommerce platform to empower my employees and customers with and convenience and ease of doing business? What are the risks if I do not move forward soon?

4. Who should lead our eCommerce business transformation? Should my business or IT lead the eCommerce project and how long it would take to launch my online business?

5. How do I align my internal stakeholders and employees to make the Digital Commerce journey a success?

If you have been contemplating adding an e-commerce channel and revamping your customer experience, the time to act is now. Automotive and Heavy-Duty Aftermarket companies can take concrete – and affordable – actions to remain competitive against established digital players.

PhaseZero knows digital commerce – and we know the aftermarket industry and appreciate the essential role you play today. That's why we created a modern digital commerce and experience cloud tailored to your industry and business. Keep reading to learn how to overcome your digital transformation challenges and leap frog your competition with PhaseZero CxCommerce.
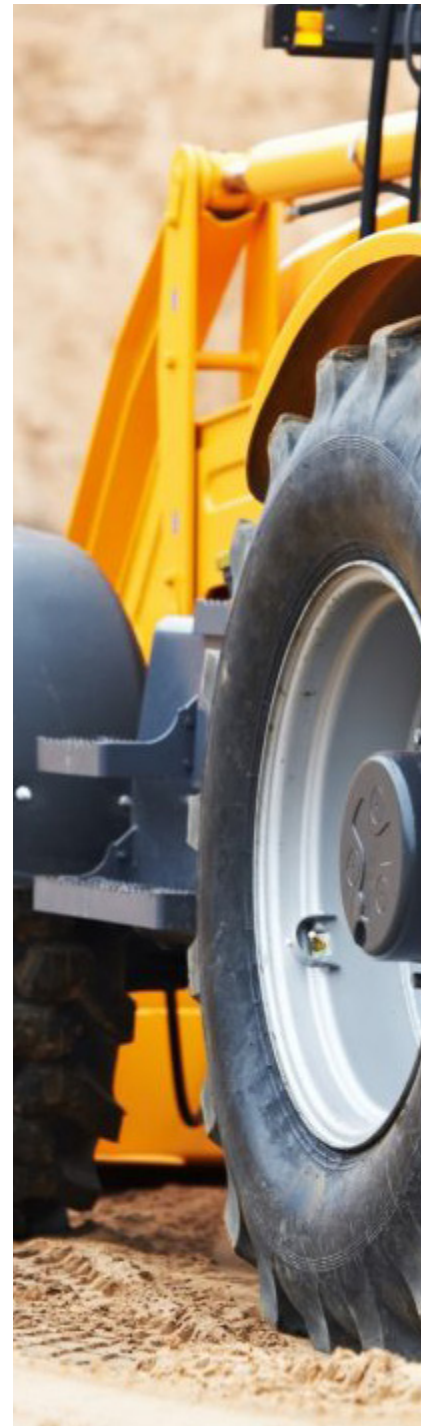
www.phasezero.ai

Will Amazon and other pure digital eCommerce players learn my business faster than we could learn and accelerate digital commerce for our industry? What is our defense playbook to protect an offense playbook to grow our business?

Amazon is already targeting the aftermarket business. Analysts estimate the retail giant sold $6.3 billion in automotive parts, accessories, and car care products, plus an additional $1.6 billion in OEM replacement parts in 2019.[1]

Don't be misled by Amazon's massive sales volume. Traditional retailers have distinct advantages over the pure-digital players, including:

- **Local expertise** - No one knows your customers better than you. You have established relationships and histories.

- **Brick and mortar locations** - Having storefronts in the same communities as your customers enables you to offer more pick-up options.

- **Local delivery** - Your brick-and-mortar locations also help decrease last-mile delivery costs and times.

- **Better customer experience** - You can offer more knowledge and better customer service than the bigger pure digital players.

The team at Northwest Drive Train agrees, saying the big digital eCommerce players like Amazon don't know the industry well yet, but they're catching up.

"We need to learn Amazon before they get serious. They have data analytics to understand what is selling. The ball is in our court to keep them at bay. Online retail is getting stronger in my local market where we are getting price checked where there is margin pressure on commodities, especially bulk items. We have the advantage with truck down and customer-specific needs that can be leveraged in the market."

Source:
1.   https://www.digitalcommerce360.com/2019/02/18/online-sales-of-auto-parts-and-accessories-are-expected-to-grow-16-in-2019/

Updating Business Systems

Should I upgrade my business system before I launch my online business with best in the industry customer convenience, or can I launch now and seamlessly migrate to the new business system when needed?

Many people assume they need to update their business systems before they can launch a modern digital eCommerce channel, but that's not the case. With PhaseZero CxCommerce, you can launch a world-class digital store in a matter of a few weeks that easily integrates with any of your existing or future business systems. In fact, CxCommerce's ability to integrate with multiple different systems can help you mitigate some of the risks of upgrading your business systems.

3 out of 4 software implementations run behind schedule.[1] If you wait to launch your eCommerce store until after you make a change to your business systems, you could ultimately delay your entry into digital commerce. Time is of the essence as pure-digital companies like Amazon make a larger play for the market. That's why Super Truck Parts launched a new site this year.

"You have to act ASAP. If you continue to wait, others will eat your lunch. The cost savings of waiting and being third or fourth to market is more expensive than being first or second to market and spending a little extra to update. If you wait for the solution to be perfect, you will never adopt it."

PhaseZero CxCommerce offers turnkey solutions that can easily be configured to any of your current or future business systems.
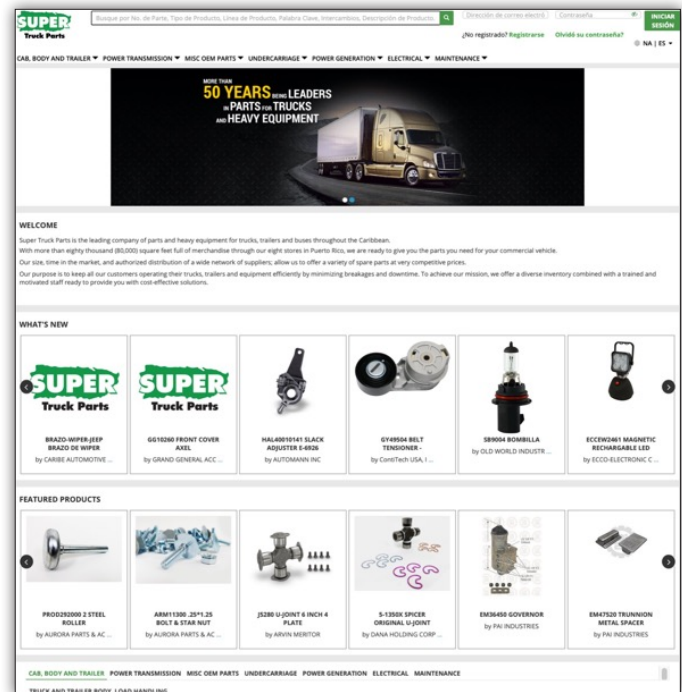
DIGITAL SUCCESS

Super Truck Parts offers a variety of spare parts at very competitive prices for trucks, trailers, buses, and heavy equipment.

- VIPAR PARTSPHERE™ Integration
- Infor on-premise Integration
- Eight store locations in Puerto Rico
- Language options: English, Spanish

See their digital commerce store in action at store.supertruckparts.com

Source:
1. https://www.exponent.com/knowledge/thought-leadership/2019/09/the-importance-of-project-management/?pageSize=NaN&pageNum=0&loadAllByPageSize=true

Risks and Costs

What should be my criteria for success in online business and how do I justify the investment and efforts necessary to launch my eCommerce platform to empower my employees and customers with and convenience and ease of doing business? What are the risks if I do not move forward soon?

"The risks of not moving to eCommerce is falling behind," say leaders with PBS. "We all need to do business with our customers in the manner the customer wishes and eCommerce is becoming a bigger part of this formula."

Both B2B and B2C customers are accustomed to the Amazon-like shopping experience. For the next generation of customers, technology is not an added benefit—it's an expectation. From banking to shopping, their entire lives are online. This tech-savvy generation doesn't know how to live without an electronic device because they've never needed to.

So what do your customers expect?

- **Convenience**: Buyers want accessibility at the click of a button. Consider these B2C examples: Amazon offers same-day delivery in select cities, and Walmart's "InHome Delivery" not only delivers your groceries to your house, but an employee actually places them in your refrigerator.

- **Simplicity**: Buyers want minimal or no hassle. The harder it is to find what they're looking for, the more likely they are to go somewhere else.

- **Speed**: In these days of "on-demand," customers want fast access and instant satisfaction.

HOT ITEMS FOR THE SUMMER!

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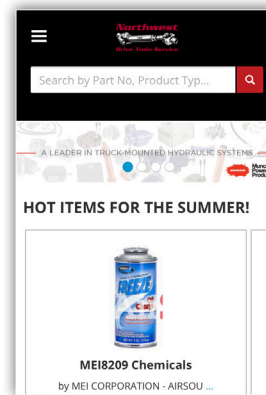
NORTHWEST DRIVE TRAIN SERVICE

DIGITAL SUCCESS
Northwest Drive Train's new digital commerce store offers a seamless customer experiecne across all devices - desktop, mobile and tablet.

store.lwktruckparts.com

Many buyers start their purchase journey online. About 60% of B2B buyers would prefer not to communicate with sales reps as their primary source of information; rather, the majority (68%) prefer to research solutions on their own online before engaging with a company.[1]

The takeaway is that if you don't have an eCommerce presence, you're losing out on business. Furthermore, driving buyers to your eCommerce site frees up your staff from fulfilling orders - a benefit the team at Northwest Drive Train is already enjoying after launching their site with CxCommerce.

"Our #1 justification is improved efficiency Customers buy the same parts 3-5 times a week and tie up my best counterman with order taking for about 30% of the business. Now, outside sales can stop calling in orders or keying in them in later. Overall our goal is to automate 15% of the business."

Source:
1.   https://go.forrester.com/blogs/the-ways-and-means-of-b2b-buyer-journey-maps-were-going-deep-at-forresters-b2b-forum/

Who should lead our eCommerce business transformation? Should my business or IT lead the eCommerce project and how long it would take to launch my online business?

CxCommerce makes it possible to add a modern, digital commerce experience for your customers – and your employees – quickly and affordably. Without changing any of your current back-end systems.

We've taken care of the technology and can work with your IT team to fully integrate with your system, but we don't know your customer as well as you do.

"This is more about sales than it is about technology," according to the team at PBS and CommPar.

Your sales and marketing teams should lead the process because they have the best insights into meeting your customers' needs. Management should set the tone and emphasize the importance of the initiative. The goal should be to launch quickly and then continuously improve.

DIGITAL SUCCESS

After 68 years of service, PBS Truck Parts and sister company CommPar launched a customer-centered digital commerce experience. The companies offer a full line of commercial parts for repair including Drive-In Service, Machine Shop, Kingpin Axle bore Repair, Utility Trailer Parts, Axles & Service, and Suspension Overload Installation.

- VIPAR PARTSPHERE™ Integration
- Infor on-premise Integration
- Six store locations in Midwest region
- Languages: English, Hindi, and Spanish

See their stores in action at store.pbstruckparts.com and store.commpar.com
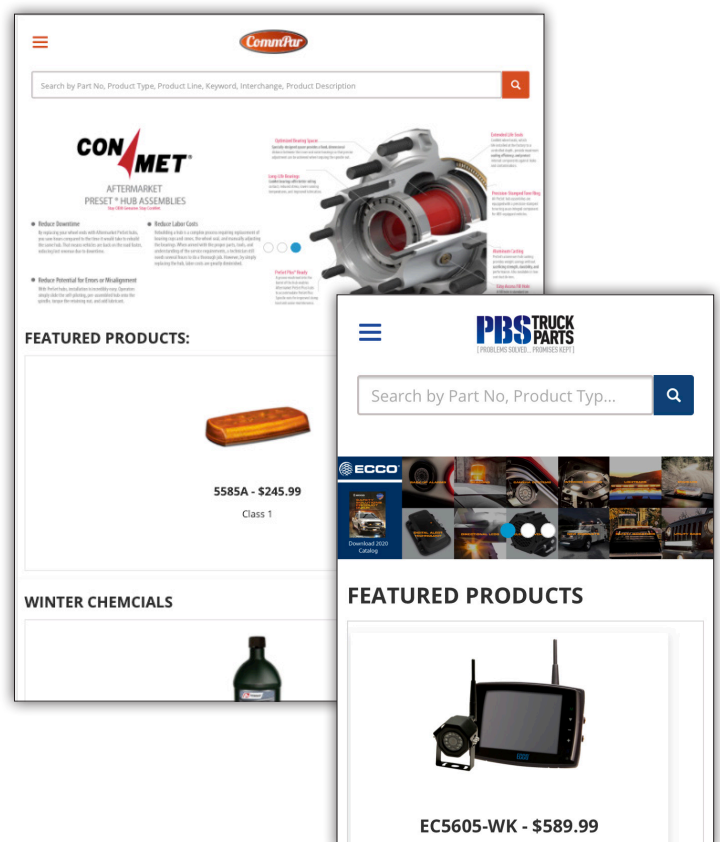
How do I align my internal stakeholders and employees to make the Digital Commerce journey a success? CxCommerce makes it possible to add a modern, digital commerce experience for your customers – and your employees – quickly and affordably. Without changing any of your current back-end systems.

Nearly a third of companies rank lack of alignment as the top challenge in implementing IT or digital transformation projects.[1]

Heavy-duty aftermarket companies are no exception.

"Come up with a vision for the future of your business and show people what that looks like" recommends Saddler Power Train. " It will never be all-digital in our industry, but we must come to embrace this side of the business and go and connect with our customers wherever they may want to purchase."

Change is hard. People may worry they'll lose customers or their jobs if you change the way you do business. Drive alignment by communicating frequently with employees about the importance of digital commerce. Help people understand how it helps them individually and how it helps the business grow and prosper overall.

The leaders at Northwest Drive Train says communication was a large part of why their launch with CxCommerce was successful.

"We sat people down and let them know we were not going to make any compensation changes. We helped them understand that efficiency would help them sell more and that it was ok to encourage customers to use it."

DIGITAL SUCCESS

Sadler Power Train provides outstanding customer service and delivery, while specializing in light, medium, and heavy-duty truck parts. In addition to parts sales, their experienced service department offers transmission, transfer case, differential, driveshaft and hydraulic repair.

- Custom Parts Catalog Integration
- KARMAK Fusion Integration
- Four store locations in Iowa

See their stores in action at sadlerpowertrain.com

Source
1.   https://www.teksystems.com/en/insights/newsroom/2018/it-forecast-transformation
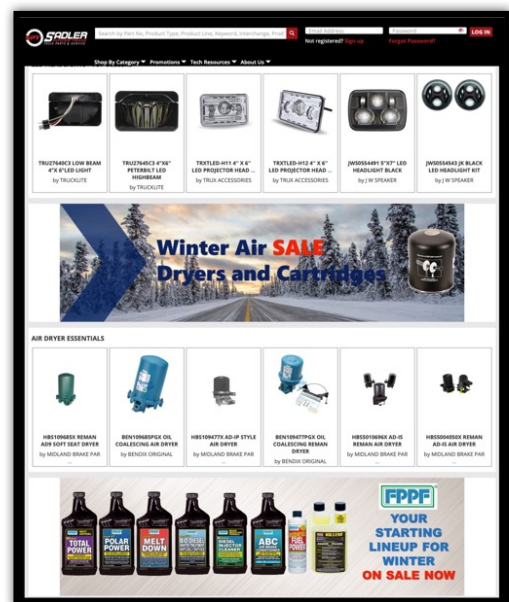
Now that you understand more about how to overcome the challenges in launching your digital commerce store. What should you look for in a digital commerce platform?

To succeed in your customer experience journey, you need a platform with these key features:

Enterprise-grade Ecommerce Platform for B2B, B2C, B2E And Dropship Fulfillment Business Models

Customer Experience Focus and Mobile Responsive with Powerfully Simple Product Search User Interface

Cloud-based Turnkey Solution Built for the Heavy Duty, Automotive and Off-Highway Industries

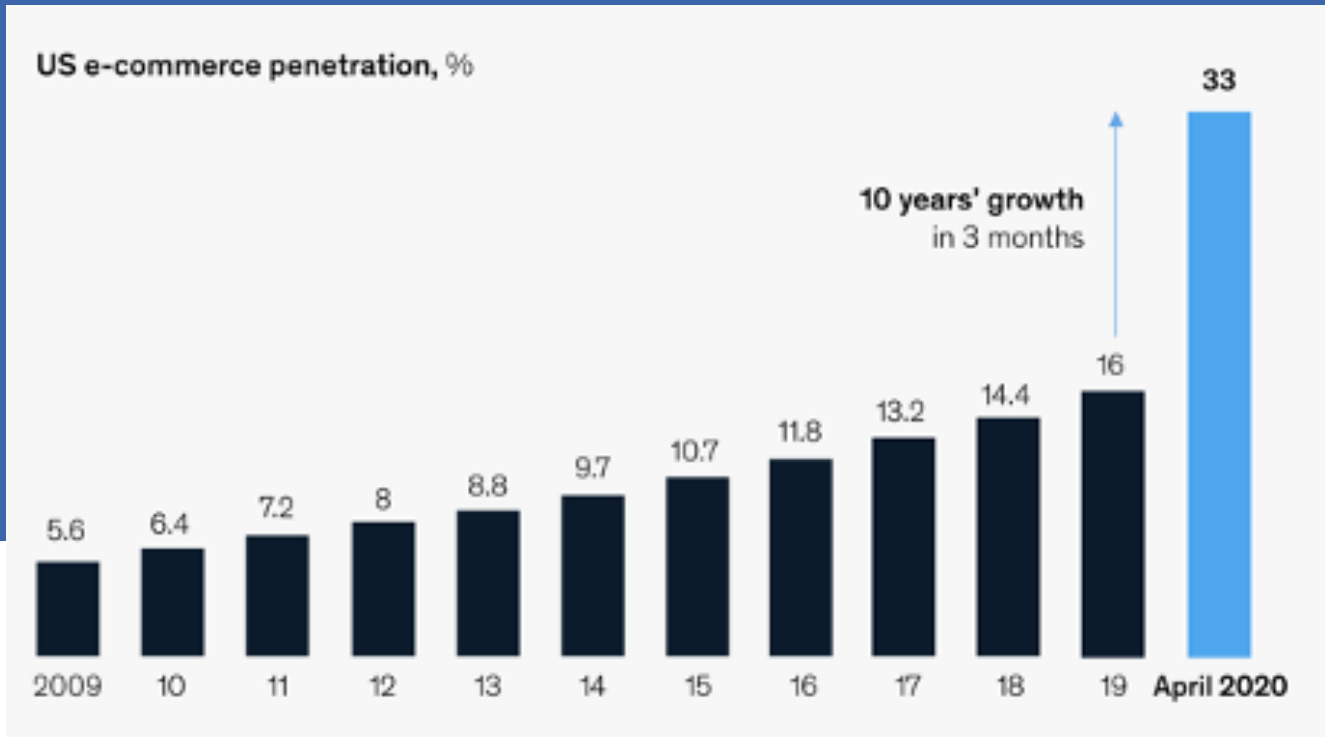Integrates With Your Existing Business Systems & Parts Catalog Systems

Configurable to Your Business, Branding and Marketing Needs

PZ PhaseZero.ai™

US e-commerce penetration, %

33

10 years' growth
in 3 months

16

14.4

13.2

11.8

10.7

9.7

8.8

8

7.2

6.4

5.6

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Source: https://www.mckinsey.com/business-functions/marketing-and-sales/solutions/periscope/our-insights/surveys/reinventing-retail

NEXT STEPS

Start your customer experience journey today, email cxcommerce@phasezero.ai to learn how you could launch a new digital commerce store in 4 to 6 weeks.

INTEGRATIONS

PhaseZero CxCommerce industry partner ecosystem offers real-time integrations between your business software and your digital commerce site:

- Parts Catalog: Specifications, Images, Videos, Cross Reference, etc.
- Parts/Item Master
- Inventory and Availability by Location
- Customer Specific Pricing
- Order Management
- Customer Self-Service: Invoice, Order Status, Delivery Status, Packing Slip, Order History, etc.

VIPAR Heavy Duty

PARTSPHERE™

infor

PLUSS

ORACLE JD EDWARDS

KARMAK™

ORACLE E-BUSINESS

SAP®

CxCommerce works with any business system, including some of the most-used in the industry.

www.phasezero.ai