

E-commerce and the Cleaning Industry



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Today's presenter

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Agenda

The evolution of B2B procurement

Why ecommerce

Responding to the change

Questions



The evolution of B2B procurement



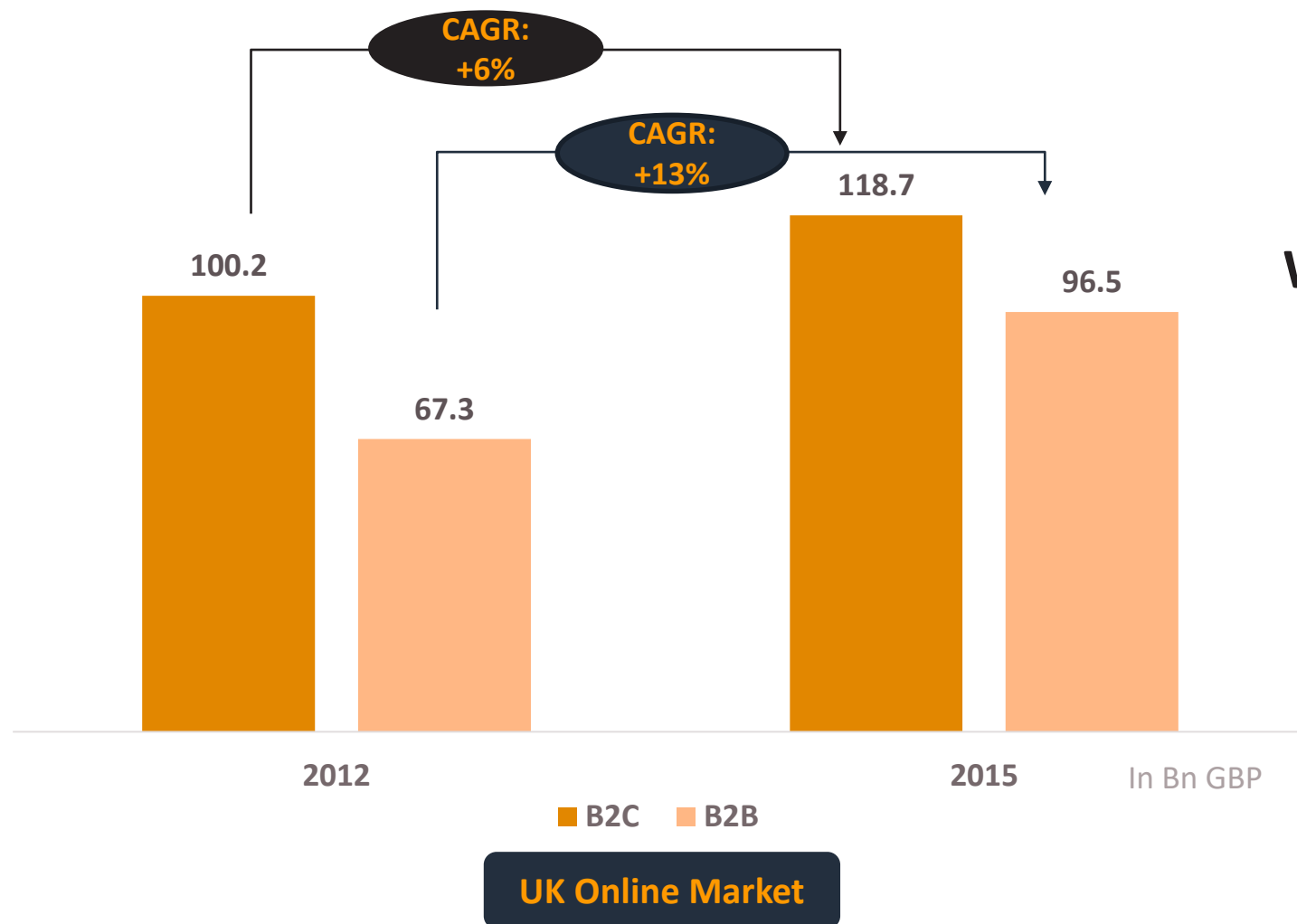
Buying habits have evolved and will continue to do so



“The pace of change has accelerated at a rate well beyond what we and other analysts anticipated. This makes bridging the digital divide – quickly and effectively – a business imperative.”

– Deloitte “The New Digital Divide” (2014)

B2B online segment is catching up with the B2C online segment

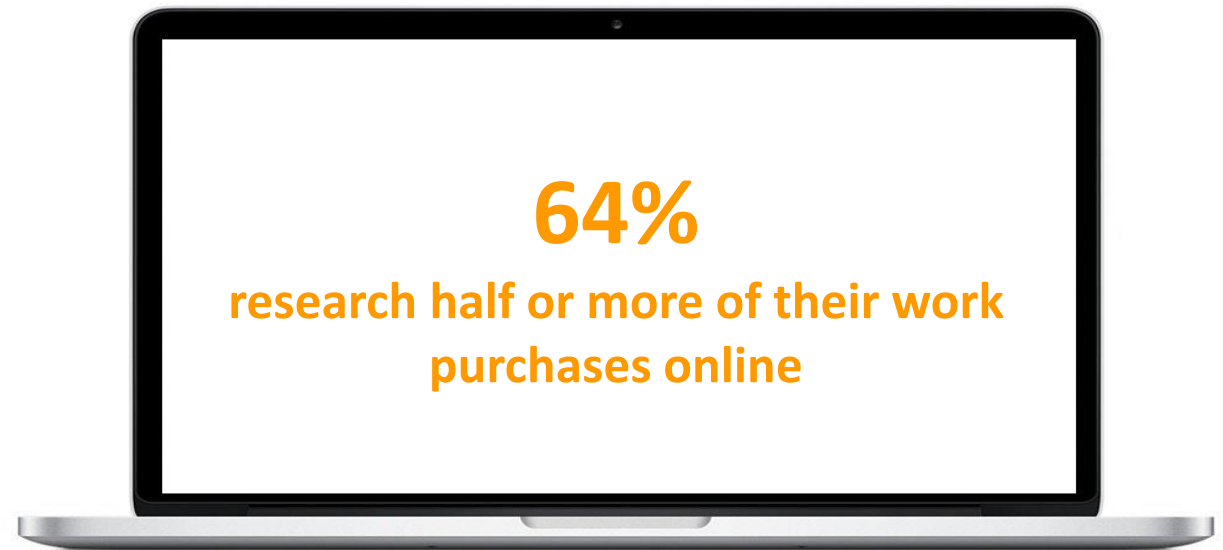


Worldwide B2B e-commerce expected to grow to **\$6.7** trillion in sales by **2020**, **double of B2C market** (\$3.2 trillion)

B2B buyers are already using the web to research purchases



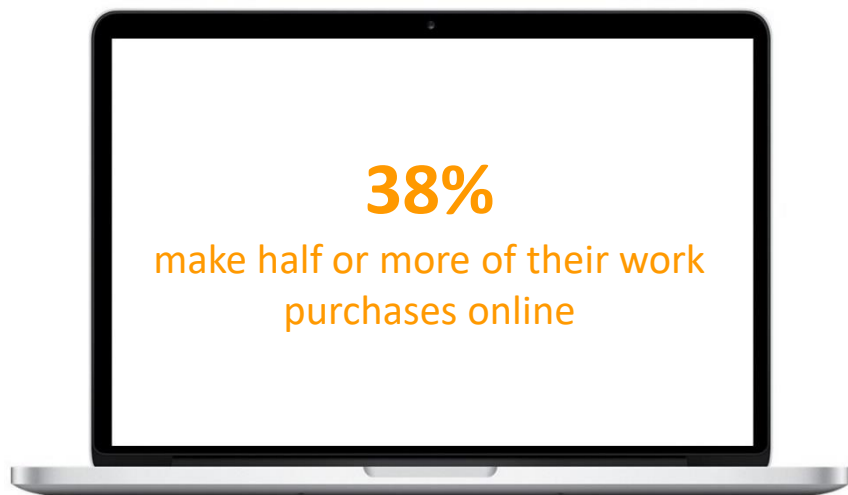
“What percentage of your purchases for work do you typically research **ONLINE** before you purchase **OFFLINE**?”



B2B buyers also expect to buy more online in coming years



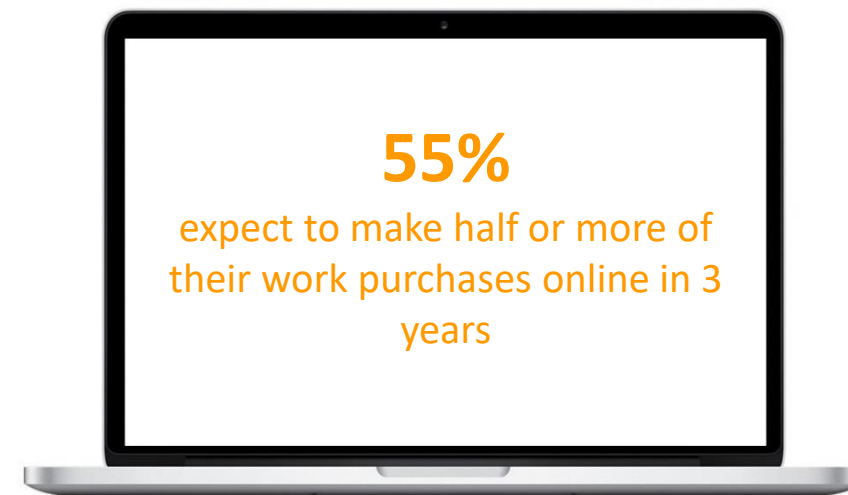
“What percentage of your purchases for work do you make online today?”



2017



“What percentage of your purchases for work do you expect to be making online in 3 years?”



2020



How is the B2B buyer evolving?

Getting younger

~50% of all B2B buyers are millennials, up from 27% compared to 2013¹

Leverages new technologies

With reviews and mobile web access, customers know everything there is to know about your products, service, competitors and pricing



Mimics consumer shopping behaviours

Want convenience, flexibility and customization

Willing to pay for a great experience

Pay on average 30% more for a superior customer experience²

B2B buyers online start and finish purchases for different reasons

“I typically **start** my research for products and services I buy for work on an online site because it is:”



“I typically make my **final** purchase of products and services I buy for work on an online site because it is:”



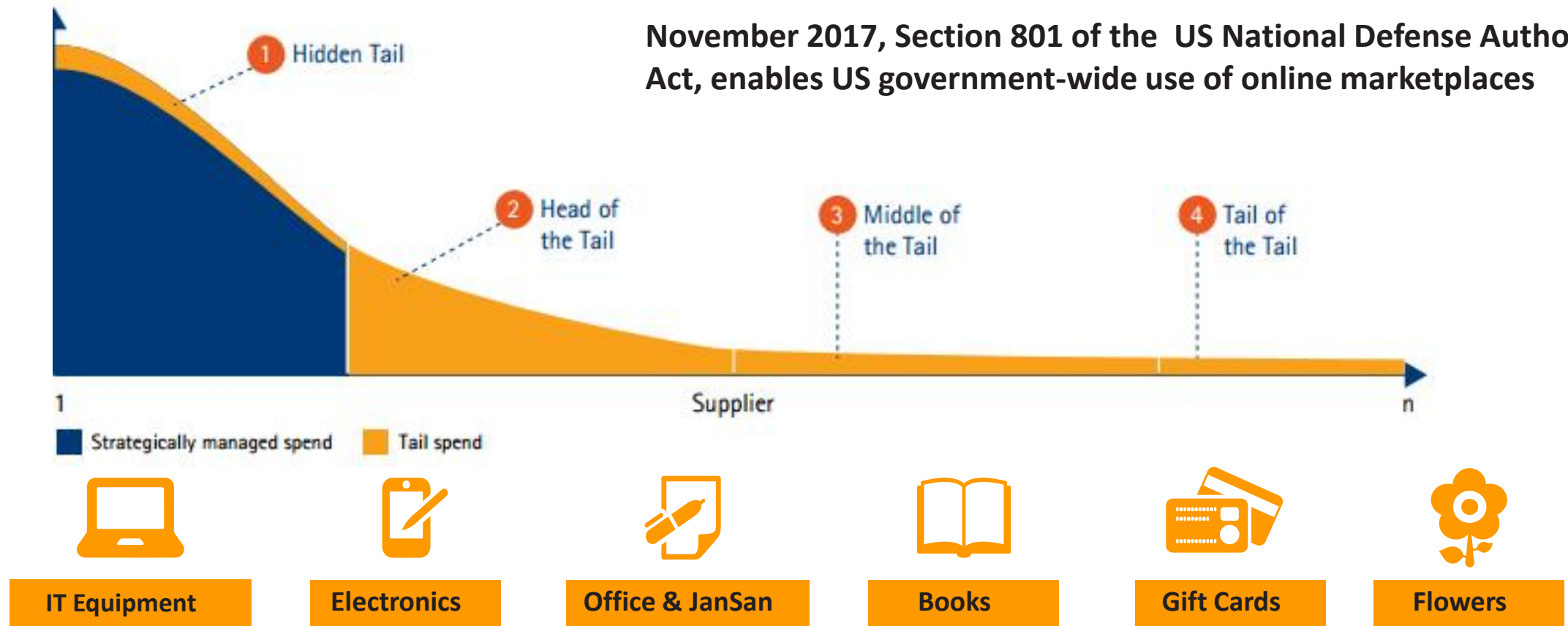
How is the customer purchase path evolving?



The next big shift – online as a solution for tail spend

*The ability to **compare multiple items** and **supplier feedback scores** on a spot buying solution that is integrated to an **open marketplace** is all the sourcing some companies will require.* - The Hackett Group

November 2017, Section 801 of the US National Defense Authorization Act, enables US government-wide use of online marketplaces



The key principles remain constant...

start with the
customer
and work backwards

—Jeff Bezos

How is the Cleaning industry moving?

Increasingly crowded online competitive environment

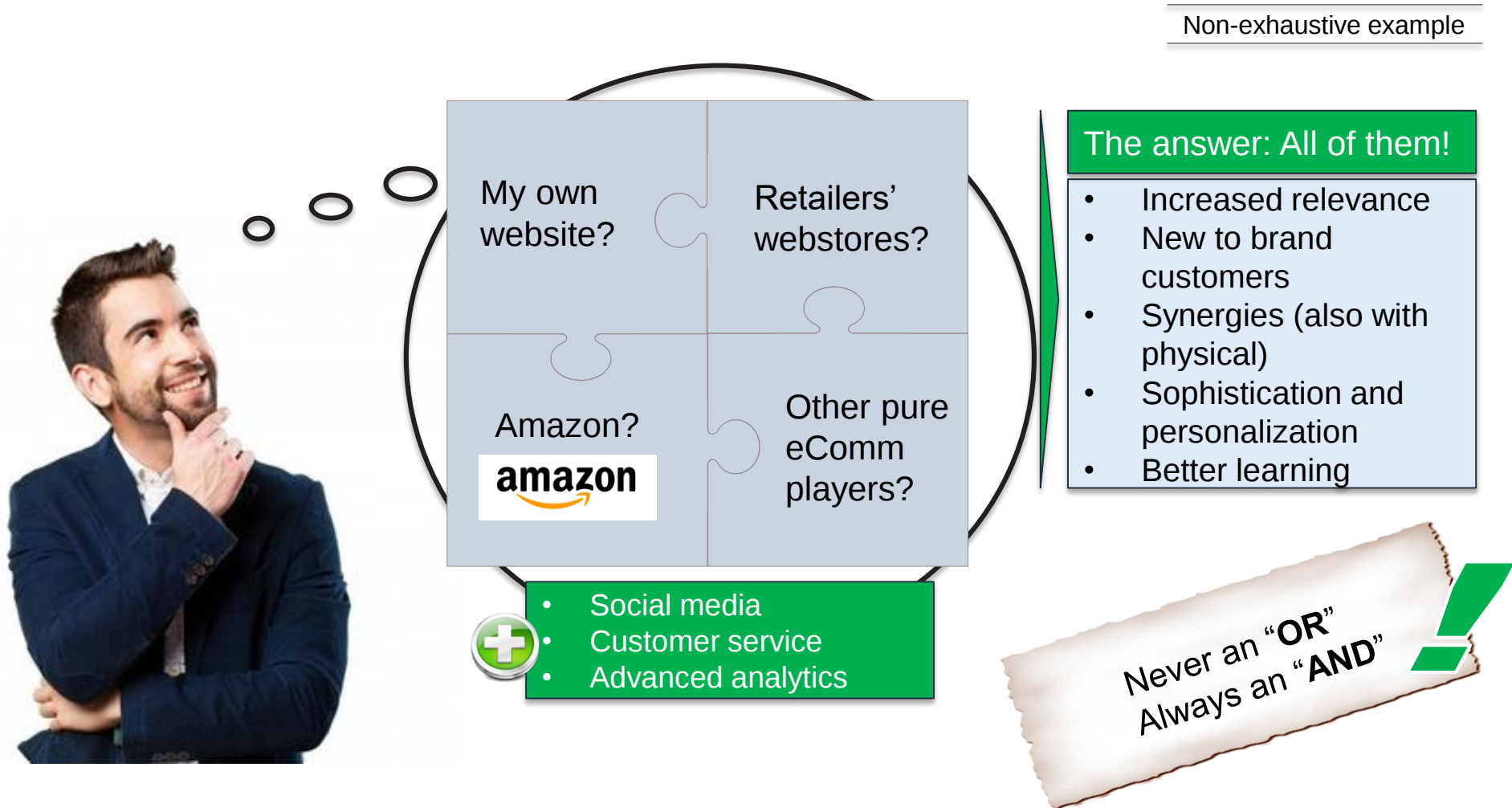


Many Cleaning & Hygiene brands already available online, including on Amazon

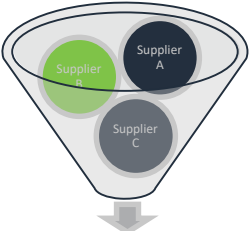


First-movers still have an advantage!

What should I do with my online sales strategy?



By adopting techniques from B2C, B2B marketers can drive revenue and capture untapped opportunities

What's in it for the customer	What's in it for you
 Supplier Consolidation    Reliable Price   Free 1-day delivery  Product info	✓ Marketing • Build your brand reputation • Get relevance on the web • Give the customer a reason to choose you • Powerful analytics & intelligence ✓ Sales • Access to long-tail customers for all product lines, even where physical channel can't arrive • Conquer “previously unknown” • New to your brand(s) • New entrants to category/non-expert • New regions

Conclusions

B2B procurement has not escaped the digital revolution

B2B suppliers need to catch up with B2B buyers' growing digital acumen and need to learn how to integrate offline with online

The online market is your window to the world: make sure your online brand image is in line with your company goals

Your success online is on YOU: take ownership!

Thank you!

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