

AS FEATURED IN

**DIGITAL** B2B  
COMMERCE 360

# STANDING OUT IN THE B2B CROWD

B2B companies approach 2024 with growth strategies rooted in flexible, scalable ecommerce technology — with a boost from AI.

NOVEMBER 2023



Compliments of

human <> element

## OVERVIEW

# INNOVATING TO DISRUPT COMMERCE

To connect with customers, win at B2B ecommerce, and even disrupt their markets, manufacturers and distributors drill down to the specific challenges buyers face in purchasing what they need.

That strategy is taking hold in industries ranging from industrial metals and parts for heavy equipment to home décor and construction supplies, workwear safety apparel, veterinarian medications, and food products.

A common thread across those strategies: providing the online product content that B2B buyers require to do their jobs and a method to quickly process purchases and deliveries through branded ecommerce sites and online marketplaces.

## BUILDING A METALS INDUSTRY DIGITAL MARKET

Online Metals, for example, has emerged as a major distributor of over 60,000 products among raw materials including steel, brass, copper, nickel, titanium and zinc in various shapes and sizes, including custom cut-to-size. It recently expanded its online capabilities and presence by deploying a new B2B ecommerce platform integrated with its own metals-and-plastics catalog marketplace, where raw materials manufacturers can sell their products.

The new marketplace “allows us to quickly onboard new sellers who want to reach the millions of metal buyers Online Metals reaches,” says Gregory Raece, president.

Online Metals runs its ecommerce platform on SAP Commerce Cloud with an SAP-licensed version of the Mirakl marketplace technology platform.

Online Metals says its new digital infrastructure has enabled its ecommerce team to “sell products that have been traditionally non-transparent with pricing and also difficult to order in small quantities.”

As a result, Online Metals adds that it “can now support a growing number of micro-manufacturers throughout the U.S.,” such as TCI Precision Metals, that rely on a “just-in-time, small-quantity metal supplier.”

## HEAVY EQUIPMENT AND SAFETY APPAREL

Serving the maritime industry with such vessel-borne equipment as heavy-duty cranes and drilling machines, Netherlands-based manufacturer Huisman Equipment B.V. is using a progressive web application on the Intershop Commerce platform to let personnel aboard ships order equipment parts and services. The ecommerce platform also provides for such customized content as technical libraries.

“This ecommerce platform combines the functionality of a B2B shop with the user-friendly aesthetics of a B2C platform,” says Martijn Reissenweber, Director of Huisman Global Services. He adds that the ecommerce platform has global applicability that suits Huisman’s international presence.



“Online Metals allows us to quickly onboard new sellers who want to reach the millions of metal buyers.”

— Gregory Raece, president, Online Metals

Munro’s Safety Apparel is a supplier of customized industrial clothing and footwear from major brands for corporate customers who order such special treatments as embroidery, emblems, reflective trims and flame-resistant fabric.

In business for nearly a century, the family-owned and -operated company launched a safety apparel division in 1976, focusing on the workwear needs of the petrochemical industry’s refineries and chemical plants. It has faced a longtime challenge in maintaining product specifications and custom catalogs for each corporate customer.

Now, Munro’s Safety is developing customized commerce sites for individual client companies, Destiny Martin, ecommerce manager, said during a recent webinar presentation.

“Our goal with the ecommerce platform is to build unique website experiences for our customers that are defined by their uniform program,” she said.

Each customer website typically has from four to six buyer profile types, each with its own list of products they’re authorized to purchase. Under a prior ecommerce platform, Munro’s Safety says it

spent extensive manual labor to manage about 40 unique customer online stores.

The company has since migrated its ecommerce technology to the Znode API-first, headless commerce platform from Amla Commerce Inc. Munro's Safety says the new platform enables it to build a catalog for an online store within hours instead of one to two weeks under the prior platform.

The company adds that Znode's built-in product information management system, or PIM, has made it easier to publish up-to-date and accurate product information to all customer websites.

## GOING DIGITAL FOR HOME IMPROVEMENT PRODUCTS

Manufacturer American Bath Group also produces customized product content on about 40 customer-focused websites and is using it to ease the process.

Builders FirstSource, a distributor of structural building products for new residential construction and repair and remodeling, is going all in on digital.

The distributor operates 569 locations in 42 states and generated sales of \$27.62 billion in 2022. It's staging a full rollout of a new digital platform in early 2024 that will generate "hundreds of millions of sales," said chief financial officer Peter Jackson on the company's third-quarter 2023 earnings call.

"The other big important piece for us is digital, and we think that we already have a lead. We think we're already the easiest to do business with, we're the most efficient, we've got the best



"Our goal with the ecommerce platform is to build unique website experiences for our customers that are defined by their uniform program."

— Destiny Martin,  
ecommerce manager,  
Munro's Safety Apparel

technology and we're about to take a big leap in that space that we think is going to be both hugely beneficial to our customers, but also make us even more the supplier of choice and the partner of choice in this industry," Jackson told analysts.

## MYBLDR: BUILDERS FIRSTSOURCE'S DIGITAL PLATFORM

Builders FirstSource's digital platform, called myBLDR, is built on digital infrastructure and modeling applications from Paradigm technology. It gives builders and contractors access to:

- Project document storage tools
- 3D homes previews
- Online material estimates and ordering
- Features to check delivery status, job scheduling and other tasks

"As we look forward to our full product launch in Q1, we have made it a priority to drive digital adoption across our operations. MyBLDR.com is designed to create efficiencies for both our team members and customers by offering improved transparency and engagement in the homebuilding process," CEO Dave Rush told analysts, according to a transcript from SeekingAlpha.com. "Taken with our proprietary estimating and configuration tools, this gives our customers more control over the entire building process, saving both time and money for our customers and their clients, while making the homebuilding process more personalized." ■



"We have made it a priority to drive digital adoption across our operations."

— Dave Rush, CEO,  
Builders FirstSource

## MANAGING INVENTORY AND ORDER MANAGEMENT IN SELF-SERVE RETAIL KIOSKS

With 34,000 distribution points across the contiguous 48 states — ranging from 7-Eleven and Wawa chain convenience stores to ski resorts, zoos, aquariums, and assorted mom-and-pops — ice cream brand Mini Melts has a solid base for selling its cryogenically frozen “beaded” ice cream products, says Dan Kilcoyne, president and CEO, Mini Melts USA & Mini Melts of America, Inc.

“We’ve been growing about 30% year over year for the past two years and already sold over 30 million cups of Mini Melts for 2023,” he says. And with plans for 10 new distribution centers, bringing the total to 33, he says Mini Melts expects to have nearly 10,000 additional distribution points and “a 50% sales increase in 2024.” The family-owned and -operated company doesn’t report revenue figures.

Mini Melts has built its brand on producing and marketing ice cream that is frozen to about minus-40 degrees, a process that produces ice cream with the texture of round beads or popcorn-like kernels in 13 flavors ranging from vanilla, chocolate and strawberry to birthday cake, banana split and cotton candy.

Managing timely deliveries of Mini Melts ice cream and meeting each retail location’s inventory needs by

volume and flavor assortment, however, relies on a mostly home-grown system of collecting, analyzing and sharing data on what’s selling at each location and systemwide.

The company uses its own freezer-equipped trucks to deliver its ice cream in cases of individual-serving cups that each retailer then keeps in Mini Melts-branded self-serve freezers or robotic kiosks. Mini Melts also organizes the retail freezers to support inventory management and reordering.



A mobile app lets delivery drivers remotely monitor inventory in Mini Melts self-service kiosks, which transmit sales data to the app each time a kiosk robotic arm fetches an ice cream cup and dispenses it through the kiosk retriever bin.

The company uses a predictive restocking method to manage deliveries and keep each retail location stocked with a full range of flavors and best-selling items. As Mini Melts collects sales data from each retail location, its data analytics team updates a predictive sales model weekly to forecast upcoming delivery volumes.

“Customers never have to call us,” Kilcoyne says. ■



“We’ve been growing about 30% year over year for the past two years.”

— Dan Kilcoyne, president and CEO, Mini Melts USA & Mini Melts of America, Inc.

## HOW TO LAUNCH A CUSTOMER-FOCUSED B2B ECOMMERCE SITE

An executive conversation with **Paul Briscoe**, technical solution architect, Human Element



Unattractive, static and difficult-to-use B2B sites aren't cutting it anymore. When shopping for work, B2B buyers expect a B2C-like experience — complete with the same functionality that's available on consumer sites. To discuss the best approach to implementing a customer-focused ecommerce site, Digital Commerce 360 B2B spoke with Paul Briscoe, technical solution architect at Human Element.

### **What are some misconceptions around launching a new B2B ecommerce site?**

B2B companies just getting started with ecommerce expect an amazing website out of the box without realizing all it takes to get there. With the complexities around B2B commerce, customizations to the core platform are often necessary to integrate systems and deliver the experience users expect. All of that requires an investment of money, resources and time.

### **How can B2B companies find their right mix of digital technology and strategies?**

They should look for examples in their industries by networking with competitors to see what's working for them and what's not. They should identify what they like most in their industry and other industries. It's important to understand what their customers need and stick to delivering that experience.

It helps B2B companies to work with a technology partner who can ask them the right questions. They should come to the table with a wish list and let their technology partner prioritize what's important. And they shouldn't try to tackle too many initiatives at once.

Human Element, for example, listens and guides B2B companies to the simplest solution that fits their business and budget. We also ensure that they understand what we're doing and why we're doing it.

### **How can B2B companies be sure they choose technology that's right for their business without overspending?**

It's important to choose the right platform. Different platforms offer different levels of functionality and features depending on the business type and sales volume. They should find a balance between the services and features they're going to use — the more they add, the more they'll spend on maintenance. A good technology partner will have a handle on what's going on in the industry and be able to recommend a platform that's a good fit and has staying power.

Setting realistic goals can keep companies from overspending. In general, there seems to be an underestimation of the time, resources and effort required to complete an ecommerce project. As a business owner, they will need to engage with the website on an ongoing basis. There's no option to "set it and forget it."

### **What strategies do the most successful B2B ecommerce companies have in place?**

Successful companies have a dedicated team managing their website. Websites today are more complex than ever. Software is dynamic and requires constant oversight. They need to have a team in place that can monitor SEO, customer and order data, platform upgrades, and security.

It's also important to get educated before embarking on an ecommerce project. Companies should come with expectations but be willing to compromise. To keep the project manageable, they should stick to their core business and iterate on the technologies over time.




human <> element



human <> element

# Best-in-class eCommerce websites and custom integrations for B2B and B2C businesses

- eCommerce Website Builds
- eCommerce Website Service & Support
- Strategy & Consulting
- ERP Integrations
- Experience Design
- Data & Analytics Service & Support
- Technical SEO Service & Support
- Digital Marketing

 [human-element.com](https://human-element.com)  
 866.922.2561  
 [info@human-element.com](mailto:info@human-element.com)

 **Adobe**  
**Solution Partner**  
SILVER | SPECIALIZED  
Adobe Commerce

 **BIGCOMMERCE**

 **shopify**

# DESPITE HEADWINDS, B2B COMPANIES KEEP DIGITAL COMMERCE MOVING FORWARD

Many B2B sellers are seeing slowing sales from repeat customers as they scale back orders due to a softer economy. But the key to future growth is accelerating digital transformation — and commerce.

Ask manufacturers and distributors on how they feel about current business conditions and a common answer might be: “We’ve had better years.”

Through the first three quarters of 2023, the combined sales of B2B manufacturers and distributors declined 1.5% to \$11.010 trillion from \$11.182 trillion in the first three quarters of 2022 based on a projection from Digital Commerce 360 using monthly B2B sales data from the U.S. Department of Commerce.

For the period January through December 2022, manufacturer sales grew 0.3% to \$5.010 trillion. At the same time, sales for business distributors and wholesalers declined year over year 3% to \$5.986 trillion from \$6.171 trillion.

Many distributors are seeing slowing sales from repeat customers as they scale back orders due to a softer economy. A case in point is MSC Industrial Supply Co. MSC reached a milestone during its 2023 fiscal year ended Sept. 2, surpassing \$4 billion in annual net sales for the first time. But ecommerce sales, which accounted for more

than 60% of total sales, slid by 3% year over year in the fiscal fourth quarter. The distributor attributed the drop in digital sales mainly to public sector sales occurring in non-ecommerce channels.

But MSC, like many other distributors, continues to double down on expanding digital commerce as business markets shift to accommodate even bigger waves of digital-first customers. “Looking forward, we expect improvement in our ecommerce sales, particularly through MSCDirect.com, as we start rolling out enhanced capabilities, including improved search and navigation functions,” says MSC chief financial officer Kirsten Actis-Grande.

The third quarter was a good one for maintenance, repair, and operations (MRO) and industrial supplies distributor W.W. Grainger Inc. But even though the company’s core ecommerce business units did well, there was some softening around the sales channel because of a slower business economy.

“Within the Endless Assortment business, while we continue to see a softer demand environment, we remain focused on acquiring new customers and improving repeat purchase rates across the segment,” CEO D.G. Macpherson told analysts on the Q3 earnings call, according to a transcript from Seeking Alpha.

### KEY TAKEAWAY 1

Year-to-date sales information is that sales — and other B2B manufacturing and distribution metrics — are hibernating.

### KEY TAKEAWAY 2

Rising costs and slowing demand from a softening economy are hindering business-to-business purchasing.

## TOTAL B2B SALES HIT THE SKIDS

(in trillions)

QUARTER	2023 TOTAL B2B SALES	2022 TOTAL B2B SALES	GROWTH	2023 MANUFACTURER SALES	2022 MANUFACTURER SALES	GROWTH	2023 DISTRIBUTOR SALES	2022 DISTRIBUTOR SALES	GROWTH
Q1	\$3.649	\$3.572	2.1%	\$1.630	\$1.566	4.1%	\$2.018	\$2.005	0.6%
Q2	\$3.597	\$3.725	-3.4%	\$1.621	\$1.628	-0.4%	\$1.976	\$2.097	-5.8%
Q3	\$3.763	\$3.883	-3.1%	\$1.771	\$1.815	-2.4%	\$1.992	\$2.068	-3.7%
YTD Sales	\$11.010	\$11.182	-1.5%	\$5.023	\$5.010	0.3%	\$5.986	\$6.171	-100.0%

Source: U.S. Department of Commerce



“We expect improvement in our ecommerce sales, particularly through MSCDirect.com.”

— Kirsten Actis-Grande, chief financial officer, MSC Industrial Supply Co.

Grainger operates various digital sales channels. Web-only sales in its Endless Assortment segment grew in the third quarter. Endless Assortment’s segment includes Zoro.com in the United States and Japan-based MonotaRo.com.

Overall sales for the fiscal third quarter ended Sept. 30 grew to \$4.288 billion. That’s up 6.7% from \$3.94 billion in the third quarter of 2022. Net income was \$493 million compared with \$442 million in the prior year.

Endless Assortment segment grew 4.3% in the third quarter to \$732 million. That’s up from \$701 million in Q3 of 2022.

The company’s High Touch business grew to \$3.403 billion. That’s up 7% year over year from \$3.180 billion. The business segment includes full-service sales through the company’s U.S. flagship Grainger.com, Canada-based Grainger.ca, and its sales agents.

“The High-Touch Solutions segment continues to perform well, with sales up 8.5% in daily constant currency underpinned by growth across all geographies,” says chief financial officer Dee Merriwether.

Regardless of how the economy performs through the first part of the next year, many B2B sellers agree that continuing forward with

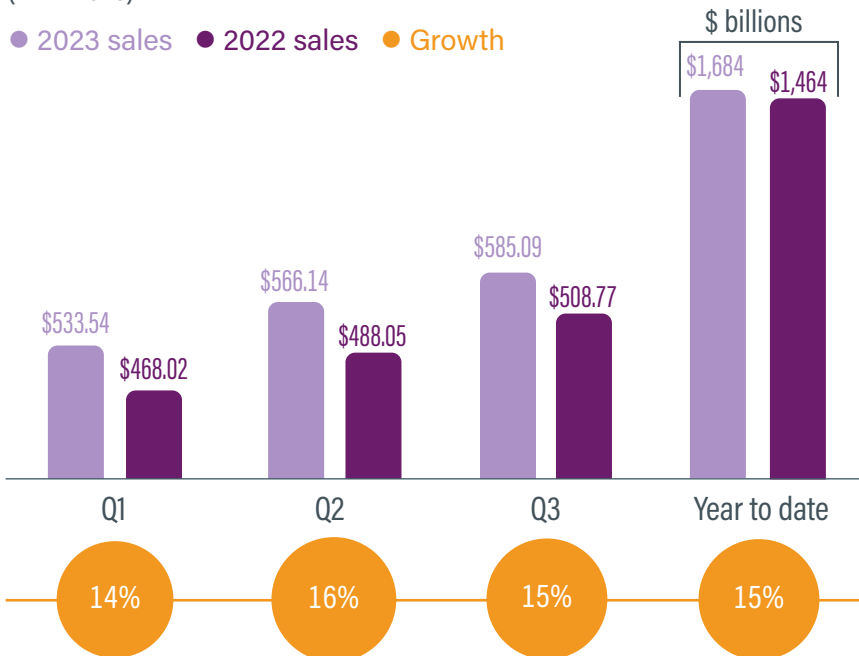
digital transformation and accelerated digital commerce is the path to accelerated growth. A case in point is Watsco Inc.

Watsco Inc. is gaining ground on several fronts as it focuses on building out an already-dominant position as an online distributor of heating, ventilation, air-conditioning, and refrigeration products.

For the fiscal third quarter ended Sept. 30, Watsco said ecommerce sales rose about 15%. Watsco ecommerce sales accounted for about a third, or \$702.9 million, of total sales of \$2.1 billion. It also noted that ongoing improvements to its digital commerce technology and practices have resulted in a 19% expansion over the past 12 months to 54,000 customers with active ecommerce accounts.

### B2B ECOMMERCE SALES CONTINUE TO GROW AT A HEALTHY CLIP

(in millions)



Source: Digital Commerce 360 B2B estimate based on market analysis, interviews with key analysts and analysis of ecommerce metrics of select public companies.

#### KEY TAKEAWAY 1

Some manufacturers are embracing — or accelerating — digital commerce, as more organizations continue to increase their online purchasing.

#### KEY TAKEAWAY 2

An up-and-down economy and slowed sales productivity are causing these organizations to use more digital commerce to improve operational efficiency.

“Our mobile platforms and ecommerce channels have increased customer engagement, reduced attrition, created market share gains, and supported our margin expansion,” chairman and CEO Albert Nahmad said on the company’s recent earnings call with investment analysts.

Nahmad said that Watsco has added over 400,000 new SKUs to its digital product library since the start of 2023. He noted that “approximately 60% of the HVAC systems we are now selling represent new products.”

Watsco notes that its product information management (PIM) database contains over 1.5 million SKUs. They’re available to more than 350,000 contractors and technicians.



## MANUFACTURING SALES INCH FORWARD

	2023 SALES	2022 SALES	GROWTH
January	\$547,780,000,000	\$515,741,000,000	6.2%
February	\$542,788,000,000	\$519,889,000,000	4.4%
March	\$539,889,000,000	\$531,180,000,000	1.6%
April	\$577,840,000,000	\$532,061,000,000	8.6%
May	\$588,342,000,000	\$544,388,000,000	8.1%
June	\$609,697,000,000	\$551,942,000,000	10.5%
July	\$552,030,000,000	\$605,403,000,000	-8.8%
August	\$611,630,000,000	\$607,684,000,000	0.6%
September	\$608,024,040,000	\$602,004,000,000	1.0%
<b>YTD Sales</b>	<b>\$5,178,020,040,000</b>	<b>\$5,010,292,000,000</b>	<b>3.3%</b>

Source: U.S. Department of Commerce. \*Digital Commerce 360 B2B estimate based on previous month's growth metric.



“Within the Endless Assortment business ... we remain focused on acquiring new customers and improving repeat purchase rates.”

— DG Macpherson, CEO, W.W. Grainger Inc.

In addition, Watsco makes available to professional customers its HVAC Pro+ mobile apps. They provide real-time information to such details as:

- Product specifications
- Technical support
- Inventory availability
- Warranty look-up and processing and access to ecommerce ordering

Watsco said it also increased online gross merchandise sales 31% year over year during the first nine months of this year. Those sales grew to \$958 million through its OnCallAir digital sales platform and its companion CreditforComfort consumer-financing service.

Nahmad said the company’s digital technology strategy is supporting its long-term goals for improving gross profit margin to 30% (up from 26.7% in Q3) while also upgrading how it engages contractors and end customers.

Aaron (“A.J.”) Nahmad, president, said Watsco’s overall digital strategy enables the company “to do analytics on opportunities, enhance our capabilities, and measure and track our successes in all parts of our business — things like prospecting and winning new customers and changing and improving how customers engage with us with things like ecommerce in our apps, which eventually reduce our cost to serve those customers.”

Albert Nahmad asserted that, as Watsco’s financial position continues to improve, it “provides us the flexibility to invest in virtually any opportunity” in the \$50 billion North American [HVAC] market.

He added that merger-and-acquisition activity “remains an important contributor” to Watsco’s growth and noted that, in Q3, the company acquired South Carolina-based Gateway Supply Co., a regional HVAC and plumbing supplies distributor, “giving us the ability to partner with great leadership to grow beyond their

## DISTRIBUTORS LOOK TO RECALIBRATE SALES GROWTH

	2023 SALES	2022 SALES	GROWTH
January	\$693,837,000,000	\$669,671,000,000	3.6%
February	\$669,458,000,000	\$661,122,000,000	1.3%
March	\$655,299,000,000	\$675,072,000,000	-2.9%
April	\$629,541,000,000	\$691,605,000,000	-9.0%
May	\$684,419,000,000	\$696,035,000,000	-1.7%
June	\$677,734,000,000	\$709,584,000,000	-4.5%
July	\$622,125,000,000	\$683,522,000,000	-9.0%
August	\$692,957,000,000	\$701,328,000,000	-1.2%
September	\$677,081,188,119	\$683,852,000,000	-1.0%
<b>YTD Sales</b>	<b>\$6,002,451,188,119</b>	<b>\$6,171,791,000,000</b>	<b>-2.7%</b>

Source: U.S. Department of Commerce. \*Digital Commerce 360 B2B estimate based on previous month's growth metric.



\$180 million sales.” Gateway operates an ecommerce store for HVAC and plumbing supplies and offers contractors online Pro accounts. Since 1989, Watsco has acquired 68 businesses.

B2B buyers plan to increase online spending this year — and they prefer manufacturers’ ecommerce sites, a new study from Digital Commerce 360 and Forrester Research finds.

The key takeaway: 70% of B2B buyers said they plan to spend more online this year, and more than half of B2B buyers say they prefer to buy on manufacturers’ ecommerce sites for the excellent product content.

Gene Alvarez, distinguished vice president and analyst covering digital commerce technology at research and advisory firm Gartner Inc., says B2B companies today have plenty of options for deploying ecommerce technology based on their resources and their customers’ demands regarding the online buying experience.

Companies with limited IT resources can opt for software-as-a-service platforms that support customized customer-facing front ends. But businesses with more substantial resources can move up to even more customizable modular and composable MACH platforms with extensive use of microservices, APIs, cloud and headless infrastructure configurations, Alvarez says.

As competition increases in B2B ecommerce, and companies develop new and innovative ways to interact with buyers and make their customers’ jobs easier, it will be crucial for online sellers to operate commerce technology they can modify to keep up with new standards.

“As new innovation comes along, you need to be able to bring about that innovation because it will be table stakes within a year,” Alvarez says. “That’s where MACH brings advantages.” ■

## CASE STUDY: EBAY

# HOW EBAY WORKS WITH ENTREPRENEURS TO PROD GROWTH

With its roots in home-grown ecommerce sales, eBay is expanding its strategy of helping start-ups and other small and mid-sized sellers grow online storefronts and reverse recent slides in the marketplace's gross sales.

When eBay Inc. gathered feedback recently from thousands of its small and mid-sized sellers across the globe, it learned that more than two-thirds expect revenue gains over the next 12 months.

It's the kind of broad-based growth projections that launched the mid-1990s ecommerce pioneer with a bevy of entrepreneurial sellers.

No wonder, then, eBay is out to prod ongoing growth with an array of new selling tools for today's generation of sellers, including fast-growing small and mid-sized businesses that cater to what eBay calls "enthusiast buyers" of unique items ranging from sneakers and baseball trading cards to luxury handbags.

"We're really focused on, 'How do we meet the needs of these enthusiast buyers?'" says Michelle Warvel, vice president of product, seller experience. She notes that such buyers account for about 70% of eBay's annual gross merchandise volume sold on its marketplace.

“We’re thinking about our sellers’ experiences: how do we build tools for our sellers so that when they list a sneaker, or they list a luxury handbag, we’re giving them the right guidance so that they are meeting their buyers where they are.”

The new toolset covers:

- More easily set up customer accounts.
- AI-generated content in “magical listings,” which eBay says has resulted in longer, more detailed product descriptions designed to help sellers move more unusual items.
- Automated online offers that sellers send to customers through eBay’s M2M messaging platform to alert shoppers to lower prices or other product offers designed to spark sales in otherwise inactive or “stale” product listings.
- Managing “shoppable posts” on multiple social channels like Instagram and Facebook.”
- eBay Live interactive livestream selling, which eBay says has gained traction with sellers and buyers since it launched in May.

eBay notes that its new slate of sellers’ tools each serves a distinct purpose but share a common strategy of engaging buyers who want more exciting interactions, such as conversing with a seller through an eBay Live livestreamed sales event.

## THINKING ABOUT ‘THE FUTURE OF ECOMMERCE’

“eBay Live is a new platform that we just launched for our sellers, and that’s allowed them to reach a whole new audience ... that Gen Z consumer who loves to watch live shopping and gets to chat directly with the seller,” Warvel says. “It’s just been a really interesting way to think about kind of the future of commerce.”



“We’re really focused on, ‘How do we meet the needs of these enthusiast buyers?’”

— Michelle Warvel, vice president of product, seller experience, eBay Inc.

Jamie Iannone, eBay’s president and CEO, said on a recent second-quarter earnings call that eBay is basing its ongoing growth strategy on “the three pillars of relevant experience, scalable solutions, and magical innovation.”

## EBAY’S PLANS FOLLOW RECENT MIXED RESULTS IN ITS MARKETPLACE ACTIVITY.

For the second quarter ended June 30, the company reported a 5% year-over-year increase in revenue to \$2.5 billion but a 12% drop in gross merchandise volume to \$18.2 billion. For the full year 2022, revenue fell 6% to \$9.8 billion, as GMV declined 15% to \$73.9 billion.

Investment analysts raised the importance of reaching new customers on the Q2 earnings call when Michael Morton, an analyst with Moffett Nathanson, asked: “Are you having some effectiveness in converting the millennials and Gen Z, who have maybe grown up in a different era of interacting with marketplaces?”

Iannone responded that, besides introducing new brands popular with younger adults, eBay was seeing a notable response to the

recently launched eBay Live. He noted that eBay did “over 300” eBay Live commerce events within the first couple of months.

“Sellers and buyers are getting really engaged in that,” he said. “And so that opportunity for us is to drive that customer lifetime value for a buyer as well as attract those new buyers on the platform.”

eBay makes a schedule of upcoming eBay Live events available in the eBay Live Hub.

## USING AI TO ENGAGE CUSTOMERS

Warvel says that eBay is also reaching into its long ecommerce history to provide sellers with extensive customer demand data, now enhanced with AI, for more effective product listings.

“eBay knows what buyers want; we know what types of things that a sneakerhead, for example, wants to understand about the condition of the shoe before they purchase,” she says.

But eBay will continue to work with AI and sellers — Warvel notes that many sellers have AI experience — to improve how the most valuable product attributes appear in site search and product listings.

“Optimizing and being dynamic in the listing based on the item that they’re selling is something that we’re working on the magical listing flow,” she says.

In a recent survey of 4,334 eBay sellers in the United States, the U.K., Germany, Canada, Japan and Australia, eBay found that 68% of respondents expect their eBay business to grow over the next five years and that 55% expect their overall business to grow over the next 12 months. eBay conducted the survey in association with global insights and advisory consultancy GlobeScan. ■

## ABOUT DIGITAL COMMERCE 360

Digital Commerce 360, formerly Internet Retailer, has been a global leader in retail and B2B ecommerce research and media for over two decades. Our organization provides daily news, trend analysis, and competitive data to a vast community of executives, retailers, financial firms, manufacturers and more. Our team of experienced journalists and researchers publish a multitude of products each year, including dozens of research reports, newsletters, charts and infographics, webinars, live events, and data on thousands of ecommerce companies through its Digital Commerce 360 Research brand. We also founded groundbreaking ecommerce products and events, including Internet Retailer magazine, the Top 500 Guide, the Internet Retailer Conference & Exhibition (IRCE) and, most recently, the EnvisionB2B Conference & Exhibition.

## ABOUT DIGITAL COMMERCE 360 B2B

Digital Commerce 360 B2B covers all aspects of how businesses sell to business, government, and other institutional clients via the web, providing intelligence to the executives, managers and professionals at manufacturers, retailers, wholesalers and distributors. We provide business intelligence and industry leading content through research, newsletters, and B2B ecommerce reports focused on trends, marketplaces, technologies, and industry best practices. Plus, the DC360 B2B editorial staff is part of the team behind our EnvisionB2B Conference & Exhibition.

**FOR THE FULL REPORT, PLEASE VISIT DIGITAL COMMERCE 360**

## COPYRIGHT

Copyright 2023, Vertical Web Media LLC. All rights reserved. All Content of Standing Out in the B2B Crowd, whether in print or digital formats, and all content of the Top500Guide.com database version of this publication (collectively, the “Content”, “Report”), is owned by Vertical Web Media and protected by U.S. Copyright and by applicable intellectual property laws worldwide. The Content is intended solely for the personal use of Purchasers or Authorized Recipients of said Content, which use is limited to viewing, analyzing and creating reports for internal noncommercial use only. Purchasers and Authorized Recipients of the Content may share such usage with others within his/ her company, but may not copy, download, reproduce, republish, sell, make available, distribute, display, transmit, share, or otherwise distribute any part of the Content to any other persons or entities without the written permission of Vertical Web Media. Purchasers and Authorized Recipients of the Content, in any and all of its formats, may not modify, create derivative works of, reverse compile, disassemble or reverse engineer, republish, sell, license, lease, sublicense, assign, incorporate into published material or any information retrieval system, or otherwise transfer any of the Content without written permission of Vertical Web Media. The trademarks and service marks “Vertical Web Media”, “Digital Commerce 360”, and “Top 500 Guide®”, and any logos, designs, slogans or other source-identifying devices, including combinations thereof (excluding any third party owned trademarks or service marks) (“VWM Trademarks”) displayed on print, digital and Top500Guide.com database research products are owned by Vertical Web Media. The Digital Commerce 360, Report print, digital and database research product is designed to provide accurate and authoritative information in regard to the subject matter covered. This research product is sold with the understanding that the publisher is not engaged in rendering financial, legal, accounting, tax or other professional service. Vertical Web Media makes no warranty as to the reliability, accuracy, timeliness, usefulness, adequacy, completeness or suitability of the Digital Commerce 360, Report.