



# Taking the Next Leap in Manufacturing B2B Commerce:

Insights from the Experts

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As we enter a new wave of commerce acceleration in manufacturing, enterprises face growing pressure to invest in digital initiatives to establish a long-term competitive advantage. We talked to four industry experts to understand how they're tackling these challenges today.

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## Taking the next step

# The year of the leap in manufacturing commerce

Manufacturing is experiencing a resurgence. Reindustrialization is now underway across Europe as the sector navigates continuing geopolitical instability and a relentless push to reduce costs while meeting sustainability goals and evolving customer demands. For manufacturers, now is the moment to take a leap forward so your company stays relevant and drives growth amid this constant disruption.

Digital transformation has become a strategic imperative for manufacturers, who face a critical need to innovate and adapt.

That's particularly the case with commerce, where the focus has shifted beyond just selling the product to opportunities spanning the entire B2B customer lifecycle. This has resulted in many manufacturers expanding their revenue horizons to areas such as ecommerce and aftermarket sales and support. It's representative of a broader shift in business in general, where the service-based economy is now in full swing. To establish a lasting competitive advantage, other manufacturers must start doing the same.

For the most part, it's customers themselves who are the driving forces behind digitization and service delivery. Now that they're accustomed to using online retail channels and self-service portals, their expectations are far greater and more multifaceted than they used to be. These come on top of internal forces at play, such as macroeconomic challenges and evolving regulatory demands prompting manufacturers to focus on continuous value creation and operational efficiency.

Valtech's 2024 Voice of Digital Leaders report found that many manufacturers regret not moving faster, allowing competitors to gain an advantage of them.

Being able to speak with these brands has helped uncover valuable lessons to help others move on and leap ahead of their competitors.

To better understand how leading manufacturers are tackling these changes, taking a leap ahead of the competitors — and to gain insight into the challenges they face — we spoke to four experts. In this report, we'll share their insights and explore the enormous potential for revenue growth that comes with manufacturing commerce acceleration.



**Stephanie Church**  
IT Manager at D&W Diesel

**Gertjan Kleinhout**  
Client Support Manager at Rijk Zwaan

**Vincent van Hellemond**  
Client Director at Valtech

**Camilla Travis**  
VP of Marketing at Hempel A/S

**Jacques Wichert**  
Head of IT Strategy at HSR GmbH

**Michael Maxwell**  
Strategy Partner at Valtech



Chapter 1:

# Why the time to act is now

## Navigating from crisis to opportunity

Many manufacturers are still operating in crisis mode. With little respite following the pandemic, the sector continues to experience supply chain disruptions in the wake of geopolitical uncertainty. Scaling back on innovative projects and cutting costs are natural responses to such events. But these challenges are here to stay. It's time for manufacturers to arrive at a place of acceptance and seize the opportunities that come with digital transformation.

Traditionally, the core expertise of manufacturers lies in designing, manufacturing and selling their products and solutions, typically through wholesale distribution channels. However, amid economic uncertainty, many manufacturers are now looking to expand their revenue opportunities. These include embracing ecommerce initiatives and other value-added services, like documentation, support and training.



One area of focus is using self-service portals and ecommerce to absorb freight costs and meet the growing customer demand for free or transparent shipping. Hempel A/S, a world-leading supplier of coatings and paints hosted in Denmark, is looking at how to leverage self-service customer portals to meet demands for transparent shipping fees.

“Freight is handled very differently in different country’s tax systems, so there are many things to take into consideration. Now our goal is to standardize it, as our customers expect clear pricing, similar to their B2C experience,” says Camilla Travis, VP of Marketing at Hempel A/S.

eLearning is another opportunity. In providing online training resources to customers, manufacturers can help people get more out of their products, thus increasing satisfaction and retention. Rijk Zwaan, a vegetable-breeding company headquartered in Netherlands, deployed an online learning platform to help professionals enhance their knowledge of vegetable cultivation.

“We try to help our customers get the most out of our seeds through eLearning programs tailored to the specific needs of the markets we serve,” says Gertjan Kleinhout, Client Support Manager at Rijk Zwaan.

“For example, in developing markets, we provide resources to help customers with the cultivation of their seeds. But in high-tech markets, where things are often connected to computers and AI models, we’re developing applications that help them manage heat, water, and solar energy.”

To succeed in these areas, among others, manufacturers must rethink how they approach commerce and self-service. The ad hoc solutions implemented over the last few years are no longer sufficient. Brands need to create connected experiences that can scale globally and adapt to constant shifts in demand.



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37% of manufacturers cite geopolitical instability as a major external threat to their organization’s success.

- The Voice of Digital Leaders in Manufacturing 2024 - Valtech



# Meeting evolving customer expectations

Ecommerce has already radically changed manufacturing. “People’s expectations are set by what they can do in B2C, so they don’t really distinguish between B2C and B2B in terms of purchase processes,” Maxwell says. Evidently, B2B customers increasingly expect the same degree of convenience and self-service that they’re used to in B2C.

D&W Diesel, a major supplier of motor vehicle parts headquartered in Auburn, NY, built an online store where customers can search through over 60,000 SKUs, offering a similar experience to the online B2C shopping one.

“We absolutely need to be watching and learning, because the days of customers being compelled to buy from you are gone,” says Stephanie Church, IT Manager at D&W Diesel. “Those who provide a better experience are the ones who will get the buyers.”

To establish a competitive edge, manufacturers must build connected digital experiences that incorporate everything it takes to reduce friction for customers and provide data-driven insights to inform decision making. It’s no longer enough to sell a great product at a market-driven price. Manufacturers also need to sell the experience.

“Our goal is to create a competitive advantage by offering a frictionless journey, and we need digitization for that,” Kleinhout says. “For us, it’s about growing faster than competitors by offering a better customer experience.”

A major challenge for manufacturers — many of which have traditionally been slow to transform when it comes to commerce initiatives — is being able to accommodate the expanding range of customer touchpoints.

“It’s rare that people make purchases randomly, especially in B2B,” Travis says. “Not everyone searches Google every time they want to buy

something. They have their own preferences, but the easier we make it for them to use our platform, the better the chances of securing their business.”

HSR GmbH, a global provider of hydraulics services headquartered in Germany, started working with predictive analytics to proactively gauge customer needs and meet changing expectations. “We now have a way to calculate when our customers need us most, so we can approach them in advance, instead of their having to wait for us,” says Jacques Wichert, Head of IT Strategy at HSR GmbH.

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37% of manufacturers consider rising customer expectations and shifting behaviors to be a significant challenge.

- The Voice of Digital Leaders in Manufacturing 2024 - Valtech



# Addressing talent gaps and skill shortages

There remains a widespread adversity to change across the manufacturing sector. This is partly due to a lack of specialized expertise, resulting in significant talent gaps and skills shortages. Many enterprises struggle to find and retain the skilled workforce needed to drive digital transformation. They also lack the resources needed to train their teams effectively. This is especially the case in constantly evolving areas such as ecommerce, data analytics and AI, where demand for talent far outstrips supply.

“In general, I think technology is moving so fast that educational institutions can’t keep up, so there’s not enough skilled talent for what we need,” Travis says. “What happens is we end up competing for the same resources.

And, of course, salary levels are difficult for smaller businesses to accommodate. There are also differing perceptions of where companies are in terms of their digital maturity, and that results in some candidates being disappointed when they find they don’t have the tools they need to be data-driven.”

The disparity can make it difficult for manufacturers to attract top talent, which is often more likely to gravitate toward the typically more advanced B2C sector. Bridging these gaps requires manufacturers to prioritize investing in their existing workforces — given they’re already familiar with the brand and the product — to foster a culture of continuous learning and development.

On top of that comes the growing demand for continuous efforts to protect sensitive data from rising information security risks. Manufacturers must also adapt to new regulations concerning data privacy, especially in the EU — all while managing the slew of additional complexities in the global markets they serve. A lot of this comes down to training and skills development, as well as technology. But it’s also vital to maintain clear communication and collaboration channels to keep everyone informed.

“IT security is part of all services and customer solutions,” Wichert says, “so we need to have a clear view of every project and who’s involved in it. We believe in good organization and using software to stay on track with all developments.”

Outsourcing is another approach manufacturers are increasingly adopting to address skills gaps. “If we don’t have our own employees, we partner with companies for implementation,” Wichert says. “HSR has a very modern architecture, thanks in part to working with integration partners, like Valtech.”



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35% of manufacturers are primarily concerned about the impact of workforce shortages on their organization’s success.

- The Voice of Digital Leaders in Manufacturing 2024 - Valtech



# Conquering disparate systems and technical debt

Traditionally, manufacturers have been laser-focused on their production lines and supply chains. Sales has often relied heavily on wholesale distribution channels, but now they're looking to deliver modern customer experiences, typically through self-service online portals and ecommerce venues. However, the legacy systems still widely used in the industry hinder integration and scalability, since they weren't designed with these services and experiences in mind. Digital maturity is often far behind where it needs to be.

"Technology itself presents a challenge for manufacturers in that ecommerce solutions change rapidly," Church says. "By the time you've finished with a project, it's almost time to start over. Particularly for companies with small teams, that's a real challenge. Often, ecommerce is just one of many focus areas, and IT has to manage it alongside all the other IT aspects of the company." As a result, enterprises find themselves grappling with growing technical debt and legacy systems that can't keep up with the expectations of customers.

The lack of integrability is a barrier to building digital services that require seamless data flow between different platforms, such as those used on the shop floor and those in the back office. "I'd say rolling out technical solutions into the fields where people are going to be working with them is the biggest challenge," Wichert says. "When you've got lots of different communications channels, you have to define the rules for working with each of them, and you've got to have the technical experience in using them."

Technology sprawl is clearly a challenge for many enterprises that find themselves having to govern the use of hundreds, if not thousands, of different software tools and processes. As complexity increases, it becomes exponentially harder to innovate efficiently. Working with an experienced partner can be an efficient way to approach this challenge.

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49% of manufacturers cite a reluctance to embrace digital tools as the primary reason for their struggling to adopt digital services and initiatives.

- The Voice of Digital Leaders in Manufacturing 2024 - Valtech





Chapter 2:

# Strategies for rapid modernization

## Building cross-functional teams

Modernization for its own sake is doomed to failure. All too often, enterprises embark on new digital projects without a sufficiently clear picture of what they want to achieve. That's why it's essential to secure stakeholder buy-in and ensure that all relevant parties — not just IT — are involved from the outset.

A key priority for manufacturers is integrating teams to enhance collaboration. After all, everyone's involved — either directly or indirectly — in digital initiatives, and they all have an impact on the customer experience. "To deliver more connected experiences, you need connected teams — sales, marketing, tech, product, operations — all working together, all aligned to an overarching vision," Maxwell says.



Teams and individuals may be resistant to change for several reasons. Common concerns include fear of job losses or steep learning curves. Others may take a more defensive stance, perceiving their work as their own domain and wary of interference from new initiatives. That's why it's vital that everyone understands the benefits of digital initiatives.

When it comes to accelerating digital commerce in manufacturing, it means getting the sales team onboard. After all, they're the ones who will be using your new digital tools and processes. "The biggest part is involving the sales team as early as possible, so they don't see digital initiatives as a threat," Kleinhout says. "For example, the adoption of your main customer group depends heavily on involving sales teams from the start and positioning it as a tool that will help them improve their service to the customer."

D&W Diesel also believes in the central role in ensuring sales teams have an input in building digital commerce initiatives. "They will submit ideas or share feedback and pain points from the field," Church says. "That's factored in when we're selecting which enhancements we're going to implement in the next round of change. We're working with them to understand what their needs are. We're building it in a way that makes sense for them."

"Don't forget to involve the customers that you are serving with these digital initiatives as well. Create mechanisms that allow for feedback collection from your customers in an early stage. They will not only give you very valuable and sometimes unexpected feedback; they also feel appreciated," says Vincent van Hellemond, Valtech.



## Tackling data quality challenges

To achieve peak performance, teams need the right data. However, all too often does that data exist in silos, where manual data management makes it difficult to ensure relevance, timeliness, and quality. For instance, implicit knowledge lives in people's minds, but it's often not recorded, resulting in missing or mislabeled data. When employees can't easily share data without resorting to manual processes first, information silos form, and the risk of errors increases.

Many manufacturers still struggle with newer commerce models and have yet to achieve a high level of digital maturity when it comes to customer-facing operations. At HSR, Wichert emphasizes the importance of customer relationship management (CRM) systems in providing clarity and enabling data-driven decision-making. "Our employees are the main reason we want to implement a CRM system," he says. "It's mostly front-end, but it gives people clarity into what they need to do for the day as soon as they come to work."

At Hempel, Travis is heavily focused on data governance as a way to address data visibility issues and maintain control and ownership of said data.

"We have established what we call a data governance board that runs in parallel with the business projects we're running," she says. "The goal is to ensure we're on top of the data and that we have ownership of it."

D&W Diesel has built a connected data environment to deliver personalized customer experiences. "We built out the data infrastructure to support filtering on the site," Church says. "The previous version of the online shop only had about 5,000 part numbers on it, which is a small subset of what we now have, which is over 70,000." As product inventories expand, getting a handle on product metadata and understanding what customers want only becomes more important.



# Integrating and managing technology

Manufacturers are eager to build the same highly responsive and customer-centric experiences online as their sales representatives offer through traditional channels. The challenge lies in addressing the inflexible, monolithic technology environments of old systems that impede the development of new features. The result is longer lead times for adapting to ever-changing customer needs.

When accelerating ecommerce in manufacturing, application programming interfaces (APIs) have a fundamental role to play by integrating both back-end and front-end systems and providing a cohesive customer experience. With everything connected, including shop floor and customer-facing operations, manufacturers can implement smarter production processes, reduce waste and cut costs. These composable architectures are also highly adaptable and able to incorporate different channels across various business units.

“The more lean the backend, the easier things are for employees and customers, and the more choices and opportunities we have,” Travis says. “Creating a lean backend is the hardest part, especially since we also want to connect it to our front-end platforms to eliminate the need for manual intervention in order handling processes.”

Van Hellemond emphasizes the importance of having a flexible mindset towards the complex challenges that B2B organizations face. “The technology chosen needs to fit the purpose. This depends on many things. First, we look to see if the business challenges and technology can be componentized. This, however, depends on both the architectural and organizational situation. It’s about taking what I call ‘a best of breed’ approach to the problem you want to solve, and that means you want to select the right tool for the specific business function. This approach makes you less dependent on a single vendor and allows for a faster time-to-market.”

To accommodate these goals, enterprises should consider adopting MACH principles. The acronym stands for microservices, API first, cloud native, and headless. MACH architectures give enterprises the freedom they need to choose and integrate the best tools on the market in such a way that it’s easy to replace, add or remove components in the future.



# Crafting seamless omnichannel experiences

It's often said that "But we've always done it this way" are the most expensive words in business. After all, customer expectations are constantly changing, and complexity grows as customer journeys evolve. That's why manufacturers are gradually pivoting toward omnichannel experiences that can accommodate growing demands for personalization.

For HSR, the integration of self-service portals is a priority. "We have different digital services that our customers can choose from, but they're always developed with the customer in mind," Wichert says. "We ask ourselves what do they need? What can we bring in? And what are the problems they want to solve, and can we solve them?"

At Rijk Zwaan, Kleinhout is focused on reducing complexity by harmonizing operations and providing accurate, real-time information to customers. "Managing commercial operations has been challenging," he says. "For example, different customers have different discounts, depending on the size of their orders and the agreements they have with us. Now, in every country where we provide an online storefront, we're working on harmonizing those discounts to streamline our operations and bring greater value to our customers."

Van Hellemond believes that bringing everything together as part of a unified customer experience is a top priority for the industry. "You see a lot of ecommerce platforms that don't fulfil the demand for a seamless customer experience across different tools and channels, and that's something we need to change." For manufacturers, that means thinking about the entire customer journey, from awareness, to the initial sale of a product and all the way through its operational lifecycle.

# Unlocking the power of AI and predictive analytics

Having accurate and consistent data is vital, but that's just the first part of the equation. Manufacturers also need to combine their data sources into a single source of truth, before they can use it for predictive analytics. Once they achieve a suitable level of data management, they can apply predictive analytics in areas such as demand forecasting, workforce management and for accelerating commerce initiatives.

Wichert gives us an example: "Predictive analytics helps us analyze the growth potential of a particular customer. For example, let's say one customer has a growth potential of €50,000, while another has already reached their growth potential. Predictive analytics can inform you which customers you need to concentrate more on."

AI-based solutions have also proven their potential in boosting productivity time and again.

"We use Copilot whenever we have a virtual meeting, since it allows us to instantly summarize the meeting in bullet points, so we don't have to keep taking notes during a discussion," Wichert says. By improving productivity across all business units and operations, manufacturers can reinvest the time and money saved into crafting better customer experiences.

AI can also directly enhance customer-facing operations such as routine sales and service requests, thereby enhancing responsiveness and freeing up time for employees to focus on higher-value tasks. "One thing we're doing at Hempel is gearing up to integrate AI into our customer care systems, which will be closely linked to our eBusiness platform," Travis says. "We're planning to implement a chatbot with built-in customer service functions, so that AI can process orders received via email to streamline the management process and enhance our customers' experience."



Chapter 3:

# Sustaining your competitive edge

## Defining success with KPIs and metrics

With any new initiative, it's important to manufacturers to establish clear key performance indicators (KPIs) from the outset. This requires translating business use cases into actionable KPIs that guide and measure the performance of their commerce acceleration projects. "There's a lot more to measuring success than just tracking numbers that look positive," van Hellemondts reminds us. "You need to relate those KPIs to the specific business case and the value they bring."





KPIs must be specific, measurable and relevant. Manufacturers must be wary of focusing on metrics that are too broad or simply look good. “Let’s say you have some experience-related goals and other more business-orientated ones,” van Hellemond says. “In either case, the primary KPI we see is operational efficiency, but it’s also rather vague. That’s when we go into conversations about different customer profiles and how you serve them differently. Different experiences come with different experience-related KPIs, so you need to focus on the ones that have the most impact on those specific experiences.”

Wichert gives us an example: “In terms of ecommerce, you can easily take KPIs and say, well, it’s about the selling and which channel we’re going to sell through. But what if you’re talking about a system that’s not directly connected to sales, such as a system used to monitor and control manufacturing processes? Are they using it properly? Are they using it well? And what sort of impact do these factors have on commerce?”

Rijk Zwaan centers its KPIs on offering a frictionless customer journey. “Our main KPI is the percentage of orders online in the places where we have a web shop,” Kleinhout says. “In other places, it’s about the eLearning part. Our mission is to professionalize growers in these countries, and then we create a market. By helping a grower to professionalize, they will then develop a need for professional seeds so, if you offer online learning, then we create loyalty.”

At Hempel A/S, the focus is on efficiency gains. “We have a business case, and that rests on two pillars,” Travis says. “One is efficiency gained due to automation, and the other one is incremental revenue obtained by the improved customer experiences.”

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Our main KPI is the percentage of orders online in the places where we have a web shop.

- Gertjan Kleinhout, Client Support Manager at Rijk Zwaan





# Fostering a culture of innovation

As we enter the fifth industrial revolution, where smart machines work together with people to create leaner and greener production lines, manufacturers are highly focused on optimizing and modernizing their production processes.

In any forward-thinking enterprise, there's already a great deal happening in terms of innovation. However, it's also important to remember that this industrial revolution is a people-centric one, which underscores the need to accelerate ecommerce and customer experience initiatives in parallel to production and supply chain processes.

To stay relevant and profitable in an increasingly unpredictable future, manufacturers must encourage experimentation and drive collaborative innovation. "It's very important to bring in customers' insights into the development of your products and services," says Wichert. "You need someone from the sales team who's transmitting the information between customers and the digitization department. You've got to bring in these outside perspectives into the development."

Fostering a culture of continuous learning and development is fundamental to success and, for that, employees must be engaged and feel supported. "We're seeing a big cultural shift, both internally in B2B manufacturing and in terms of customer behaviors and expectations," Maxwell reminds us. "Just like in other sectors, you need a communications strategy that's able to drive more relevancy and emotional connection. Only that way, can you drive adoption and innovation."

Building the necessary digital skills and capabilities also plays a crucial role in driving cultural change.

"We share our knowledge with each other," Wichert says. "We have a group of people responsible for IT strategy and coordination who are part of our broader VIRT (valuable information at the right time) group."

Travis also prioritizes the concept of continuous improvement and innovation. "Instead of trying to automate 100% of our orders right from the start, we aim to automate around 60 to 70%. Then, if we run into a challenge, we can bring it to the board. I like to call it the 'snowplow' methodology, where we implement new processes iteratively, cleaning up the data and optimizing operations along the way."



# Taking the next step

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It's both an exciting and challenging time for manufacturing. On one hand, the industry faces severe supply chain disruptions, growing geopolitical instability and ever-evolving customer demands driven in part by technological advancement. On the other hand, there are many promising opportunities in unlocking the value created by the investments in the first wave of commerce initiatives.

Manufacturers can no longer afford to talk themselves into conservatism, nor can they afford to view modernization entirely through the lens of cutting costs. Instead, it's time for enterprises to lift themselves out of crisis mode and focus on growth by accelerating commerce initiatives. Doing so may not only reduce operational expenses. These new technologies and smarter integrations can drive value through superlative customer experiences, ultimately establishing and fortifying your competitive edge.





