

B2C Compared to B2B Sites

Modern informational technologies and particularly the Internet facilitate the development of the new business, i.e. e-commerce. The availability of the Internet made it possible to develop new types of information and marketing products, web sites aimed to sell and promote goods and services.

The basic difference in the marketing strategies is defined by the focus auditorium towards which these strategies are targeted. “The sales cycle is often much longer and more complex in the B2B world, while consumer competition can be a lot fiercer, with customer loyalty a constant battle.” (*Extravision, 2006*)

Business-to-business supply chain includes various stages, i.e. marketing, advertising and promotion, bargaining, invoicing, payment and delivery. Business-to-consumers sites are concentrated on the final consumer as their target. It means that the main objective of the business-to-consumer web site is a link of a chain connecting the final consumer to a seller.

Business-to-business portal provides the comprehensive service for their users including the transportation, payments, advertising etc. All these services though could be found at one portal or marketplace are provided by various participants and the user of such portal may choose which partners to choose to participate in the supply chain.

Thus, for example <http://www.Buyusa.com>, of the US Department of Commerce provides the comprehensive information for the participants of the b2b cooperation. The companies which represent the link of supply chain could be found in that site. There are a number of transportation and freight companies, banks, consulting companies, manufacturers, exporters and importers as well as the legal information on the procedures of the international business in general and on the business with the USA in particular. Actually, the site is a marketplace where the participants of the supply chain may find the best offer.

The peculiar feature of the web base technologies is that they allow providing the diversified portals or the marketplaces. Such marketplaces are well structured according to the type of the offer (selling, buying) and a type of industry. Another difference is that if most of the b2c sites are aimed to sell the goods or services to the consumer, b2b sites are aimed to generate the trade leads thus replacing the traditional supply chains by the supply networks. Still there are a lot of specialized marketplaces on steel, sea freight, chemicals, consumers etc. All of them are objected towards the wholesalers or industrial enterprises sourcing the components for their final products or the raw materials.

The mechanism of decision making in b2b business is different from that in 2bc one. The decision to buy something in the b2b commerce is defined by the complicated preliminary job of the financial, marketing and other specialists and is a result of the accurate calculations. That is why it is normally taken basing on objective characteristics such as price and quality. This fact defines the approach in the b2b marketing. Competitive price with the good quality of the commodities or services are defining factors in business-to-business operations. At the same time it is obviously that trade leads at a b2b portal is just a beginning of communication targeted to start the negotiations. One could hardly imagine a company which would transfer payment for the goods just after reading trade leads in the Internet. This defines the marketing approach at the b2b commerce. The b2b sites are well structured and well informative because the decision to buy is normally taken as a result of work of a group of specialists, consultants, experts etc.

Such decisions unlike at b2c commerce are not based on the subjective factors like eye catching advertisements, grasping texts and colorful pictures. B2C sites are unlike the b2b ones are aimed to online trading. They are as it was stated above just an element of the supply chain. The competition in b2c commerce is more aggressive than that in b2b one. This can be explained by a number of factors. First of all the subjective factor in the consumer decision

taking is more important than that in b2b commerce. “In a B2C e-commerce the focus is more about enticing prospects and converting them into customers, retaining them and share value created during the process. The ultimate goal is the conversion of shoppers into buyers as aggressively and consistently as possible.”(Ken Walsh, 2000-2001).

Business-to-consumer sites unlike b2b ones normally deal with the certain groups of goods or services. It is understandable that first of all it is impossible to sell all consumer items at one place and secondly if it were so the customers would spend a lot of time searching the goods they need and such sites would be completely inefficient.

There could be three types of b2c sites. They are the online stores, online auctions and online services. One of the best examples of the b2c sites is online bookstore Amazon.com. The success of the Amazon.com is in an excellent marketing. First of all it is the huge assortment of the books being traded. Secondly it is a good presentation of the goods. There are a number of reviews of the books and other products which are on sale. This variety of books is an advantage brought by the e-communication. It is impossible to store all books which are on sale at Amazon.com at the traditional book store. Splendid delivery logistics and online payment made Amazon.com successfully compete with the traditional stores. The advantages of online stores are clear; a customer does not need to waste his time visiting traditional stores.

This is true when a customer buys such products as books or DVD films etc. The value of such items is defined by their content. The promotion of a movie or a book is different from that of other consumer commodities. The factor defining their value is an advertising campaign aimed to promote the content of such product.

As it was stated above sometimes factors defining the choice of a consumer is a subjective one. That means the presentation of the item should be at least visualized. It is very difficult to make in the Internet, but the companies selling various consumer goods online

have to do this. This defines the basic difference in the visual presentation of the B2B and B2C sites. The inability of the physical inspection of goods by the buyers is the main disadvantage of online stores. This defines the visual difference between b2b and b2c sites. Companies operating in the b2c sector have to publish the images of goods they are trading. They need to make their sites attractive visually, taking into consideration that the decision to buy this or that item is sometimes based on the first impression of the item image.

The example of such site could be the store of Cabela's selling the items for hunting, fishing and other outdoor activities (http://www.cabelas.com/cabelas/en/templates/catalog/store-home.jsp?cm_re=home0414*left*online_store). The site provides the system of online orders, payments and delivery. It also provides the downloadable catalogues.

The disadvantage of b2c sites is that the security of payments is difficult to observe. Most of such sites practice the payment by the cards which may become the potential for fraud.

Works Cited

Extravision, B2B V B2C Email Marketing, Spot the Difference?, 2006, available at <http://www.extravision.com/index.cfm>, retrieved 14.04.2006

Ken Walsh, Louisiana State University, 2000-2001, available at <http://isds.bus.lsu.edu/cvoc>,
retrieved 14.04.2006