

The Key Barriers and Enablers to Successfully Launch your B2B E-commerce as a SME

A single case study at a Swedish manufacturing company regarding B2B e-commerce barriers and enablers at SMEs

By Axel Paulsson and Axel Gyllfors for the Division of Engineering Logistics at The Faculty of Engineering – LTH, Lund University

E-commerce has been rapidly growing since its introduction and has been widely adopted, especially by large B2C organizations. B2B SMEs are following suit, but the situation and research is not completely transferrable between the cases or industries. Key barriers and enablers for B2B e-commerce at SMEs provides a situational analysis and foundation to consider when designing an e-commerce strategy.

We found the key barriers to be: (i) Stakeholders; (ii) Offering; and (iii) IT and Technology Competence. Stakeholders is a barrier that concerns the relevant stakeholders such as, end-customers, resellers and service partners. The relationship with the stakeholders can be heavily affected with the introduction of e-commerce and needs to be considered. The primary sub-barrier is the potential conflict that can occur from excluding the resellers from the sales channel. Furthermore, it is thoroughly important that the offering is suitable for e-commerce. Price of products and inclusion of service was key areas in this barrier. Regarding IT and Technology Competence it is necessary to both develop and maintain the e-commerce; it is not a case of only hiring external help, but the knowledge needs to be internalized.

The key enablers we found were: (i) Technological Solutions; (ii) Price; (iii) Strategy; and (iv) Customer Relationship. E-commerce requires technological solutions to be appreciated by customers and to achieve efficiency savings in the back-end, e.g. order handling. Price was

especially important in this case as the company studied utilizes a complex pricing strategy that needs to be simplified to enable e-commerce. Strategy is always important, and the company wanted a planned approach that did not disturb the resellers initially. In companies that have not sold directly to end-customers there needs to be an increase in focus on the end-customer by developing close relationships with the end-customers.

There were apparent gaps between the theory and the empirics. Key gaps that should be illuminated is that theory had not stressed the issue regarding resellers to the point it existed in the company studied. Furthermore, the barrier most frequently brought up in theory, Trust and Data Security, was the smallest barrier according to the company. Financing was similarly brought up in theory, but was not an issue in this case as e-commerce was seen as a crucial step to take and therefore the cost was not an issue.

The findings are based on the case study at the company in question. Therefore, the barriers and enablers relate to the company and their situation. The findings are generalizable to similar organizations and should be considered in that context. The full study is published in the report “*Barriers and Enablers for using E-commerce in a B2B Environment and their Implications for Strategy*” at Lund University Publications Student Papers.