IN SUMMARY:

- **Challenge:** Massive product line and sector immaturity makes online strategy a challenge
- **SOLUTION:** ChannelSight provides the Buy Now platform and painstakingly creates first-time feeds with Schneider's retail partners
- **BENEFITS:** Online sales are growing as a traditional B2B business slowly transitions to eCommerce

WHOLESALE CHANGES AS MANUFACTURER GROWS ONLINE SALES

THE CHALLENGE

A Fortune Global 500 company employing 137,000 people, Schneider Electric is a French multinational specialising in the manufacture of electrical equipment. Over the last decade the company has successfully transformed its operations and relationship with over 650,000 partners to become a leader in the digital transformation of energy management.

The business has also begun to explore new ways to sell over 140,000 products to its core customer base of electrical contractors. The vast inventory includes circuit breakers, switchgear and transformers, traditionally sold through specialist electrical wholesalers in a niche B2B sector. The route to market had been largely bricks-and-mortar based but the company knew that the sheer volume of products and their small size made them a good fit for online sales.

In 2017 the company made a decision to develop an eCommerce strategy and established a new internal team. Raeza Tromp joined from Bol.com in 2019, the largest online store in the Netherlands, and took on the

WHAT SCHNEIDER ELECTRIC SAYS >>>

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RAEZA TROMP
Global eCommerce Program Manager, Schneider Electric

role of Global eCommerce Program Manager. Raeza has been a part of the team overseeing the complex challenge of transitioning a traditional B2B business to eCommerce.

"Schneider really wanted close the loop on new customer journeys on their website," explained Tromp.

"Customers and partners have traditionally come there to look up the technical specification of SKUs [Stock Keeping Units] and it was never intended for eCommerce."

In the first phase of the transformation ChannelSight was identified as a partner of choice, its Buy Now solution providing the clickable link between the company web site and the customer's preferred online retailer.

THE SOLUTION >>>

ChannelSight will match feeds to the Schneider product catalog...

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THE SOLUTION

A tried-and-tested ChannelSight onboarding process was made more challenging because of the relative immaturity of the online market that Schneider is operating in. There were two big hurdles. Firstly, the scale of work needed on the Schneider Electric website to make it eCommerce friendly. Efforts to make it look less like a catalogue are still ongoing and there are plans to place the Buy Now buttons on more web pages to make purchasing more accessible.

The other problem is partner websites, electrical retailers who have log-in areas for customers that preclude the shortcut that the Buy Now button enables. Where it is possible to connect directly with site product pages, Schneider has to ask for an XML feed that it can share with ChannelSight. The feed is essentially a list of the retailer's Schneider inventory, thousands of SKUs identified by a product or manufacture ID, with additional information such as price and numbers in stock.

ChannelSight will match feeds to the Schneider product catalogue, a sometimes laborious process because the retailers are inexperienced in eCommerce and take a few attempts to get the formatting right. The retailer is then asked to provide a way of tracking sales, usually through Google Analytics, enabling ChannelSight to build up insights around customer journeys.

What the prospective customer sees is a deceptively simple front end, a dropdown menu from the Buy Now button that lists online electrical retailers that stock the products. More recently, a transfer cart was developed by ChannelSight to handle multiple product purchases – Schneider customers are typically contractors who buy in bulk.

THE BENEFITS >>>

THE BENEFITS

In just 12 months ChannelSight's platform has brought 68 retailers onto its eCommerce platform in 11 countries, including France, Russia and the UK, Schneider's top targeted markets. Transitioning a traditional B2B business to eCommerce has called for a lot of patience on all sides because of the relative immaturity of the sector when it comes to online sales. "It's going to take time," said Tromp. "In the last eight months we have seen growth in our eCommerce revenue but there is still a long way to go."

The transition has been slow because legacy bricks-and-mortar trading is still prevalent. "There's been a big leap – particularly in France where we first introduced the cart transfer – and there's been more sales, but it's an unusual sector in that it still doesn't share data easily," he said.

The good news is that ChannelSight has put Schneider on a path to serve a new generation of electricians, according to Tromp. "Around half the business we do online is with electricians; we expect that to grow as a new generation comes through that will be expecting to be able to buy products on their phones," he said. "The market is shifting and we are working to influence our partners to move more into eCommerce."

The ability to scale quickly is one of ChannelSight's strengths along with a retail support team that has the experience and flexibility to 'handhold' retailers who are making their first foray into online sales.

"We chose ChannelSight for the way they support the retailers we work with and that's why we will stay with them. They validate all the feeds with companies that are not always used to setting up links. It's worked very well," said Tromp.

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Global eCommerce Program Manager,
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ChannelSight provides 24/7 support and is always available to offer best practice advice and ensure Schneider's eCommerce journey delivers continual improvement.

"ChannelSight's level of support has been really good," Tromp added. "Their understanding of Schneider's internal structures is something you wouldn't find easily with other providers. We trust them to take care of our eCommerce growth in a very challenging market."