

This Free E-Book is brought to you by [Natural-Aging.com](http://Natural-Aging.com).

**100% Effective Natural Hormone Treatment**  
**Menopause, Andropause And Other Hormone Imbalances**  
**Impair Healthy Healing In People Over The Age Of 30!**

**Grow your business using B2B Emarketplace – Part I.**

**By Nowshade Kabir**

**Grow your business using B2B Emarketplace – Part I. by Nowshade Kabir**

If you are a small to medium size company and selling or planning to sell products and services over the Net and still did not try out emarketplaces, you are simply loosing a great opportunity!

Research firm eMarketer predicts that worldwide B2B ecommerce revenues will surpass US\$ 1.4 trillion by the end of 2003. In the United States alone revenues will total US\$ 721 billion. By 2004, the US B2B ecommerce revenues are expected to reach US\$ 1.01 trillion and studies show that a significant portion of these transactions will be conducted through emarketplaces.

What is an Emarketplace?

In a broader sense, business to business emarketplace is an online platform where buyers and sellers come to communicate, collaborate and make business transactions. Emarketplace caters a large number of participant companies as a community. The main objective of an emarketplace is to create a venue, filled with features that allow members to efficiently conduct significant portion of business processes on the Net. Emarketplaces are also known as B2B exchanges.

Types of Emarketplaces

There are varieties of emarketplaces available on the Internet to suit your company's specific need.

**Public:**

These emarketplaces are open to all companies. Virtually, anybody can become a member and conduct business through these marketplaces.

**Private:**

Membership is restricted and owners of the marketplace decide according to which criteria they will select participants. For example: a large trading company can have its own emarketplace limited to its buyers or suppliers only.

**Horizontal:**

If the emarketplace works with a large numbers of

products and services from different industries, it is called a horizontal marketplace.

**Vertical:**

Industry specific emarketplaces are called vertical markets. An emarketplace, working solely with suppliers and buyers of cars is an example of this kind of marketplace.

Can your company benefit from an Emarketplace?

Whether you are primarily a buyer or a supplier, participation in emarketplace can generate enormous benefits to your company – both in cost savings and productivity increase.

Benefits that you can have as a buyer

Automate the purchasing procedure

Emarketplaces allow you to send request for quotes to a prospective supplier, receive quotes, send purchase orders and receive invoices within the marketplace system. You can virtually consolidate all your procurement processes in one single place. This process of automation brings significant efficiency to you and saves your transaction processing cost. According to Aberdeen Group, a research company, thanks to B2B procurement systems, businesses can reduce these processing costs up to 70%.

Comparison shopping at its best

Since you can see all the suppliers of a particular product, that you are planning to buy, in one place, it is easy for you to see which one among the suppliers suits you best in terms

of quality, delivery time, geographical location, costs etc.

#### Reduce sourcing time cycle

Most emarketplaces allow you to select multiple offers from different suppliers and create purchase orders in one shot and send. Since you handle all your procurement related correspondence from a consolidated working page, you can see right away answers to requests for quote, invoices, etc. This helps you react instantly and reduce you time in document processing.

#### Community participation

You can receive valuable feedbacks from other fellow buyers, receive industry-related information, build new partnerships and use the networking ability of a community.

#### Real time access to current product information

Current information of a product is vital for an accurate buying decision. 24 hours access to supplier's catalog helps you getting

most up-to-date information any time you need it.

#### Control rogue spending

Consolidated and automated procurement and approval method stops maverick buying in a company.

#### Benefit that you can have as a seller

##### New sales channel

By becoming a member of an emarketplace, you open a low cost, highly functional and easy-to-use sales channel for your company. You expose your company to a new targeted audience that otherwise would have been untapped to you.

##### Low customer acquisition cost

Your mere presence in the emarketplace might bring you new customers. Since the buyers come to emarketplace themselves your cost of getting customers through this channel is relatively low in comparison to other traditional channels.

##### Improve customer service

Ability to have constant interaction through the emarketplace allows you to serve your customers better. You can track the whole ordering process from payment to delivery and bring greater efficiency in customer service.

#### Efficient information sharing method

When needed, you can instantly update your catalog and inform your customers about changes. Whether you are launching a new product or having a web seminar, through emarketplace you can share the information more efficiently.

#### Reduce supply chain cost

According to eMarketer, automated supply chain process through emarketplaces can reduce your overhead costs 20% to 40%.

You may ask, if participation in an emarketplace is so beneficial, why companies are not flocking to emarketplaces.

The slower adoption can be blamed on various inadvertent factors:

- Many companies had fall short to generate significant sales from their own websites and look at emarketplaces with a dose of skepticism. But as studies show ecommerce endeavors fail, mainly, due to lack of proper planning and marketing, as many site managers take the attitude that build-it-and-they-will-come.

- Many conservative suppliers claim that their business depends

on close relationship with local buyers. In reality, you can also get access to local untapped market through emarketplaces. Another aspect – you can bring efficiency to your business by co-adopting an emarketplace along with your buyers.

- Many elderly executives are not very tech-savvy and afraid of adopting new technologies considering them too complex. In reality, e-business is virtual implementation of real life business processes and not very difficult to embrace.

- Fear of price shopping by buyers is another factor, why suppliers are reluctant to use emarketplaces. The ability of emarketplace to emphasize all characteristics of the product in product content and demonstrate buyer-specific pricing should eliminate this fear.

- Many, mistakenly, consider that participation cost in emarketplace is very high and will hurt their bottom line. The expenses related to emarketplace membership are, usually, a mere fraction of what you can save from the use of its

different features.

What to look in an Emarketplace?

As an online venue, where participants expect to conduct substantial part of their business processes, emarketplace has a large range of useful features:

- Product catalog based on an industry–standard classification system
- Product search capability within the marketplace and e–catalog
- Buyers and sellers search capabilities
- Supply chain process, i.e. request for quote, quotation, purchase order, billing system, etc.
- Directory of members
- Shipment tracking
- Simple system of adding and editing products
- Simple offer posting system
- Ability to promote products with special offers, sales, and discount

Apart from these, some emarketplaces boast other interesting features like auction and reverse auction, new product listing notification, business forum, XML interface, Internal messaging system. Naturally, implementation of these features may vary significantly emarketplace to emarketplace.

Where to look for Emarketplace?

The best place to find an extensive list of emarketplaces is the B2B directory site: <http://www.bocat.com>.

The open directory project DMOZ has a good list of emarketplaces. However, not all listings in both of these places are, in reality, emarketplaces. Some of them are simple trade boards. This list is located at <http://dmoz.org/Business/E–Commerce/Marketplaces/>

Yahoo! directory is not organized well enough to locate emarketplaces. They are scattered under the subcategories: Vertical marketplace builders, Trade directories and even Trade.

Forbes magazine has a quality list of many B2B companies including some emarketplaces. You will find the list at: <http://www.forbes.com/bow/b2b/main.jhtml>

To be continued in next issue: Selecting the right Emarketplace.

Nowshade Kabir is the founder, primary developer and present CEO of Rusbiz.com. A Ph. D. in Information Technology, he has wide experience in Business Consulting, International Trade and Web Marketing. Rusbiz is a Global B2B Emarketplace with solutions to start and run online business. You can contact him at <mailto:nowshade@rusbiz.com>, <http://ezine.rusbiz.com>, <http://www.rusbiz.com>

## **Grow your Business with Emarketplace Part III**

**By Nowshade Kabir**

### **Grow your Business with Emarketplace Part III by Nowshade Kabir**

#### Increase Company Productivity

After years of hard work, finally your business started to pick up. You are selling more products than ever! You have lined up a good number of suppliers and buyers. Things have never been better than now. Except one thing! With rising sales your overhead and supply chain expenses are also sky-rocketing. Your profit margin is no longer the same as it used to be! You feel that you are in a limbo! How to increase productivity? How to cut costs without giving up sales?

Sounds familiar to you? Well, your company is not alone! According to IDC, a research firm, while interviewed, overwhelming majority of the company executives claimed that their biggest concern is declining profit margins.

Companies, in order to stay competitive, must find solutions to increase efficiency in business operations and control costs. Is there a solution to this ubiquitous problem?

Remember Dorothy from the children classic "Wizard of the Oz"? She had to go through numerous obstacles in her quest to find a way to get back to Kansas, her home. Only to find out that the silver shoes that she was wearing from the very first day since the cyclone brought her to the Land of Oz could have taken her back home, all she had to do was to knock the heels together three times and command the shoes to carry her wherever she wished to go.

Similar to this story, solutions to these corporate problems are widely available right under your nose, only you as a company executive have to overcome the fear of new technologies and adopt

them to your own good.

B2B exchanges or emarketplaces are capable of solving many key problems that corporations are facing today. Emarketplaces can provide immense opportunities to automate supply chain process, increase operational efficiency, reduce overhead costs and expand market at a minimal cost.

Using emarketplace effectively

Two primary factors of company productivity are Revenue Increase and Cost Cutting. Both are achievable if a company seriously decides to incorporate emarketplace features in all aspects of business operations. That means if as a company you want to reap all the benefits of emarketplaces, you have to commit yourself seriously.

Become a member

Once you find an emarketplace that suits your requirement, the first thing what you have to do is to register and become a member. Most marketplaces have different membership packages. Although, to check out the emarketplace - whether it is viable for your business or not - you might start with the free membership package, but once you are satisfied with your selection, to use the emarketplace to your advantage you should choose the package with most features and functions.

Integrate your products to e-catalog

If you are a supplier, this is a very important step to take. Unless you have thousands of products to sell, this should not be a difficult task. All emarketplaces use either a form or wizard-based, not-so-complex and user-friendly product adding tool. Since e-catalogs that emarketplaces use are industry standard, once you aggregated you products, same information you will be able to use in other e-catalogs, emarketplaces and even in your own website.

Apart from your own buyers other prospective customers from the emarketplace community are able to view your products in the e-catalog, which in turn will bring you new contacts and sales.

Create products for sale offers

You should create sales offer of your primary products that you carry most of the time and post them on the emarketplace. Many emarketplaces have options to sell products with different

procedures. You can make offer to sell access inventories through dynamic market, also called auction, you can make hot offers with time limit, etc.

This is an extra sales channel in the beginning, which might grow into your primary one!

Involve your buyers and sellers

If you would like to use an emarketplace most effectively, you have to get your suppliers and buyers on board too. Supply chain management solution that usually comes with an emarketplace allows you to reduce operational costs significantly.

- Encourage your buyers to send request for quote for a product through the inbuilt system of the emarketplace.
  
- Make strict rules within your company to send all quotes exclusively through emarketplace.
  
- Ask your buyers to send Purchase Orders to your company via emarketplace.
  
- Bill all your clients using invoicing system of the emarketplace.
  
- Manage shipping and handling through emarketplaces.
  
- Convince your suppliers to use the same emarketplace so that even as a buyer you can get the benefits of a B2B exchange.

Complete adoption of an emarketplace will help a company gain numerous benefits. The following figures taken from various research notes emphasize the importance of e-marketplace in today's business world.

- Thanks to emarketplace, companies can reduce purchase order processing cost from US \$75 to less than US \$10.
  
- By automating sales and customer support processes companies can lower overhead costs up to 25 - 30% easily.
  
- Companies also can reduce more than five percent of their maintenance, repair and operation by incorporating e-business solutions, which are integral parts of any emarketplace.
  
- Business process automation using B2B emarketplace helps companies decreasing of document errors from 20 percent to

less than one percent.

B2B Emarketplace solutions are great opportunities

The famous inventor Thomas Edison once told, "Opportunity is missed by most people because it is dressed in overalls and looks like work."

Company executives are by no means afraid of hard work, but unfortunately many of them have colossal fear of high technology and because of this reluctant to explore new Internet-based technologies to their advantage. If you are one of them, be assured that knowledge required to adopt marketplace to your business and manage it properly is easy to learn and implement.

Nowshade Kabir is the founder, primary developer and present CEO of Rusbiz.com. A Ph. D. in Information Technology, he has wide experience in Business Consulting, International Trade and Web

Marketing. Rusbiz is a Global B2B Emarketplace with solutions to start and run online business. You can contact him at <mailto:nowshaderusbiz.com>, <http://ezine.rusbiz.com>, <http://www.rusbiz.com>



**This Free E-Book has been brought to you by [Natural-Aging.com](http://Natural-Aging.com).**

**100% Effective Natural Hormone Treatment**  
**Menopause, Andropause And Other Hormone Imbalances**  
**Impair Healthy Healing In People Over The Age Of 30!**