

Q&A with Gas Industry e-commerce providers

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e are all very aware of the potential threat or opportunity (depending on how you look at it) of exploding technology and how it has upended our buying routines. The ability to shop online for just about any product, from helmets to tiny houses, has caused disruption in the traditional supply chain as well as the customary retail experience. Consumers shopping online expect, even demand, the same quick, flawless service and delivery from your gas and welding business as they receive from major online buying sites.

I recently spoke with Dan Fairchild, Director of Supply Chain and Marketing at WestAir Gases & Equipment, San Diego, California, and Joe Kirmes, IT Manager for Middlesex Gases, Everett, Massachusetts, about how they successfully use e-commerce as a customer service tool for their distributorships, benefitting both themselves and their customers.

How do you compete?

Simple – with customer service. By creating a unique opportunity for your customers to purchase the products they need, any time of the day or night, thereby creates customer loyalty, retention, and helps to cement a strong and lasting relationship with them.

Joe said, "We train our customers and

show them how to navigate through our e-commerce site. That is a critically important part of giving the customer the proper experience. After they order, the ticket prints in our plant and we deliver their order the next day. They can order at 10:15 at night and have proof of delivery by 9:30am the next morning. Our customers love it."

Amazon may provide a lower price on some items you use, but they cannot offer the many features provided through an eCommerce site devoted entirely to this industry.

What makes an industry specific e-commerce site any different from the online giants?

What a specialty e-commerce site *is not*: a huge menagerie with a one-size-fits-all mentality. No quick delivery of late night orders, the lack of industry specific product availability, and no customer service available. *What it is*: All the brand names and products your customers need, use, and purchase on a regular basis. An e-commerce site that can provide you with electronic access to over three million products from an array of different vendors that can be special ordered for your customers.

Online purchasing is simple for your customers giving them access to their previous orders and easily adding

items to their current open order. For purchasing ease, you even have the ability to set-up an order group for specific items the customer frequently buys; they can quickly select the items they need and check out. In addition, they can view order history, see outstanding invoices, and easily pay them. An industry specific e-commerce site also provides easy to read product descriptions and photos as well as bulk ordering options for your customers.

Joe said, "We deliver specialty gases throughout the university system. It is very important that those customers have the ability to go online and place their order whenever it works best for them using our e-commerce site."

How do you manage your site?

Every distributor conducts business uniquely. Choosing the best candidate to manage your e-commerce site depends on different factors in your business such as the size and structure of your company. You might use a combination of purchasing and marketing managers for content input along with an administrator who is responsible for monitoring orders and could also involve IT to monitor the technical aspects. Reporting capabilities make it easy to view the amount of business done online versus in-store, or on-site via your account managers, or by

phone through your CSRs. Reporting also provides insight into the account reps/ sales personnel's use for follow-up and potential upselling.

What about staff and customer training?

A prolific e-commerce site should be easily understood and navigable by all of your staff. Your account managers can promote, and even place orders for their customers on site. Both Dan and Joe agreed that customer training is key along with at least one exceptionally welltrained staff member to serve as your e-commerce "Champion."

Let's face it, most people don't like change. Have your CSRs walk your customers through the site so they feel confident about using it. As with all business transactions, keep your customers happy. Give them a personal call to ensure they found everything they needed. Moreover, give them a choice: talk to a customer representative or order online yourself. When they are new to placing orders online with you, follow up with them to make sure the process went smoothly. This also creates an opportunity for you to upsell items related to their recent purchase.

One way WestAir helps train its customers is to create an easy-tounderstand PowerPoint training guide to help ease them into online shopping and invoice paying.

Dan said, "The step-by-step

PowerPoint guides customers through the log-in process; first creating a user name and password, which then leads the customer to a dashboard where they are able to check their account balance, search invoices, make a payment, check cylinder balances, view proof of delivery, see open orders, order history, and view electronically generated documents. Customers can go right to their order history to review previous orders, reorder, and add additional items from past orders to existing order lists."

How do you market your online e-commerce site?

Just like anything new in your business, you need to promote it. On your website, social media, even the paper invoices you use now, during sales calls, and in-store.

Joe said, "When we started offering the e-commerce site, we provided our customers with a list of the products they regularly ordered to make it super easy for them. We still continue that practice."

Dan added that he likes to spend time with AM's out in the field on sales calls to introduce e-commerce to their customers.

What can I expect for ROI?

Dan said that both accounting and customer service are significantly impacted by being relieved of the duty of pulling signed PODs. Customers use their e-commerce accounts to grab their own PODs, pay invoices, and review

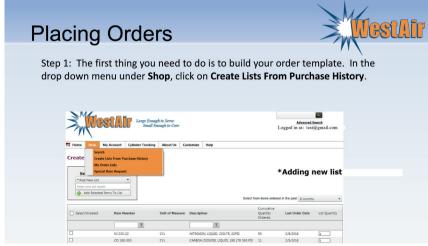
their cylinder balances.

Dan said, "This significantly impacted not only accounting, but customer service as well because they were pulling many of the PODs. Now customers call pull their own PODs. Our account managers utilize e-commerce by placing orders for their customers while on-site. Phone calls for ordering and paying invoices become less frequent, freeing up staff time."

As customer use continues, you can use data analysis to see how many of them are taking advantage of your e-commerce site, what they are ordering, and if there is a trend in the purchase of certain products that is occurring more and more online. You can then use this data to further market your e-commerce site. If your customers have cylinders, they can do their own self-audits to check for discrepancies. Eliminating stamped, mailed invoices can quickly add up. "Last month for instance, we had over 700 payments made through our e-commerce site that amounted to over \$300,000. That's 700 less stamps, envelopes, and printed invoices we had to produce and send out," Dan said.

Providing a customer service tool.

Lastly, your goal is to offer the best customer service possible. By providing an e-commerce tool for your customers, you are also providing them with a clear window into their own account, as well as an industry specific shopping site for the items they need to do business. Value added service and convenience compliment the services you already make available. As Joe pointed out, "This tool is a relatively small expense for us and lets us compete with other suppliers who can't offer less than a one day turnaround for specialty gas deliveries." An industry specific e-commerce site provides an amenity for your customers that is far more than a "shopping cart." gw



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