

# **A B2B Solution**

(Solutions / ODC / Methodology)

## **Case Study**

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## A B2B Solution

Designed to leverage internet technologies to deliver a new generation, cost effective Procurement and Decision Support Solution, to the company and its offices worldwide. It focuses on empowering the client's company and its related business partners to do business more efficiently.

## Clients Background

A mail-order house based in Hamburg, with activities not only in Germany where it is ranked amongst the top ten but also in France, Poland, Spain, Italy and the U.S.A. Besides their mail-order activities they also have a retail presence. Over 10% of their sales are achieved over the Internet.

They source their items from over 400 suppliers worldwide and also have over 25 buying offices representing them in countries all over the world.

It places orders to suppliers scattered across the world for garments and materials. Due to high volume and complexity of transactions, the orders are handled by their buying offices who co-ordinate with buyers and suppliers in their respective countries.

## Functional Scope

Realizing the growing potential of an online B2B solution that would integrate their existing systems with their sourcing philosophy, the client's company approached direction to formulate an end-to-end e-business strategy.

The scope was further expanded to integrate their buying offices, and thus called for a B2B2B solution.

The Supply Chain Management module also needed to address the following -

- Suppliers/Freight forwarders had a multitude of different systems ranging from complex ERP packages to simple MS Access based systems.
- Very few Suppliers/Forwarders had 24/ 7 connectivity.
- Order information was not kept in the format that related to the company's system. i.e. Order numbers and Article numbers given by the company were not used in the Suppliers system.

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## The B2B Solution comprises of five essential modules

The initial study included the requirements of the client company as well as their offices, suppliers and forwarders.

The site is a B2B2B initiative from Direction with the primary objective of leveraging the power of the Internet to:

**E-enable the supply chain** from order placement to delivery in their warehouse in Germany. Typically information pertaining to a single order would be spread across the suppliers', forwarders' and office systems. Each system contains partial information about the order.

To arrive at the current order status, this information has to be merged into a cohesive whole. Towards this end, Direction designed an order tracking system, which takes care of collecting and pooling the data. This was done using the in-house developed db2net toolset.

**An e-marketplace**, where the buyers are able to place/receive quotes on orders directly on the net. The process of order placement involves sending requirements (including pictures and product specifications) to various suppliers, receiving quotes from the suppliers. Buyers then select the best quote and finalize the order. The effectiveness of order placement is increased greatly by reducing the costs and time involved in informing suppliers, collecting quotes and placing orders. E-Bazaar achieves this by migrating the order placement process online. As offices are involved, this section has a B2B2B facility so that offices can hold their own auctions before sending the best quote to the company. This B2B2B process is completely transparent from the buyers side i.e. they can follow the progress of the office via a drill down feature.

**New products section** that works as an online catalogue. It serves as a platform for new products or developments. Whenever suppliers have new products, which they wish to advertise or inform the company, they can upload the product details to this section. This gives suppliers the facility to keep the company buyers informed in a simple and cost-effective manner. It acts as a centralized catalogue for all the products of the various suppliers so that a company buyer can view new products and place orders at a single location.

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**Supplier Information** - This section has been designed towards centralizing supplier information at a common location. This works like a business contact point. A supplier can introduce himself and his business to the company buyers. Suppliers have the advantage of a media, by which they can provide information about themselves (Production Capacity, Delivery Records etc) and highlight their business expertise and achievements thus attracting business. The company on the other hand can review all the suppliers at a single location and study their ratings, which would include delivery performance, claims information and lead times of the respective suppliers.

**General Information** - The concept behind the information section is to facilitate communication and the exchange of ideas between the various parties in the order chain. This subsection helps create a community feeling between The Company, Offices and Suppliers, and keeps each other updated about business critical information and developments. This promotes better understanding and co-operation between the parties, thus leading to improved relations and greater scope for mutually beneficial associations.

This section features forums, document libraries, newsletters etc.



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