

The increasing trend of companies adopting b2b marketing essay



In today's world no business can have competitive advantage unless it includes electronic medium in its business model. Major source or field is use of internet, which connects business around the world with ease. On internet when companies are involved in business then it is termed as e Business.

Business 2 Business(B2B) is one of the models of e Business which is having immense potential to be offered to a company to operate its various business processes over the internet and increase the company's productivity. A B2B marketplace can be defined as a venue where a large number of buyers and sellers come to communicate, collaborate and perform business transactions online.

Some of the reasons for the increasing trend of companies adopting B2B models are :

Companies can find a large no. of new customers and suppliers from the large communities in the B2B market place. An average B2B market place is supposed to have over 1000 members.

Buyers can take a quick review of the products offered and get the key information necessary to make purchase. This increases the buyer conversion rate significantly.

B2B market places offers effective content management solution through eCatalogue through which buyers can search for products and information effectively. Moreover, business can be handled in real time with respect to buying and selling of products. Which means increased revenue, better customer satisfaction and shorter sales cycle for the company.

Through eProcurement it is possible for the buyers and sellers to make transactions over the internet. It has been estimated that using eProcurement will save midsize companies \$2 million per year. And this doesn't includes the savings generated from better supply chain collaboration.

Even for the buyer the B2B model provides various benefits such as minimizing the transaction costs, access to large no. of suppliers as well as time savings.

C: UsersPinakinDesktopB2Bdirect. gif

TradeKey

TradeKey. com has been established in 2005 with an aim to facilitate Global Trade and provide a common platform to buyers and sellers from all around the world.

Today TradeKey. com is of the world's leader in providing a B2B portal, with a capital investment of US \$20 million, to connect the traders with worldwide manufacturers, buyers, wholesalers, importers and exporters, and distributors around 220 countries, in a quick and cost effective manner.

TradeKey. com also went on to become the world's first B2B marketplace which earned ISO 9001 Quality Management System and ISO 27001 Information Security System certifications to guarantee maximum customer satisfaction, security and safe online trading for users.

TradeKey. com has a minimum of 9. 5 million visitors with over 32 million page views every single month. These figures symbolize the claim of TradeKey. com that it gives an extraordinary exposures to its traders in the global market.

TradeKey. com also claims to have highly professional and dedicated customer support representatives who are always available to solve all the concerns and worries of all TradeKey. com members.

According to the survey done by Google in June 2009, TradeKey. com had a total visit of 9, 720, 130 against a total page views of 32, 159, 114 which summarizes to 3. 31 page views per visit. The portal had 2, 974, 960 returning visitors which constitutes of 30. 60% of its visitors and a total of 6, 745, 170 returning visitors which compose of 69. 40% of the visitors.

Refer Appendix 1

TradeKey. com Business Model

TradeKey. com follows a business model which is focused on serving the members more efficiently. Since most of the B2B portals are now per month having millions of users issues like untrusted partners and fake trading contracts are popping up quite often. Tradekey. com employs a business model to tackle with various such kind of issues. The portal of TradeKey. com offers a community with dedicated staff to solve all the issues of the members .

TradeKey. com has a community service, which is specially designed to

provide a platform for global traders to discuss the trading and business
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issues with other traders, including categories for dedicated topics like Trade Forums, Industry Forums, regional Forums and TradeKey Safe Trading Forums.

The TradeKey community provides a one step simple process for membership registration for the traders to easily become a member of the community of TradeKey. TradeKey offers premium membership as well as free membership to the traders willing to be the part of the TradeKey community.

Customer Value Proposition

TradeKey. com allows the users to join for free. Though it allows the traders to get premium memberships at very nominal annual fees.

TradeKey. com has a one step process to get the registration for its membership. The company can always join in for free and at any time upgrade to premium memberships. TradeKey. com offers silver and gold keys for their premium memberships. The silver key is offered at an annual rate of US \$519, while the gold key prices start from US\$2500. The results of the gold key holders is displayed on the top followed by silver key and free membership. Gold key offered by the company provides the trader with a huge no. of other benefits too, such as 3000% more buyer inquires, priority listing in buyers searches, unlimited access to buyers directory, options to use fax service, put an advertisement on the homepage, and many more.

One of the best feature provided by TradeKey. com is a dedicated staff to solve all the issues of its members. TradeKey. com has a community service,

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which is specially designed to provide a platform for global traders to discuss the trading and business issues with other traders, including categories for dedicated topics like Trade Forums, Industry Forums, regional Forums and TradeKey Safe Trading Forums.

Besides international English, TradeKey. com is also available in some other languages like Arabic, Chinese, Japanese and Spanish. Though these supports are provided by machine translation it shows their vision of the future to embark as much business audience as possible.

Revenue Model

TradeKey. com follows the most standard revenue model followed by a majority of the B2B portals. The major part of the revenue generated for TradeKey. com is generated by advertising. TradeKey. com offers various sellers to list their products on the database of the web site which is supplied to the buyers from all across the world.

A considerable part of the revenue for TradeKey. com is also generated by offering premium memberships to companies. The types of premium memberships offered are silver and gold keys. The price to acquire the silver key starts from US\$319 to \$2500, whereas the gold keys are offered at a rate starting from US\$2500. The companies can acquire these premium memberships by paying online through various portals such as PayPal, UnionPay, MasterCard and VISA.

Finally the company also earns revenues by providing a platform to various sellers to showcase their products on their website. It thus helps the sellers

to create a brand image of their product. TradeKey. com also features ads by google which pays to TradeKey. com on a pay per click basis.

Marketplace

Tradekey. com offers a B2B platform for the Traders worldwide and chiefly in Europe and the United States. It is visited by the highest proportion of people of the world.

United States accounts for the highest share of users for TradeKey. com. The major distribution of the shares of TradeKey. com according to geographical distribution is as follows:

United States of America 16. 2%

China 13. 8%

Egypt 3. 7%

Saudi Arabia 3. 5%

United Kingdom 3. 9%

United Arab Emirates 2. 6%

India 3. 3%

Pakistan 15. 2%

Canada, California 2. 5%

In Europe:

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Nearly about 80, 000 buyers and suppliers are registered members of TradeKey. com which are chiefly from regions of France, Germany, Portugal and Spain.

To support these large no. of traders in Europe TradeKey. com has created a subsidiary, so that they can better serve customers from Europe. TradeKey. com has also undertaken major projects including the European Trade Fair to promote themselves as well as luring more buyers and suppliers.

In America:

With around 90, 000 traders from America in 2003 TradeKey. com was appointed as one of the most influential e-commerce platform. As America is committed to various international traders, the no. of members registering for TradeKey. com is increasing at a good pace.

To get ahead of the various B2B portals TradeKey. com has been continuously developing new marketing strategies and bringing in various innovative ideas. To increase the no. of business audiences to it TradeKey. com has made it possible for a company to register in for free along with paid premium memberships. It has been continuously engaged in organizing business fairs so that it can grow the no. of buyers and sellers associated with it.

TradeKey. com mainly focuses on the part which most of the B2B portals oversee. Due to the increasing amount of traffic among these B2B portals the no. of cases of fake trading contracts and untrusted partners. TradeKey. com has taken various strict measures to curb these security threats and

provide the members a safe and secure platform to carry out their business and even discuss various related issues.

One more feature which attract a major portion of traders from all around the world is the highly dedicated staff provide by TradeKey. com. The panel of experts are always there to help the members and give them assistance on any related aspect.

One of the major innovations that TradeKey. com has introduced in its portal is to provide its premium members with trade alerts. These trade alerts are introduced so that traders don't lose any opportunity as it arises. This rare feature supported by TradeKey. com provides its members to get an competitive edge as they will know as soon as any new opportunity arises.