trevi pay™
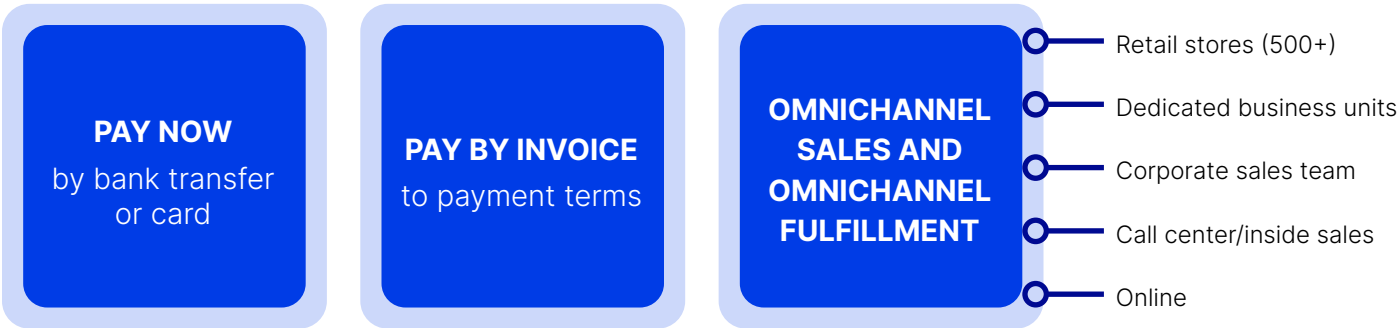
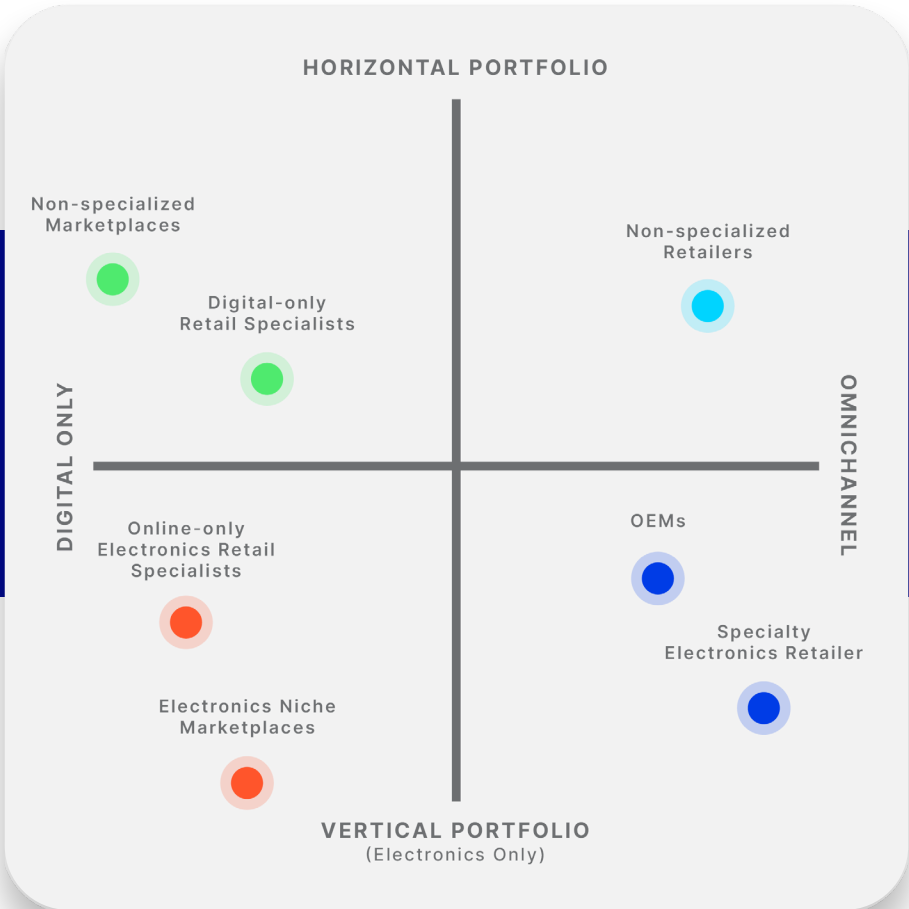# Omnichannel Approach Guides Large European Electronics Retailer's Digital Transformation Efforts

The Client

This iconic, large omnichannel electronics and white goods retailer with sales of over $12 Billion serves several markets in Europe. It sells to both B2C and B2B, including corporate, resellers, insurers, government funded bodies and SMBs.

Existing Go-to-Market for B2B

PAY NOW
by bank transfer or card

PAY BY INVOICE
to payment terms

OMNICHANNEL SALES AND OMNICHANNEL FULFILLMENT

- Retail stores (500+)
- Dedicated business units
- Corporate sales team
- Call center/inside sales
- Online

High-level market landscape map with market participants

HORIZONTAL PORTFOLIO

DIGITAL ONLY

OMNICHANNEL

VERTICAL PORTFOLIO
(Electronics Only)

Non-specialized Marketplaces

Digital-only Retail Specialists

Non-specialized Retailers

Online-only Electronics Retail Specialists

OEMs

Specialty Electronics Retailer

Electronics Niche Marketplaces

The Challenge

Competitive Landscape

The market size for consumer electronics in Europe is forecast to be **$208.5 Billion in 2023**. Competitors include well-known retailers selling electronic goods, OEM's that have adopted a "direct-to-consumer" ("D2C") model, online only retail specialists for electronicsand marketplaces such as Amazon. The online-only and marketplace competitors compete with this retailer without the burden of maintaining a network of physical assetsand the resulting pressure on requiring ROCE (Return on Capital Employed).

Business Challenges and Market Forces

The competition, combined with slow adoption of digital transformation hampered this organization's ability to effectively compete online resulting in an erosion of market share.

Economic factors stemming from the financial crisis in 2008and more recently, because of the global pandemic, heightened the retailer's adversity to risk. This caused them to adopt a defensive risk posture, reduce credit lines previously extended to business customers and reduce their customer base by 50%.

Pressures on OPEX stemming from competitive forces, the economy and low return on capital employed had left them in a position of needing to reassess resource deployment for growing B2B.

Growing the B2B Channel

Aspiring to recover and grow their B2B sales volume and appeal to a wider range of business buyers (including SMBs, more large resellers and compete effectively in Government tenders), the retailer wanted to:

1. Optimize technology to grow and provide a B2B user experience to compete effectively. This would require investment in the design, technology and deployment of such a solution.

2. Recover their lost customersand grow market share, in B2B verticals.

3. Onboard customers and concentrate on selling and serving them without the risk of late payment, bad debtand resource intensity.

   Note: As new customers are acquired by the retailer's sales teams, investmentand growth in further resource to onboard, underwrite, manage, bill toand collect from the customers would be required thus increasing operational expenditure.

Threat of new entrants

Bargaining Power of Suppliers

Rivalry Among Existing Competitors

Threats of Substitutes

Bargaining Power of Buyers

PORTER'S FIVE FORCES COMPETITIVE MODEL

Building the B2B Business Strategy

To overcome the challengesand achieve their business objectives, the retailer contemplated a strategy to:

1. Focus on sales/business growth, without distraction.

2. Leverage best-of-breed partner(s) to deliver technology and services in a seamless fashion.

3. Differentiate through their omnichannel capability by leveraging this as a strategic advantage to attract, interact with, incentivize, sell-toand retain, business customers.

4. Outsource riskand in doing so remove receivables from their balance sheet to improve/eradicate late payments and DSO.

How TreviPay Differentiated

Omnichannel technology	Maturity/Trust	Reference customers
Own AR processes	Strategic partner	Longevity versus competition
Private label model	Stakeholder inclusion	Large credit limits

Trust

TreviPay, a unique "TechFin" that combines their foundation as a technology company, with world-class managed services and agnostic financing capability either through the client's own source, a third-party bank or TreviPay resource. With more than four decades of experience with B2B payments in Europe, TreviPay supports some of the largest companies in the world and has been selected by major retailers in other markets.

Technology

TreviPay's deep experience and omnichannel capability affirms TreviPay's position as a trusted advisor and strategic partner to their clients. TreviPay's depth and breadth of connectivity to clients, agnosticism to third-party point of sale (POS) systems and eCommerce platforms delivered through simple API integration is a renowned differentiator.

TreviPay subject matter experts
and product managers worked
with the retailer early in the
sales process to demonstrate
the TreviPay capabilities, but
more importantly to "think
strategically" with the retailer
to help them consider the B2B
user experience in context with
the retailers own B2B strategy
and capabilities. TreviPay's team
interacted with all third-party
system providers to ensure the
solution was flawlessly integrated,
tested and executed to a mutually
agreed timeline.

TreviPay's technology and expertise stem
from decades of iteration and investment.
The retailer recognized the benefit of leveraging
TreviPay's experience on a SaaS-basis, to fast-track their
digital transformation journey from a B2B omnichannel
sales perspective.

Managed Services

TreviPay demonstrated scale, expertise and capability to provide a privately labeled end-to-end solution;
from buyer onboarding and underwriting, through credit management, invoicing, accounts receivable and
cash application.

Furthermore, TreviPay's ability to underwrite a diverse range of B2B buyers, including large corporate
buyersand provide substantial credit facilities into the tens of millions of pounds differentiated TreviPay
from competition.

TreviPay's scalability and business process outsourcing enabled the client to optimize and reallocate their
human capital from the order-to-cash process flow in a cost-effective manner. The result is the retailer
could focus on core activities and orientate towards achieving their stated business strategy without the
risk and administrative burden of running an in-house program.

Financing

With their global scaleand significant readily scalable banking facility, TreviPay eradicated the retailer's
DSO, ensuring payment within 2 days from the date of each transaction, on time, every time. By
leveraging TreviPay, the retailer benefited by removing large amounts of unpaid receivables from their
monthly balance sheet, while de-risking their B2B sales channel and optimizing their net cash position.

About TreviPay

At TreviPay, we believe loyalty begins at the payment. Thousands of sellers use our global B2B payments and invoicing network to provide choice and convenience to buyers, open new markets and automate accounts receivables. With integrations to top eCommerce and ERP solutions and flexible trade credit options, TreviPay brings 40 years of experience serving leaders in manufacturing, retail and transportation.