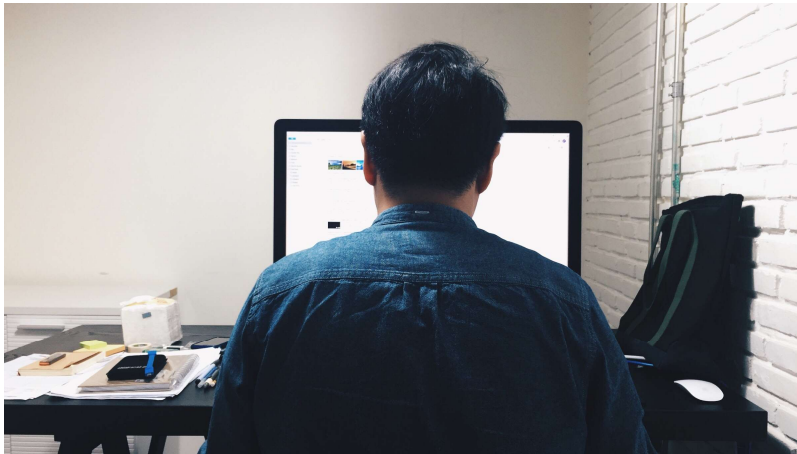


Three Ways for Online Businesses to Strengthen Their Digital Supply Chains



Whether you operate a business with online sales, or your company just uses its website to collect customer information, your digital supply chain can make or break you.

A digital supply chain isn't that different from your physical supply chain. Think of it as using technology to send information, payments, and goods to your suppliers and customers, by sensing what's happening in the market, responding to requests, and coordinating movements and products. But there are a lot of other components in a digital supply chain that help keep information flowing, accurate and secure. Here are three ways to consider strengthening your digital supply chain.

Rethinking User Experience

User experience can be critical for online businesses and while it falls under marketing, how easy your site is to use and navigate can affect your supply chain. When customers or vendors come to your site, they hopefully experience an interface and sales or fulfillment flow that prompts them to return frequently. Ideally, your site should be easier to navigate than your competitors' site and have more functionality.

Before making any site changes, consider talking to your customers and vendors. Ask some of them for feedback on what they like and don't like about their online experience with your company. What features do they want? What do you have that they appreciate? What would make them return more often or recommend your site and working with your company to others? If you have customers or vendors that you have a particularly strong relationship with, ask to sit with them in person or on Skype while they navigate your site, and have them talk you through the process so you can see any issues in real time or understand more fully their suggested tweaks.

For your customers in particular, if your website is designed well, they should be able to find what they need quickly and maybe even be tempted to stay a bit longer to look at related products or information. You may find that some additional functionality might appeal to your users and entice them to visit your site again and perhaps do business with you in the future. Examples include real-time shipping information, product availability, one-step payment processing, and easy access to past orders.

You might also want to add a widget or code that will identify and suggest additional items your customer might need, or that past customers found helpful. This can be another way to add revenue while making it easier for customers.

Security

There can be many advantages to selling online, but there can also be disadvantages. A system that's not cyber-secure can potentially ruin your business. Think of the headlines when hackers breach hospitals' or large companies' data, and the often messy follow-up efforts and costs incurred. Customers and vendors don't always trust a company after they've been hacked. Protecting customer and vendor data – and your own data – can be mandatory.

As much as you're selling products or services, you're also selling security. Your customers and vendors trust that you will guard their contact and payment or billing information, and your reputation rests on that.

You also should to consider making sure your systems are backed up on external servers and that all of your customer and vendor data is only accessible to authorized users to keep your business information secure. Externally backing up your information keeps your customers' data retrievable in case your primary data storage system fails, and setting up barriers that can keep data access limited to authorized users limits the chances of a malicious data breach. One thing to note is that your reputation can be affected by data compromises resulting from vendors in your digital supply chain. Users don't know or care if hacking is a result of a second tier vendor security gap. If it happens on your site, it will most likely reflect on your business.

Tips For Mapping and Strengthening Your Digital Supply Chain

One way that can help ensure security and improve your sales flow is to map your supply chain. You should already know the first tier of vendors in your digital supply chain. They might include your company's internet provider, website host, payment processor, shipping company, data storage and security providers. But many of these companies rely on another tier of suppliers that may not be visible to you. To fully understand your possible risk that might come from these other vendors and make plans in case of a system failure or breach, talk to your vendors about who they rely on and what security plans are in place.

Talking to users is one way to help strengthen your digital supply chain, as noted above, but you'll also want to talk internally to those working in your call center and answering customer emails. Get a sense of the customer questions they field and what issues they're having with the website or supply process. Those on the front line talking to customers are a valuable source of information on what needs improvement and your customers' concerns. By talking to your team you can determine:

- Who your end user tends to be, and why they purchase your products
- What are the concerns of the end user and the buyer? It might be price, timeliness, quality or reliability.

Knowing the answer to these questions can help to shape your marketing efforts, sales and shipping strategy.

Just like you'd evaluate your physical supply chain for risk and efficiency, you should consider doing the same for your digital supply chain. With so much business done online, it doesn't make sense to be complacent about security or your customers' experience.

Photo Credit: [tanagorn.chinamornlert](#), Twenty20

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