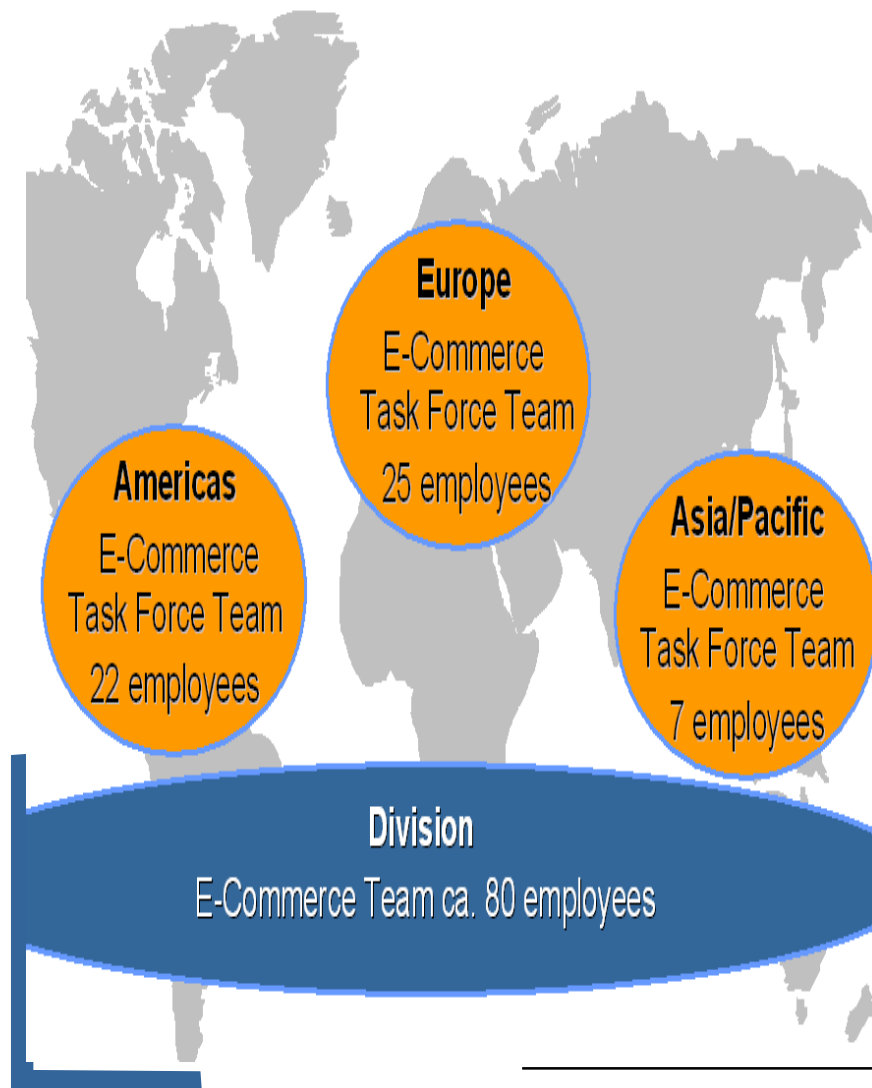




“Kundenansprache und Einbeziehung neuer Medien im B2B Bereich”



Götz Dollinger - strategy consultant GLC Europe



Targetgroups GLC

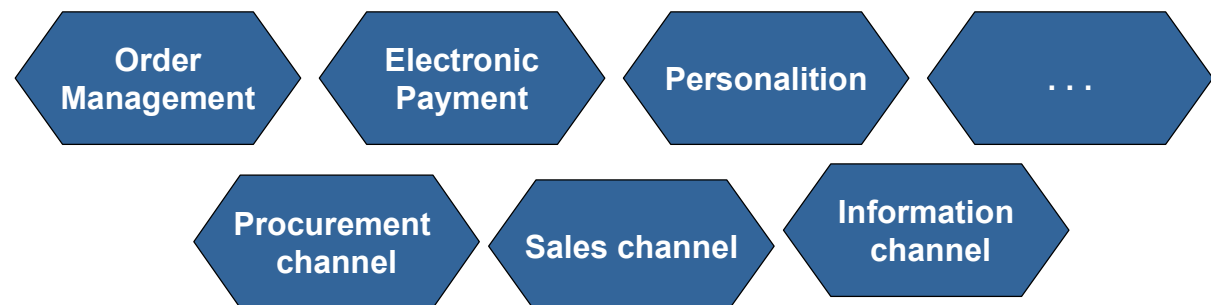
eCommerce Management and
eCommerce Experts at the
Business Units :

- eCommerce-Manager
- Marketingmanagement and
Productmanager
- Salesmanagement and Key-
Account-Manager
- Logisticmanagement

Definition of eCommerce

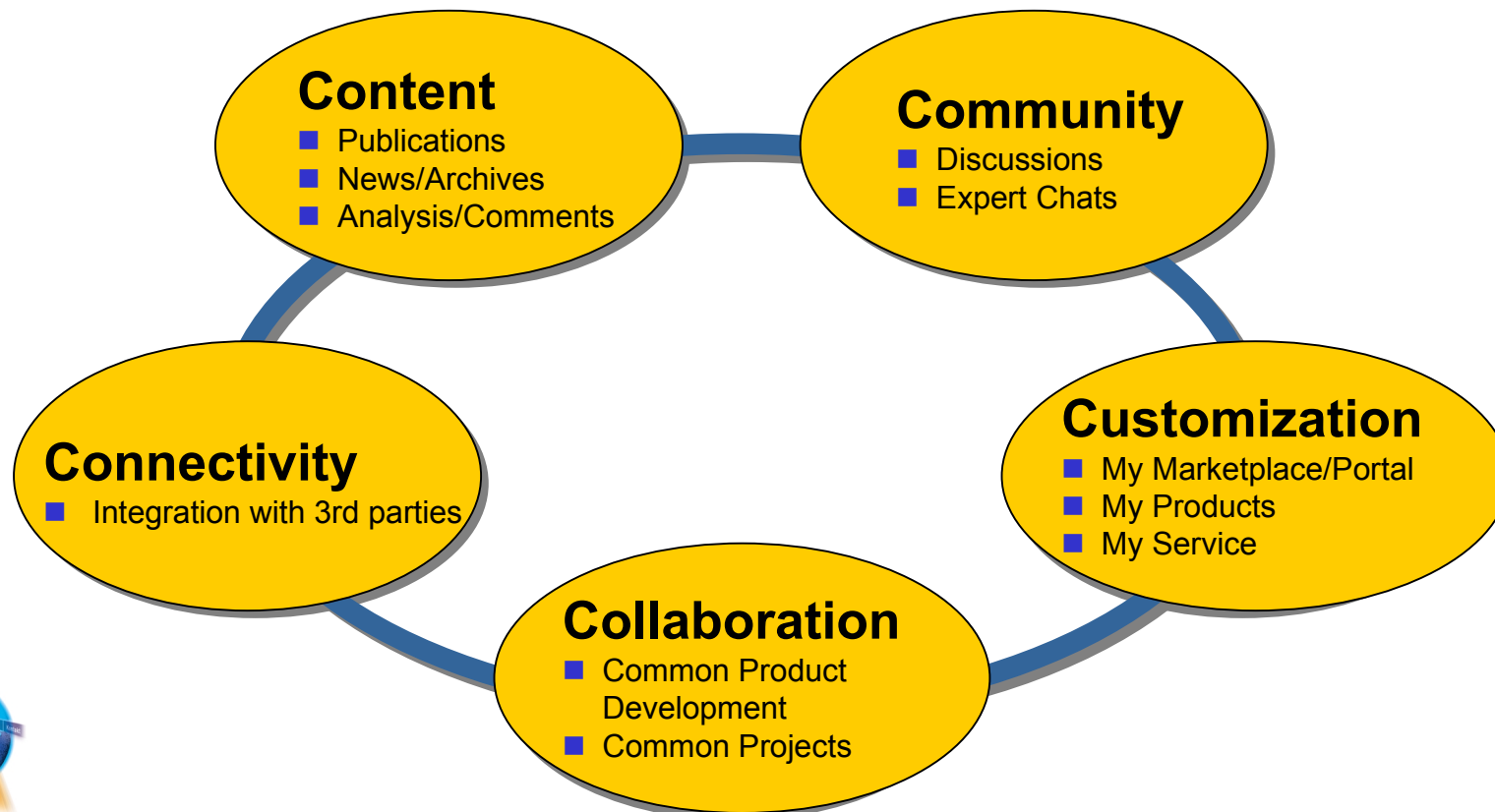


Electronic Commerce (eCommerce, EC) is the electronic handling of any transaction or interaction, based on the exchange of value, between organisations, companies and their external customers, suppliers, distributors or any other Partners.



Is eCommerce all about selling products over the Internet?

No, buying and selling (“Commerce”) are important parts of eCommerce but there are much more to these. It is also about ...

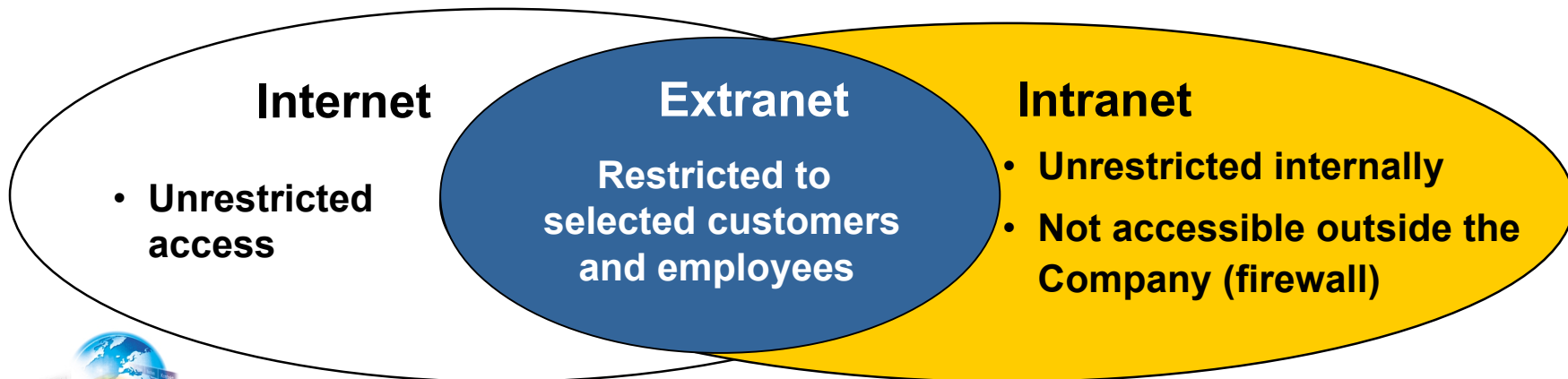


Overview of Terminology

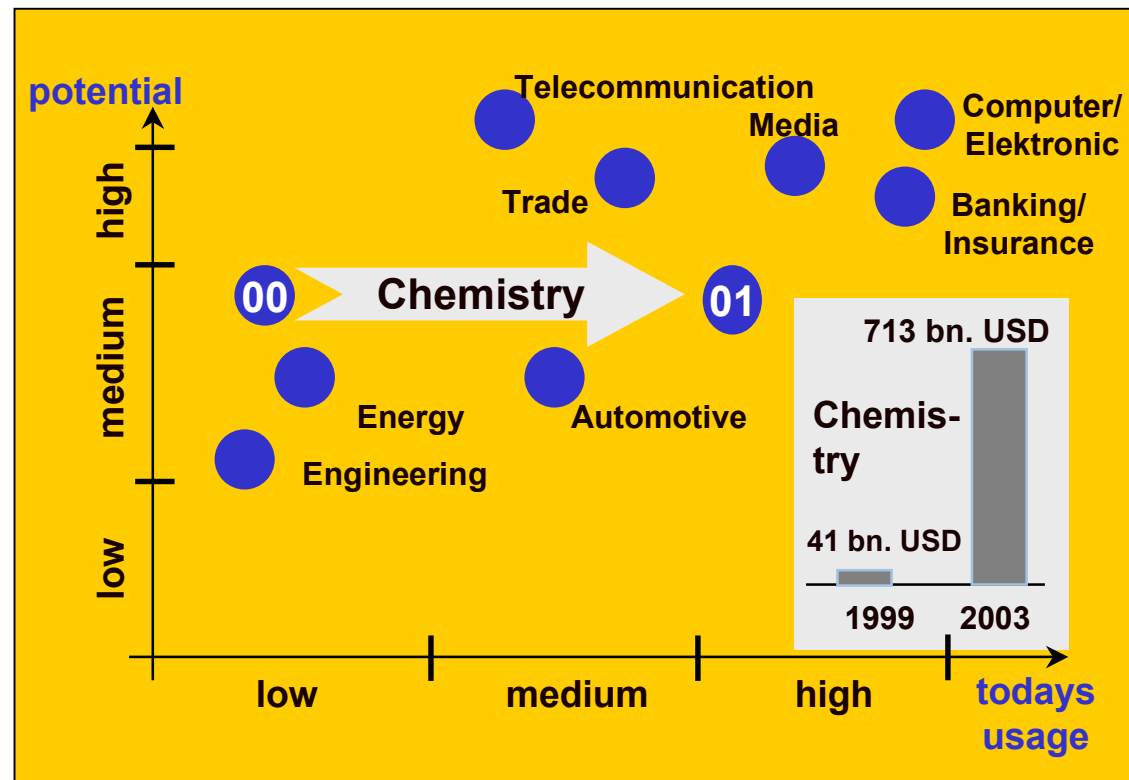
EDI (Electronic Data interchange):

Bilaterale Data interchange between BASF and one business partner independent of standard (EDIFACT, Idoc, XML, etc.)

Using the Internet technology accessing the Extranet functionality !



eCommerce potential with prognosis for the chemical industry



Last year brought the initial firing for the chemical industry:

Prognoses predict, that in 2003 more than 700 bn US-Dollar will be realized via eCommerce.



„eStatus“ BASF in comparison to competitors

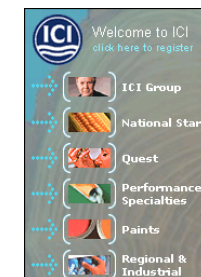
BASF

„BASF is already widely developed as a networked eCompany.“ *



„Bayer is one of the most active users of internet technology.“ *

Some further examples:



borchers

A Bayer Company



* Source: „Die Ergebnisse der E-Dax-Studie“, aus: manager magazin, 3/2001

BASF Global eCommerce Vision



**“Employ electronic commerce
to create and capture value
for BASF and its business partners
and make BASF the leading
chemical company in eCommerce”**



eCommerce Objectives of BASF:

Top-line growth

improve customer interfaces / market presence
offer new services / cross selling

Margin improvement

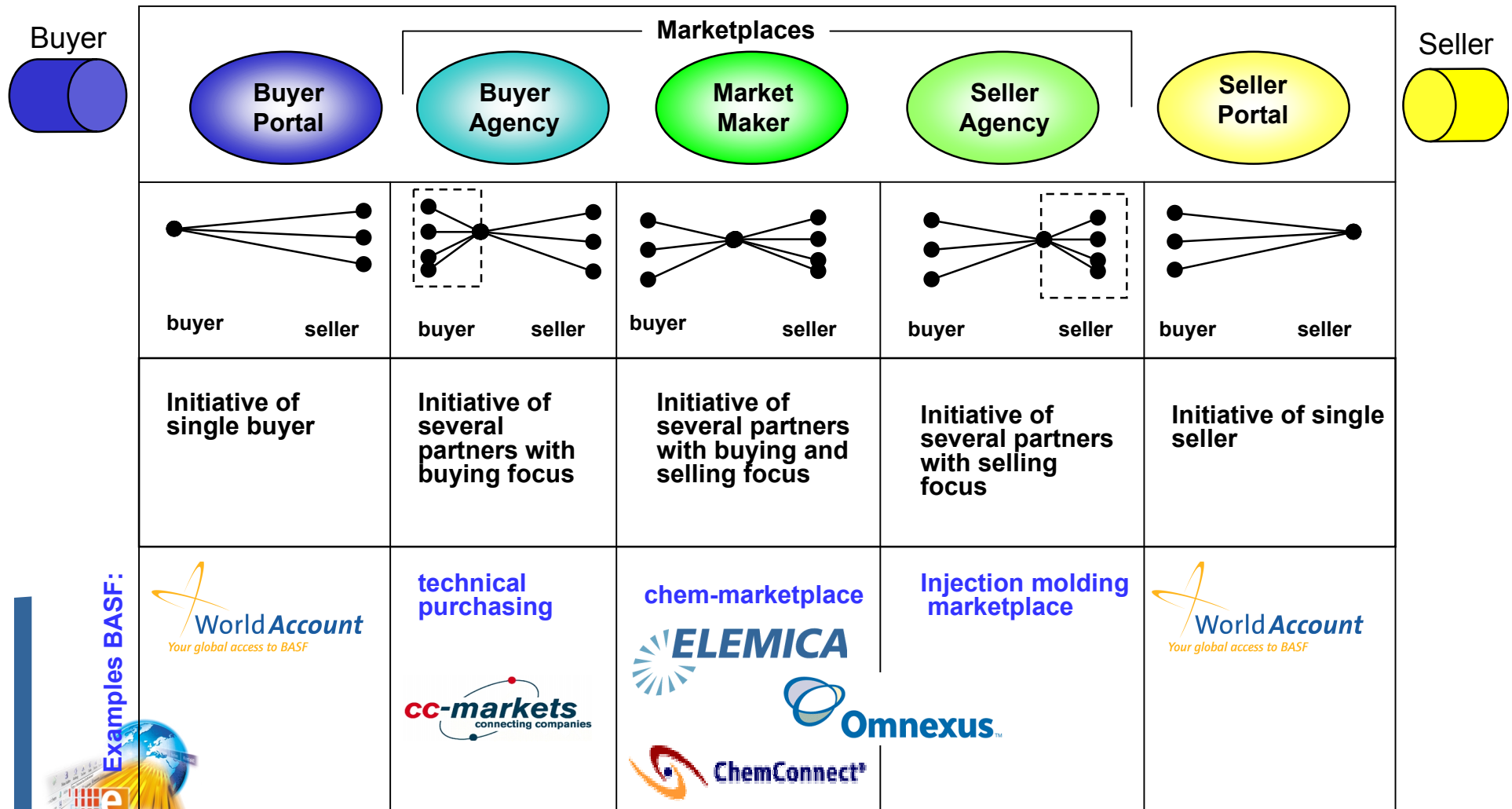
rationalize internal processes / systems
integrate ERP systems with customers / vendors

Customer Satisfaction

high availability of services / information - 24h, 7days
one stop shopping business models



5 different eCommerce Business Models of Marketplaces & Portals



Examples BASF:

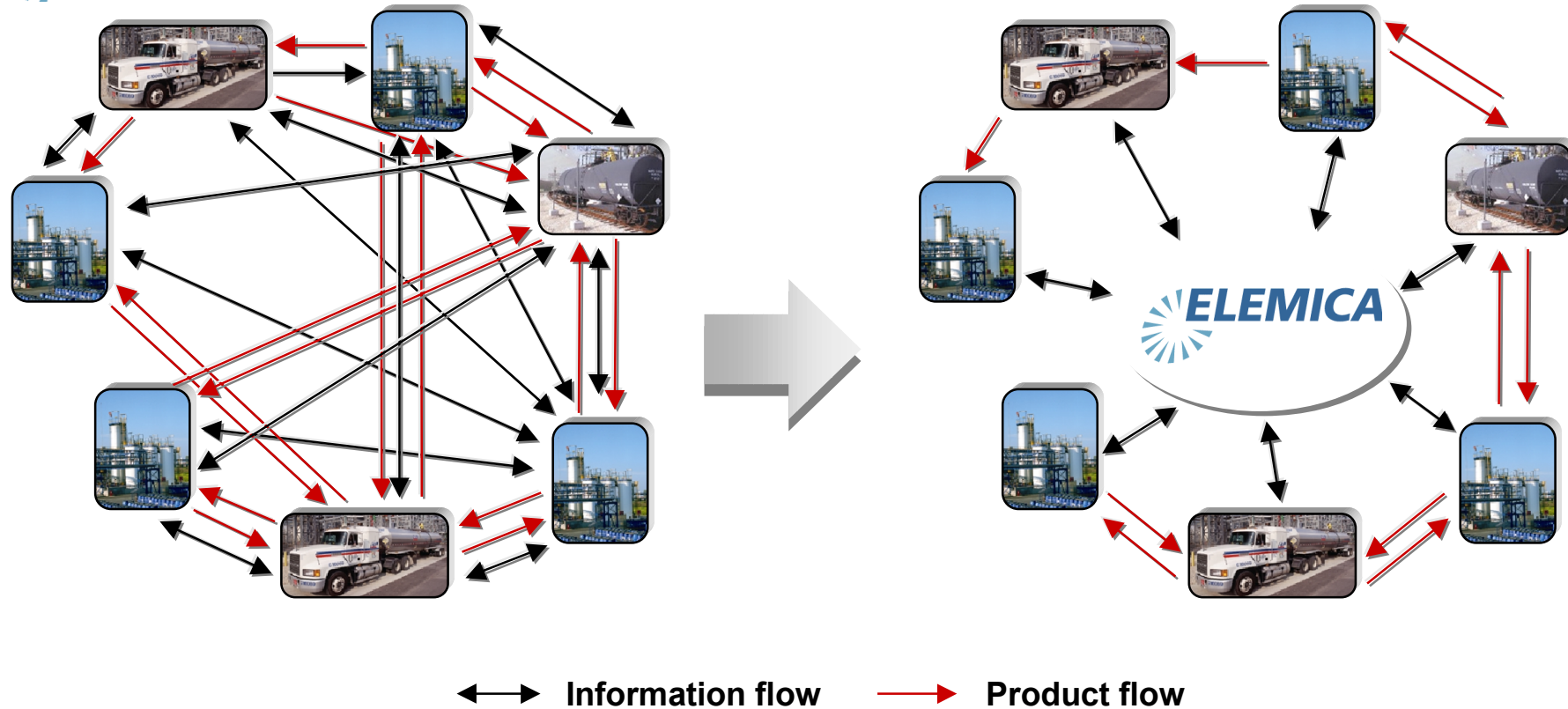
Commerce

Overview BASF Marketplaces

	ELEMICA	OMNEXUS	CC-CHEMPLOERER	CHEMCONNECT
Product Segments	<i>Chemicals buying & selling</i>	<i>Plastics selling</i>	<i>MRO & Technical products / services buying</i>	<i>Chemicals buying & selling</i>
Objectives	<i>Reduction of Trans- action Costs; Optimization of Supply-Chain</i>	<i>One-stop-shopping for Injection Molding</i>	<i>Reduction of Transaction Costs</i>	<i>Reduction of Purchasing Prices; Winning new Suppliers</i>
Core Business	<i>Contract Business</i>	<i>Contract Business</i>	<i>Contract Business</i>	<i>Spot Business</i>
Partners in Chem Industry	<i>Bayer, BPAmoco, Shell, Dow, DuPont, Rohm & Haas, ATOFINA</i>	<i>Bayer, Dow, DuPont, Ticona</i>	<i>Degussa Hüls, Henkel, + additional Partners</i>	<i>Dow, Rohm & Haas</i>



ELEMICA Hub Minimizes Complexity



Elemica expects to serve as a single point of contact for sharing information between contract buyers and sellers



Status at BASF

- **BASF is one of the original founding partners**
- **Infrastructure prepared for Elemica connection on the basis of Chem eStandards**
- **First system integrated order transactions with Business Partners like Dow Chemicals in the U.S. and DSM as well as Bayer in Europe**

What are Chem Standards™ ?

speak the same language

- Single set of **datas exchange standards and process descriptions** for buying, selling and carrying chemicals & plastics
- Based on XML
- Platform & Vendor independent
- Freely available
- Supported by

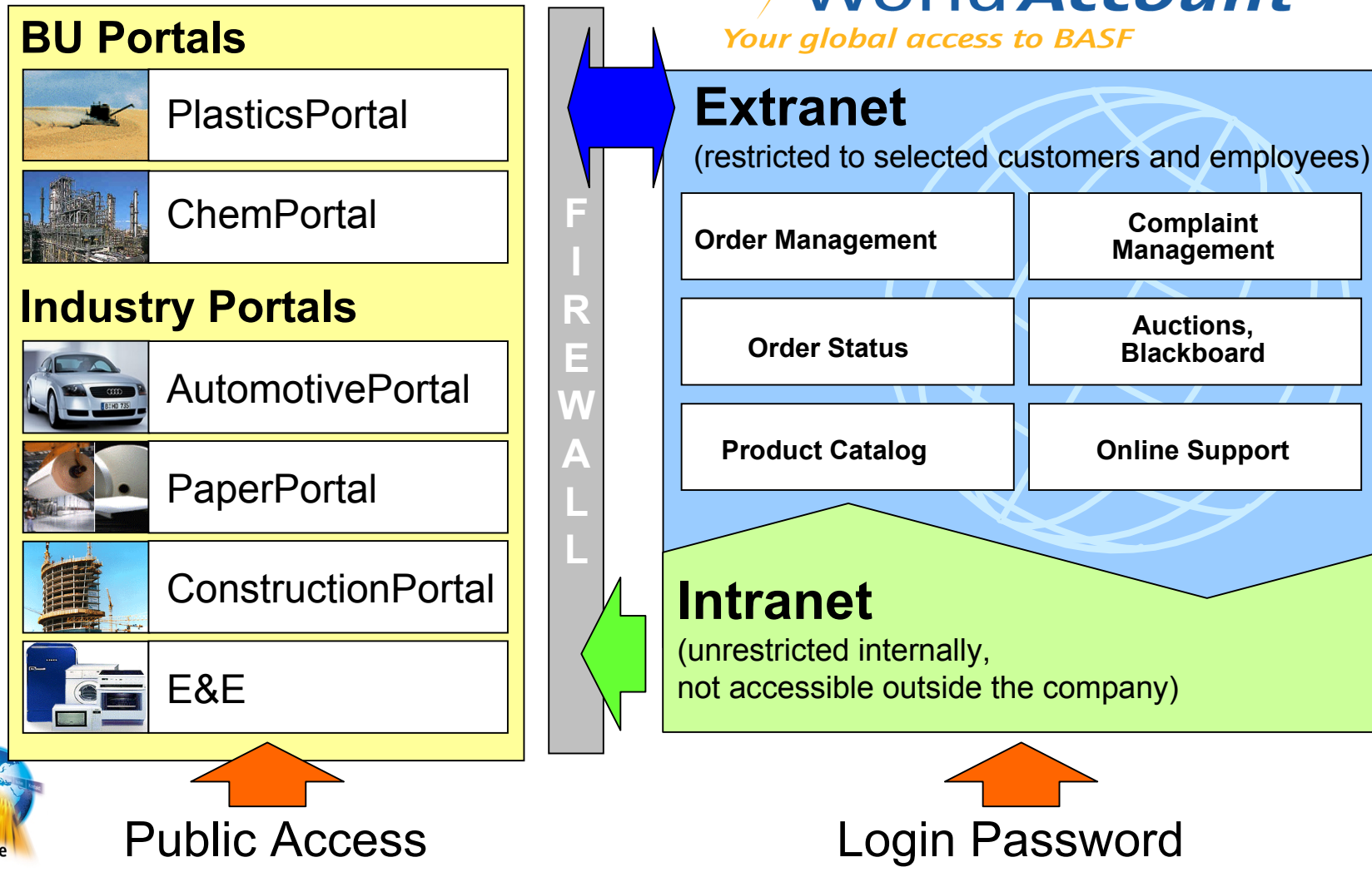
cidx™

open standards that open markets

the XML Standards Management body for
the Chemical Industry



BASF Portal Vision (detailed view)



Company expectations towards B2B eCommerce



Customers

- Convenience
- Reduction of complexity
- More efficient processes
- New service offerings
- 24 hour access
- Cost savings
- Higher market transparency

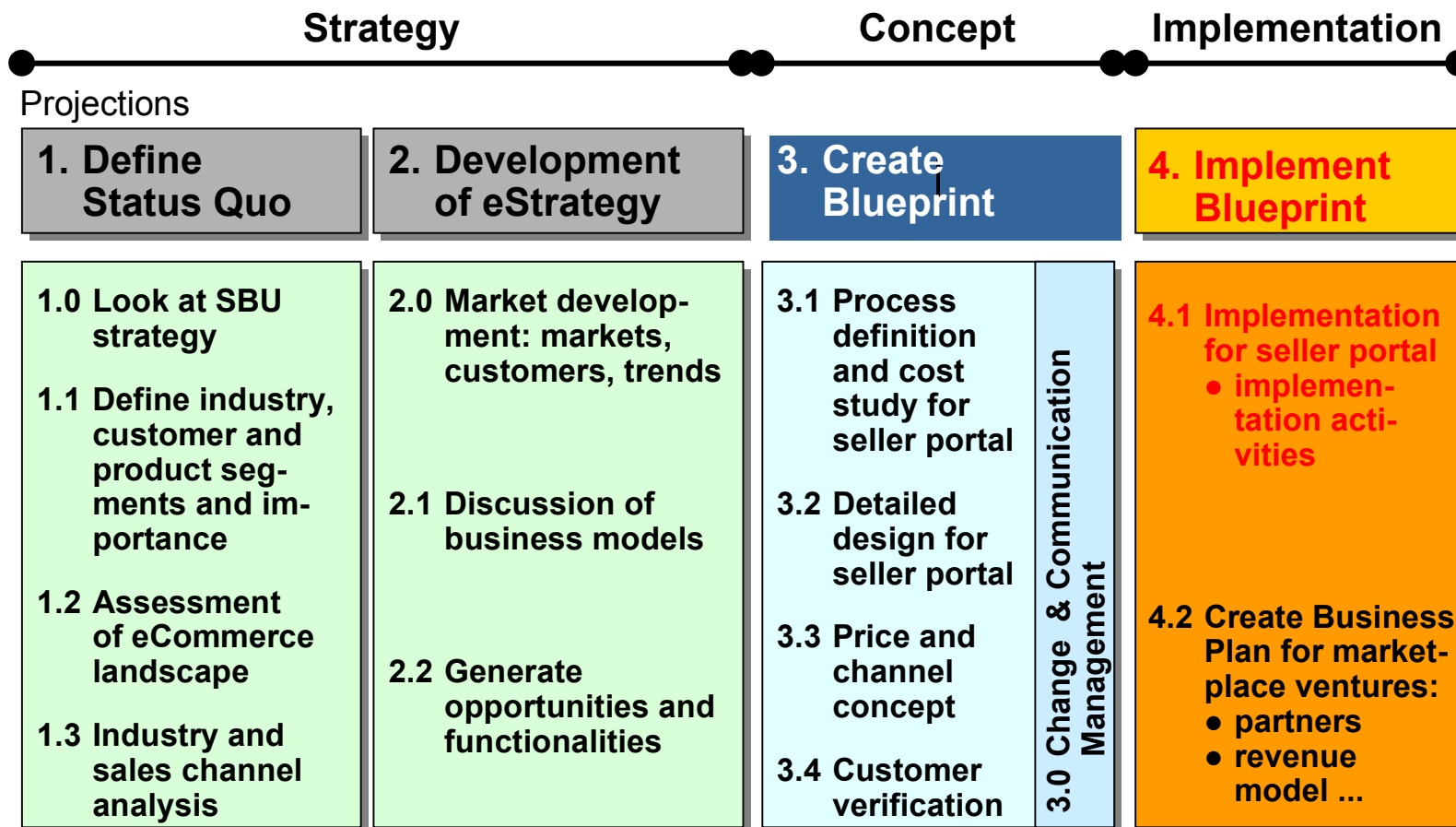


Chemical Industry

- Differentiation from competitors
- Reduction of complexity
- Reduction of inefficiencies
- New customers
- Lower transaction cost
- Lower purchasing cost



Basis for the decisionis the BASF 4-phase strategy method



Who benefits from eCommerce?

Our **customers** and our **own business** benefit in many ways from eCommerce initiatives:

- Improved Process Efficiency
- Improved Customer Relationships
- Increased Revenues
- Better Supply Chain Collaboration
- Complementary Partnerships *

For our **sales and marketing personnel** it means:

- **Relief from routine tasks such as**
 - answering standard questions
 - typing orders, suggestions or complaints
 - informing customers about delivery details
- **Concentration upon challenging tasks**
 - Customer Relationship Management
 - Deeper Market Penetration



* Source - Forrester Research (Cambridge, MA) survey 2000 - most mentioned replies

World Account - Benefits at a glance

Target Group: Our Customer internal and external

Personal:

BASF wird WA parallel zu den klassischen Vertriebskanälen etablieren, als zusätzliches Serviceangebot. Der persönliche Kundenkontakt durch unsere Vertriebsmitarbeiter bleibt für Sie in vollem Umfang bestehen und erhält mit WA eine neue Qualität

Flexible:

Ob Produktinformation, Bestellung oder Auftragsverfolgung - mit WA haben Sie direkten Zugriff auf Ihre Daten. Und das an 24 Stunden täglich und 7 Tage in der Woche.

Fast:

Detaillierte Produktinformationen und eine einfache Bestellmöglichkeit unterstützen Sie bei Entscheidungsfindung und Bestellung. Das schafft Transparenz und spart Zeit.



Open:

WA basiert auf einer offenen Plattform, die auch in Zukunft genügend Spielraum für neue Funktionen und Entwicklungen bietet. Für Sie kann die einfache Nutzung der erprobten Technologie ein sicherer Einstieg ins eBusiness sein.

Secure:

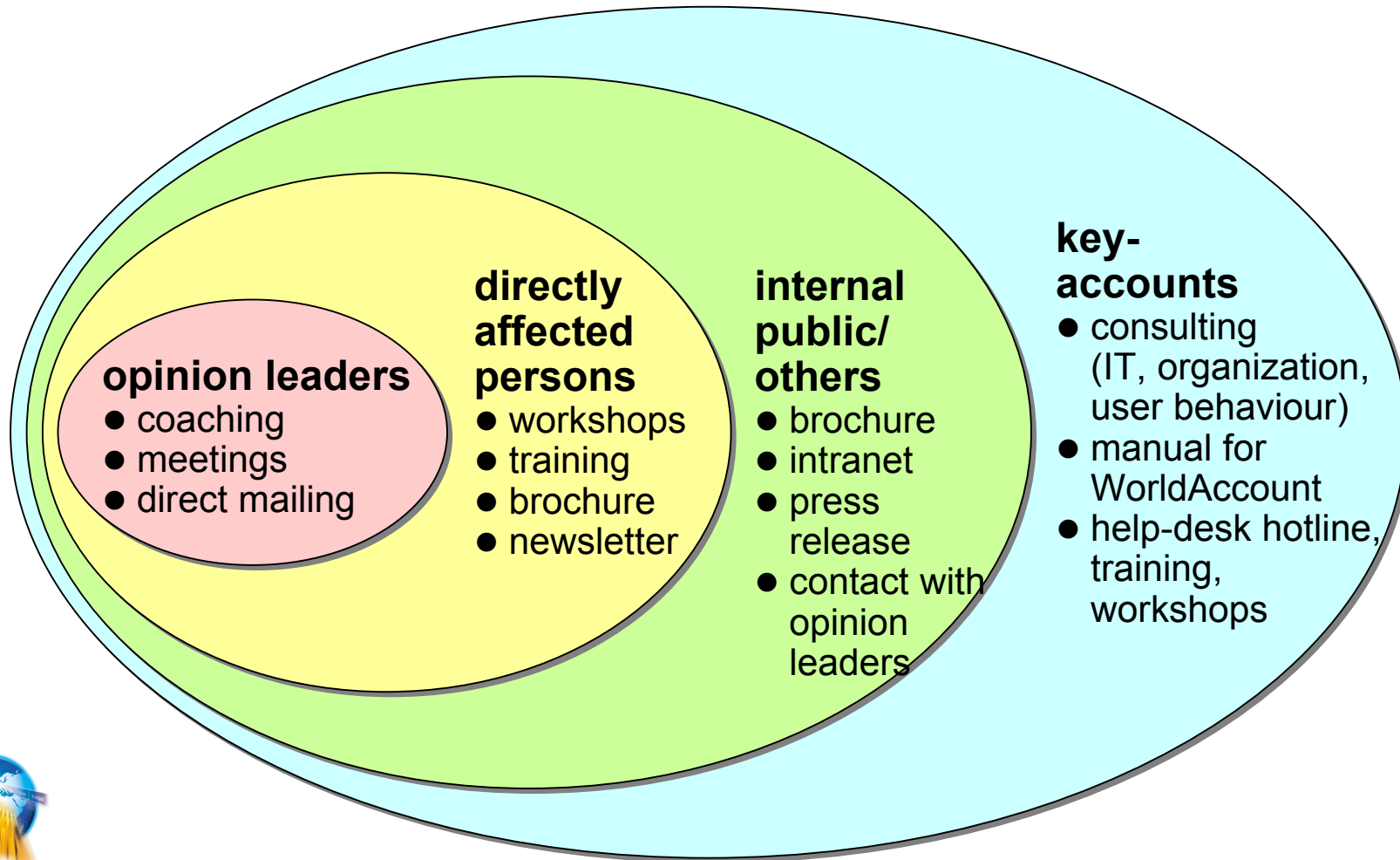
Alle Transaktionen von und zu WorldAccount werden verschlüsselt. Die WA-Server sind zusätzlich durch Firewalls geschützt.

Easy:

Für WA benötigen Sie einen PC mit Internet-Anschluß und einen Browser. Mehr nicht. So können auch Ihre Mitarbeiter und Kollegen leicht auf die für sie freigegebenen Daten zugreifen.



Target groups and communication tools:



COMMUNICATION PLAN

- Communication Meetings
- Intranet and Internal Newsletter
- Standard Presentation
- “Train the Trainer” Sessions
 - Current functionality on go live date
 - Potential to use new functionality shortly after go live
- “To Do’s” Checklist for Roll-out
- Marketing & Communication Tools - to be developed with business group’s involvement
 - Branding e.g. WA logo and slogan?
 - Brochure
 - Flash presentation
 - Application demo
 - Press releases in compliance with one voice policy
 - Provide input to advertising activities
 - Give-away
 - Monitoring and Feedback



Customer Benefit - Argumentation

■ SERVICE

- Electronic processing
- Usability
- Customizing

■ EFFICIENCY

- Product Information
- Company overall processes
- Cost and time effectiveness

■ SAFETY

- Data Security
- Availability
- BASF-wide system

