

# How H.B. Fuller Embraced Amazon and Started Growing a New Sales Channel

Enceiba's crawl-walk-run approach delivered +300% revenue growth in 15 months for this venerable \$3.4 billion (annual revenue) manufacturer with dozens of brands.

## What you need to know about H.B. Fuller.

When you're running a large, multi-brand B2B manufacturer, embracing new opportunities uniformly and systematically across the company can be difficult. Not only do you have to contend with instituting a new way of doing business, but you also have to get a large number of business units all rowing in the same direction.

That was the situation when H.B. Fuller's leadership decided to dip their toes into the Amazon marketplace. A leading global manufacturer of industrial adhesives, coatings, and sealants, H.B. Fuller owns a portfolio of 27 distinct brands, generating more than \$3.4 billion in annual revenue. Some brands, such as Eternabond, TEC, Fast 2K, and others, are well-known around the world, selling both to businesses and consumers. Many of their products can be found in large home improvement retailers such as Lowes and Home Depot.



"Enceiba's strategic, phased approach was key to getting our business units onboard and capturing our opportunity on Amazon. Their expertise allowed us to first address our team's concerns before activating new sales channels, providing the evidence needed to get everyone on board. Enceiba has been a trusted partner in developing our Amazon capabilities."

Kimberlee Sinclair, Vice President Digital Experience H.B. Fuller

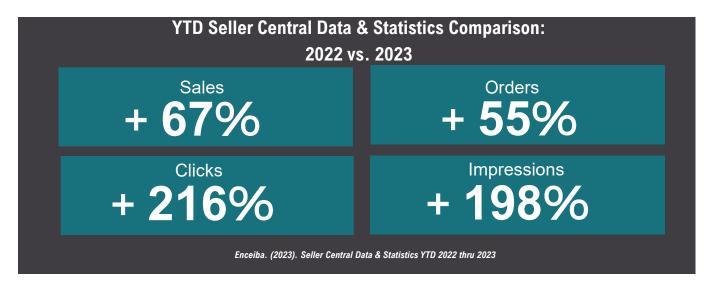


With a long history of selling through traditional sales channels like distributors, OEM partnerships, and direct sales teams, H.B. Fuller saw the rise of Amazon as both an opportunity and a threat. On one hand, Amazon could allow H.B. Fuller's brands to reach new customers and achieve incremental sales growth. On the other hand, an uncontrolled and fragmented marketplace presence risked undermining H.B. Fuller's existing sales strategies, with issues like channel conflict and price erosion.

H.B. Fuller's business units needed a solution to take advantage and take control of Amazon. With its history of shared functions that span across business units, such as IT and HR, the manufacturer wanted to create an internal service to help each brand sell on Amazon.

### **Defining the Opportunity and the Way Forward**

H.B. Fuller partnered with Amazon consultancy Enceiba to develop a tailored Amazon strategy and methodology that could enable each of their brands to start selling on the platform. After an initial assessment, Enceiba found that many of H.B. Fuller's top-selling products were already being sold by independent resellers on Amazon, generating millions in revenue. What's more, there was an enormous addressable market on Amazon worth hundreds of millions of dollars, provided each business unit adopted a Seller Central, or 3P, approach.



To combat internal skepticism and overcome channel conflict concerns, Enceiba first developed a detailed rollout plan to ease brands into Amazon, starting with registering some of the firm's top brands in Amazon's Brand Registry. This enabled them to gain ownership over brand content used on resellers' product listings.

Next, Enceiba focused on elevating marketplace content for Eternabond, one of H.B. Fuller's flagship brands, optimizing product listings without taking over direct sales. These changes improved visibility and sales through existing resellers, growing Eternabond's revenue from resellers by 196 percent in 15 months.

That impressive result alone grabbed the other brands' attention, allowing internal management and Enceiba to make the business case not only for taking similar actions with other H.B. Fuller brands but also for selling directly through Amazon's Seller Central and tapping into Amazon Business.

Because H.B. Fuller didn't want to end reseller relationships entirely, and they wanted to take a measured approach, Enceiba worked with their top brands to establish an Authorized for Amazon program to gain control over who can sell on the platform. Starting with removing unwanted resellers from Amazon, Enceiba guided H.B. Fuller in developing distributor agreements and Minimum Advertised Pricing policies to eliminate the potential for channel conflict and price erosion. At the same time, H.B. Fuller began selling directly on Amazon and Amazon Business, strategically leveraging the Fulfilled By Amazon (FBA) program for key brands.

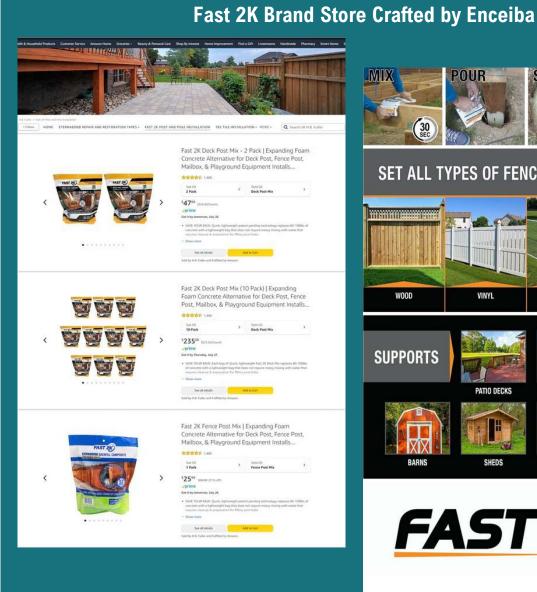
#### Why the Crawl-Walk-Run Approach Works

The phased introduction of a centralized Amazon program proved highly successful, with H.B. Fuller's top brands achieving multi-million dollar run rates in about a year. One brand even experienced a massive 341 percent increase in sales growth. H.B. Fuller's Amazon Business channel also continues to expand, and is now 10 percent of their total Amazon sales, complementing rather than cannibalizing existing sales channels.

H.B. Fuller's other business units have taken notice and are excited to start rolling out their own Amazon programs. Enceiba's collaborative crawl-walk-run approach resulted in buy-in from many of H.B. Fuller's stakeholders across the company's business units. H.B. Fuller now has a framework to efficiently and effectively activate new brands and products on Amazon while protecting their traditional sales channels.

By demonstrating success before asking brands to adopt a new strategy, Enceiba overcame initial hesitation and secured internal support to fully capitalize on the Amazon opportunity. H.B. Fuller now has a scalable model to drive continued growth on Amazon across their diverse brand portfolio.







#### **Amazon Frustration? Let's Talk Strategy**



sales@enceiba.com



732.208.2763



www.enceiba.com



Scottsdale, AZ

