

# How Managers Get B2B Marketplace Scaling Wrong

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# **How Managers Get B2B Marketplace Scaling Wrong**

## **Abstract**

B2B marketplaces are experiencing a powerful resurgence, promising to simplify global sourcing amid increasing geopolitical tensions, trade tariffs and growing supply chain disruptions. However, managers strive to replicate B2C success stories but misjudge unique B2B scaling challenges. Drawing on two pioneering B2B marketplaces, we highlight how B2C platform thinking leads managers into latent scaling traps. Our cases underscore the importance of setting a viable focus, deliberate product building, as well as physical selling and right-touch service to establish and scale B2B marketplaces in traditional industries.

## **Keywords**

B2B Marketplaces, Industry Platforms, Platform Strategy, GenAI Adoption, Industry

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## 1 Why Industrial Procurement Needs Marketplaces

Today, industrial companies heavily rely on external suppliers, making procurement not only a strategic business function but also a complex coordination task across diverse suppliers, processes and systems. For instance, Audi sources over 80% of its components externally from 14,000 suppliers.<sup>1</sup> BASF spends nearly 30 billion USD annually on procurement, almost half of its total revenues.<sup>2</sup> Managing such complex supplier networks, industrial companies employ significant resources to manage tedious, complex and multifaceted procurement activities that rely on digital infrastructure, data transparency and scalable enterprise and information systems.<sup>3</sup>

Yet, despite significant digitalization efforts, many procurement activities within industrial companies, such as supplier screening, tender management, or pricing and quotation management, are still conducted manually or isolated from one another. At the same time, ever-increasing regulations such as supply chain acts<sup>4</sup>, formalized cross-border trade<sup>5</sup>

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<sup>1</sup> More information on Audi's approach to managing their supply chain can be found here: Audi AG. *Responsibility in the Supply Chain*, 2024, available at <https://www.audi.com/en/sustainability/people-society/responsibility-in-the-supply-chain.html>.

<sup>2</sup> See BASF SE. *Suppliers and Partners*, 2025, available at <https://www.basf.com/global/en/who-we-are/organization/suppliers-and-partners>.

<sup>3</sup> Nissen, M. E., and Sengupta, K. "Incorporating software agents into supply chains: Experimental investigation with a procurement task," *MIS Quarterly* (30:1), March 2006, pp. 145–166

<sup>4</sup> e.g., Federal Ministry of Labour and Social Affairs (BMAS). *Supply Chain Act (Act on Corporate Due Diligence Obligations in Supply Chains)*, January 1, 2023, available at <https://www.bmas.de/EN/Europe-and-the-World/International/Supply-Chain-Act/supply-chain-act.html>.

<sup>5</sup> e.g., Federal Register. *Regulations Enhancing the Administration of the Antidumping and Countervailing Duty Trade Remedy*, December 16, 2024, available at <https://www.federalregister.gov/documents/2024/12/16/2024-29245/regulations-enhancing-the-administration-of-the-antidumping-and-countervailing-duty-trade-remedy>.

and internal governance bureaucracy are significantly driving up the transaction costs of industrial goods. Moreover, today's global economic pressure, geopolitical tensions and trade tariffs, as well as increased time-to-market requirements put industrial companies and their procurement operations under immense pressure.

To address these challenges, adopting marketplaces for industrial procurement (B2B marketplaces hereafter) holds great promise. In essence, B2B marketplaces are transaction platforms that connect industrial buyers and sellers, enabling competitive pricing and more efficient transactions.<sup>6</sup> As intermediaries, they rely on intelligent automation, standardized data flows and digital orchestration of procurement activities. In doing so, they transform fragmented, manual workflows into scalable, transparent procurement operations that open new opportunities for innovation and resilience in complex industrial supply chain networks.<sup>6</sup>

In B2C, platform marketplaces such as Amazon, Alibaba or Etsy have become the dominant standard for online shopping in consumers' daily lives, thereby characterizing an infamous blueprint for business scaling focusing on network effects and multi-sided markets.<sup>6</sup> In B2B, platform marketplaces have a long history but remain far less dominant than their B2C counterparts. In fact, pioneers of industrial e-commerce like Ariba and Commerce One took off with great promise in the 1990s already.<sup>7</sup> However, like many

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<sup>6</sup> Two fundamental books on digital platforms with numerous examples of their impact on our everyday personal and business lives are: Cusumano, M.A., Gawer, A., and Yoffie, D.B. *The Business of Platforms: Strategy in the Age of Digital Competition, Innovation, and Power*, Harper Business, New York, 2019 and Parker, G.G., Van Alstyne, M.W. and Choudary, S.P. *Platform Revolution: How Networked Markets Are Transforming the Economy and How to Make Them Work for You*, W.W. Norton & Company, New York, 2016.

<sup>7</sup> For foundational research on early B2B marketplaces, see Yoo, B., Choudhary, V. and Mukhopadhyay, T. "Electronic B2B marketplaces with different ownership structures," *Management Science* (53:6), June 2007, pp. 952-961 or Koh, T.K. and Fichman, M. "Multihoming users' preferences for two-sided exchange networks," *MIS Quarterly* (38:4), December 2014, pp. 977-996.

ventures of that period, they struggled to gain traction when the dot-com era burst. Yet, in this modern world of digital and AI, they are experiencing somewhat of a resurgence: the growing digital maturity of industrial companies and their ever-increasing need to enhance efficiency and ensure compliance have driven the emergence of a new wave of B2B platforms.<sup>8</sup> Also, today's global trade tensions and tariffs force industrial companies to fundamentally reevaluate their sourcing practices, prompting many to re-evaluate B2B marketplaces as a strategic sourcing option.

In recent years, vertical B2B marketplaces have emerged, focusing on specific B2B industries such as steel, chemicals or electronics. These platforms connect industrial buyers and sellers within a niche, offering industry-specific services and deep market expertise that broader platform marketplaces often lack. Yet, despite their promise, many vertical B2B marketplaces have struggled to scale, with some high-profile ventures failing entirely. For example, XOM-materials, a poster child corporate start-up launched in 2017 by the leading steel trade organization Klöckner & Co, was divested again in 2021. Similarly, merQbiz, a B2B marketplace for recovered paper products (e.g., used cardboard and packaging), launched in 2017 as a joint venture between the industrial machinery giant Voith and BCG digital ventures, divested its marketplace operations at the same time.<sup>9</sup>

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<sup>8</sup> Guiding research on today's B2B platform landscape can be retrieved from: Parker, G., Bonnet, D., Serra, L., and Farri, E. *The Future of B2B: Harnessing Platforms for AI, Sustainability, and Connected Value Creation*, Capgemini Invent and the MIT Digital Initiative on the Digital Economy, 2025, available at <https://www.capgemini.com/insights/research-library/the-future-of-b2b/>.

<sup>9</sup> For seminal research focusing on platform failure within industrial domains, see Hodapp, D., Hawlitschek, F., Wortmann, F., Lang, M. and Gassmann, O. "Key Lessons from Bosch for Incumbent Firms Entering the Platform Economy," *MIS Quarterly Executive* (21:3), June 2022, pp. 115-129 and Wlcek, M., Knapp, J., Marheine, C. and Wortmann, F. "Revisiting the IIoT Platform Graveyard: Key Learnings from Failed IIoT Platform Initiatives," *ICIS 2023 Proceedings*, December 2023, pp. 1-9.

We argue that these exemplary failures stem from a common managerial misconception: applying better-known B2C scaling playbooks within B2B contexts. While tempting, the specialized nature of vertical B2B marketplaces requires distinct strategies and digital capabilities. For instance, complex procurement processes significantly challenge the adoption of the frictionless, high-volume transactions that fuel B2C platform scaling. Additionally, niche industries often lack the user base necessary to establish and sustain powerful network effects, where more buyers attract more sellers.<sup>10</sup>

Our research reveals that successfully scaling B2B marketplace operations in traditional industrial contexts requires managers and digital leaders to navigate three distinct B2B marketplace traps: the trap of overextension, the trap of rigidity and the trap of illusion. To deconstruct these traps and uncover effective strategies, we draw on in-depth case studies of two pioneering B2B marketplaces. These cases operate in increasingly digitally mature environments, navigating real-world challenges such as integrating heterogeneous IT systems, establishing marketplace governance and offering intelligent end-to-end automation. From this analysis, we derive actionable guidelines to overcome these B2B marketplace traps, emphasizing the importance of maintaining a viable focus, deliberate product development and integrating physical sales with end-to-end digital services.

Crucially, our findings show that CIOs and IS leaders are uniquely positioned to navigate these challenges by actively controlling key levers, including system integration, architectural choices and deliberately driving thoughtful automation in domains where

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<sup>10</sup> For fundamental thoughts on how to capture the B2B platform opportunity, see: Riemensperger, F. and Falk, S. "How to capture the B2B platform opportunity," *Electronic Markets* (30:1), January 2020, pp. 61-63.

physical sales and services remain essential. It is through these specific actions that they can avoid the traps that earlier B2B marketplaces might have fallen for. Finally, we offer five concrete recommendations to help CIOs and IS leaders facilitate digital procurement in complex industrial settings.

## **2 What Industrial Procurement is All About**

### **2.1 Revisiting the Fundamentals of Industrial Procurement**

Procurement encompasses all company activities aimed at acquiring goods or other resources from external sources (suppliers).<sup>11</sup> More concrete, procurement involves identifying the needs of an organization, selecting suitable suppliers, negotiating contracts and ensuring the timely delivery of quality products or services at the best possible cost, thereby introducing great potential to streamline processes and enable data-driven decision making.<sup>12</sup> Consequently, CIOs play a central role in digitizing procurement operations, integrating heterogeneous enterprise systems and automating procurement processes. The effectiveness of these efforts directly shapes the success of the entire organization.

Thereby, procurement is about facilitating two core processes: 'Source-to-contract' and 'procure-to-pay'.<sup>13</sup> Both terms are widely established in procurement practice to denote

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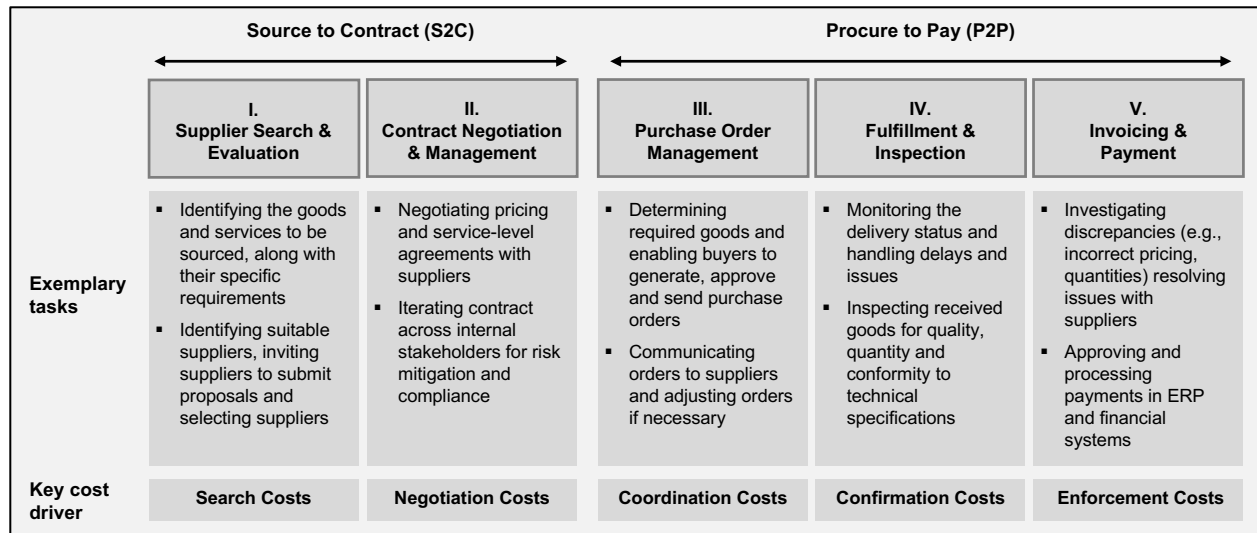
<sup>11</sup> See Taylor, J.R., and Tucker, C.C. "Reducing Data Processing Costs through Centralized Procurement," *MIS Quarterly* (13:4), December 1989, pp. 487-499.

<sup>12</sup> Further research highlighting IS' role in procurement includes: Nissen, M. E., and Sengupta, K. "Incorporating software agents into supply chains: Experimental investigation with a procurement task," *MIS Quarterly* (30:1), March 2006, pp. 145-166 or Najmul Islam, A.K.M., Cenfetelli, R. and Benbasat, I. "Organizational buyers' assimilation of B2B platforms: Effects of IT-enabled service functionality," *Journal of Strategic Information Systems* (29:1), March 2020, Article 101597.

<sup>13</sup> See Sarferaz, S. "Process of Source to Pay," in *Compendium on Enterprise Resource Planning*, Springer International Publishing, Cham, 2022, pp. 119-135.

two distinct activity sets that are inherently centered on the buyer's perspective (following a typical customer journey). Figure 1 below illustrates these two accordingly.

**Figure 1. Core Procurement Processes and Key Cost Drivers**



'Source-to-contract' (S2C) captures the strategic role of procurement, covering supplier search, evaluation and contract negotiation and management. S2C sets the guardrails for repeated purchases, ultimately enabling 'procure-to-pay' (P2P), which depicts the operational role of procurement, including order placement, process management, verification, fulfillment and invoicing and payment. While the S2C-P2P distinction is well-established, in practice, companies often adapt and integrate these processes based on spend type, involved risk and efficiency requirements.

Acknowledging rigid and repeatedly occurring S2C and P2P processes, industrial procurement is characterized as complex, tedious, and, most importantly, costly. Recent regulatory changes, bureaucratic requirements, today's geopolitical tensions and trade tariffs or supply chain crises further raise the transaction costs. Yet, these challenges also create significant opportunities for IS leaders to leverage B2B marketplaces as digital

platforms that streamline operations, reduce cost and enable scalable procurement, particularly in traditional industries.

## 2.2 How B2B Marketplaces Disrupt Industrial Procurement

Industrial procurement has always been about buying at the lowest price, but in recent years, transaction costs have increased drastically. Additionally, particularly in vertical domains, industry-specific regulations add significant complexity through, for instance, batch traceability in chemicals and pharmaceuticals, airworthiness certificates in aerospace, or compliance with trade laws such as Germany's Supply Chain Due Diligence Act<sup>14</sup>, UK post-Brexit regulations<sup>15</sup> or U.S. anti-dumping regulatory requirements<sup>16</sup>. Consequently, the costs and complexities of industrial transactions (see Figure 1) have increased systematically.

Prior studies on B2B markets offer rich insights into, for instance, trust and governance<sup>17</sup>, pricing and market dynamics<sup>18</sup> or technology-enabled ecosystems.<sup>19</sup> While foundational, this research often captures marketplaces as transaction platforms with a rather abstract and monolithic conceptualization of the business transaction itself. In addition, existing

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<sup>14</sup> e.g., Federal Ministry of Labour and Social Affairs (BMAS), op. cit., January 1, 2023.

<sup>15</sup> e.g., Council of the European Union. *Post-Brexit Agreements*, May 28, 2025, available at <https://www.consilium.europa.eu/en/policies/post-brexit-agreements/>.

<sup>16</sup> e.g., Federal Register, op. cit., December 16, 2024.

<sup>17</sup> e.g., Son, J., Tu, L. and Benbasat, I. "A descriptive content analysis of trust-building measures in B2B electronic marketplaces," *Communications of the Association for Information Systems* (18:1), 2006, pp. 538-563 or Koch, H. and Schultze, U. "Stuck in the conflicted middle: A role-theoretic perspective on B2B e-marketplaces," *MIS Quarterly* (35:1), March 2011, pp. 123-146.

<sup>18</sup> e.g., Alhaili, A., Elmaghraby, W.J. and Gopal, A. "Adverse selection in B2B secondary market online auctions for IT equipment: An empirical analysis," *MIS Quarterly* (46:3), September 2022, pp. 1793-1816 or Koh, T.K. and Fichman, M. "Multihoming users' preferences for two-sided exchange networks," *MIS Quarterly* (38:4), December 2014, pp. 977-996.

<sup>19</sup> e.g., Lacity, M., O'Leary, D.E. and Conway, D. "Developing capabilities for B2B commerce on public decentralized networks," *MIS Quarterly Executive* (23:4), December 2024, pp. 467-481 or Najmul Islam, A.K.M., Cenfetelli, R. and Benbasat, I. "Organizational buyers' assimilation of B2B platforms: Effects of IT-enabled service functionality," *Journal of Strategic Information Systems* (29:1), March 2020, Article 101597.

research reflects today's industrial realities only to a limited extent and often overlooks the specific nuances of B2B business realities, leaving managers vulnerable to the B2B marketplace traps we identify. Ultimately, today's B2B marketplace realities are shaped by heterogeneous IT systems, labor-intensive processes and additional burdens from bureaucracy, regulations or geopolitical tensions and tariffs. Unlike prior conceptualizations in IS literature, we operationalize and pinpoint business transactions on B2B marketplaces by taking a process perspective focusing on the specific S2C and P2P activities.

In practice, B2B marketplaces touch the core of enterprise IT on both the buyer and seller sides. Specifically, adopting automation technologies like generative AI (GenAI) enables marketplaces to streamline complex, lengthy and tedious procurement workflows, with the ultimate goal of achieving a 'perfect order': a fully seamless and largely automated buying and selling experience. For instance, B2B marketplaces may take over manual tasks such as proposal quotation, structuring or comparison and automatically prepare consolidated decision documents, facilitating S2C processes. Moreover, mandatory product information, logistic requirements or governance mechanisms such as seller verification streamline S2C and P2P procurement processes significantly, thereby eliminating lengthy back-and-forth-communication. Finally, buyers and sellers can compare and manage tenders and quotations in one place, shifting procurement from time-intensive one-to-one negotiations to scalable one-to-many marketplace interactions.

For CIOs and IS leaders who build or join B2B marketplaces, this creates both opportunity and responsibility. Their role is decisive in driving system integration, advancing intelligent automation and prioritizing digital investments while ensuring that architectures remain

both robust and scalable. In navigating the three B2B marketplace traps, CIOs and IS leaders can not only streamline procurement operations but also amplify the strategic impact of their decisions, supporting procurement transformation from a costly back-office function into a competitive advantage.

### **3 How Two B2B Marketplaces Scaled Their Business**

To derive how managers prevent falling into the B2B marketplace traps, we analyzed CheMondis<sup>20</sup> and Laserhub<sup>21</sup>, two pioneering European B2B marketplaces. CheMondis and Laserhub both operate in traditional industries with complex supply chains and long-standing supplier relationships that significantly rely on face-to-face interactions. Also, both case companies illustrate different approaches in maturing the B2B marketplace journey. This involves versatile approaches to supplier and buyer onboarding, managing data, integrating with enterprise systems or establishing marketplace governance.

Laserhub and CheMondis were founded in 2017 and 2018 and serve around 10,000 customers each. At the core, CheMondis aims to connect buyers and suppliers of chemicals. Overall, there are more than 100 chemical substances and product groups available, which aggregate in over 80,000 listings in total. While using CheMondis to buy chemicals is free, selling chemicals requires a paid membership (i.e., a 12-month contract), the price of which varies depending on the size of your company. In total, CheMondis lists over 11,000 verified buyers. Figure 2 and Appendix 7.2 provide an illustrative characterization of CheMondis.<sup>22</sup>

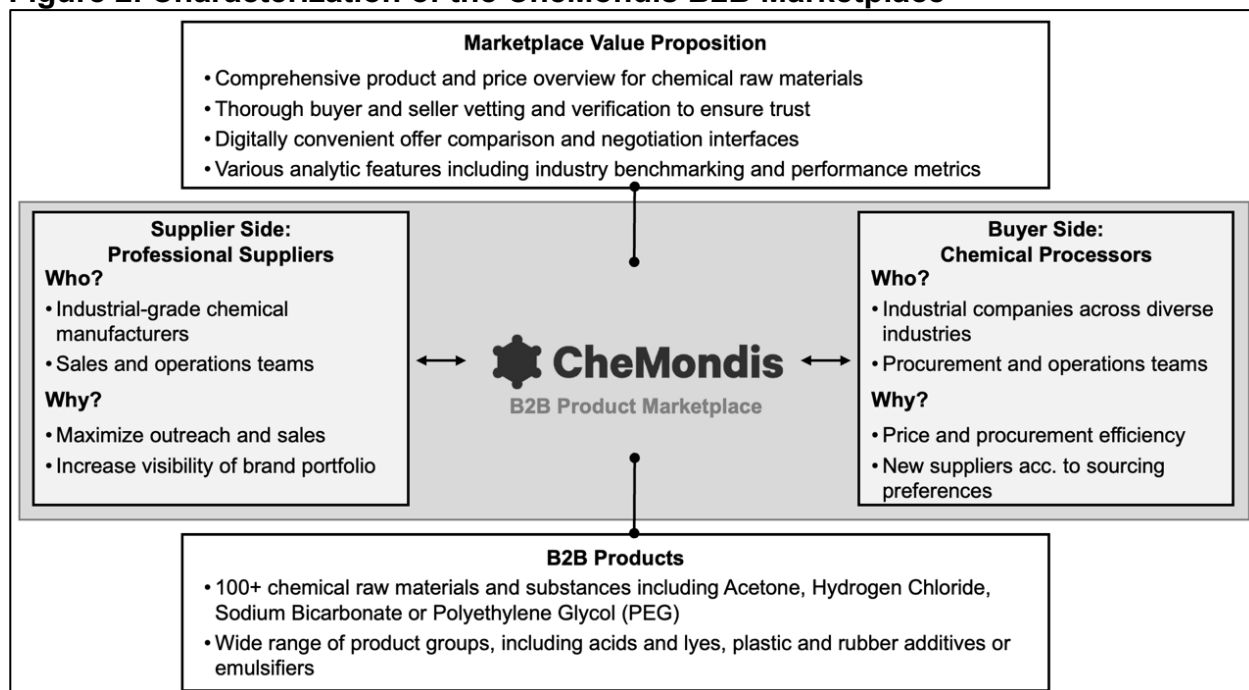
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<sup>20</sup> For more detailed information on CheMondis, visit <https://chemondis.com>.

<sup>21</sup> For more detailed information on Laserhub, see <https://laserhub.com/blog/>.

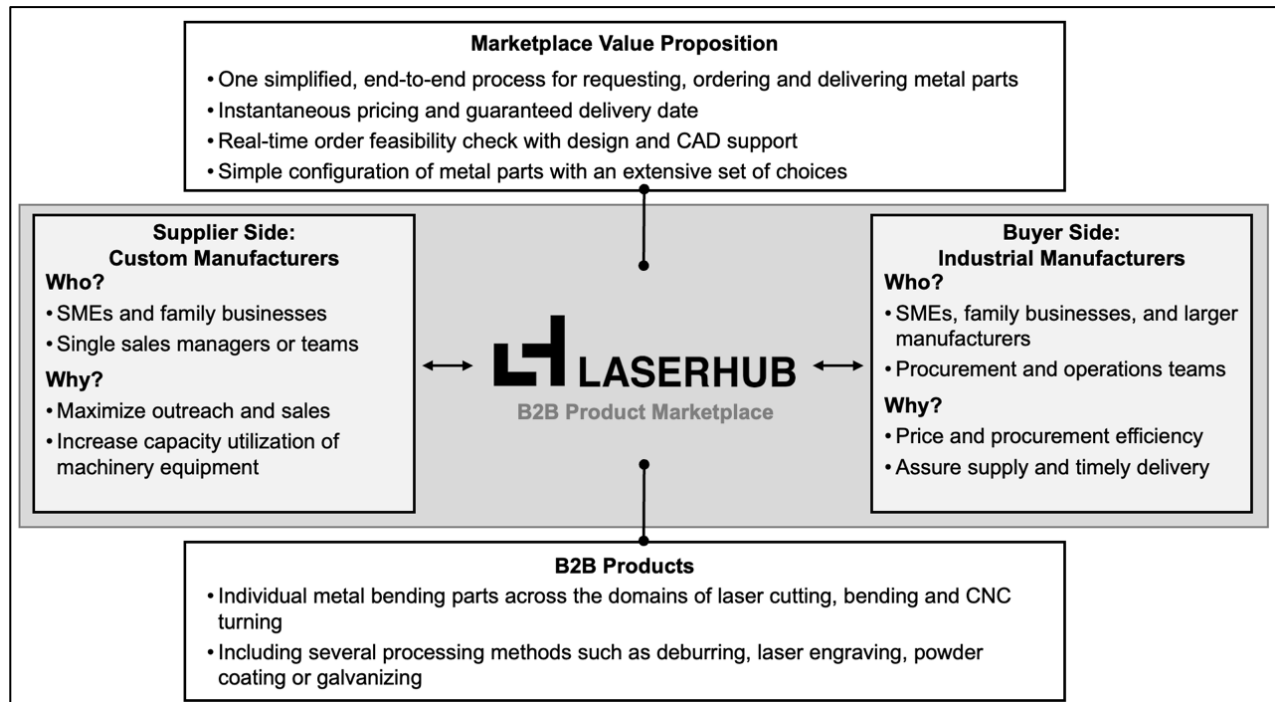
<sup>22</sup> Note: All information and visualizations (both cases) are based on data as of November 2024.

**Figure 2. Characterization of the CheMondis B2B Marketplace**



Laserhub operates a B2B marketplace for custom metal parts. This includes several processing methods, such as deburring, laser engraving, powder coating or galvanizing. Buyers upload CAD-files and specify requirements (e.g., steel type, tolerances or surface quality), and Laserhub matches them with one or multiple suppliers in their network, providing a price and delivery date within seconds. Therefore, buyers joining the platform enter a framework agreement with Laserhub as the contracting party, thus profiting from automated supplier pre-selection. We provide an illustrative description of Laserhub's B2B marketplace in Figure 3 and Appendix 7.1.<sup>22</sup>

**Figure 3. Characterization of the Laserhub B2B Marketplace**



In the following, we establish common ground in understanding the scaling journey of Laserhub and CheMondis across three phases: the listing years, the marketplace era and the opening up. Then, we illustrate how both cases navigated the B2B marketplace traps and describe how CIOs and IS leaders get B2B marketplace scaling right, thereby streamlining industrial procurement from sourcing to payment.

### 3.1 Phase 1: The Listing Years - Establishing a Viable Core

In the first growth phase, Laserhub and CheMondis focused on facilitating the core purchase transaction. While B2C buying is often about the lowest price, B2B procurement is far more complex and typically involves the interplay of different IT systems on the buyer, seller, and platform owner sides.<sup>23</sup> Laserhub and CheMondis invested significantly

<sup>23</sup> For seminal scholarly research attributing the complexity of B2B platforms, see Haki, K., Tanriverdi, H., Safaei, D., Schmid, M., Aier, S. and Winter, R. "Generativity and profitability on B2B innovation platforms:

in covering basic functionality along the whole industrial procurement process. Such basic functionality includes product listing, matchmaking, trust building and fulfillment.

Establishing a viable core required Laserhub and CheMondis to target their IT investments and focus on implementing essential functionality along the procurement process. Moreover, Laserhub and CheMondis early on realized that setting foot in traditional industries requires a very dedicated focus on a small but viable niche, thereby addressing few but critical procurement pain points. In concrete, one senior manager of Laserhub depicts their initial days as follows:

*“The most important thing for us was focus. In our domain, there are three very common types of metal: steel, stainless steel and aluminum. If you have the usual thicknesses and sizes, you can serve quite a larger market segment without stretching too far and remaining in control.”*

Moreover, Laserhub adopted lean practices to test and validate their marketplace early on aiming to test its market acceptance in the traditional manufacturing industry. One senior manager expressed their ‘minimal viable platform’ (MVP) approach:

*“With a very simple online form, we could easily check whether there was demand and whether people were signing up. That was the very first cohort of interested parties. And we were able to match a few standard customers, i.e. not exotic ones, with a few suppliers which were very happy that we brought them new customers.”*

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A simulation-based theory development,” *MIS Quarterly* (48:2), June 2024, pp. 583-612 or Anderson, E.G., Lopez, J. and Parker, G.G. “Leveraging value creation to drive the growth of B2B platforms,” *Production and Operations Management* (31:12), December 2022, pp. 4501-4514.

CheMondis' first growth stage followed a similar approach. CheMondis pivoted from a broad chemical marketplace towards a more specialized one with a focus on paints and coatings and textiles and adhesives. Focusing on that niche was vital to differentiate against existing B2B procurement platforms and marketplaces as their CEO expressed:

*“So, what we did at some point - #1, focus geographically on the EU and #2 focus on two segments, i.e., the paints and coatings industry and textiles and adhesives industry.”*

Moreover, he highlighted the importance of establishing a viable core by emphasizing:

*“It was a breakthrough because we aimed to identify a somewhat ideal portfolio buyers would search for. With that in mind, we could approach suppliers and tell them precisely what we needed. That is something absolutely critical for every marketplace platform to understand in the beginning.”*

Ultimately, the first growth phase required Laserhub and CheMondis to focus. In doing so, both B2B marketplaces carefully investigated ‘where and how to play?’ (i.e., product niche and specific process coverage) prior to focusing on scale. Establishing a viable core enabled Laserhub and CheMondis to set a footprint within their industry and gaining trust through reliable processes. Thereby, both B2B marketplaces eventually entered their second growth phase: the marketplace era.

### **3.2 Phase 2: The Marketplace Era - Strengthening the Core**

In the second growth phase Laserhub and CheMondis began to strengthen their core by expanding the range of functionalities. In fact, Laserhub and CheMondis underwent significant efforts to increase gravitas along both S2C and P2P processes. This marked

the point where both marketplaces became more embedded into existing IT systems and adjacent business processes.

Laserhub, for instance, took significant risks in becoming the contracting party, assuming responsibilities far beyond matchmaking. This exposed the firm to legal and regulatory compliance, liability for defects or warranties, and contractual obligations (e.g., terms of service to uphold or infringement of intellectual property), while also requiring stronger IT capabilities for secure data handling, order processing and documentation. At the same time, customers valued the simplified buying process, which helped Laserhub establish itself as a trustworthy and seamless alternative to traditional procurement.

While often seen as limiting marketplace scaling, for Laserhub, becoming the contracting party was the only reasonable choice. Their co-founder explains:

*“We early on realized that we need to become the buyer’s contracting party to really solve a procurement person’s inherent problem of managing 1:n relationships. Of course, we don’t want to be the contracting party and deal with all the organizational, contractual and operational activities at first, but we realized pretty soon that it’s a necessary evil. Only as the contracting party we provide this 1:1 relationship that makes procurement significantly easier.”*

Although challenging at first, taking on this role and offering standardized framework agreements became a unique selling point. Laserhub’s COO underscores this as follows:

*“Mastering this [our own operations as a contracting party] over time, we became really good in it. Today, our customers even value our on-time deliveries, which by the way are over 95%, thus, far better than the existing industry standard.”*

CheMondis took a different path and remained an independent broker while investing heavily in strengthening its core. Early buyer-focused initiatives included improving product search with filters such as supplier location, packaging type and chemical grade. Also, CheMondis introduced supplier-specific brand shops to simplify bulk purchasing (see Appendix 7.2 for more details). To increase trust, CheMondis also implemented a vetting process to verify that companies were registered and reliable (e.g., checking VAT numbers).

Creating gravitas also required proactively addressing barriers or bottlenecks that hinder transactions. Tackling these barriers can involve strategic partnerships with partners such as insurance companies, payment service providers or logistic companies, all of which require closely coordinated integration efforts, modular architectures, and IT security capabilities. CheMondis, for example, partnered with trustshare, a leading financial service provider for digital marketplaces, to ensure safe payment and escrow options for all transactions.

While both marketplaces initially offered limited services, they expanded their services significantly in this second phase creating substantial process coverage along S2C and P2P processes. Focusing on scope rather than scale, Laserhub and CheMondis were able to establish a strong core to finally enter their third growth phase: the opening up.

### **3.3 Phase 3: The Opening Up - Creating the Basis to Scale**

In the third growth phase, Laserhub and CheMondis illustrated that scaling a B2B marketplace requires efforts beyond digital infrastructure. This involves two reinforcing dynamics: developing advanced marketplace functionality to simplify transactions (e.g., automated CAD-file checking, CRM and ERP integrations) but also targeted sales efforts

that drive adoption through direct engagement with buyers and suppliers. Both cases highlight that marketplace scaling must go hand in hand with physical sales enablement, supported by marketplace functionality and processes that integrate seamlessly with established enterprise IT systems. Laserhub and CheMondis acknowledge their traditional industry practices where handshakes and face-to-face communication are still the norm of conducting business. As a result, both companies early on realized it to be crucial to augment rather than replace these traditional practices and physical sales activities. One founder of CheMondis exemplified their focus on sales excellence to scale as follows:

*“We identify as a software company, yes, but more than 25% of our people are employed in sales which aren’t chemical engineers or software developers. That’s just how it goes in our traditional industry.”*

Laserhub takes this notion even further, whereas the company’s leadership team commits to dedicated sales journeys visiting multiple key customers within July as the dedicated month of sales travels only. Exemplary sales dedication at the top company level is crucial, as the Laserhub CEO expresses, in order to convince hesitant buyers and sellers to join the marketplace.

Accompanying their physical sales efforts, Laserhub and CheMondis underwent great efforts in simplifying digital onboarding as well. Laserhub, for instance, was a very early user of GenAI, turning ERP-generated procurement emails into Laserhub-ready purchase orders and automating corresponding communication. In doing so, it addressed the realities of an SME user base that is unable to adopt more advanced integration methods such as EDI or APIs. Embracing established procurement means such as email, buyers

and sellers can continue following their established processes using their ERP systems for procurement purposes while using the Laserhub B2B marketplace, thereby significantly reducing the adoption barrier through process integration and alignment. Laserhub describes and advertises its GenAI innovation as follows<sup>24</sup>:

*"As projects often start with an email (procurement request), we now combine the best of both worlds: You can send us your inquiry by email and receive a link to your preconfigured metal parts within minutes. In doing so, we provide technology that adapts your way of working."*

CheMondis created its basis to scale in promoting the technology of strategic partners on top of promoting physical sales. In fact, CheMondis opened up by providing interfaces that allow access to different customer relationship management (CRM) systems. Thereby, sellers can ensure that existing leads are nurtured effectively throughout every stage of the sales funnel. To facilitate seamless order processing for suppliers, Elemica, a leading digital supply chain network for process manufacturers integrated its supply chain platform into CheMondis. As a result, suppliers can connect their ERP system directly with CheMondis. In doing so, CheMondis matured into the role of an orchestrator requiring clear strategizing and prioritization of partners, robust IT architecture allowing for plug-and-play integration and proven and enforceable governance mechanisms in place.

Creating the basis to scale required Laserhub and CheMondis to provide the infrastructure and processes (physically and digitally) that make the development and

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<sup>24</sup> Details on the GenAI enabled email ordering can be retrieved from Laserhub directly. See <https://laserhub.com/blog/bekannte-prozesse-neue-ergebnisse-konfiguration-per-e-mail/>.

integration of complementary third-party services efficient and scalable. Only now, Laserhub and CheMondis adopted standardized application programming interfaces (APIs) enabling scalable low-touch integration rather than high-touch integration of strategic partners (see Phase 2). In addition, both B2B marketplaces implemented scalable onboarding processes and legal foundations that are one-size-fits-all and simple rather than individualized and all-encompassing.

Having established a viable core business and matured beyond the initial growth phases, both companies must continue to prove the viability of their business models. With rising trade tensions, new tariffs and a rapidly increasing shift toward cost-effective sourcing from China, both marketplaces are facing new challenges and opportunities. In response, the two companies continue to verticalize their business by extending their software and service portfolio. For CheMondis, for example, this particularly involves facilitating China-related business through targeted procurement discovery services that rely on its marketplace backbone.

## **4 Latent B2B Marketplace Traps and How to Overcome Them**

Accompanying Laserhub's and CheMondis' three growth phases revealed certain pitfalls Laserhub and CheMondis had to overcome. We conceptualized these pitfalls as B2B marketplace traps and, in the following, introduce managerial guidance on how to overcome them. Table 1 summarizes the three B2B marketplace traps and how to overcome them, referencing the case realities. Specifically, we contrast typical managerial misconceptions and B2C playbooks with the case realities of Laserhub and CheMondis in traditional B2B environments.

**Table 1: Latent B2B Marketplace Traps and Case Realities**

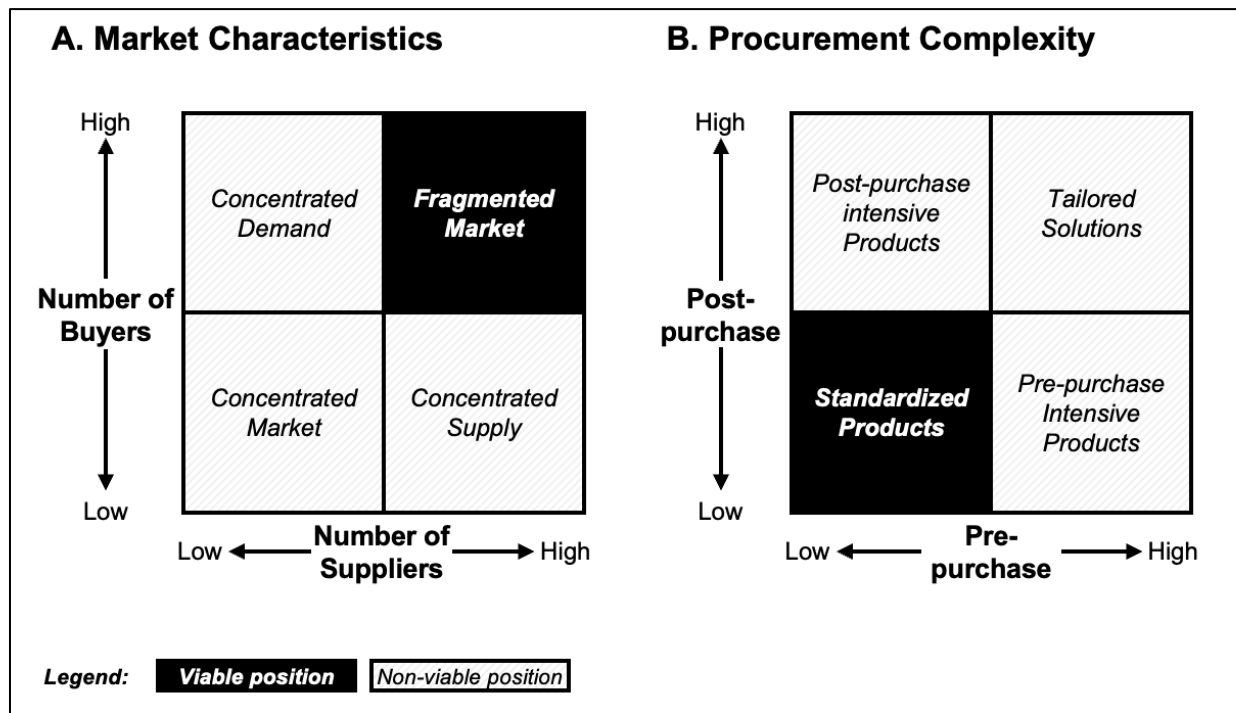
| <b>Traps</b>                                                                       | <b>Managerial Misconceptions</b>                                                                                                                                                                                                                                                                                                                                   | <b>Case Realities</b>                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1. The Trap of Overextension: Trying to be Everything to Everyone (Phase 1)</b> | <p><i>From ‘the more the better’ ...</i></p> <p><b>Network effects:</b> Broad market penetration is needed for momentum.</p> <p><b>Market fit:</b> Marketplaces work across all industries.</p> <p><b>Product fit:</b> A diverse set of products can be sold via marketplaces.</p>                                                                                 | <p><i>... to setting a viable focus</i></p> <p><b>Network effects:</b> Drive network effects in a niche. CheMondis focuses on paints, Laserhub on common parts.</p> <p><b>Market fit:</b> Both companies operate in fragmented markets with no concentrated demand or supply.</p> <p><b>Product fit:</b> Laserhub and CheMondis focus on simple, low-complexity products.</p>                                        |
| <b>2. The Trap of Rigidity: Obsessive Platform Thinking (Phase 2)</b>              | <p><i>From narrow-minded platform implementation ...</i></p> <p><b>Value proposition:</b> Aggregating demand and supply ensures platform success.</p> <p><b>Value creation:</b> Focus on network effects, not standalone value.</p> <p><b>Boundary objects:</b> Proper APIs enable seamless marketplace integration.</p>                                           | <p><i>... to deliberate product building</i></p> <p><b>Value proposition:</b> Laserhub and CheMondis offer significant value beyond pure aggregation.</p> <p><b>Value creation:</b> Both offer services to streamline processes as well as secure and simplify transactions.</p> <p><b>Boundary objects:</b> CheMondis offers comprehensive integration solutions, Laserhub uses GenAI for email orders.</p>         |
| <b>3. The Trap of Illusion: Blind Faith in Digital Scaling (Phase 3)</b>           | <p><i>From low-touch sales and service ...</i></p> <p><b>Customer acquisition:</b> A great marketplace sells itself; field sales is for pipeline business.</p> <p><b>Onboarding:</b> Minimal effort for all buyers and suppliers if APIs and documentation is right.</p> <p><b>Customer support:</b> If done right, customer support is low- or even no-touch.</p> | <p><i>... to physical selling and right-touch service</i></p> <p><b>Customer acquisition:</b> Over 20% of Laserhub and CheMondis sales staff conduct field visits.</p> <p><b>Onboarding:</b> For effective onboarding, Laserhub and CheMondis appoint digital and domain experts respectively.</p> <p><b>Customer support:</b> Laserhub offers CAD-support; both companies assign account managers to customers.</p> |

## **4.1 The Trap of Overextension: Trying to be Everything to Everyone**

When discussing platform marketplaces, most managers instinctively point to well-known success stories such as Amazon or Airbnb. Yet, these examples often lead to ambitious goals in respect to creating network effects, low-touch marketplace interactions and serving a very broad product portfolio. For Laserhub and CheMondis, starting with 'being everything to everyone' resulted in very limited success. Setting a realistic ambition is equally crucial for IS strategy. Building for "Amazon-like" scale can misdirect efforts, whereas a lean and flexible architecture allows resources to be concentrated on the areas of greatest impact.

Overcoming the first B2B marketplace trap required Laserhub and CheMondis to carefully consider their structural environment. Both experienced that B2B marketplaces thrive under very specific conditions shaped by market characteristics and procurement complexity. We illustrate this learning in Figure 4 below.

**Figure 4. Overcoming the Trap of Overextension: Setting a Viable Focus**



Overcoming the trap of overextension required Laserhub and CheMondis to select a sufficiently large market, but more importantly, identify inherent market barriers that substantiate concentrated supply or demand. In fact, both companies operate in niches with many suppliers and buyers but no dominant power structures, avoiding monopolistic or oligopolistic behaviors that could hinder transactions. At the same time, fragmented supplier networks drive up transaction costs and reduce transparency which both marketplaces attribute solutions to. In augmenting the procurement process and delivering targeted functionality in the form of data standardization and process automation, both companies delivered significant value-add.

Furthermore, procurement complexity was another decisive factor. Ultimately, not all industrial products are suited to be exchanged over marketplaces, especially when extensive pre- or post-purchase coordination is required. Laserhub, for instance, focused

on steel, stainless steel and aluminum as those are the most common in the market. In fact, Laserhub deliberately abandoned 3D-printed (polymer) products due to their inherent complexity and resulting coordination efforts pre- and post-purchasing (i.e., design freedom, material behavior and reproducibility). For CIOs, this underlines the importance of analyzing procurement workflows to pinpoint where IT integration and automation are feasible and where complexity makes scaling prohibitively costly.

Ultimately, B2B marketplaces thrive in fragmented markets with standardized products. While this may seem obvious, our experts have found it to be widely overlooked. Therefore, we encourage managers establishing B2B marketplaces to critically assess their current strategies and establish a clear, sustainable focus.

## **4.2 The Trap of Rigidity: Obsessive Platform Thinking**

Upon establishing a viable focus and entering the second growth phase, most managers turn their attention to marketplace scaling and building up network effects. However, as Laserhub's CEO acknowledged, rapidly scaling a B2B marketplace through an early focus on user growth must be approached with caution. Although providing APIs is a common way to scale platforms<sup>25</sup>, Laserhub and CheMondis have emphasized that a strong marketplace core must be in place before scaling. This underlines the importance of ensuring robust core processes and IT architectures before pursuing large-scale growth efforts.

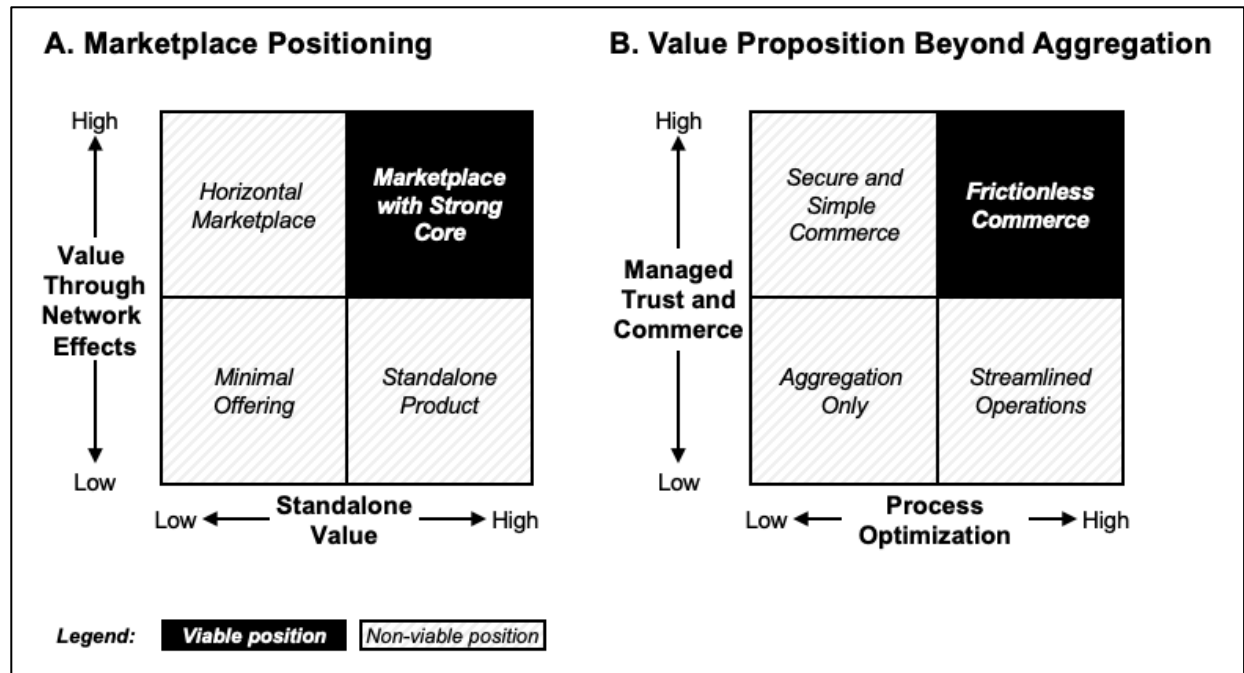
Overcoming the second B2B marketplace trap required Laserhub and CheMondis to significantly intensify their value-add. Both firms learned that B2B marketplaces thrive

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<sup>25</sup> See Gawer, A. "Digital Platforms' Boundaries: The Interplay of Firm Scope, Platform Sides, and Digital Interfaces," *Long Range Planning* (54:5), October 2021, Article 102045.

upon adding deliberate product functionality beyond mere matching of supply and demand. We illustrate this learning in Figure 5 below.

**Figure 5. Overcoming the Trap of Rigidity: Deliberate Product Building**



To overcome the trap of rigidity, Laserhub and CheMondis recognized that simply onboarding more users was insufficient. Instead, both companies had to significantly extend their marketplace functionality (i.e., providing standalone value) enhancing services along the procurement process.<sup>26</sup> In fact, facilitating seamless procurement and delivering a ‘perfect order experience’ proved to provide greater value to buyers and sellers than blindly focusing on establishing network effects. Consequently, both companies positioned their marketplace providing a marketplace with a strong core, delivering standalone value and seamless procurement. Ultimately, rather than

<sup>26</sup> For more information, see Li, H., Fang, Y., Lim, K., and Wang, Y. “Platform-Based Function Repertoire, Reputation, and Sales Performance of E-Marketplace Sellers,” *MIS Quarterly* (43:1), March 2019, pp. 207-236.

committing to scalable infrastructure both marketplaces focused on incorporating adjacent business domains like legal, financial and logistics processes, where complexity and regulation demand robust integration.

Realizing the necessity to move beyond aggregation, Laserhub and CheMondis focused on enabling frictionless commerce. This required two elements. On the one hand, the marketplace must provide a streamlined end-to-end integrated buying process for both sellers and buyers (i.e., process optimization). At Laserhub, a buyer can place a comprehensive order including CAD-data in less than five minutes leveraging automated supplier selection and scheduling, automated CAD-file checks and instantaneous payment processing. CheMondis optimized processes through brand shops for bulk purchasing and ERP supply chain integration. On the other hand, frictionless commerce also requires the marketplace to provide managed trust and commerce ensuring secure and reliable business transactions. This includes building trust among participants while streamlining commercial interactions to reduce risks and transaction costs. CheMondis, for instance, invested great efforts in supplier vetting and integrated escrow services to ensure secure payments and transactions. Meanwhile, Laserhub became the contracting party taking over operational tasks such as order management, fulfillment and invoicing. These examples highlight the dual challenge of enabling process efficiency while embedding trust and security into digital workflows

Ultimately, B2B marketplaces thrive upon providing a strong core and a value proposition beyond aggregation. Hence, we invite managers pursuing narrow-minded and 'lean' platform implementation to reconsider their actions toward embracing deliberate product building.

### 4.3 The Trap of Illusion: Blind Faith in Digital Scaling

As marketplaces mature, managers often assume that digital scaling will follow a self-reinforcing flywheel effect, accelerating adoption until a winner-takes-all position emerges.<sup>27</sup> This belief in effortless, low cost digital scaling intrigues managers to venture platform marketplaces at first and often sustains investments despite limited revenues or profitability. Yet, the experiences of CheMondis and Laserhub tell a different story, one that does not align with expectations of purely digital, low-touch scaling.<sup>28</sup>

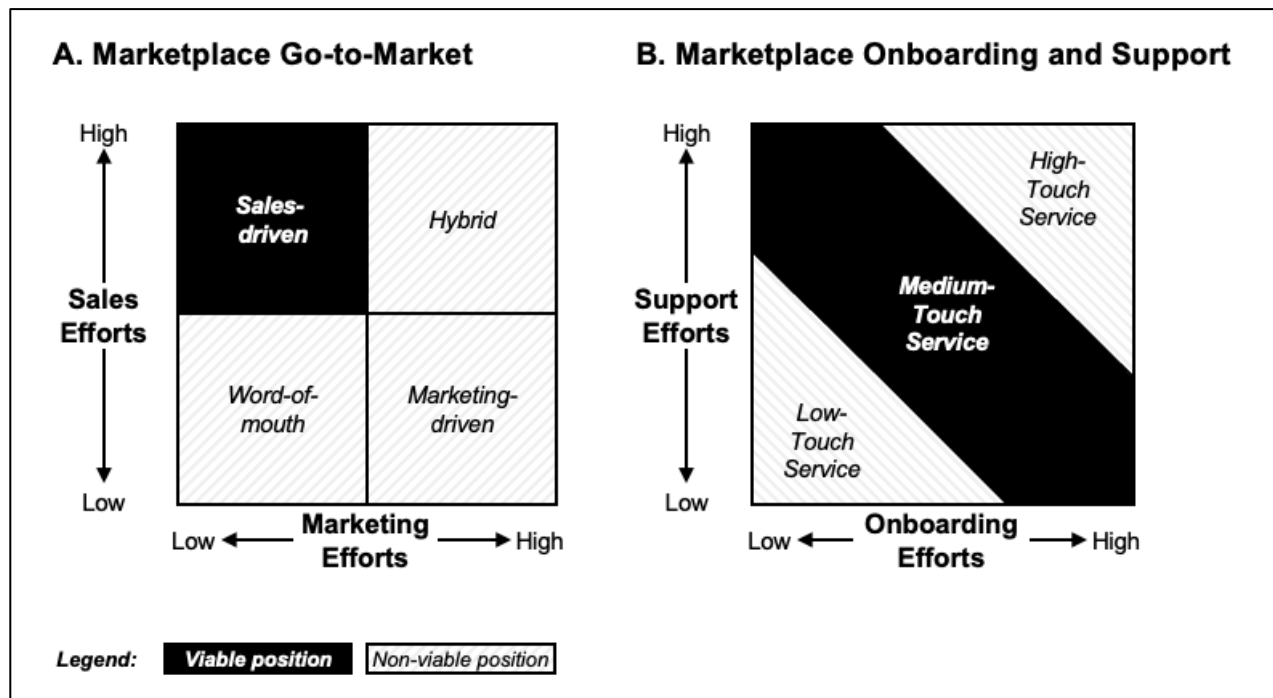
Overcoming the trap of illusion required Laserhub and CheMondis to focus on physical selling and right-touch service instead. We illustrate this learning in Figure 6 below.

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<sup>27</sup> For seminal research on accelerating platform growth from an incumbent perspective following an acquisition strategy, see Staub, N., Haki, K., Aier, S., Winter, R., and Magan, Adolfo. "Acquisition of Complementors as a Strategy for Evolving Digital Platform Ecosystems," *MIS Quarterly Executive* (20:4), December 2021, pp. 237-258.

<sup>28</sup> Strategies on balancing platform trade-offs can be found here: Skog, D. A., Sandberg, J., and Wimelius, H. "How Spotify balanced trade-offs in pursuing digital platform growth," *MIS Quarterly Executive* (20:4), December 2021, pp. 259-274.

**Figure 6. Overcoming the Illusion Trap: Physical Selling and Right-Touch Service**



Ultimately, Laserhub and CheMondis invested heavily in sales teams and structured sales pipelines rather than relying on marketing-driven adoption. In fact, Laserhub and CheMondis employ over 25% of each staff in sales conducting field sales visits and maintaining close customer relationships. These sales efforts fundamentally contradict low-cost digital scaling and typically slow down marketplace scaling far beyond growth targets within initially sketched business plans and roadmaps. However, as Laserhub's CEO explains, customers in traditional industries highly value face-to-face interactions, compelling Laserhub and CheMondis to strengthen their commitment to costly, sales-driven initiatives.

Moreover, both companies' customers also demanded significant support and trust-building, given both the complexity of industrial procurement and the relative novelty of digital marketplaces. To address this, Laserhub and CheMondis employed account

managers and offered extensive phone support, creating a high-touch service model. While this strengthened customer confidence and engagement, it also raised onboarding and service costs. To counterbalance these high-touch demands, both Laserhub and CheMondis adopt GenAI to automate costly onboarding and support services. Laserhub, for example, already scans, translates and responds to buyer email requests automatically, aligning with established sourcing practices while lowering manual efforts. For CIOs and IS leaders, this illustrates how technologies like GenAI can gradually shift service models from high-touch to medium- or low-touch without sacrificing trust and reliability. At the same time, it underscores that managing sales teams and customer interactions requires robust CRM systems, which remain essential for sustaining customer relationships and scaling effectively.

Finally, B2B marketplaces thrive upon focusing on physical selling and systematically adopting technology to reduce onboarding and support efforts. Therefore, we encourage managers expecting digital and low-touch marketplace scaling to revisit their assumptions and adopt proven methods to drive down sales and service efforts.

## **5 Managerial Recommendations**

The cases of CheMondis and Laserhub highlight critical considerations for managers establishing, scaling or joining B2B marketplaces. As digital strategy increasingly converges with overall business strategy, CIOs and IS leaders are no longer solely technology enablers but active participants in shaping digital marketplace models from early-stage design and platform architecture to scaling operations and enabling future business. Below, we summarize key findings and provide actionable recommendations for IS leaders. Thereby, we guide managers in effectively facilitating B2B marketplace

scaling (recommendation 1 and 2), driving and adapting a value-based development roadmap (recommendation 3 and 4), and shaping digital business model choices (recommendation 5).

### **1. Prioritize Viable Functionality Over Network Effects and Hyper-Scaling**

Overall, few but very successful cases (think Amazon or Airbnb, for instance) characterize the predominant platform narrative. However, B2B managers and CIOs should be cautious when pursuing infamous B2C playbooks. More concrete, adopting sophisticated IT backbones designed for hyper-scale without showcasing viability and feasibility early on can prove detrimental. Instead, B2B marketplaces may benefit from focusing on enabling core functionality that streamlines complex industrial transactions and procurement process realities. Accordingly, CIOs and IS leaders should focus on resource stewardship and avoiding the “build-it-all-now” approach. Prioritizing functionality, CIOs must promote lean, modular platforms and customer-centric problem-solving over costly, high-burn investments in hyperscale IT infrastructures.

### **2. Leverage Automation and Particularly GenAI to Streamline High-Touch Services**

B2B marketplaces aim to enable frictionless industrial transactions. CIOs and IS leaders should view GenAI as a strategic tool to systematically reduce process frictions limiting B2B marketplace scaling. As we depicted, both B2B marketplaces adopted GenAI applications to reduce friction, improve transaction reliability and free up human resources for higher-value tasks. More concrete, GenAI applications support the shift from medium- to low-touch service models by optimizing onboarding, support and sales outreach. For B2B marketplaces, the next frontier involves utilizing GenAI to enhance their customer service operations. Therefore, both companies aim to automate the handling of service

requests, including refunds, returns, payment-related issues, cancellations, disputes and invoice inaccuracies. CIOs should identify high-friction workflows where GenAI can add immediate value, while ensuring robust governance and alignment with business goals.

### **3. Define Your Development Roadmap Using Transaction Cost Theory**

At its core, B2B marketplaces sell the reduction of transaction costs. As we described, industrial procurement involves significant transaction costs, including search, negotiation, coordination, confirmation and enforcement costs. By analyzing these costs, CIOs and IS leaders can create actionable roadmaps that are truly aligned with the needs of industrial buyers and sellers, preventing costly but misaligned scaling or integration efforts. This focus is critical. While B2B and B2C marketplaces may share the basic principle of connecting buyers and sellers, their transaction cost mechanics and hence their value creation logic is profoundly different. Scaling a B2B marketplace successfully, CIOs and responsible IS leaders must grasp this distinction and rigorously challenge any decision that defaults to better-known B2C blueprints. Overall, all actions taken should focus on addressing the high-complexity, trust-based challenges of industrial procurement, rather than merely mimicking a B2C blueprint.

### **4. Dynamically Prioritize Marketplace Features to Adapt to Market Shifts**

Our cases demonstrate that B2B marketplaces frequently encounter an imbalance in early user acquisition. In B2B, most companies are more concerned with whom they buy from than whom they sell to. However, prioritizing or subsidizing buyers may not always be fruitful. In fact, complex industrial supply chains and global trade networks may be influenced by other dynamics, which articulate a more nuanced perspective on whom to focus on and when. For CIOs and IS leaders, this means designing flexible systems and

addressing shifting market dynamics promptly. For example, a supply chain crisis may favor supplier diversity and resilience, requiring different data access, visibility and support tools. Therefore, CIOs must act carefully yet decisively to accommodate such changes and dynamically (re-)prioritize feature development to respond with targeted data insights and workflows that match the evolving needs of buyers or suppliers.

## **5. Assess Becoming the Contracting Party as a Core IT Challenge**

B2B marketplaces hold great potential by simplifying and replacing complex many-to-many buyer-supplier relationships with one-to-one relationships (buyer with marketplace and marketplace with seller) through becoming the one contracting party. This reduces administrative burdens and improves transactional efficiency. However, when your marketplace taps into financial, logistics or legal services, activities such as invoicing, tax handling, credit checks, regulatory compliance and legal documentation must be automated and facilitated by IT. Ultimately, becoming the contracting party is first and foremost an IT challenge in designing and implementing processes, systems and workflows. Thereby, CIOs must ensure end-to-end digital processes that provide transaction traceability, policy enforcement and compliance as well as operational transparency. It falls to IS leadership to assess whether the fundamental business model decision of becoming the contracting party can be achieved at sustainable cost and risk through appropriate technology and automation.

## **6 Concluding Comments**

Establishing and scaling a B2B marketplace in a traditional industry is a challenging endeavor. However, acknowledging the growing digital maturity of industrial companies

and their ever-increasing need to enhance efficiency, one that can be worthwhile. Especially B2B marketplaces offering industry-specific services and deep market expertise hold great promise to navigate today's turbulent times of geopolitical tensions and trade tariffs in which the rules of industrial procurement are rewritten. Yet, few managers pursuing exemplary digital initiatives in traditional industries succeed. Instead, most B2B marketplaces fail to gain traction as many managers fall into three latent traps. We conceptualized these traps as the trap of overextension, the trap of rigidity and the trap of illusion.

Most often, those managers rely on copying better-known B2C platform scaling playbooks, thereby overlooking the distinct nuances of B2B procurement. To guide managers in scaling B2B marketplaces effectively, we derive actionable guidelines to overcome these B2B marketplace traps, emphasizing the importance of maintaining a viable focus, deliberate product development and deliberately driving thoughtful automation in a domain where physical sales and services remain essential.

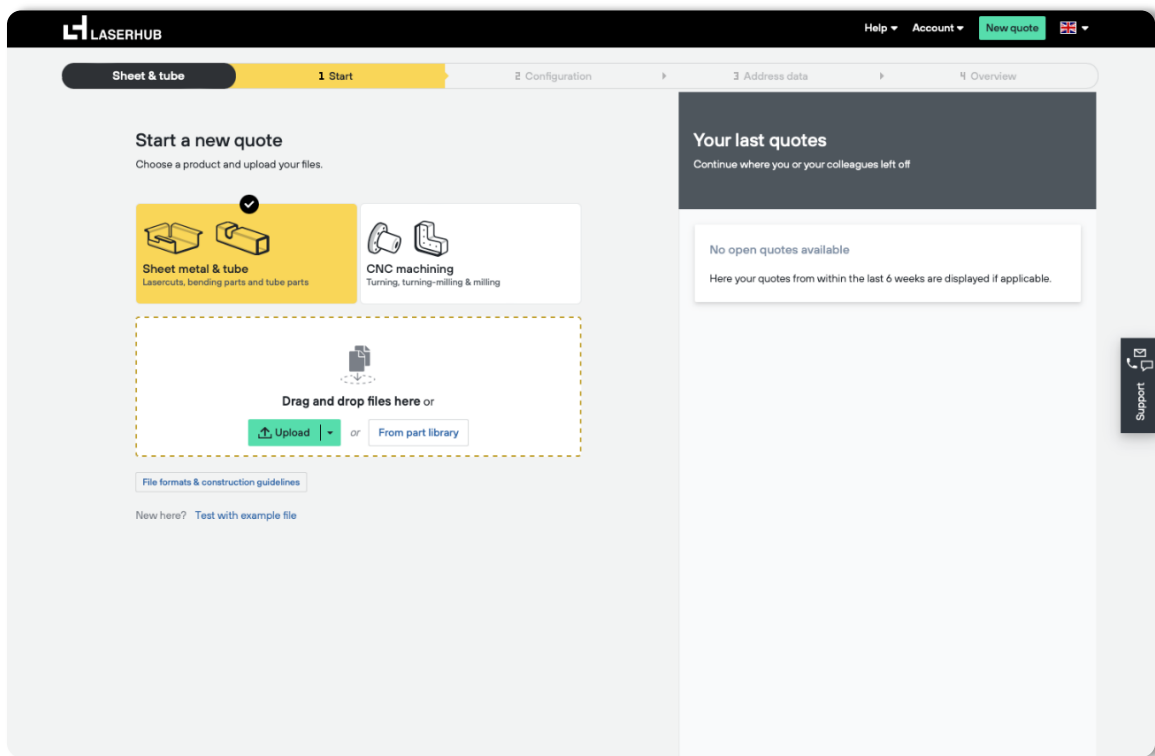
Ultimately, our research suggests that CIOs should derive B2B scaling strategies from the fundamental economics of industrial transactions rather than focusing on superficial B2C analogies and strategically leverage technologies like GenAI to facilitate low-touch service, enabling efficient digital scaling.

## 7 Appendix

In the following, we illustrate the buying process when using Laserhub (see 7.1) and CheMondis (see 7.2).<sup>29</sup>

### 7.1 Laserhub B2B Marketplace

Starting a new quote requires the buyer to select the specific part type (i.e., sheet metal and tube or CNC machining) and upload a CAD-file of the part to be manufactured. For demonstration purposes, one can also select preconfigured CAD-test-files.



<sup>29</sup> The screenshots depict the buyer user interface upon logging in to <https://app.laserhub.com/product/-sheet> and <https://chemondis.com>.

Afterward, Laserhub lists the respective metal parts including their material type, quantity, and thickness and allows specifying additional requirements. Laserhub also processes and verifies each CAD-file and alerts certain designs that need correction or specification.

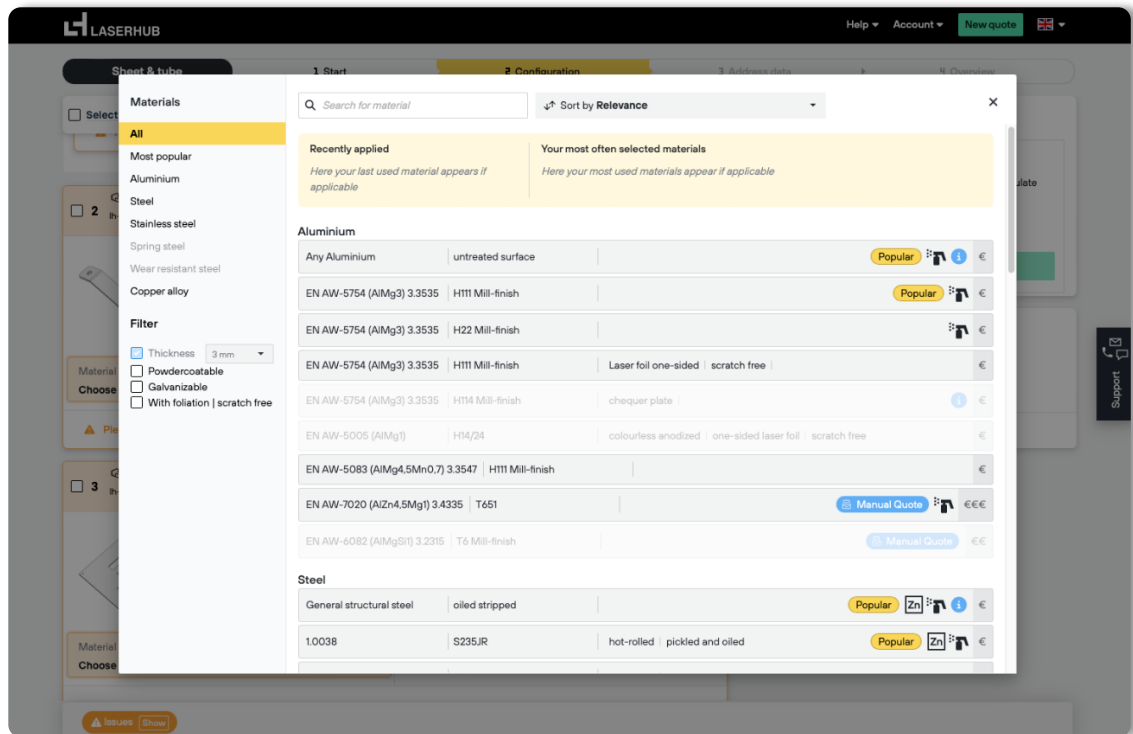
The screenshot displays the Laserhub web application interface during the 'Configuration' step. The top navigation bar includes the 'LASERHUB' logo, a 'Help' dropdown, an 'Account' dropdown, a 'New quote' button, and a language selector (UK). Below this, a progress bar shows four steps: '1 Start', '2 Configuration' (active), '3 Address data', and '4 Overview'. The main content area is divided into two sections for configuring metal parts.

**Part 2: Beispiel\_Biegeteil**  
ih-4582501 - Beispiel\_Biegeteil.step  
This section features a 3D model of a bent metal part. It includes input fields for 'Quantity' (set to 1) and 'Thickness' (set to 3 mm). A 'Material' dropdown is set to 'Choose'. Under 'Additional specifications', there are options for 'Relief cuts' (set to 'Choose') and 'Micro joint residuals' (set to 'Remove (+€)'). A warning message states: 'This position contains inner contours / holes near the bending zone. To avoid deformations, relief cuts are necessary. Please select under "relief cuts" whether you would like to perform relief cuts.' A 'Necessary measure' button is also present.

**Part 3: Beispiel\_Laserschneidteil**  
ih-4582504 - Beispiel\_Laserschneidteil.step  
This section shows a 3D model of a laser-cut metal part. It includes input fields for 'Quantity' (set to 1) and 'Thickness' (set to 6 mm). A 'Material' dropdown is set to 'Choose'. Under 'Additional specifications', it shows 'Nothing selected' with an 'Add specifications' button.

**Right Sidebar:**  
The sidebar contains three sections: 'Your offer' (Project 359201) with a 'Calculate prices' button; 'Configure positions' with instructions to configure all positions and click 'Calculate prices'; and 'Questions? Concerns?' featuring a contact card for Vanessa Vogel (Sales) with phone number +49 (0) 711 899898 00 and email info@laserhub.com. A 'Support' button is located at the bottom right of the sidebar.

To simplify file corrections and prevent further mistakes during the correction, Laserhub provides a recommendation and proposes predefined configurations for each metal part.



Lastly, Laserhub processes all information and calculates the final price and a preferred delivery date.

**LASERHUB** Help Account New quote

Sheet & tube 1 Start 2 Configuration 3 Address data 4 Overview

Select 1 position + Add files

**Beispiel\_Laserschneidteil**  
lh-4582504 • Beispiel\_Laserschneidteil.step

Quantity: 1 Thickness: 6 mm

Additional specifications  
Deburring Back-sided  
+ Add specifications

Material  
Aluminium • Any Aluminium • untreated surface

Delivery dates Unit: €72.28 Total: €72.28

+ Go to top

**Your offer** Project 3559201

- Jan 23 – 27 Standard €72.28
- 1/29 – 2/3 Economy €67.00
- > Feb 5 Planned €65.14
- Blanket order

Difference to minimum order value €26.72  
What is that?

To calculate the delivery costs, we require your postal code.  
+ Add postcode

+ Add voucher code

Total price net €99.00

Save prices now until 20/01/25  
Save quote Download

Calculation reference: 9184822

**Questions? Concerns?**  
Vanessa Vogel Sales

Address data →

## 7.2 CheMondis B2B Marketplace

Buyers in search of specific chemical substance post an open request. Suppliers, then, are able to review and make offers to this request. To do so, buyers must fill out a standardized request form and specify their needs.

**CheMondis** Search

**Post Open Request** X

Reach out to potential suppliers by posting an Open Request. Your company information will be added automatically and Suppliers will be able to review your request and make offers.

**Product / Substance / CAS no.**  
Enter product, substance, CAS no. ...

**Grade**  
Select grade

If you are uncertain, select technical grade

**Volume**  
0,00 kg Kilograms

**Incoterm 2020**  
Select Incoterm

Need help picking an Incoterm? [Use our Incoterms Assistant.](#)

**Final destination country**  
Select country

**Preferred packaging**  
Select packaging

**Packaging size - Optional**  
0,00 kg Kilograms

**Expected annual demand**  
0,00 kg Kilograms

Let the supplier know how much you intend to purchase in the next year.

**Requested delivery date**

As an alternative, the CheMondis marketplace offers special deals for certain chemical substances. Buyers can profit from these special deals with a few clicks.

Dashboard
Inbox
Special Deals
Brands

MW

Special Deals

Deals 35

My Open Requests 0

☐ Only Deals matching my Sourcing Preferences

Pablo Millán
Feb 03, 2025 at 04:07 PM
PEQUINSA CHEMICAL

Special Deal

Deal valid until March 31, 2025

Potassium Carbonate

Potassium Carbonate - CAS: 584-08-7

Volume
80.000,00 kg

Pickup price
128.800,00 EUR total  
1,61 EUR per kg

Incoterm
FCA  
Berlaim, Spain

Packaging
Bag

Pablo Millán
Updated: Feb 03, 2025 at 03:02 PM
PEQUINSA CHEMICAL

Special Deal

Deal valid until March 31, 2025

LIGNOBIND TYPE 1

Post Open Quote Request

Reach out to potential suppliers by posting an Open Request. Your company information will be added automatically and Suppliers will be able to review your request and make offers.

Product / Substance / CAS no.

Grade

Select grade

If you are uncertain, select technical grade

Volume

0,00 kg Kilograms

Incoterm 2020

Select Incoterm

Need help picking an Incoterm? [Use our Incoterms Assistant.](#)

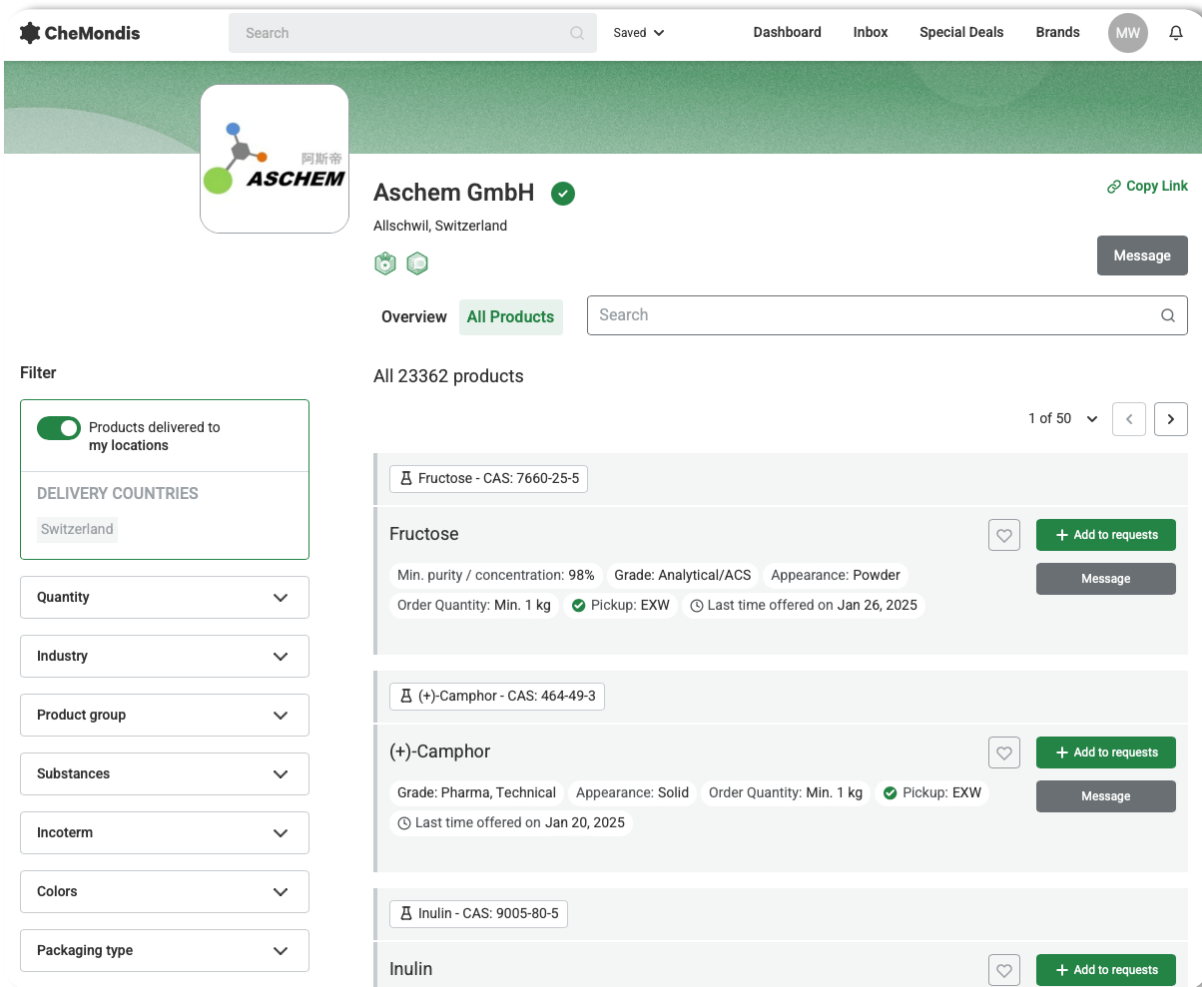
Final destination country

Select country

Preferred packaging

Select packaging

If buyers prefer to buy several substances from one particular supplier (bulk purchasing) they can use suppliers' designated brand shops and select the required substances.



### 7.3 Research Methodology

This case study research<sup>30</sup> is based on two years of fieldwork, including interactions with the two presented case companies. The fieldwork took place between October 2022 and November 2024, thereby accompanying both B2B marketplaces in their scaling efforts.<sup>31</sup> As a result, our analysis and the details provided reflect the companies' as of 2024.

<sup>30</sup> See Yin, R. K. *Case Study Research, Design and Methods* (6th ed.), Sage Publications, Thousand Oaks, 2018.

<sup>31</sup> See Langley, A. "Strategies for Theorizing from Process data", *Academy of Management Review* (24:4), October 1999, pp. 691-710.

Our research involved iterative engagement with key stakeholders and shareholders at the highest company level.<sup>32</sup> Unlike seminal MISQE studies, these managers do not hold formal CIO or IS leadership titles. However, in the context of digital native organizations such as CheMondis and Laserhub, responsibilities typically associated with CIOs or IS leaders, such as IT system integration, oversight of large development teams and strategic decision making on IT infrastructure and scalability, are often concentrated at the top executive level. Thereby, these executives act as both strategists and IS leaders responsible for digital infrastructure, integration and scalability.

Additionally, as both marketplaces faced significant industry skepticism, CheMondis and Laserhub provide extensive informational material (e.g., blog entries, release notes, tech and trend reports) on their marketplace and value proposition. We further analyzed publicly available materials, including interviews, blog entries and company reports. These data sources provide comprehensive insights into the platforms' technical development, procurement logic and the broader industry context.

Finally, we validated our findings, preventing ex-post rationalization through in-depth discussion with three senior executives (CDO/CTO level) from large industrial product companies and from another B2B marketplace. These discussions confirmed the practical relevance of the identified traps, with the executives explicitly emphasizing our transaction process anchoring. Table 2 summarizes our data sources below.

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<sup>32</sup> For more information see Junglas, I. "Building a Highway Where Research Shapes and Is Shaped by Practice," *MIS Quarterly Executive* (23:2), June 2024, pp. iii-vi.

**Table 2: Overview of Data Sources**

| CheMondis               |    |                                                          |         | Laserhub |                            |         |
|-------------------------|----|----------------------------------------------------------|---------|----------|----------------------------|---------|
|                         | #  | Expert                                                   | Length  | #        | Expert                     | Length  |
| Context                 | 4  | Founder                                                  | 220 min | 3        | Founder & CEO              | 110 min |
|                         | 2  | CEO                                                      | 95 min  | 2        | Founder & CCO              | 70 min  |
|                         |    |                                                          |         | 2        | Senior Manager             | 60 min  |
| In-depth Discussion     | 1  | Founder                                                  | 300 min | 1        | Founder & CEO              | 120 min |
| Total                   | 7  |                                                          | 615 min | 8        |                            | 360 min |
| Additional Data Sources |    |                                                          |         |          |                            |         |
| Blog Entries            | 22 | Chem Guide Articles                                      |         | 56       | Platform and Functionality |         |
|                         | 12 | Trends and Analysis Articles                             |         | 22       | Tech Knowledge             |         |
|                         | 26 | Product Update Articles                                  |         |          |                            |         |
| Results Validation      |    |                                                          |         |          |                            |         |
| In-depth Discussion     | 2  | CDO (Industrial Product Company, over 100.000 employees) |         |          |                            | 30min   |
|                         | 1  | CTO (Industrial Product Company, over 10.000 employees)  |         |          |                            | 60 min  |
|                         | 1  | CTO (B2B Marketplace, VC backed)                         |         |          |                            | 60 min  |

## 8 About the Authors

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Oliver Gassmann (oliver.gassmann@unisg.ch) is a Full Professor and Director of the Institute of Technology Management at the University of St. Gallen. His research focuses on business model innovation across various domains.

Felix Wortmann ([felix.wortmann@unisg.ch](mailto:felix.wortmann@unisg.ch)) is a Professor, Senior Lecturer and Vice Director at the Institute of Technology Management of the University of St. Gallen. Felix's activities are geared towards platform business models for established product companies.