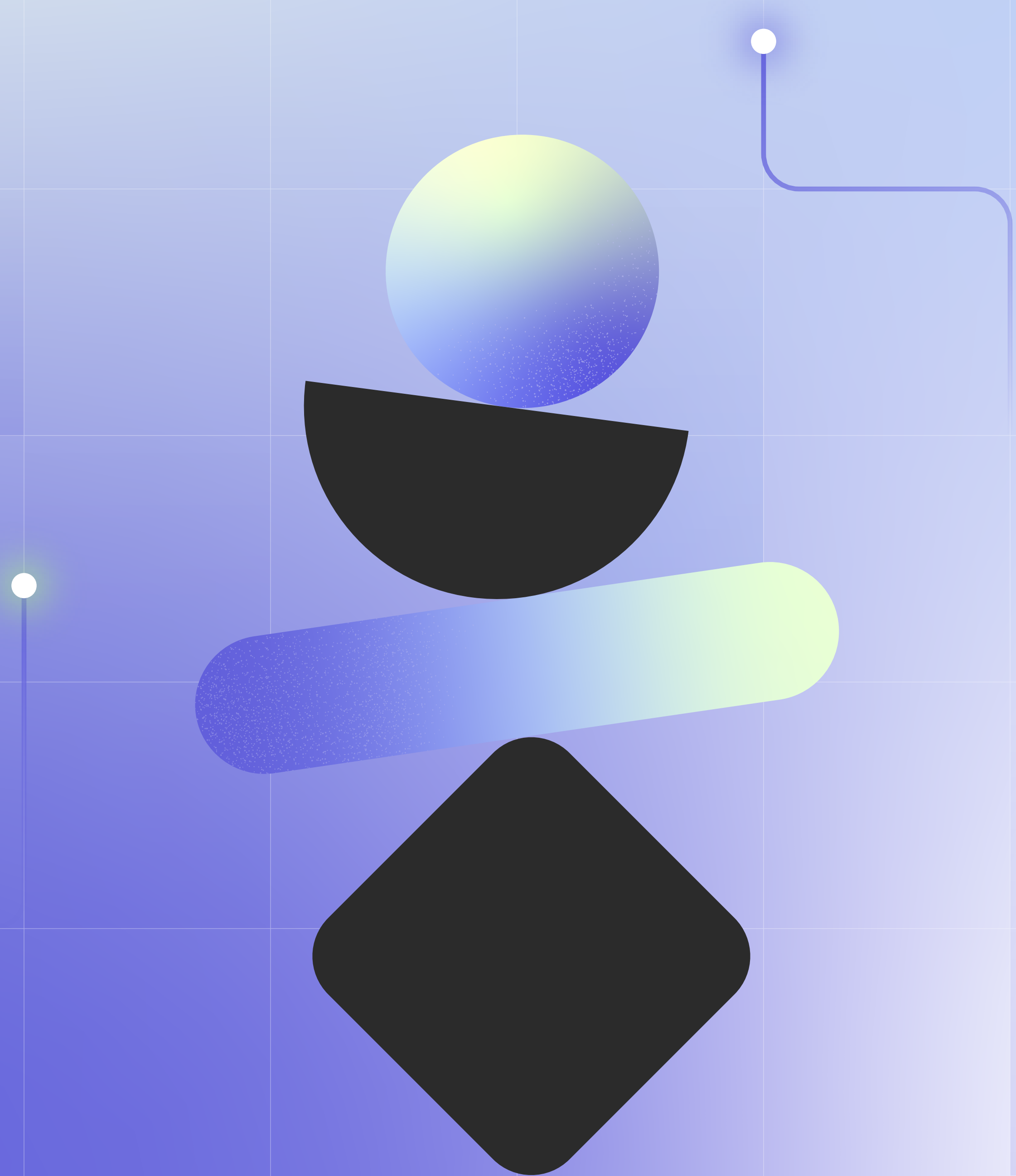
NuORDER by Lightspeed

2025 State of B2B eCommerce Report

Why stability is the new growth



Executive summary

Brands are prioritizing profitability, stability, and control over high-risk expansion.

1. Balancing cost efficiency with strategic growth

Wholesale brands are prioritizing measured, strategic growth over aggressive expansion, emphasizing risk mitigation, operational efficiency, and controlled revenue streams. **Wholesale remains an essential stabilizing force, shifting from a primary vehicle for market entry to a profitability lever that helps brands streamline distribution without excessive cost increases.**

2. Brand identity and control are viewed as essential

Rather than using marketplaces or digital transformation for rapid scaling, brands are focused on brand control, predictable pricing models, and strengthening retail partnerships. This aligns with a cautious approach to navigating economic uncertainty, where **efficiency and relationship-driven growth outweigh high-risk expansion tactics.**

3. Operational stability over digital transformation

Supply chain resilience is a key concern, with brands focusing on supplier partnerships, demand forecasting, and contingency planning rather than structural changes like nearshoring or reshoring. While B2B eCommerce platforms are valued, they remain underutilized in automating and integrating operations, signaling an opportunity for deeper adoption.

Overall, brands are **safeguarding rather than expanding**, favoring established markets, direct retail relationships, and strategies that **balance stability with long-term control**.

Background & methodology

Background

This research aims to better understand how brands are evolving their wholesale strategies to meet modern challenges in digital transformation, profitability, and operational efficiency. By exploring key areas such as expansion goals, data utilization, marketplace strategies, and AI adoption, the research aims to uncover current business priorities and pain points within wholesale distribution.

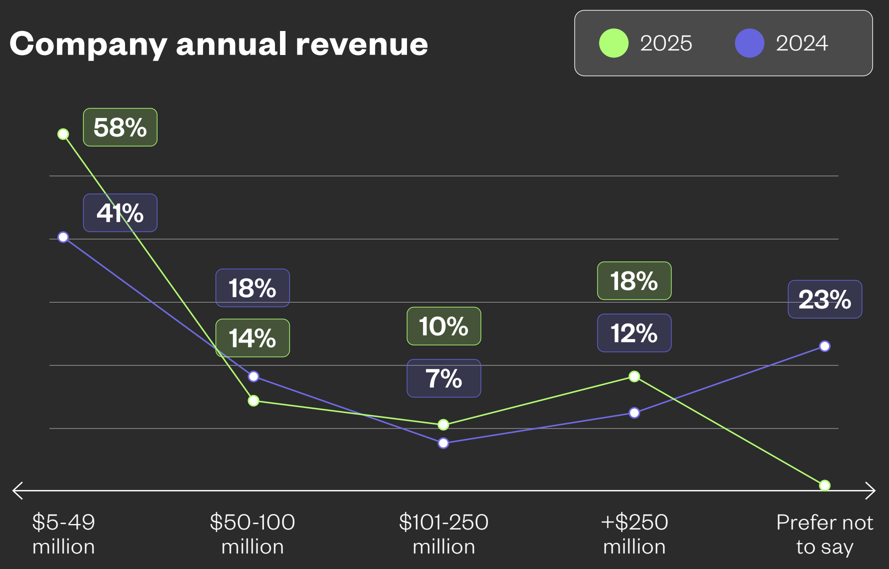
Methodology

- Quantitative survey
- Field dates: January 18, 2024 to February 18, 2025
- N=103 (NuORDER customers and brands in NuORDER's database)

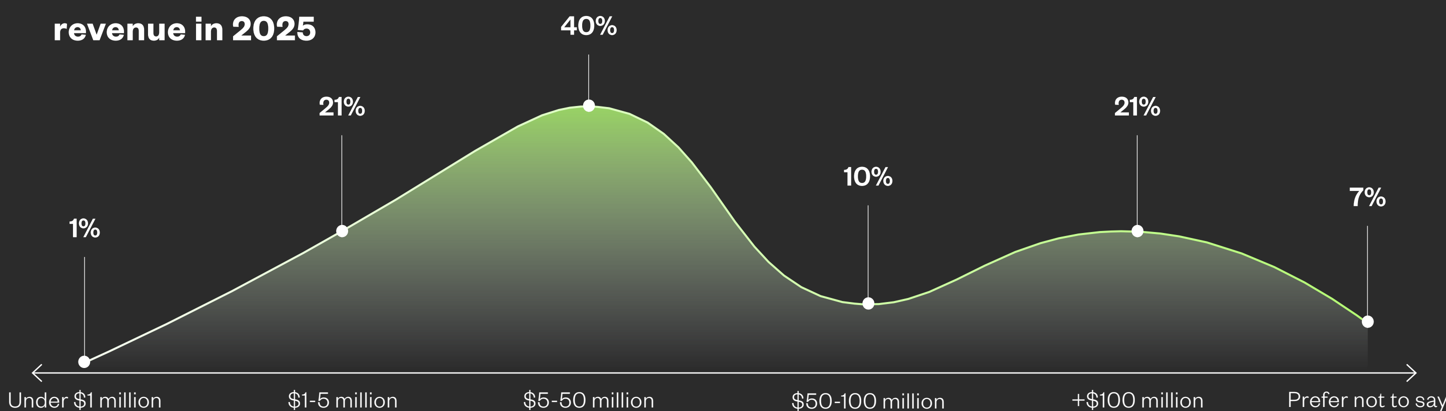
Key demographics

Wholesale is a critical revenue channel for most brands, with **40%** of respondents report generating $5-50M in wholesale revenue annually. Most notably, **1 in 5 report over $100M in annual revenue, pointing to wholesale's role in large-scale growth.**

Company annual revenue



Annual wholesale revenue in 2025



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The evolution of branding & retail: How we got here

If history has taught us anything about consumerism, it is that change is constant. However, we are now witnessing a pivotal shift—not in the disruption of channels, but in their stabilization, with each playing a distinct and essential role in this ongoing transformation.

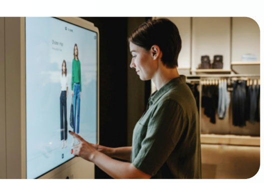
From the early days of mass-market consumerism—driven by product-led strategies and media conglomerates—to the rise of eCommerce and digital advertising, which ushered in a more personalized, consumer-driven era, the landscape has evolved significantly. Today, rather than one channel dominating over others, **we see a true omnichannel approach emerging, where each platform serves a unique purpose in shaping the customer journey**.

In this report, **we examine the role of wholesale in this evolving ecosystem and what current trends reveal about the industry's future**. While market constraints pose real challenges, brands are doubling down on their strengths, fortifying their identities, and reinforcing customer relationships to navigate this new landscape.

Evolution of sales channels and profitability drivers (1990s and beyond)

A look at the past and our predictions for the next ten years

Decade	Dominant sales channels	Profitability drivers	Key industry shifts
1990s	Brick-and-mortar retail & department stores (Macy's, Sears, Walmart)	High-volume wholesale, low-cost manufacturing, mass-market branding	Retail dominated; brand success was tied to distribution power and mass advertising. Private label growth challenged national brands.
2000s	Big-box & early eCommerce (Amazon, Walmart, eBay)	Wholesale + emerging DTC strategies, digital ads, globalization	Amazon reshaped online shopping, and brands started investing in owned eCommerce sites. Digital marketing (Google Ads) gained traction.
2010s	DTC explosion & social commerce (Warby Parker, Glossier, Casper)	Digital ads (Facebook, Instagram), storytelling-driven branding, influencer marketing	Shopify and social media enabled independent brands to scale without retail partners. The subscription model gained traction.
2020s	Omnichannel dominance (DTC + retail + marketplaces)	Diversified revenue streams, controlled brand identity, owned customer data	Customer acquisition costs (CAC) skyrocketed, forcing brands to re-integrate with wholesale. Marketplaces and B2B eCommerce expanded but remain slightly fragmented.
2030s	Hybrid commerce (experiential retail + digital-first engagement)	Community-driven commerce, decentralized distribution, first-party data monetization	The balance of online and offline will be seamless, with **interactive retail spaces replacing traditional stores**. AI-driven storefronts and fully automated supply chains will become the norm.



Over the past 30 years, brands have evolved from **product-centric businesses to consumer-driven identities**, where storytelling, direct engagement, and digital experiences shape success.

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2025 market trends & survey findings

How brands are thinking about growth, profitability, and sales strategies this year.

Growth strategies: Stability over expansion

As stated earlier, brands are prioritizing stability over high-risk expansion, focusing on retail partnerships and customer retention. **While 57% are investing in retail relationships, only 34% plan to enter new geographic markets.** Growth strategies emphasize customer loyalty and sales diversification over pure optimization, as shown in the following charts. Key drivers include geographic and product expansion and omnichannel investments. Meanwhile, operational improvements, such as new warehouses or production facilities, are a lower priority, reflecting a shift toward customer-facing growth rather than backend infrastructure development.

Top priorities for profitabilty in 2025

Growth & retention

Enhancing customer retention and loyalty	44%
Diversifying sales channels to reach more customers (e.g., marketplaces, direct sales, eCommerce)	41%
Increasing marketing and promotional efforts to drive demand	40%
Reducing operational or supply chain costs	33%
Growing average order value (AOV) and volume per customer	32%

Efficiency & cost optimization

Increasing efficiency through digital transformation and automation	28%
Improving margins through better vendor or partner negotiations	26%
Improving product mix by focusing on high-margin items	22%
Consolidating tools and platforms to reduce complexity and save costs	21%

Sustainability & pricing

Prioritizing sustainability initiatives to appeal to more environmentally conscious buyers	17%
Increasing pricing flexibility or implementing dynamic pricing models	7%

**Please note, reported values are averages, so the numbers will not add up to 100%.*

Primary expansion goals for 2025

57%
Expanding retail partnerships/customer base and strengthening existing relationships

27%
Expanding into new markets or customer segments

34%
Entering new geographic market (domestic or international)

26%
Expanding into new sales channels (e.g., marketplaces, direct-to-consumer, concession)

31%
Launching new product categories or SKUs

17%
Increasing operational capacity to support business growth (e.g., new warehouses, production facilities)

30%
Developing a robust omnichannel strategy to provide a seamless customer experience across all sales channels

1%
Other

27%
Growing your digital presence through B2B eCommerce investments

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In 2025, brands expanding globally are focusing on **North America** and **Western Europe**, favoring markets with lower barriers to entry and established infrastructure. Brand efforts center on partnerships and logistics, while technological adoption and a regional hiring lag indicate a preference for scaling without heavy localized investment Notably, **1 in 10 brands are not pursuing global expansion**, reflecting a selective approach. Overall, brands seek *the path of least resistance*—scaling in ways that are feasible and minimally disruptive.

Global expansion efforts

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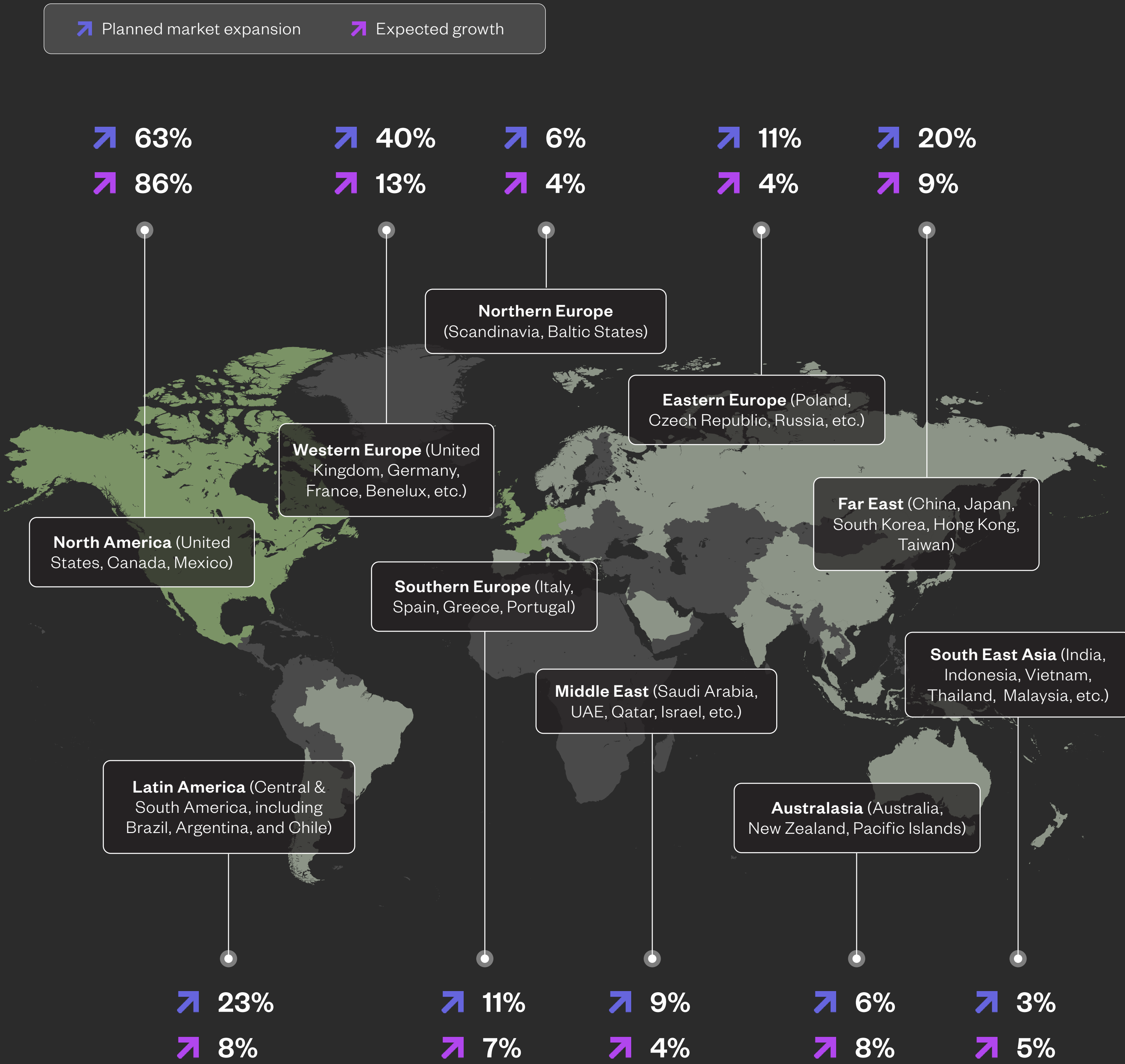
Geographic expected growth and planned market expansion in 2025



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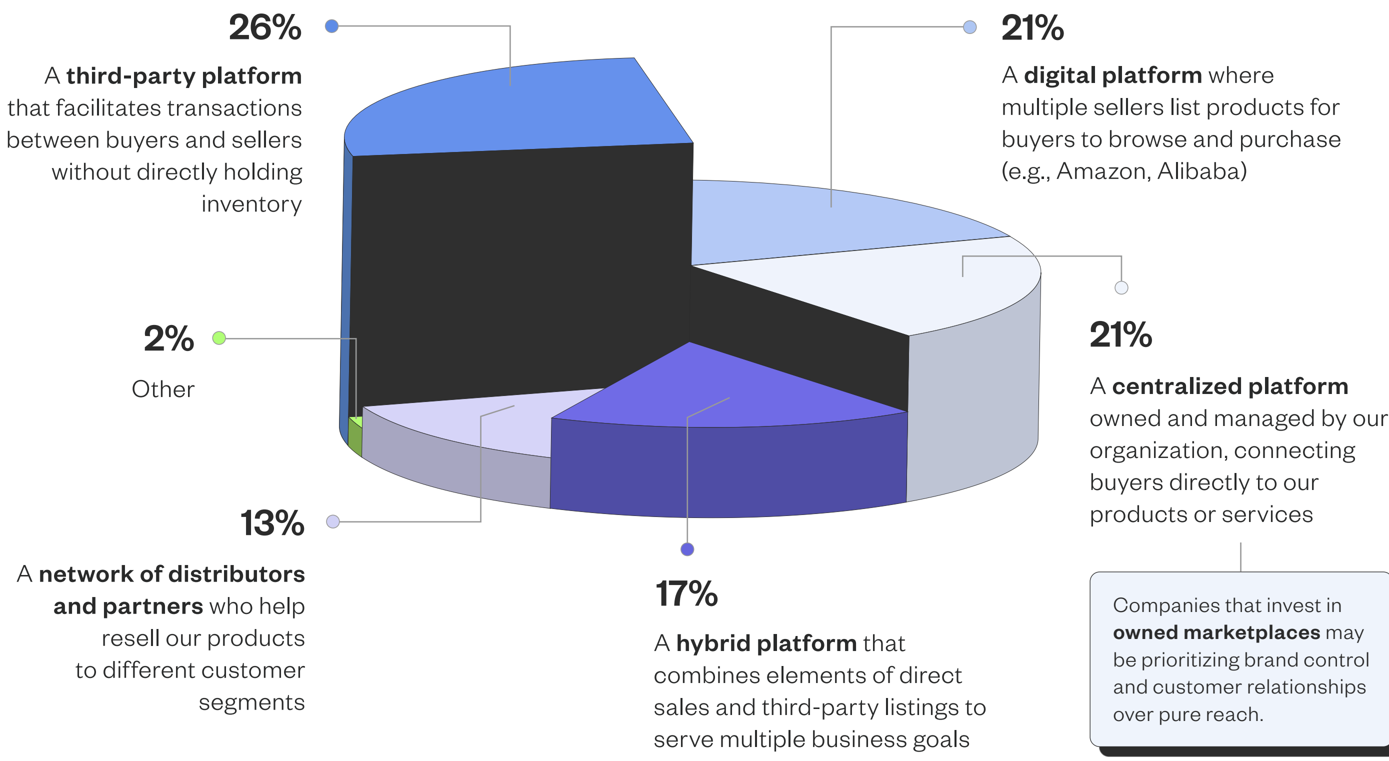
Marketplaces: Still transactional, not strategic

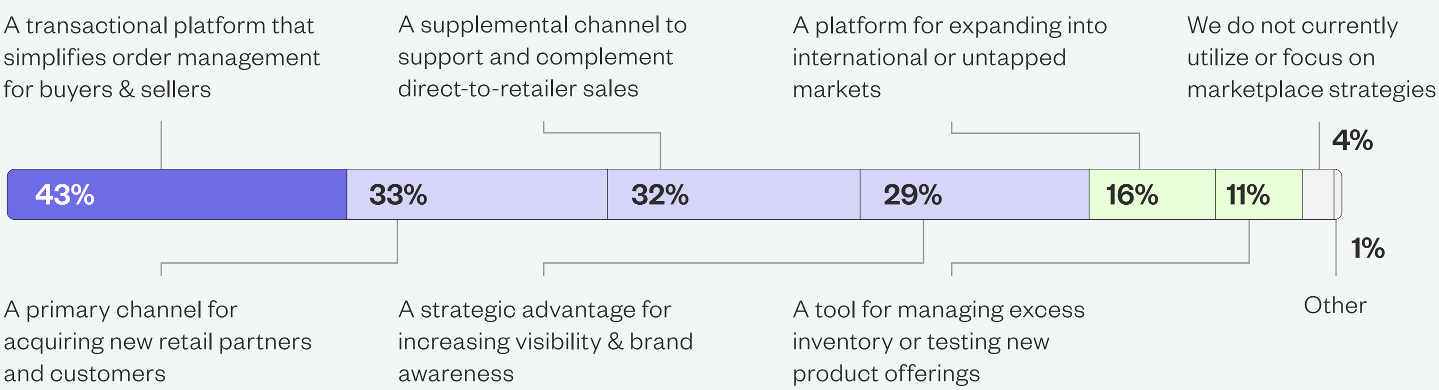
Organizations define marketplaces in various ways but view them as third-party digital platforms facilitating transactions between buyers and sellers. Brands leverage these platforms to reach broader audiences with lower operational burdens. While marketplaces simplify order management and customer acquisition, they are not a primary expansion strategy—**43% of brands use them for order management**, while only **16% rely on them for market expansion**. Instead, brands utilize marketplaces to streamline ordering, acquire new retail partners, supplement direct-to-retailer sales, and enhance brand visibility, ultimately driving scalable growth and operational efficiency.

How organizations define a marketplace



Companies that invest in **owned marketplaces** may be prioritizing brand control and customer relationships over pure reach.

Role of a marketplace in B2B operations



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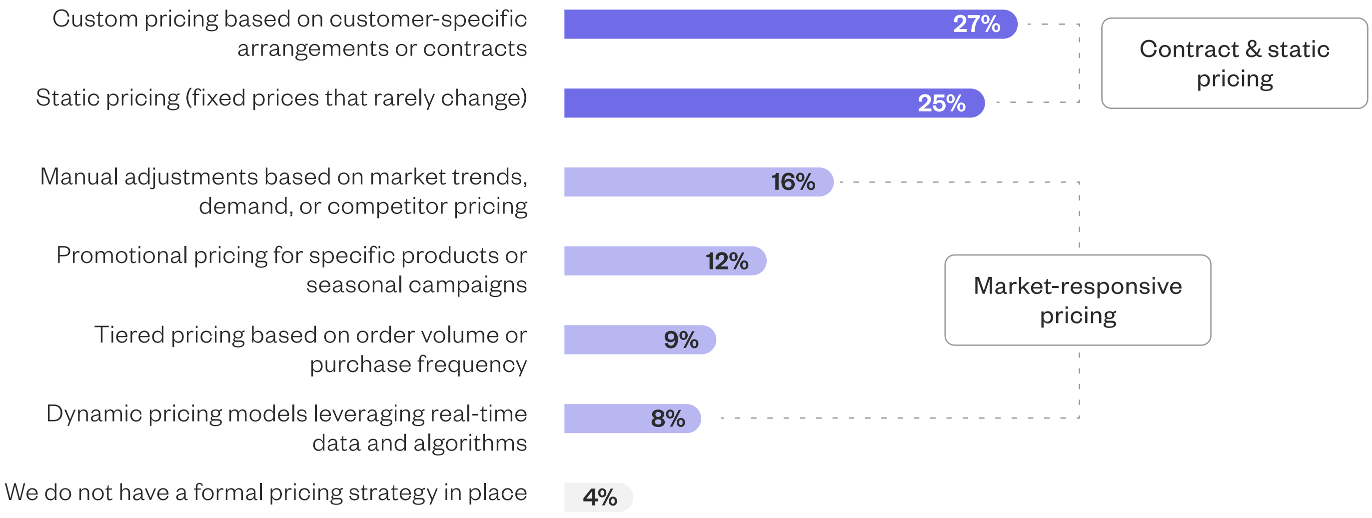
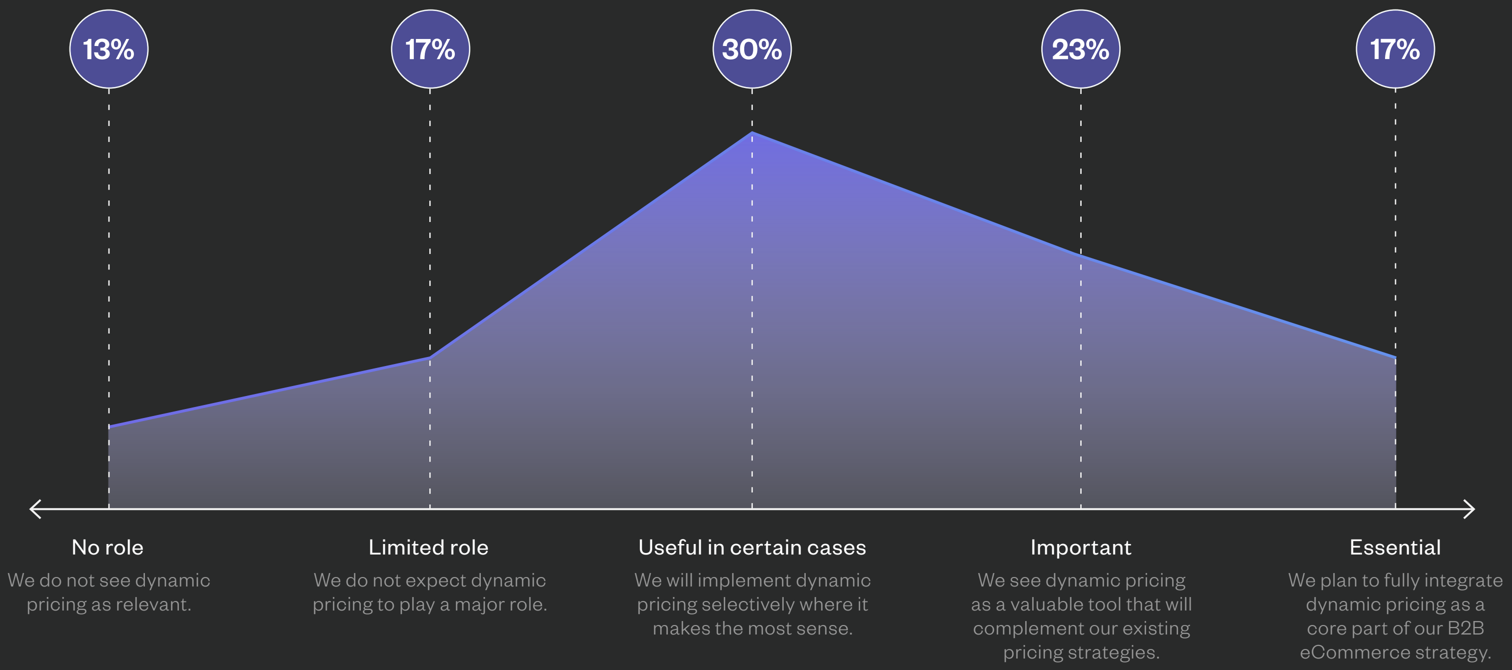
Brand control & predictable pricing

Wholesale pricing strategies prioritize predictability over flexibility, with most businesses favoring contract-based and static pricing structures. Market-responsive models, such as tiered volume-based or dynamic pricing driven by real-time data, remain niche due to their complexity and challenges in long-term planning. In fact, **52% of brands prefer fixed pricing**, while only **17% consider dynamic pricing essential**. Though selectively adopted, dynamic pricing remains a secondary approach, used as a tool rather than a core strategy by 80% of brands.

Approaches to wholesale pricing strategy



Role of dynamic pricing models in B2B eCommerce operations



Executive commentary: Q&A

The report highlights a shift toward measured, strategic growth rather than high-risk expansion, with brands prioritizing risk mitigation and operational stability. **Based on your experience working with leading businesses, how is this shift playing out in real time? Are these concerns actively shaping the conversations you're having with brands?**

Chris Akrimi
GM, B2B

The new priority for many brands is achieving sustainable growth while maintaining a strong focus on financial performance. Strategic, measured expansion is now a key consideration for both existing and new clients, a trend we see consistently across our portfolio.

Brands are doubling down on strengthening wholesale and retail relationships, optimizing distribution, and expanding their networks—but with a more calculated approach. They are seeking flexibility in pricing, contract terms, and inventory commitments to navigate ongoing economic uncertainties that unfold daily.

Rather than chasing broad distribution, brands are prioritizing 'quality over quantity', choosing retail partners that offer long-term, sustainable growth. They are aligning with retailers that invest in brand storytelling, focus on sell-through, and protect brand image, ensuring a balanced and profitable partnership.

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Supply chain resilience & wholesale's role in 2025

Why brands are focusing on supplier relationships and risk mitigation rather than major structural changes.

Brands prioritize risk mitigation through contingency planning, demand forecasting, and strong supplier relationships over nearshoring. In fact, **43% of brands focus on supplier partnerships**, while only **8% explore nearshoring**. Supply chain optimization in 2025 will be driven by **flexibility**, with investments in technology—such as ERP systems and automation—enhancing efficiency. Meanwhile, larger structural shifts like nearshoring and reshoring remain secondary. Ultimately, safeguarding operations through strategic planning and adaptable partnerships takes precedence over major logistical overhauls.

Supply chain initiatives for optimization

**Please note, reported values are averages, so the numbers will not add up to 100%.*

Executive commentary: Q&A

The data clearly shows that brands are prioritizing control—whether through predictable pricing models, selective wholesale partnerships, or a cautious approach to third-party marketplaces. **While this strategy mitigates risk, are there opportunities brands may be overlooking by using this measured approach? How can businesses leverage existing solutions to enhance control while still driving growth and scalability?**

Tom Groves
Senior Director,
Account Management

As brands seek greater control over their wholesale channels to protect brand integrity and profitability, too much risk aversion can inadvertently limit growth and opportunity.

Key risks of over-controlled wholesale strategies

- **Limited market reach**: A highly selective approach to wholesale partnerships can restrict access to diverse customer segments and geographic markets, reducing sales volume and new customer acquisition.
- **Reduced brand awareness**: Controlled distribution may hinder visibility, particularly among new or emerging audiences. Strategic wholesale partnerships can amplify brand exposure and credibility.
- **Missed data and insights**: Fewer partnerships mean less access to valuable customer behavior and market trend data, limiting informed decision-making and product innovation.
- **Reduced scalability and agility**: Rigid wholesale models can make it harder to adapt to market shifts. As seen with failing brands, lack of diversification increases exposure to downturns—just like in investing, diversification is key to risk mitigation.
- **Failure to reach diverse consumers**: Retailers serve different demographics. Limiting partnerships can mean missing key customer segments.

A balanced approach for growth and control

To maintain control while scaling effectively, brands can adopt a more flexible, data-driven strategy.

- **Dynamic pricing**: Leveraging real-time data to optimize margins, adjust pricing based on demand, and strengthen retail negotiations.
- **Diversified partnerships**: Exploring strategic alliances beyond traditional wholesale to unlock new distribution channels without compromising control.
- **Selective marketplace presence**: Engaging with reputable third-party marketplaces that offer strong brand protection, pricing controls, and data transparency.
- **Flexible wholesale models**: Moving beyond rigid structures by tailoring agreements to partner capabilities, incorporating dropshipping or consignment to reduce inventory risk.

Ultimately, balancing brand alignment, data transparency, and technology-driven strategies can help brands scale sustainably while maintaining control.

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B2B eCommerce adoption: Embracing the shift

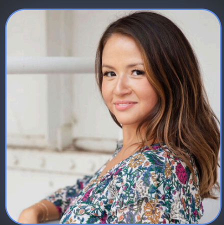
Brands see B2B eCommerce as valuable, but integration challenges persist.

Section	Key report findings	What this means	Future outlook
Adoption **B2B eCommerce is critical, but adoption is inconsistent**	67% of brands say B2B eCommerce is critical, but only 25% have fully integrated it with ERP, relying on manual processes.	Brands recognize its value for operations but lack seamless integration, limiting efficiency and profitability.	Full ERP integration will reduce friction, optimize costs, and improve demand forecasting.
Usage **B2B eCommerce is used for transactions, not growth**	47% use B2B eCommerce for ordering, 45% for merchandising, but only 20% prioritize AI or automation.	Mostly seen as a tool for efficiency, not a driver of revenue or strategic growth.	Future platforms will combine AI-driven personalization, dynamic pricing, and predictive inventory management.
Insights **Not fully leveraged for data & demand forecasting**	54% of brands track sell-through data, 40% monitor AOV, and only 25% assess campaign conversion rates. Reliance on traditional sales metrics like reorder rates has declined from last year.	Without real-time data integration, brands struggle with inventory management, product and pricing optimization.	AI and automation will enable real-time adjustments, improving profitability and operational efficiency.
Optimization **The future: AI-optimized fully integrated B2B eCommerce**	AI-powered pricing, full ERP syncing, and an omnichannel experience will redefine B2B eCommerce.	It will evolve from a static ordering system into an AI-driven operational hub.	B2B eCommerce will be an interconnected ecosystem optimizing sales, fulfillment, and customer engagement.

While this chart highlights the fragmentation and inefficiencies in digital adoption, it also showcases the potential of B2B eCommerce solutions for the future.

Executive commentary: Q&A

Despite recognizing the value of B2B eCommerce platforms, many brands still struggle with adoption and integration challenges. **What are the biggest roadblocks preventing brands from fully leveraging these tools, and what strategies can businesses implement to accelerate digital adoption without overwhelming their teams or disrupting existing operations?**



Andrea Luna
Client Success,
Team Lead

Despite the clear value of B2B eCommerce platforms, many brands struggle—not due to technical limitations, but because they haven't fully embraced a digital-first mindset. The real challenges lie in operational inertia, fragmented adoption, and underutilization of existing tools. Too often, digital platforms are treated as supplemental rather than transformational, leading to missed automation opportunities and inconsistent buyer experiences.

Success requires more than just onboarding users; it means equipping teams to leverage the platform's full capabilities—building campaigns, creating custom lists, and working seamlessly across devices. Brands that lead in digital transformation integrate intelligent, automated workflows that drive adoption and enhance efficiency at every stage.

Shifting the focus from feature adoption to business outcomes is equally critical. Celebrating milestones like completed orders, automated reorders, or engagement with self-service tools builds momentum and proves real value. When teams see the direct impact of their digital efforts on revenue and customer behavior, adoption becomes a source of pride, not an obligation.

Ultimately, digital transformation in B2B eCommerce isn't about adding more work—it's about unlocking more value with less friction. When adoption is intuitive, and success is measurable, brands don't just compete—they lead.

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The future of wholesale: Where we're headed

Projections based on survey trends and broader market evolution.

Hybrid commerce & AI-powered efficiency

AI adoption in wholesale is still in its early days, with **one in three businesses yet to implement it**. Most are using AI for automation, personalized recommendations, and demand forecasting, while more advanced applications like AI-driven product design and dynamic pricing are still rare. This lag isn't surprising—it mirrors businesses' broader challenges in digital transformation. But there's massive potential for AI to reshape wholesale, and despite the slow start, there's plenty of optimism that businesses will overcome these learning curves.

Use of AI in wholesale operations

Automating routine processes to improve efficiency
34%

Improving customer experience through personalized recommendations
24%

Enhancing demand forecasting and inventory management
22%

Enhancing decision-making and real-time data insights
20%

Developing smarter product design and innovation tools
14%

Streamlining supply chain operations with predictive analytics
13%

Optimizing pricing strategies with dynamic pricing models
12%

Exploring AI for sustainability initiatives
8%

Other
2%

We are not currently using AI in our operations
35%

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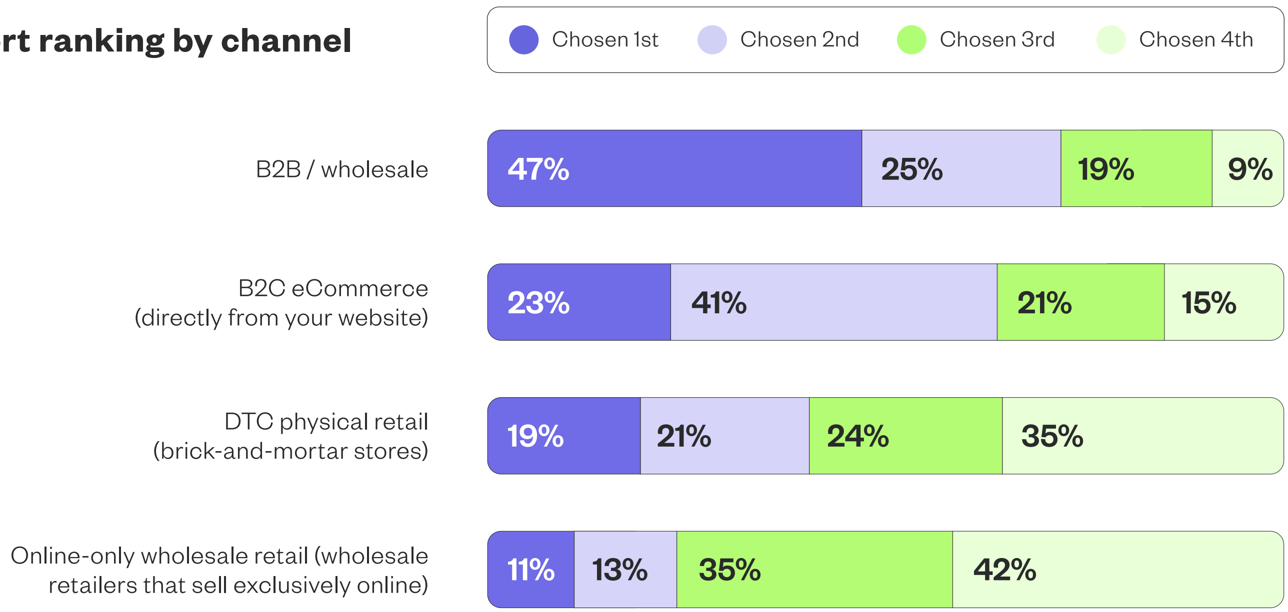
Our predictions

AI is set to transform B2B eCommerce by driving dynamic pricing, hyper-personalization, and supply chain automation, while predictive analytics will shift inventory management from a reactive process to a proactive, demand-driven strategy.

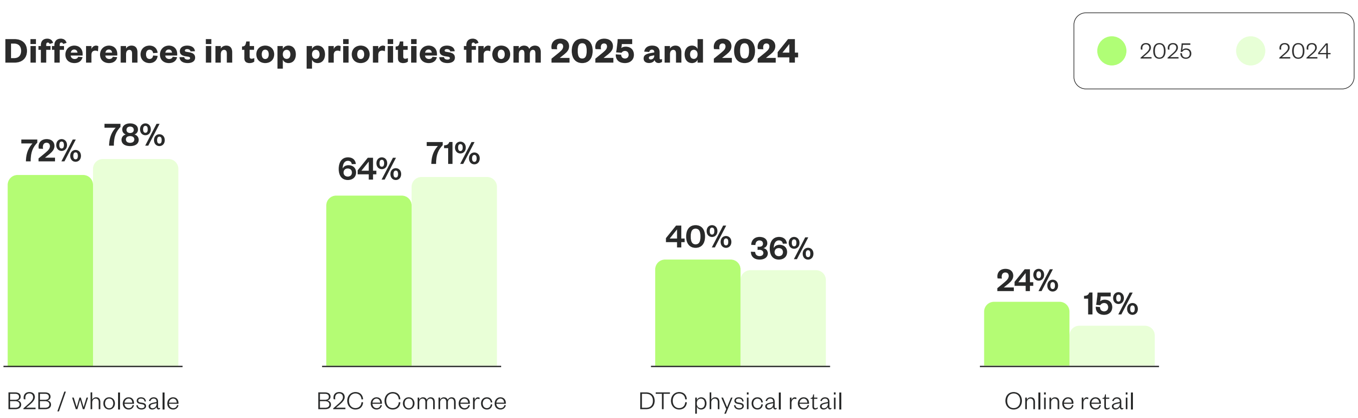
Omnichannel becomes the norm

Brands are evolving their sales strategies, with each channel playing a more integral role in a balanced, omnichannel approach. While B2B wholesale remains a key driver, investments in B2C eCommerce, direct-to-consumer (DTC) retail, and online-only wholesale are expanding, signaling a strategic shift toward a more controlled and diversified sales mix. This reflects a broader industry trend where brands optimize their presence across multiple channels to maximize reach, profitability, and long-term resilience in an increasingly digital and consumer-driven market.

Effort ranking by channel



Differences in top priorities from 2025 and 2024



Our predictions

DTC and wholesale strategies will converge into fully integrated commerce models, creating a seamless omnichannel experience. Meanwhile, retail will evolve beyond traditional storefronts into immersive, interactive brand spaces that blend digital and physical engagement.

Executive commentary: Q&A

As brands stabilize their distribution strategies, wholesale is shifting from a market-entry tool to a profitability driver. **How have you observed these changes in real-time? Are brands operating with more confidence in wholesale as a long-term strategy, and what factors contribute to this renewed emphasis?**

Tom Groves
Senior Director,
Account Management

Over the past six years at NuORDER, we've seen a growing emphasis on B2B, even among brands traditionally known for DTC.

Key factors driving the shift to B2B

- **Profitability & rising DTC costs**: Wholesale is now seen as a profit center, not just a brand awareness tool. Increasing DTC costs—rising rents, logistics challenges, and digital marketing expenses—are making B2B a more attractive and scalable alternative.
- **Strategic partnerships**: Brands are prioritizing wholesale partners that align with their image and audience, often creating exclusive capsule collections to strengthen retailer relationships and avoid channel cannibalization. Gymshark's partnerships with Selfridges (UK) and Dick's Sporting Goods (US) exemplify this approach.
- **Greater brand control**: Tighter oversight of pricing, product placement, and brand representation ensures consistency across all sales channels.
- **Multi-channel integration**: Leading brands are balancing wholesale and DTC to maximize reach and optimize profitability. This is why Shopify, a B2C leader, is also one of NuORDER's most integrated platforms for B2B. Allbirds, for example, has expanded into bulk ordering despite its strong DTC roots.
- **Scalability & consumer demand**: Wholesale offers efficiency in managing large order volumes while capitalizing on the resurgence of in-person shopping, where consumers seek more personalized experiences.

Source: Hypebeast

Established brands like The North Face, Patagonia, and Columbia are great examples of brands that have a strong wholesale presence alongside their DTC, reinforcing the importance of a diversified, strategic approach to channel management.

Profitability will depend on retention over acquisition

Wholesale is evolving from a primary driver of growth to a key pillar of profitability, as brands focus less on using it for expansion and more on its stability and cost efficiencies. Its strength now lies in predictable bulk orders, lower customer acquisition costs, and reduced operational overhead. While retailers may have a diminished role in brand marketing, **wholesale remains a crucial channel for sustaining profitability and mitigating financial risk in a highly competitive market**.

Reasons to invest in wholesale strategy

Our predictions

Success in the market will be driven by loyalty programs, first-party customer data, and community-driven commerce, enabling brands to foster deeper relationships, enhance personalization, and drive long-term growth.

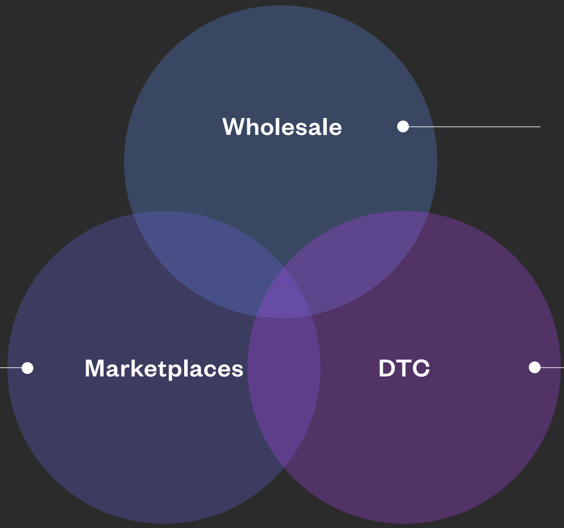
Executive commentary: Q&A

Rather than prioritizing a single sales channel, brands are now balancing multiple touchpoints to meet customers where they are. **With the future pointing toward a hybrid commerce model, what do brands need to focus on today to transition into a truly omnichannel approach successfully?**

Chris Akrimi
GM, B2B

If a brand is currently not in a phase where an omnichannel approach to its business is already not in motion, its long-term success may be at risk. What we have seen as a successful winning formula is a successful transition to hybrid commerce that requires brands to think beyond individual sales channels and create a cohesive, data-driven strategy that aligns wholesale, DTC, and marketplaces out of their siloes. By investing in integration, partnerships, and customer experience, brands will future-proof their business to meet diverse demands and drive long-term, sustainable growth.

The hybrid commerce model can help you extract value and insights from each channel:



Wholesale: Drives your global retail footprint at scale, especially when utilizing a digital B2B platform to streamline ordering between multiple online and offline bulk distribution touchpoints and consolidate data-sharing between all your retail partners

Marketplaces: Drives strategic expansion and buyer connections while minimizing financial constraints and increasing revenue from untapped markets

DTC: Drives consumer storytelling and community-building, increases your margins, and provides a hands-on customer experience in your brand's own voice

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Final thoughts

The industry is moving towards a true hybrid commerce model.

The data from this report signals a clear shift in B2B eCommerce strategies—**one that prioritizes stability over unchecked expansion and measured growth over aggressive scaling**. Brands are no longer placing all their bets on a single channel, whether it be DTC, wholesale, or marketplaces. Instead, we are witnessing the emergence of a hybrid, democratized approach to growth—one that balances profitability, operational efficiency, and brand control.

This hybrid model—where brands leverage wholesale for stability, DTC for customer engagement, and marketplaces for supplemental reach—reflects a more methodical and resilient strategy. However, this evolution will not reach its full potential without deeper investments in digital transformation and AI-driven efficiencies.

Where brands go from here

While the industry is shifting away from rapid, high-risk expansion, **this does not mean growth has stalled**—it simply means brands are approaching it *more intelligently*. The brands that will lead the next decade of B2B eCommerce will be the ones that **balance scale with sustainability, efficiency with innovation, and growth with control**.

The future is not about choosing between various channels, such as DTC over wholesale—it's about harmonizing them. And the brands that master this balance will be the ones best positioned to navigate an increasingly complex and competitive commerce landscape.

Could the right B2B eCommerce partner help you balance growth with stability?
We invite you to find out.

At NuORDER, we have a proven track record for delivering wholesale and assortment planning solutions that make you more efficient with your time and money. Our platform gives your team the nuance, predictability, and control they crave—with standardized product data, rich pricing and payments features, order trend insights, accurate inventory operations, and stock balancing measures.

Ready to learn more? Visit us at nuorder.com.