

How one marketplace leveraged payments to double down on ecommerce growth



FEATURED BALANCE SOLUTIONS

B2B payments, Net terms

INDUSTRY

Chemical Supply

PLATFORM

Magento

[Visit McFadyen site →](#)[Visit ChemDirect site →](#)**\$20M**

Buying power available

24%Of transactions financed with
Balance Checkout**2,000**

New buyers financed

ChemDirect, the B2B chemical marketplace, launched in 2018, was founded to solve the inefficient sales cycles in the chemical industry. Their CEO, Tyler Ellison, knew it could be improved considerably with a digital marketplace that would bring buyers and sellers online in an experience that changes not just sourcing and price discovery, but the entire procurement process.

With the help of one of our agency partners McFadyen digital, ChemDirect sought to build the very best marketplace experience on Magento.

Challenge

As ChemDirect's online presence began to grow, two things stood out as being particularly important for the company's ecommerce system. The first was the ability to handle large transaction volume, and the second was the ability to easily manage and track inventory. With the guidance of McFadyen, ChemDirect was able to leverage the best of Magento Commerce and Webkul Marketplace to efficiently manage its ecommerce operations, allowing the company to prioritize building and growing its business.

Initially, ChemDirect was using Stripe to process online payments. They had also built custom logic for users who could pay via purchase order, but knew this process was not scalable both for their users and for their internal team. Grant Lacy, Head of Product at ChemDirect, explains, "there was significant user demand for additional payment methods and we knew we needed to address this."

Increasing demands for a better user experience are not unique to ChemDirect's buyers. "The B2B checkout experience has too often been a series of screens with dozens of fields and limited payment methods," Thomas Gaydos, CMO of McFadyen Digital, says. "In B2B, the checkout process has historically been somewhat onerous for the customer."



Solution

In late 2021, ChemDirect implemented the ChemPay flexible financing option, powered by Balance. This allowed ChemDirect to have increased assurance in timely payments and reduced the overhead involved in the underwriting of new, smaller customers.

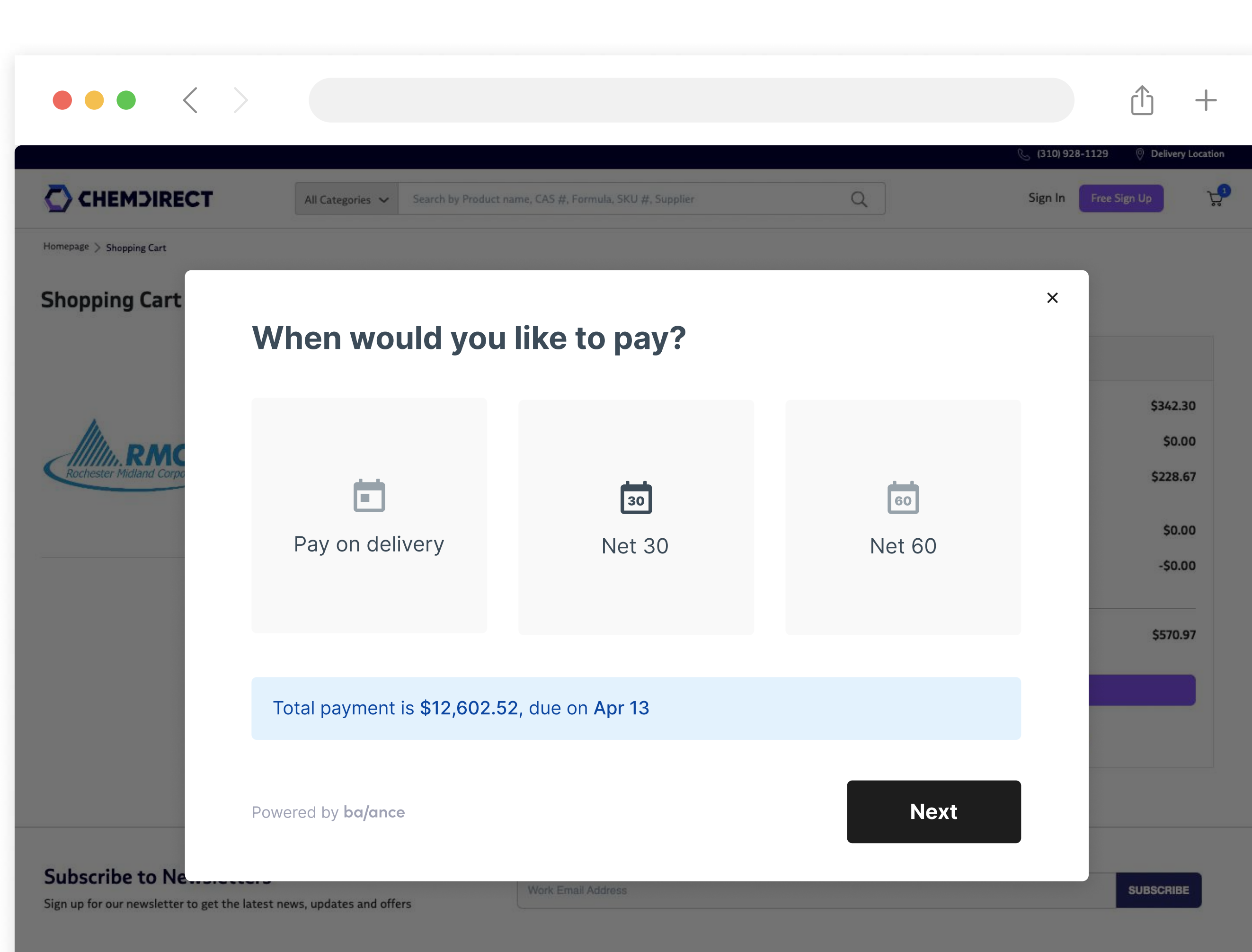
"We firmly believe in building products with B2B functionality and a B2C experience.

Balance nailed that—we were able to provide our buyers with a consumer grade checkout experience while providing them with the payment methods they had been using in offline transactions for decades."

Grant Lacy / Head of Product



But it wasn't the checkout experience alone that ChemDirect was after. While there are many B2B payment solutions out there that remove friction at different steps of the transaction, ChemDirect knew that they need to solve for the multi-faceted complexities of marketplace payments. Grant explains, "That's why we chose to launch with Balance's full offering, leveraging financing, invoicing and the B2B payment methods they offer, while our finance team managed transactions via the dashboard."



The Balance checkout on ChemDirect's marketplace.

While implementing an AR, financing, and payment processing stack simultaneously could be challenging for a development team, it was made effortless for ChemDirect through Balance's Magento integration.

The Balance qualification API allowed ChemDirect to qualify buyers who have created an account or completed the guest checkout for up to \$50,000 of credit. "This allows us to generate an incentive around account creation and progress users through onboarding by references to the credit line they have access to when buying on ChemDirect," says Grant.

On the agency side, Thomas sees the Balance integration as a welcome answer to the challenge of friction.

"ChemDirect sought to provide a frictionless experience to their buyers. In regards to payments, that meant improving the checkout process to make it a more consumer-like experience regardless of payment method.

"Balance was the perfect fit due to the UX built-in best practices and the ability to offer a simplified checkout flow that included a multitude of payment options, including terms."

Thomas Gaydos / CMO



Results

Since leveraging Balance, ChemDirect has:

- Made over \$20,000,000 of buying power available to buyers via ChemPay/Balance
- Financed 24% of all transactions since implementing Balance's new checkout in March 2023
- Made financing available for more than 2,000 buyers

"After evaluating several options, Balance was the no-brainer solution given the variety of payment options, financing capabilities and dashboard for our internal team," says Grant.

Learn more

Balance takes the B2B checkout process and transforms it into a consumer-grade experience with a clear process and easy payment options, including terms for making payments over time.

The end result is a more frictionless customer experience and bottom-line growth for merchants.

Ready to take your B2B payments to new heights? [Speak to an expert today.](#)

Learn more about Balance

www.getbalance.com