Business models and customer relations

BASF’s customer portfolio ranges from major global customers and medium-sized businesses to local workshops. We align our business models and sales channels with the respective customer groups and market segments. In line with our strategic principle, “We add value as one company,” we tightly bundle our products and services to target the specific needs of customers from various sectors and bring innovations more quickly to market.

In the classical chemicals business, we mostly sell the chemicals produced in our Verbund in bulk. These comprise basic products from the Chemicals segment, such as steam cracker products, sulfuric acid, plasticizers, caprolactam and isocyanates. For these basic chemicals, our priority is on supplying customers reliably and cost effectively. Marketing is carried out partly via e-commerce.

We create a broad range of customized products, particularly in the Performance Products segment – from vitamins, personal care ingredients and color pigments to paper chemicals and plastic additives. In joint projects, we start working closely together with customers already at an early stage in order to develop new products or formulations for a specific industry. A worldwide network of development laboratories allows us to quickly adapt our products to local needs.

We offer functionalized materials and solutions tailored to customers’ requirements, particularly in the Functional Materials & Solutions and Agricultural Solutions segments. These include, for example, engineering plastics, concrete additives, coatings and crop protection products. We engage in close partnerships with customers and develop innovations together that help them optimize their processes and applications. Our understanding of the entire value chain as well as our global structure and market knowledge are key success factors here.

For information on customer relations in the Oil & Gas segment, see page 84 onward.

Industry orientation

- Around half of business units geared toward specific industries
- Industry teams pool cross-unit expertise, knowledge and contacts
- Industry orientation undergoing systematic, structured enhancement

We serve customers from many different sectors with our broad portfolio of diverse competencies, processes, technologies and products. Around half of our business units are oriented toward industries. By combining expertise and resources, we position ourselves as a solution-oriented system provider for our customers.

Yet not all business units can be arranged purely according to industry. That is why BASF has created sector-specific groups for key customer industries – like the automotive, construction and pharmaceutical sectors – or for growth fields such as enzymes. These “industry teams” pool expertise, knowledge and contacts across different units, sharpen our understanding of the value chains in customer industries and work on sector-specific solutions that often could not be developed within one operating division alone. Our innovations are geared specifically toward these needs and offer sustainable solutions for the packaging and print branches, for example. This means combining the expertise of seven divisions into one global industry team. Whether keeping food fresh, manufacturing user-friendly packaging or optimizing costs – we know the needs of the industry. The products and systems developed by these teams comprise tailor-made solutions for paper packaging, along with adhesives and plastics for packaging or coatings. Our portfolio offers value to paper manufacturers in every phase of their production: Process chemicals optimize costs and increase machine efficiency, functional chemicals grant products special properties and finishing chemicals improve the appearance and performance of ready-to-use paper and cardboard.

The close alignment of our business with our customers’ needs is an important component of our “We create chemistry” strategy. We will therefore continue the systematic and structured enhancement of our industry orientation in the future.