

Winning The New B2B Buyer

Deliver Experiences That Are Open, Connected,
Intuitive, And Immediate



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The New B2B Power Dynamic

B2B buyer behavior has fundamentally changed. With ready access to much of the information they need to purchase, customers now control more of their buying journeys — and they expect to be treated as equal partners in buying transactions. Your job is no longer to convince customers to buy, but rather, to *help* them buy.

This guide delves into how B2B buyer expectations are changing and what you need to do to adapt and thrive. Read it to learn:

- The forces driving deep change in B2B buyer behavior.
- How to deliver the open, connected, intuitive, and immediate experiences that today's buyers expect.
- How Forrester's Buying Motion Matrix can help you understand the connection between buying patterns and your buyers' expectations.
- What the future buyer-provider relationship will look like.

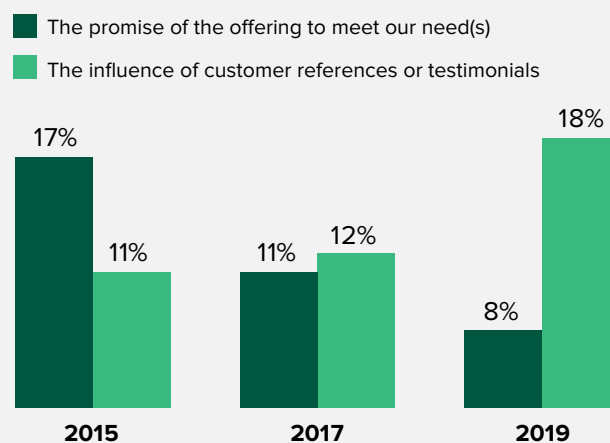
Changing Buyer Behavior Poses Risk — And Opportunity

The history of business is littered with once-successful companies that ultimately failed because they did not adapt quickly enough to their buyers' changing behaviors.¹ Some business computer companies dismissed the personal computer revolution.² Some large retailers maintained a general-store model in an age of increasing specialization.³ And some providers of maintenance, repair, and operations (MRO) supplies ignored the shift to eCommerce.⁴ A potent array of environmental factors is driving similarly profound changes in B2B buyer behavior today that threaten many popular business strategies, models, and practices. The most important of these environmental factors include:

- **Information ubiquity that puts buyers in control of their purchase journeys.** Increased access to critical purchasing information such as pricing, performance, and perceived value has tipped the balance of power from company to customer — and that trend has now rolled across virtually every industry and is affecting buyer behavior at every stage of the lifecycle.⁵ “Customers now control their own destiny, and they know it,” said Chris Blaik, VP of integrated global marketing campaigns at Dell EMC.⁶
- **Imminent dominance of Millennials who value peers over providers.** As Millennials' role in B2B buying continues to increase, one of the most significant ways they're shifting customer behavior is through a preference for peer insights and validation over vendor claims.⁷ While vendor promises have decreased as a significant decision driver, from 17% in 2015 to 8% in 2019, review sites such as G2 Crowd and Trust Radius have become to tech buyers what Yelp and Rotten Tomatoes are to consumers: a required step before purchase.⁸ Today, buyers in nearly every industry can find active online communities to connect with their peers and compare notes.⁹

- **Increased demand for self-service and eCommerce.** Like consumers, B2B buyers show a strong preference for frictionless, self-service experiences, from initial research through purchase to post-sale support.¹⁰ Self-service B2B eCommerce sales increased from 14% in 2015 to 18% in 2019, while purchases through sales reps declined from 46% to 42% over the same period.¹¹ Add in rep-assisted eCommerce, and the total of all eCommerce purchases is now equal to those made through traditional vendor sales reps, at 42%.¹²
- **Social distancing accelerating the pace of change.** Of all the environmental factors having an impact on B2B buying, the coronavirus pandemic has been the most immediate and dramatic. Forced social distancing policies have radically shifted the balance of human and digital engagement in the buying journey from roughly equal to predominantly digital.¹³ The long-term implications of the pandemic are hard to foresee, but Forrester predicts there will be a lasting effect on work patterns that impacts all buyers, offerings, and markets.¹⁴

What was the most significant driver of the decision to select the vendor of choice?

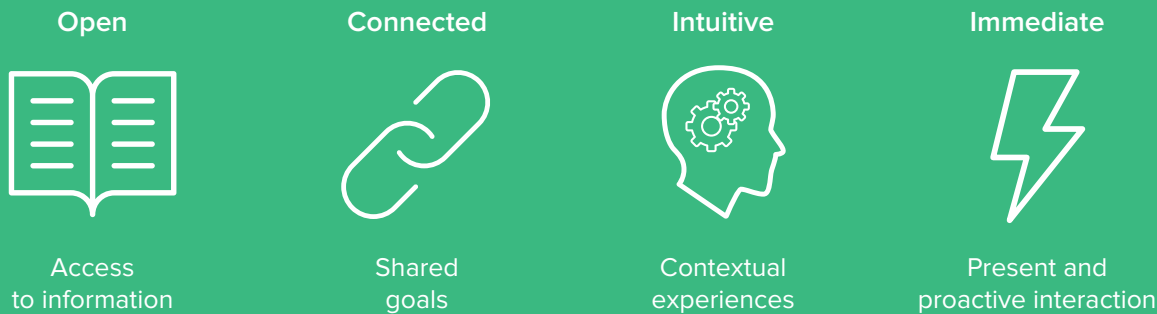


Source: SiriusDecisions B2B Buying Study, SiriusDecisions, 2015, 2017, and 2019

Modern B2B Buyers Expect To Be Treated As Partners

Marketers have already seen evidence of seemingly discrete changes in buyer behavior: refusing to fill out forms, ignoring emails and calls, taking longer to make decisions, and churning on a regular basis.¹⁵ But we have now reached an inflection point, where all of these seemingly disconnected actions are being driven by a unifying set of expectations that governs the entire customer lifecycle. B2B buyers now demand an entirely different kind of relationship with your organization: They expect to be treated as equal partners, through experiences that are increasingly open, connected, intuitive, and immediate.¹⁶

B2B buyers expect their experience to be:



- **Open:** Future B2B buyers will expect to have access to a much wider range of relevant information, including pricing, business practices and policies, market feedback, sales channel/route choices, delivery options, and ongoing customer experience and results.
- **Connected:** More than 60% of buyers now say providers that are knowledgeable and address their needs have the most positive impact on their buying decisions. Buyers will gravitate toward providers that work hard to understand their goals throughout the buying journey.
- **Intuitive:** Tomorrow's buyers will expect every experience with your organization — all the content they access, all the conversations they have, and all the offers they receive — to feel like a natural and logical extension of their previous experiences.
- **Immediate:** Modern B2B buyers will expect providers to be present and proactive at every moment of their journeys, in all of their preferred channels and touchpoints.

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1 OPENNESS REDUCES BUYER FRUSTRATION AND BUILDS TRUST

Increased access to information will remove friction from the buyer's research process and help them make better decisions. Buyers will expect easy access to information about a solution's real business outcomes and clearer guidance on possible routes to purchase. To meet these expectations for openness, organizations will need to differentiate themselves with rich information on innovation, customer experience, and company practices — not unsubstantiated claims. Accomplish this by:

- **Publishing pricing information, even for complex offerings.** Meeting the B2B buyer's growing expectation for pricing transparency can accelerate the buying process and increase sales productivity.¹⁷ This is a must-do for emerging B2B marketplaces and a popular approach for software-as-a-service (SaaS) products, but increased pricing transparency can also offer efficiency benefits to customers of more complex products.¹⁸
- **Making data security and privacy a corporate social responsibility.** It may seem counterintuitive, but discretion is an important part of the openness and transparency buyers now expect from their providers. Before committing to a relationship, buyers want to know that their providers will use their sensitive personal and business data ethically and protect it from inappropriate access.¹⁹ With only 28% of the Global Fortune 100 explicitly referencing data privacy in their corporate social responsibility reports, doing so is an opportunity for your organization to increase its appeal to modern B2B buyers.²⁰
- **Providing more visibility into product plans.** Sharing product roadmaps can be a powerful demonstration of the provider's trust in the prospect or customer, but marketers should work with product management to determine if, how, and how much of their organization's roadmap to share. They should also consider limiting roadmap access to specific roles and functions and develop screening criteria to evaluate when in the sales process to share with a prospect.



2 CONNECTEDNESS CREATES LASTING PARTNERSHIPS

To increase the likelihood that a solution will generate desired business outcomes, buyers will expect providers to collaborate not only among themselves but also with internal stakeholders — before and after the purchase. More than 60% of buyers now say that sellers who are knowledgeable and address their needs have the most positive impact on their buying decisions.²¹ To demonstrate their empathy with and commitment to customers, organizations will need to “enable” buyers, just as they currently enable their sellers, with new perspectives and tools, such as:

- **Facilitating more peer-to-peer conversations.**

Connectedness is more than a strong one-to-one relationship with buyers. As the B2B buying ecosystem expands, third parties, not vendors, are becoming the buyer’s preferred sources of information, with customer references at the top of the list.²² Organizations need to participate more actively in the conversations happening among the key influencers in the third-party channels buyers value — but they should also redouble their customer advocacy efforts to generate positive customer references.²³

- **Flipping the brand perspective.** Too many B2B marketers underestimate the importance of branding to their success, focusing instead on a product-based appeal to buyers.²⁴ Even among B2B marketers who say their companies have a brand promise, more than 40% say its perspective is inside-out — meaning the brand focuses on what the company brings to market, not on what the buyer needs, wants, or expects.²⁵ “B2B buyers are making decisions every day that can change their careers,” said Thomas Ordahl, chief strategy officer at the brand consulting and design firm Landor Associates.²⁶ “That’s inherently emotional — more than we even like to admit.”
- **Fostering buyer-seller collaboration.** Progressive companies such as Amazon, HP, and Microsoft are starting to use digital collaboration platforms to bring buyers into the process of solution innovation, co-creation, and value measurement.²⁷ Applications such as the Ecosystems platform provide a virtual environment where buyers can meet with sellers throughout the customer lifecycle to align on business goals and outcomes, then regularly assess and track relationship value over time.

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— Thomas Ordahl, chief strategy officer, Landor Associates

3 INTUITIVENESS DEMONSTRATES DEEP CUSTOMER UNDERSTANDING

Future B2B buyers will no longer tolerate being forced to reintroduce themselves, restate their needs, and repeat their preferences each time they interact with a new part of your organization. Demonstrating deeper customer understanding requires contextual, personalized experiences.²⁸ To deliver these experiences, organizations will need to:

- **Create a shared view of buying context.** The most persistent roadblock to contextual B2B customer experience has been the lack of a single source of truth for customer insights — inconsistent data is often spread across a wide range of applications.²⁹ With the recent emergence of solutions such as customer data platforms and advanced data management capabilities offered by account-based marketing platforms, more B2B marketers can now unify their first-, second-, and third-party customer data to create a single source of truth for their martech/salestech ecosystem.³⁰
- **Embrace machine-driven marketing.** Because modern B2B buyers are in control of their journeys, your job is no longer to shepherd them along your predefined nurture tracks but rather to help them choose their own path. Organizations that can unify their customer data to create a shared view of buying context will be best positioned to take advantage of new AI-powered martech and salestech applications that orchestrate customer experiences across the lifecycle, with functionality for real-time decisioning and next-best-action recommendations.³¹
- **Get comfortable with anonymity.** With modern B2B buyers waiting longer to reveal who they are, marketers should resist forcing prospects to do so before they are ready — or risk losing them forever.³² By leveraging the growing range of data and insights tools that can track prospects' activity from a first anonymous touchpoint and connect it to their behavior once they have opted into revealing their identity, marketers can create intuitive experiences across the entire lifecycle while respecting buyers' autonomy and agency.³³



4 IMMEDIACY DELIVERS REAL-TIME AND FRICTIONLESS BUYING EXPERIENCES

Buying cycles and purchase teams may be expanding — but attention spans are not. Buyers are looking for increased convenience, quicker time-to-value, and more flexibility to move between channels and routes based on their needs and preferences. To meet B2B buyers' increasing expectations for in-the-moment engagement and frictionless transactions, providers must embrace self-service and AI-powered applications, such as:

- **Digital purchase options for omnichannel buyers.**

Millennials at the forefront of eCommerce adoption now make more than half of all their B2B purchases through websites.³⁴ Marketers and sellers alike will need to embrace eCommerce as a customer enabler that will bring them into more conversations and help create frictionless, omnichannel experiences for all buyers.³⁵

- **Chatbots and virtual assistants that help as much as they “sell.”** Vendors and users will need to move beyond simple “Do you want to talk to a sales rep?” use cases that serve the marketer more than the customer.³⁶ The ultimate value of chatbots and virtual assistants will be realized when they can easily respond to open-ended questions from prospects and customers with relevant and contextual answers, recommendations, content, and human conversations that help buyers take the next step in their journeys.

- **Third-party marketplaces enabled by eProcurement technologies.** B2B marketplaces are gaining momentum across multiple technology and industrial categories, boosted by the adoption of eProcurement solutions and overall B2B eCommerce sales.³⁷ B2B buyers will begin to prefer marketplace buying for a wide range of indirect goods and MRO items, from SaaS tools to networking equipment to scientific supplies.³⁸ Organizations in markets where buyers' unique needs, industries, or regions are underserved by other channels or large branded platforms should take advantage of this opportunity.

Use The Customer's Buying Motion To Guide Your Approach

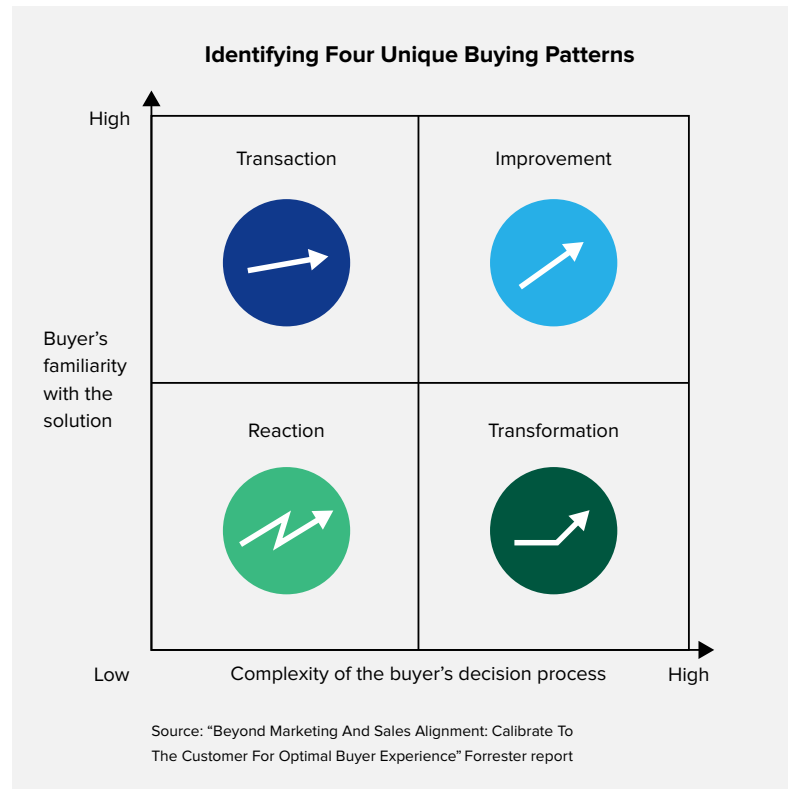
Journey maps and personas don't accommodate the complex expectations and behaviors of modern B2B buyers. Forrester's Buying Motion Matrix helps B2B marketers understand and adapt to buyers' evolving expectations by taking into account key inputs of the buyer decision-making process, including **buyer familiarity with the solution** and the **complexity of the purchase decision**.³⁹

These two factors help B2B marketers identify four unique buying "motions": Transaction, Improvement, Transformation, and Reaction. Each motion corresponds with predictable patterns of buyer expectations that require unique combinations of marketing and sales strategies, tactics, and enabling technologies. Understanding the connection between each motion and your buyers' expectations will help you design the experiences that create the optimal partnership with each customer:



Transaction purchases (high familiarity, low buying process complexity).

Transaction buyers are comfortable with the decision process; they often have a defined decision-making model for purchase. These decisions are low-risk and often within mature markets, such as office supplies or business laptops. The buying process can be quick, enabled by digital and electronic communications processes.⁴⁰ Given these characteristics, buyers in the Transaction zone will have high expectations for openness and immediacy. Pricing transparency will be table stakes, and digital purchase channels — whether branded eCommerce or marketplaces — will continue to expand.⁴¹





Improvement buys (high familiarity, high buying process complexity).

Improvement buyers take time to make decisions that involve significant business change, disruption, or risk — even when the solution, product, or service is quite simple or mature and well understood. Examples include migrating legacy applications to the cloud or outsourcing a noncore process such as payroll management. These dynamics create high expectations for intuitive and open buying experiences. Each member of a large buying team will expect providers to know who they are, where they have been, and what they are trying to achieve — throughout a lengthy decision-making process.



Transformation motions (low familiarity, high buying process complexity).

Transformation motions are typically found in new markets, especially if the solution is disruptive. Buyers are often aware of the business problem or opportunity but unaware of the solution space. These are high-risk decisions, such as deploying a new supply chain management solution or choosing a consulting

firm to lead a business reorganization. Transformation purchases are often initiated by senior-level executives who expect their vendors to enlighten them — a high bar for sales collaboration and consultation. As the decision-making team eventually expands, marketing will play a critical role in creating intuitive experiences that consistently serve up relevant and contextual content across a protracted buying cycle.



Reaction decisions (low familiarity, low buying process complexity).

Buyers in this zone make comparatively quick decisions to purchase complex and/or unfamiliar solutions. They may be responding to a competitive disruption, a change in industry regulation, or a CEO's mandate to cut costs or expand quickly. Immediacy is paramount — an expectation you can meet with optimized self-service capabilities to answer initial inquiries and identify buying intent. Because these buyers may not understand all the implications and risks of the choices they are about to make, they also will have high expectation for connectedness, which you can meet by proactively offering customer references.

While the Buying Motion Matrix provides the customer-obsessed perspective needed to understand the motivations that drive buyer behavior, it's also a snapshot in time. Changing market forces will continually shape buyers' perspective — for example, a new technology that would have been a Transformation motion years ago may now be categorized as an Improvement purchase. This means organizations should regularly revisit the assumptions they use to assign buying motions.

Transparency And Trust Will Transform Partnerships

As the business and societal landscape continues to evolve, the relationship between B2B providers and customers will stay grounded in the principles of equality while also creating new expectations of, and opportunities for, increased openness, connectedness, intuitiveness, and immediacy. By 2024:

- **Radical pricing transparency will kill the “cash cow” and “sweetheart deal.”** Allowing customers to reveal what they paid will create a competitive advantage with Millennial decision makers — and pave the way for broader change. Learning what others have paid for a product or service will become as easy as finding product specs and customer references today. Negotiation will not disappear, but prices for similar goods and services will settle into narrower and lower bands. As buyers are able to focus on real differentiation and proven ROI, providers will need to compete on more qualitative attributes, such as customer experience and socially responsible business practices.
- **Trust will be the new currency when shared risk-reward partnerships are the norm.** The equal partnerships sought by modern B2B buyers will find their ultimate expression in contracts structured for shared risk-reward. As these gain-sharing arrangements expand beyond their traditional use in procurement and outsourcing deals to encompass higher-consideration offerings, trust will become the new currency. Providers and customers must both prove that they are worthy of such an arrangement — with a track record of success, financial stability, and good-faith bargaining. Sellers will need a new process to determine where a given prospect falls on the trust spectrum — from “cash up front” to “full trust share.”
- **Increased margin pressure will force providers to get creative on funding innovation.** With pricing transparency squeezing margins on all products, the traditional model of relying on high-margin, mature products to fund innovation will fall apart. In its place, providers will turn to new sources of funding, such as the gains from risk-reward contracts, client co-development projects, or external sources. They will also implement a split innovation process with long- and short-horizon flows that shield disruptive innovations from short-term profit and loss pressure and provide longer-horizon, disruptive ideas with the incubation required for eventual commercialization.⁴²

Adapting to the new buyer-provider power dynamic will take a sustained commitment from stakeholders across the organization. Companies that take clear, decisive steps — specifically, by delivering experiences that are open, connected, intuitive, and immediate — will be rewarded. Creating more dynamic and engaging customer experiences will build loyalty and retention while helping you win discerning prospects.

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Endnotes

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Endnotes

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