THE FIVE ELEMENTS OF A PERFECT B2B STORM. enigma

# PERFECTA STORM

Why B2B marketing has to put the buyer first!



#### Introduction

The enterprise B2B buying journey has undergone a seismic shift in recent years: this is driven by the ubiquitous presence of information in our lives, increasingly mobile and fast-loading devices, the abundance of digital media channels and a plethora of new vendors looking to sell their wares.

Today's enterprise B2B buyer has information relevant to their purchasing needs literally at their very fingertips. With this information comes power. Power that enables these buyers to self-educate and self-select to a point of commitment – if not necessarily to a point of purchase.

The rise to prominence of these self-educated decision-makers has created a 'perfect storm' in which vendors must view their interactions with prospects from the other end of the lens: they must put aside pre-conceived notions of making their product or service easy to sell to customers and instead work harder to make it easy for their customers to buy from them.

#### This perfect storm has five elements:

- 1. There are increasing numbers of stakeholders involved in the buying process, each with differing priorities and agendas. This results in greater divergence, enhanced aversion to risk and reduced speed in achieving buying consensus.
- 2. Enabled and empowered by the wealth of information available online, these buyers are increasingly independent and have gained the upper hand in their relationships with vendors. Vendor sales teams therefore have fewer opportunities and need to do more with these opportunities when they arise.
- 3. Buyers are inundated with choice and often conflicting information and are under pressure to deliver water-tight business cases in an environment of changing business priorities and purchase group personnel. Buyers are therefore falling prey to 'analysis paralysis' an inability to make decisions, driven by over-analysing every scenario and, in effect, paralysing the prospects for any outcome.
- 4. B2B marketing is impaled on the horns of a dilemma. On one hand, it is driven by the need to engage and influence B2B buyers with tailored, relevant information in an increasingly complex and competitive environment. On the other, the sheer volume of sales communications has increased exponentially while budgets have stagnated. B2B marketing has therefore gone full tilt down the MarTech route, only to find that it's moving at speed with a lack of qualified drivers or any means of accurate navigation.
- **5.** Although linear sales funnels and buyer journeys make sense on the surface and also help with marketing planning, the buying journey doesn't play out in any predictable, ordered way. It's a state of mind, not a place in time. Decisions are driven by group dynamics, emotive reactions and personal values, as much as they are by logic: trying to control the buyers and the buying journey is therefore a process of diminishing returns.



#### Surviving B2B marketing's perfect storm

Many aspects of 'traditional' B2B sales now occupy a vacuum created by these changes in the buyer environment. Opportunities for direct sales engagement are less frequent and – when do they come – B2B sales must demonstrate an understanding of the buyer's needs, as well as clearly articulate the value their solutions or services will deliver.

By contrast, B2B marketing could be said to be in the ascendency. A long-time poor relation to the all-powerful B2B sales teams, the reasoning goes that, if enterprise B2B buyers are looking to remotely arm themselves with information to help them make the right purchase decisions, then B2B marketing (as the purveyor of this information) will rule the roost. So why does this not ring true for those of us working in B2B marketing? Well, firstly, B2B buyers might have all the power; but they are experiencing disruptions to their decision-making processes like never before. Secondly, B2B sales may no longer be able to engage buyers across the entire buying journey but, when opportunities come, they can make a difference – like never before. Finally, B2B marketing may be the communications lynchpin, but it still struggles to engage and influence buyers with anything like the results demanded of it.

Using proprietary and third-party research collated over the course of the past 36 months in support of numerous global and regional B2B marketing programs, this document highlights the stats and key factors driving this seismic shift in the B2B world.

It also presents Enigma's independent thinking and opinion on these topics – with advice on how to prepare for "B2B's Perfect Storm".



#### 1. An increasingly complex B2B buyer landscape.

#### More people and priorities. Less speed and consensus.

We might think that technology innovation would make critical business processes such as buying products or services much simpler and easier. We'd better think again!

Recent research indicates that between five and seven people are involved in a 'typical B2B purchase', across different functions in the business': this can rise to ten or more as the cost, complexity and potential business impact of the solution increases<sup>2</sup>

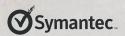
#### Part of the reason for this is technology itself.

As a B2B tech-marketing agency, we've seen first-hand the rise of the 'non-tech tech-buyer' from functions such as marketing, operations or finance who are looking to purchase IT solutions that help solve their needs.

We've also seen a change in the seniority and mix of the 'IT buyer'. Increasingly the Chief Data, Digital and/or Information Officer (sometimes all three) are involved in decision-making. Additionally, the influence of personnel from across cloud, DevOps and security teams increases as infrastructures modernise and the 'data stakes' continue to rise.

Additionally, these cross-functional 'tech and non-tech' buyers' are a mix of influencers, decision makers and end-users with different drivers and objectives— and nearly all of them will have 'day jobs' to do. It's therefore not difficult to imagine what a complex, time-consuming process B2B buying has become! This also explains the rise to prominence of the procurement officer, someone previously considered a hindrance to be overcome but who is now—increasingly—serving as facilitator who brings information on relevant solutions and suppliers to internal stakeholders.

If you add to this Gartner's recent claim that a massive 22% of buyer's 'buying time' is spent meeting with their (internal) buying group versus only 17% of time spent meeting with their potential suppliers<sup>5</sup>, then we can start to understand the challenges brought about by this 'new normal' for buying.



Enigma worked with Symantec on a global enterprise security marketing program and identified 12 different stakeholders in the decision-making process! For simplicity and efficiency, we segmented them into three core groups, clustered by common challenges and objectives. It's just one example of the complex nature of B2B buying these days.

6.0

Average amount of people involved in B2B purchase decisions up from 5.4 two years ago<sup>1</sup>.

**22**%

'buying time' spent meeting with their buying group - only 17% spent meeting potential vendors<sup>5</sup>.

The resulting divergence in personal and organizational priorities makes it difficult for buying groups to agree to anything more than 'move cautiously,' 'avoid risk,' and 'save money.' One CMO has memorably referred to this as "lowest common denominator purchasing.

Harvard Business Review



#### 2. Fewer opportunities for vendor sales engagement.

#### Growing B2B buyer independence and control.

We've all seen the stats. Anything between 60% to 90% of B2B buyers independently search for information online before they are ready to engage with potential vendors.

A recent Forrester report put this figure at a conservative 68% while Gartner identified that this buyer 'self-education' takes up 27% of their entire 'buying time'<sup>5</sup>. As identified by the majority of B2B vendors, this underlines the need to create relevant content and make this available for buyers.

Perhaps of greater concern to B2B vendors - especially considering the focus on the sales organisation - is that 60% of buyers prefer not to interact with a salesperson as the primary source of information<sup>6</sup>. This infers two things; firstly, the buyer wishes to control the purchase cycle; and secondly, if - or when - sales have the opportunity to engage the buyer, they'd better get it right!

**27**%

of 'buying time' spent researching independently nnline<sup>5</sup>.

60%

prefer not to interact with a salesperson as the primary source of information<sup>6</sup>





Today's business buyer controls the buying process, more than today's seller controls the sales process.

Lori Wizdo, Principal Analyst, Forrester



## 3. Buyers are experiencing major disruption to decision-making processes.

Overwhelming choice, change and pressure is driving 'analysis paralysis'.

To this point we've focused on how – even though increasing numbers of stakeholders are involved in the B2B buying journey – they are also increasingly in control. However, this is a simplified perspective and one that's often put forward by the seller, rather than the buyer.

There are abundant statistics that demonstrate that it's not just the B2B vendors that are finding things challenging. For example, 77% of buyers say their latest B2B purchase was very complex and difficult<sup>5</sup>, 31% say their B2B buying cycle has increased in length compared to a year ago<sup>4</sup> and 45% spend more time 'buying' than last year.

So, what's driving this disruption to the buyer journey? We've defined a number of interrelated aggravating factors that include:

- 1. An explosion in the number of tech vendors inundating the market (buyers) with propositions.
- 2. The proliferation and evolution of digital media and information sources available to buyers from vendors, analysts, consultants, forums, communities and trade media not to mention display ads and retargeting strategies that blast the buyer with offers.
- 3. An increasingly pressured working environment in which water-tight low-risk, high-return business cases for purchases are an expectation.
- **4.** Fast-shifting business priorities and polices that impact on purchase requirements and decision-making processes.
- **5.** Changing of buyer group personnel and the introduction of new stakeholders and buying cultures.

77%

of buyers say their latest B2B purchase was very complex or difficult <sup>5</sup>.

**41**%

of purchase decisions are either accelerated or put on hold based on changing business priorities <sup>4</sup>.

The hardest part of B2B solutions isn't selling them, but buying them.

Brent Adamson, Principal Executive Advisor, Gartner



#### 4. B2B Marketing - doing more with less.

#### MarTech - as much a hindrance as a help.

So, buyers are looking for relevant information that will help them self-educate; sales are looking for triggers for direct, meaningful buyer engagement – so B2B marketing should surely be riding to the rescue?

Well, it's not as straightforward as it sounds.

First of all, the resources available to support the execution of all this activity is finite: marketing budgets may be positive but they are also at their lowest level for three years<sup>7</sup>.

Secondly, B2B marketing is required to engage buyers, report across accounts and provide actionable insights in support of tailored engagement – and that requires a complex MarTech stack which will draw on massive volumes of customer and market data that is often hidden in silos across their organisation. Synching data across functions is often complex and – even when the right data is made available to marketing – implementation of the MarTech stack can often result in marketers or sales team creating their own information overload.

For example, the data often sits in silos, with no 'master' view of an individual, let alone an account; or the 'breadcrumb trail' created by MarTech requires analysis in order that the sales team can effectively take over the customer engagement – and many marketing departments don't have the data analysts necessary to do this.

The plain truth is a MarTech solution isn't a panacea for the problems of a marketing function – in fact, the plethora of MarTech available doesn't make matters easier – and the lack of understanding over what this MarTech should help to achieve – and who is going to manage it – only compounds the problem.

Research suggests that, on average, an enterprise will spend 11.2% of its revenue on marketing, with 29% of this budget spent on MarTech - up from 22% in 2017(8); but only 39% of organisations report having strong processes to help identify the technologies needed to meet their marketing goals<sup>9</sup>.

This may explain why we often see big organisations implementing multiple tools that can perform the same task – but they aren't deployed well enough to move the needle on engagement. And even if there is a centralised Marketing Operations team, that doesn't mean the day-to-day users are experts: in fact, 65% of organisations cite a lack of competence as the biggest challenge in successfully using their MarTech<sup>10</sup>.

The picture we're seeing is one of B2B marketing having to carry out more – and more complex – activities with less resource. This is primarily driven by the exponential growth in digital engagement and the data that both fuels this activity and is harvested as a result of it.

65% of organisations cite a lack

of organisations cite a lack of competence as the biggest challenge in successfully using their MarTech<sup>®</sup>.

# Marketing technology is one of the weakest areas in B2B operations.

eConsultancy, 2019 Marketing Operations Report



## 5. The buyer journey is not ordered, linear or always logical.

#### A state of mind, not a place in time.

Vendors like to put logical, linear marketing and sales processes in place – a trend only exacerbated by MarTech platforms that encourage such processes. There are solid reasons for this: it makes sense to understand where in their marketing and sales funnel they think a buyer is; it helps to inform qualification, operational requirements and sales forecasts; and it brings some order to what is often a fairly chaotic environment.

The problem is that buyer journeys don't play out in any kind of predictable, linear order: they loop, they wax and they wane and they are often impacted by factors outside the control of the buyer group<sup>5</sup>. A great example of this can be seen in Gartner's 'New B2B Buying Journey' document.

So, on the one hand we have a vendor looking to control and move buyers down a linear 'sales pipeline', and on the other hand are buyers who are simply looking to purchase when, where and how they want.

Through the buyer engagement programs we've run, we've evaluated data indicating fundamental differences between buyers and vendors: for the former, it's a 'state of mind' while for the latter it's a 'place in time'.

Buyers need to reach consensus points where, as a group, they agree next steps. This is often a long, hard slog as they may have differing states of mind e.g. one has only just become aware of the need for a solution while another is evaluating different vendors and yet another is ready to commit to a particular vendor. We can see indications of these (different) states of mind through their online interactions with content, social channels, etc.

Vendors often focus on communicating at specific times, in a specific order, and with specific calls to action, to trigger buyer interactions. Too often this is based on the long-held belief that not only is there a linear B2B buyer journey that we can control step-by-step, but that the B2B buyers on this journey are not emotionally involved in the decision making: instead, they follow the logic 100% of the time.

That's some way from the truth. Buyers may rationalise and follow logic, but they are not machines; personal value, emotive reactions and behaviours drive their decision making<sup>12</sup>. We shouldn't be surprised by this, let's consider – as discussed earlier – the pressure of making decisions as part of a group, in a highly charged environment and with close business scrutiny. Making the right or wrong decisions can mean the difference between achieving objectives, getting that promotion or even losing a job.

**75**%

Three quarters of buying groups will revisit given buying tasks at least once.

# B2B buying is highly personal—even more so than B2C buying.

CEB & Google, Promotion to Emotion Whitepaper

Customers who perceived supplier information to be helpful in advancing across their buying jobs were three times more likely to buy a bigger deal with less regret.

Gartner B2B Buyer Journey



#### 6. Surviving (and thriving) in B2B's perfect storm.

#### The storm clouds are gathering.

The consumerisation of IT – the extension of consumer expectations for ease of use and self-service – change not only how we use technology but how we buy it. It will drive an even greater requirement for vendors to put the buyer – not the sale – first. Vendors should therefore think of buyers not simply as leads but instead make significant efforts to understand them as people trying to do difficult jobs under considerable pressure. This has inevitably given rise to a much greater emphasis on personas which attempt to understand the nuances of individual roles and to provide messaging that addresses those particular needs at a granular level.

As technology matures, solutions based upon it become ever commoditised; and competing vendors are using the same technologies and techniques to target prospects. This continues to level the playing field for vendors, many of whom are simply throwing information at the problem – anyone wishing to find out more about a particular solution can choose from a plethora of white papers, blogs, videos, case studies, and infographics. For buyers, however, the increasing abundance of information is becoming ever more debilitating.

At the same time, the buyer's business is looking for increasingly water-tight, risk-reduced and commercially viable business cases – and the buyer is under pressure to deliver. They are therefore becoming increasingly vocal about the need for vendors to make the buying process easier; and to enable them to find what they need, when they need it, in the format and via the channels of their preference.

#### To navigate through this storm, vendors need to do three things:

- Simplify their approach to make buying the product or service as easily as possible.
- 2. Serve up relevant content in a manner that is easily consumed by their target audiences.
- **3.** Succeed by reaping the rewards of enabling a buyer journey rather than dictating one.



#### enigma



#### Simplify

As a general rule, the more insight a vendor can bring to the table, the simpler, easier and faster the sales process will become – for both buyers and vendors.

As we saw earlier, there are more buyers in the decision-making process than ever before meaning more and different types of information are required to meet the needs of these audiences - something that would seem to go against the simplification mandate. However, if an audience can be accurately segmented - by industry or job title - and their pain points unearthed and addressed - then you can focus your content very precisely - and provide buyers with only the information they need to inform the purchase decision. This will allow vendors to focus on the buyer experience as much as the buyer journey, making both as smooth and straightforward as possible.

Enabling a user journey – rather than dictating one – requires B2B marketers to have significant faith that the high-value assets we are putting in front of the buyer are as good as we need them to be. This, in turn, means as much time should be given to the message we are pushing out to buyers as to the data behind consumption trends. Marketers should also challenge the conventional wisdom that dictates that 'high value' assets should be gated; and instead allow them to self-serve, self-educate and share content. This, of course, means that there must be ample opportunity for buyers to raise their hands to signal their intent when they are ready for a deeper engagement.

Those stakeholders that are engaged with the vendor brand need to be enabled to make the case for a vendor's product to the other members of the buying team. So content, more than ever, is king; and, in the context of the tidal wave of content with which buyers are deluged, less is definitely more.

Vendors should therefore focus on helping buyers to buy through a laser focus on their requirements. Vendors should: define where and how a solution can help; and provide the business case for the solution from as many angles as possible e.g. risk, cost, improved performance, etc.. This will enable buyers to justify and validate their vendor selection and help them to broker a final consensus internally.

#### Serve

As we discussed earlier, the marketers' desire (and MarTech's need) to impose a linear journey is at odds with the non-linear way in which the buying decision is made: gone are the days where content can be drip-fed in simple email flows to the entire database of contacts. Instead, marketers need to give up the illusion of control over the user journey: they should guide the engaged stakeholders to content which gives them the information they need; and encourage them to re-engage with the brand as often as is required to facilitate an interaction with the sales team.

MarTech allows us to do this. We can target stakeholders more effectively by: personalising content and journeys; creating sophisticated flows of information specific to buyer types; and increasing the 'trackability' of that journey. It can tell us what our audiences like and what they don't like – and can provide marketers with insights into their online behaviour across the internet.

To simplify the consumption of the great content we have created, vendors can use MarTech platforms to deliver Content-as-a-Service: vendors should focus on giving its audiences a single platform where they can get all the information they might want – without having to rely on a single 'hero' asset. This not only gives buyers control of their journey but their interaction with the different assets on the site can tell marketers a great deal about what a prospect wants to buy – and how ready they are to buy it.

Best practice suggests that the best way to fulfil this is to create a hub – or hubs – with information available 24/7. These hubs should be pre-loaded with assets that are aligned to key buyer personas and lifecycle stages in the buying journey; and the content should include prescriptive advice and practical support information alongside insights and thought leadership.



### Hub content should focus on providing information that helps buyers to understand exactly:

- What you do and don't do
- How this fits their capability and resource gaps
- What role they are required to play in adopting and adapting to your solutions
- The positive change your solutions will bring
- The risk that is lowered.

Overall, the content that is served up should focus on providing information that helps buyers to: take the necessary steps to evaluate, test and buy a solution; tick the right boxes as they complete each of their personal buying tasks; and drive towards final buyer group validation and consensus. It is also important to remember that marketing can continue to enhance the buyer relationship even after the purchase is made: MarTech can be a great tool for continued engagement by serving up useful information linked to in-life/in-service.



#### Succeed

The biggest game-changer in this perfect storm is the diminishing role of the vendor in the purchase process with the majority of the purchase decision completed before a customer even calls a vendor. So, as B2B marketers, the most impactful thing we can do is to enable people to access the information they need to complete that part of the journey; in doing so we succeed as marketers through our ability to position our employers as companies able to address the needs for which a solution is sought.

There is no doubt that MarTech is an enabler of this process – but it is not a 'silver bullet'. MarTech solutions are merely tools to implement strategy; but if that strategy is still wedded to the 'traditional' linear buyer journey, then we aren't going to have the impact we hope for from these expensive investments. And more is very rarely better: you should use only the tech you need and – especially given the skills shortages in the market – consider outsourcing elements of that stack where that makes sense.

Finally, it's critical to remember that, in an age of 'information everywhere', great content is the defining attribute of marketing success. This only becomes more true with marketers increasingly using sophisticated and highly targeted materials as part of their Account-Based Marketing (ABM) campaigns: the bar is being raised and only the best content – derived from the strongest insights – will be strong enough to cut through the information onslaught that buyers are confronted with as they try to make informed purchase decisions.

B2B's perfect storm will leave no-one untouched: its impacts are too profound and far-reaching to be ignored. But it's worth remembering that the centre of any storm – no matter how strongly it rages – is always still. Those marketers brave enough to directly address the elements of this storm are more likely to survive than those who hover uncertainly at its fringes.

Please get in touch at <a href="mailto:info@enigma.tech">info@enigma.tech</a>
if you want to find out more about navigating your way through B2B's perfect storm.

# N, NETSCOUT, tner Buyer 2019 <sup>a</sup> Gartner

#### References

<sup>1</sup> Harvard Business Review 2017 <sup>2</sup> Sirius Decisions Buyer Review 2015 <sup>3</sup> Ref REAN, NETSCOUT, Symantec, research & programs <sup>4</sup> Demand Base 2018 B2B Buyers Report <sup>5</sup> Gartner Buyer Enablement 2019 <sup>6</sup> Lori Wizdo, Principal Analyst, Forrester <sup>7</sup> The CMO Survey 2019 <sup>8</sup> Gartner CMO Spend Survey 2018 <sup>9</sup> eConsultancy 2019 Marketing Operations Report <sup>10</sup> MarTech 2019 Report <sup>11</sup> CX Infinity Loop <sup>12</sup> CEB & Google, Promotion to Emotion.