2018 B2B BUYERS SURVEY REPORT

SALES REPRESENTATIVES PLAY GREATER ROLE WITHIN CRITICAL 1-3 MONTH *Active Buyer Timeframe*

DEMAND GEN REPORT

SURVEY REPORT

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31%

OF BUYERS SAID THE LENGTH OF THEIR B2B PURCHASE CYCLE HAS INCREASED SIGNIFICANTLY COMPARED WITH A YEAR AGO.

INTRODUCTION

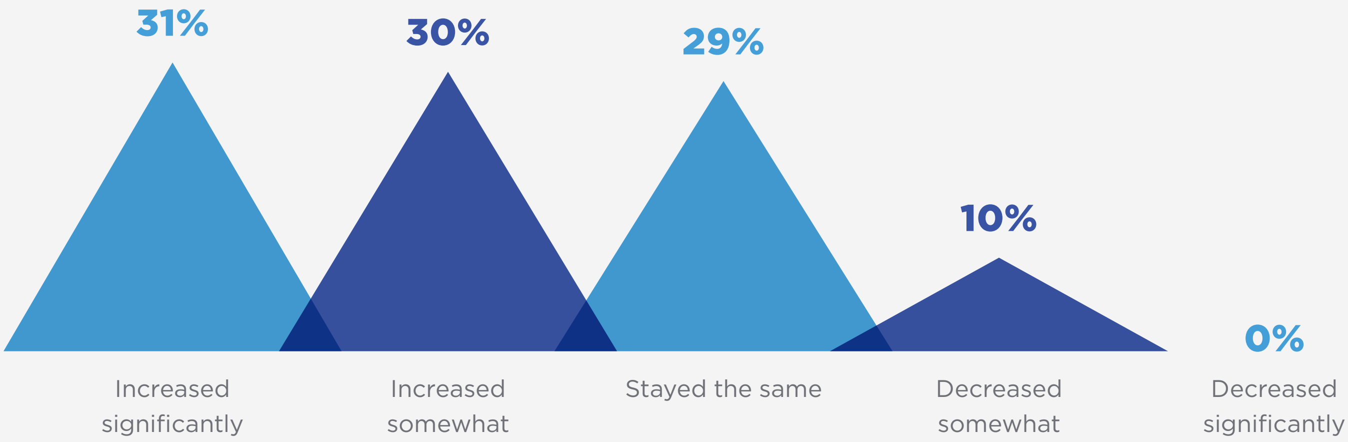
B2B buyer preferences have heavily evolved over the years since *Demand Gen Report* began conducting its annual *B2B Buyers Survey* in 2012. From the get-go, buyers have gone through long-term research processes, added more internal team members to the decision-making journey and relied on content and social media to make purchase decisions. While these criteria still hold true today, buyer behavior has also expanded to key characteristics such as:

- The desire to self-navigate the decision-making journey;
- The addition of formal buying groups or committees to review purchases;
- A demand for more relevant, contextual content and outreach from sales;
- A stronger preference for anonymity in some stages of the journey; and
- A greater need to engage with sales later on in the journey.

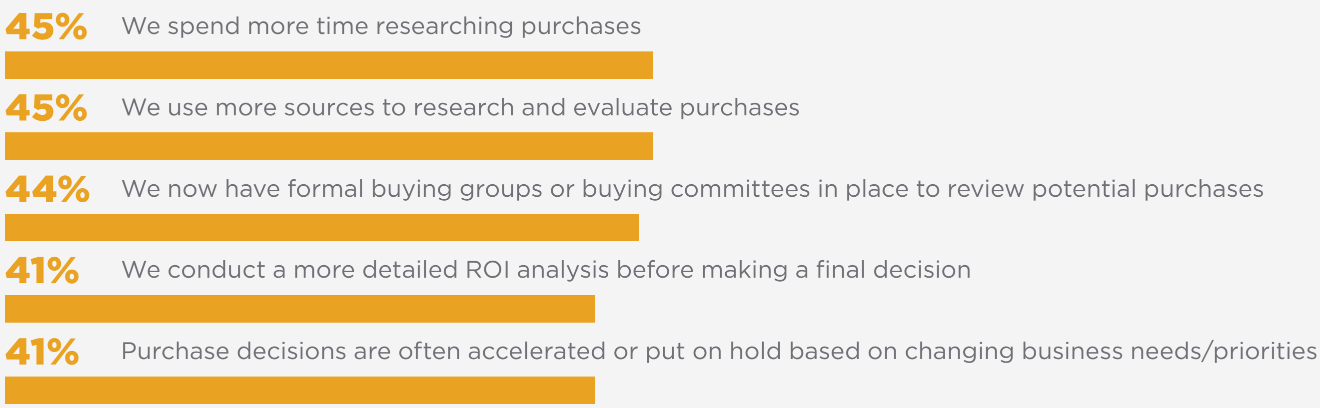
Buyers have also become more consumer-like in their purchasing, as peer reviews, social media and ads continue to play a bigger role in the decision-making journey. They turn to review sites, third-party experts and peers on social media to help them evaluate technology solutions.

This year's survey results revealed that a majority of these characteristics have come full circle. Sales is playing a larger role in leading purchase decisions and is required to deliver a favorable impression with messaging and content in a short time frame that caters to buyers' specific needs, industry and business challenges.

HOW HAS THE LENGTH OF YOUR B2B PURCHASE CYCLE CHANGED, ON AVERAGE, COMPARED WITH A YEAR AGO?



PLEASE RATE HOW EACH OF THE FOLLOWING ASPECTS OF YOUR PURCHASE PROCESS HAVE CHANGED OVER THE PAST YEAR:



45%
OF BUYERS ARE SPENDING MORE TIME RESEARCHING PURCHASES COMPARED TO LAST YEAR.

Companies are also expected to keep with the pace of buyers — whether they look to accelerate the process or put it on hold due to budget delays or legal needs.

Seventy-two percent of respondents indicated they were the primary decision maker in the purchase, and 79% stated there are between one and six people involved in the purchase process. Additionally, in terms of how buyers' purchase processes have changed over the past year, respondents to the 2018 survey strongly agree they:

- Spend more time researching purchases (45%);
- Use more sources to research and evaluate purchases (45%);
- Have formal buying groups or committees in place to review purchases (44%);
- Conduct a more detailed ROI analysis before making final decisions (41%); and
- Often accelerate or put purchases on hold based on changing business needs/priorities (41%).

"There's been a change in the way we're buying in terms of the complexity that we're seeing in the [survey] data," said John Dering, Senior Director of ABM Technology & Strategy for **Demandbase**. "Whether it's incorporating a whole stakeholder team, or as organizations are growing and having more buying power, they're putting in these processes, so they can manage their financials and success of their purchases. People can't just quickly go out and say 'Hey, here's a contract; I want to spend this money; it's in my budget. I want to do it.' They need to understand the return they're going to get on it, as well as the impact it has on the rest of the organization. Those types of things can start to slow down and create a lot more hoops that buyers need to jump through to get to that goal line of making the purchase."

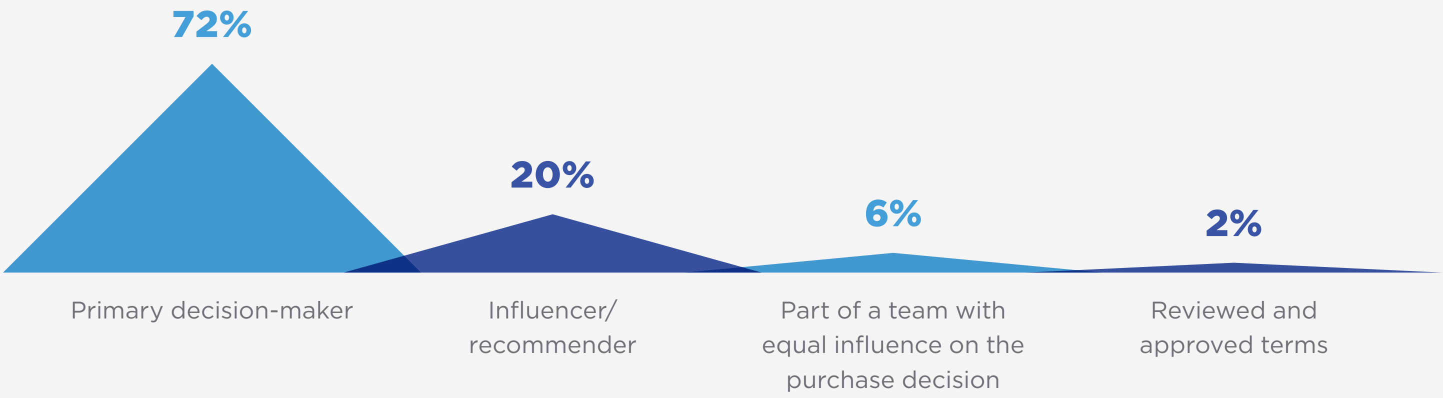
79%

SAID THERE ARE BETWEEN ONE AND SIX PEOPLE INVOLVED IN THE PURCHASE PROCESS.

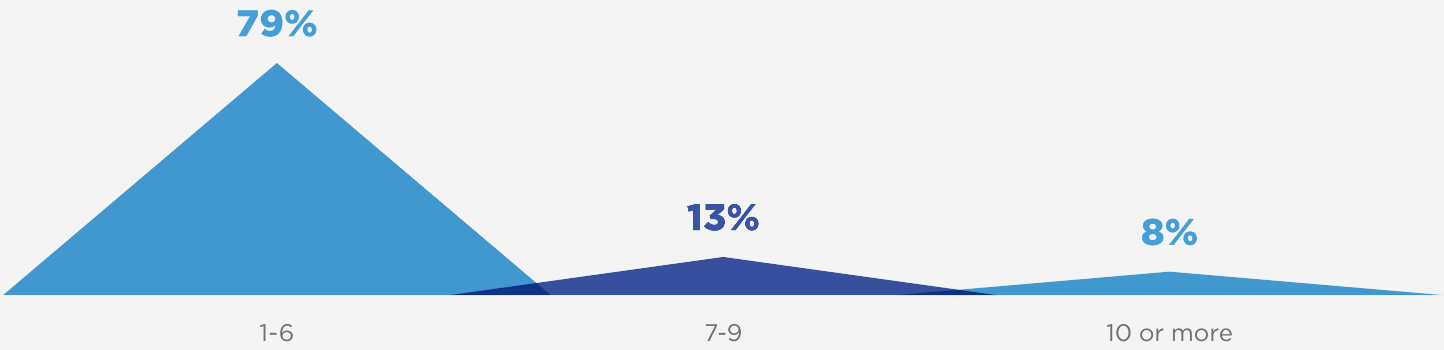
The following report outlines buyer needs, demands and expectations when it comes to the B2B purchase decision making journey, including:

- The importance of delivering a tailored, contextual experience for buyers;
- How the role of the sales representative has evolved;
- Critical time frames for when to engage B2B buyers;
- The content and messaging that makes buyers tick; and
- The importance of social media, ads and peer feedback in the decision-making journey.

WHAT ROLE DID YOU PLAY IN THIS PURCHASE?



HOW MANY PEOPLE WERE INVOLVED IN THE PURCHASE PROCESS FOR RECENT B2B SOLUTIONS?



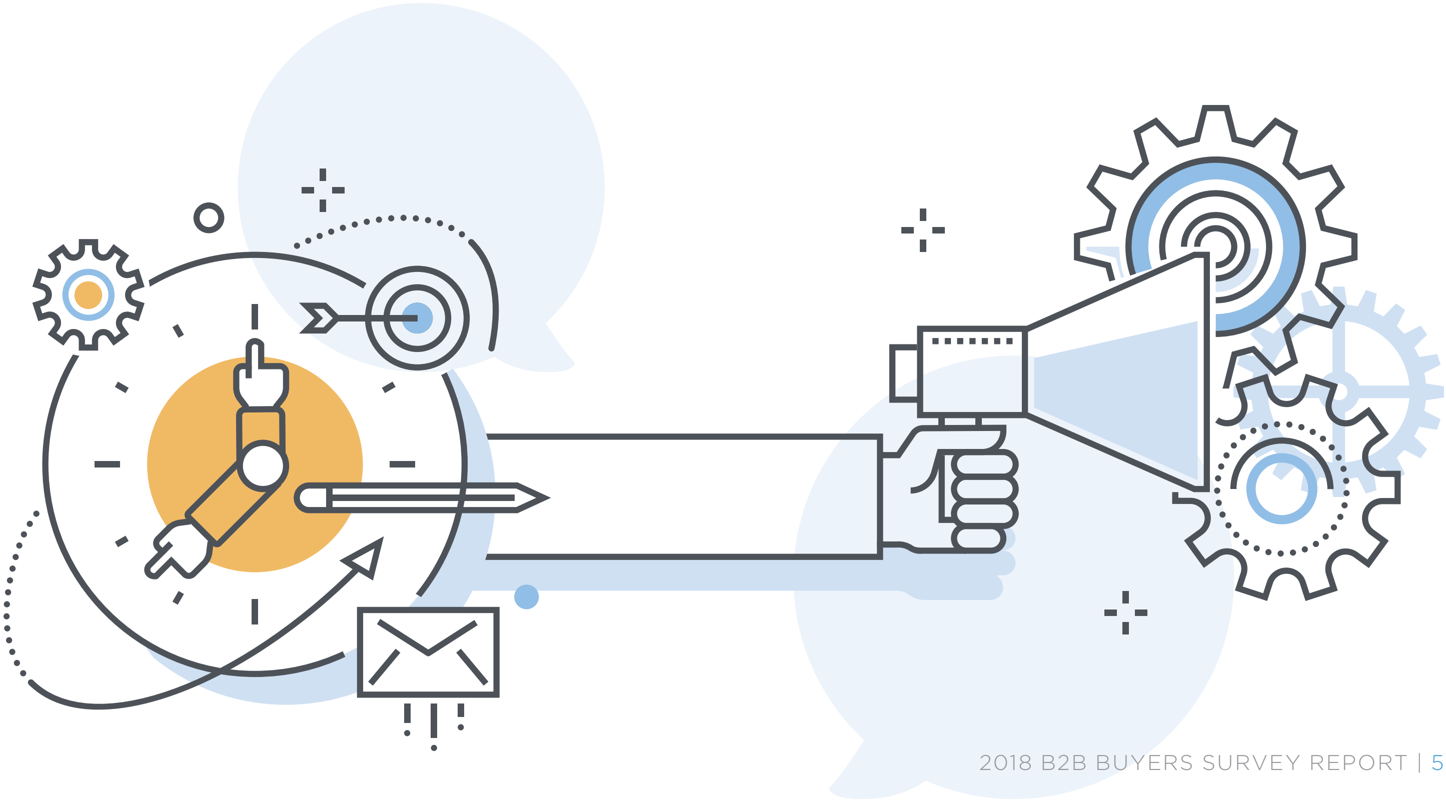
IN THE ONE-TO-THREE MONTH MARK, **38%** OF B2B BUYERS DEVELOPED AN INFORMAL LIST OF POTENTIAL PROVIDERS.

ONE- TO THREE-MONTH MARK CRITICAL TO GETTING BUYERS' ATTENTION

Although buying journeys are becoming more drawn out for various reasons, respondents to this year's survey indicated that the time between the first- and third-month mark is a peak and critical point in decision-making. This is the time when a majority of research, outreach and evaluation is done.

The survey results indicated that between the first and third months, B2B buyers:

- Evaluated which solutions would fit well with existing partners (46%);
- Collected preliminary information on pricing/costs (42%);
- Conducted anonymous research on potential solutions (41%);
- Accepted outreach from vendors and engaged in calls/demos (41%);
- Sought RFP/competitive bids/pricing information from a select list of providers (39%);
- Sought input from peers/existing users in the community (38%); and
- Developed an informal list of potential providers (38%).



WHAT WAS YOUR TIMELINE FOR TAKING THE FOLLOWING STEPS IN YOUR BUYING PROCESS? (IN MONTHS)

	< 1	1-3	3-6	6-12	> 12	N/A
Spoke to and engaged with a sales rep. from the vendor I selected	32%	37%	21%	6%	2%	2%
Conducted anonymous research on potential solutions	26%	41%	19%	8%	1%	5%
Developed informal list of potential providers	30%	38%	22%	5%	1%	4%
Collected preliminary information on pricing/costs	30%	42%	18%	7%	1%	2%
Brought in other team members to help with research process	25%	36%	20%	7%	2%	10%
Evaluated which solutions would fit well with existing partners	19%	46%	18%	8%	2%	7%
Sought input from industry analysts/consultants	20%	35%	16%	6%	3%	20%
Sought input from peers/existing users in the community	24%	38%	19%	6%	1%	12%
Accepted outreach from vendors and engaged in calls/demos	22%	41%	23%	5%	2%	7%
Sought RFP/competitive bids/pricing info from a select list of providers	19%	39%	18%	8%	2%	14%

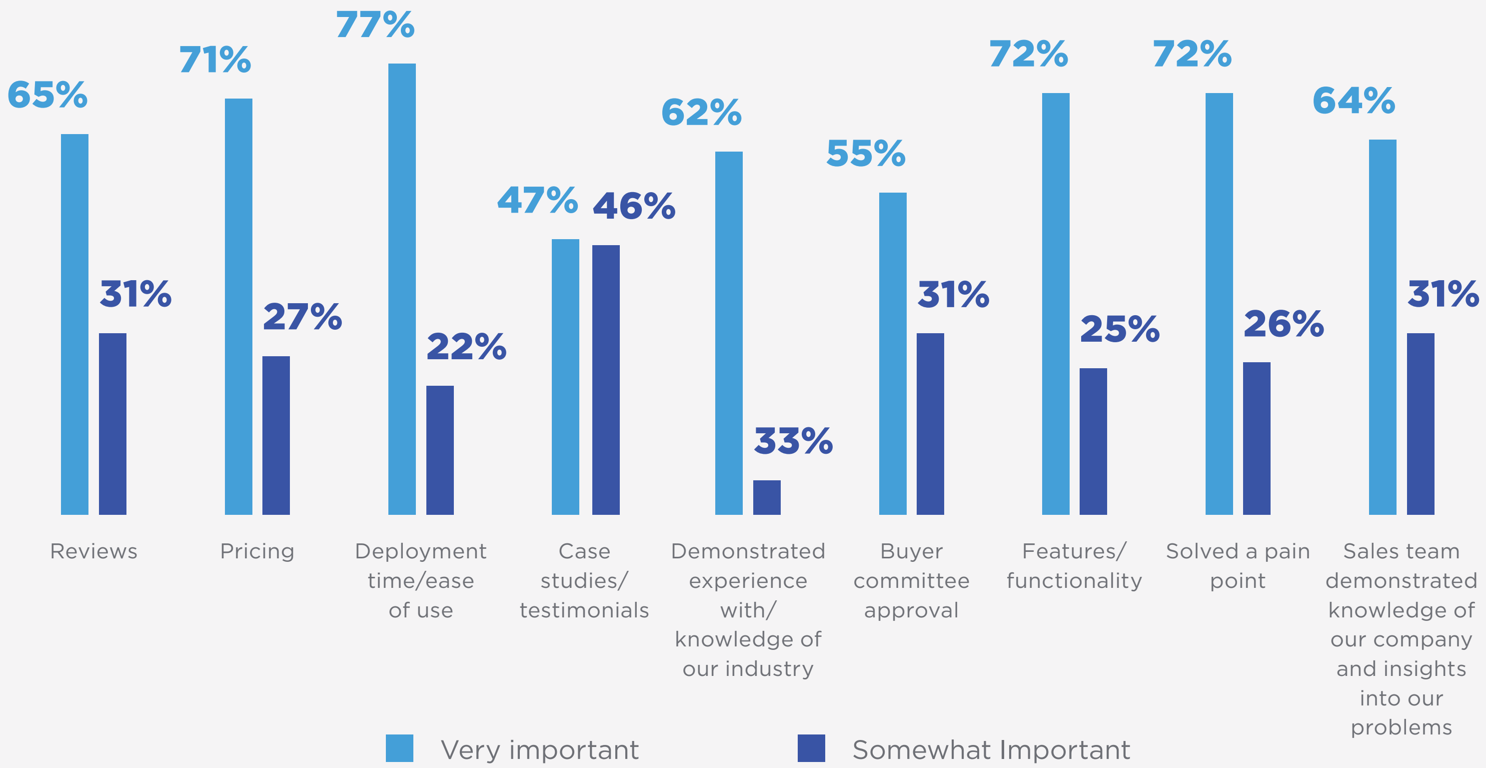
46%

EVALUATED WHICH SOLUTIONS WOULD FIT WELL WITH EXISTING PARTNERS DURING THE FIRST ONE TO THREE MONTHS.

These results indicate that this period of time is important for sales to be on alert, as all of the touches happening are what will eventually drive B2B buyer decisions.

“Clearly sales are the literal front line in dealing with prospects,” said **Rebecca Lieb**, industry analyst and author. “Demonstrating a knowledge of their pain points and sharing thought leadership is critical, particularly in the early stages of the consideration and evaluation phases. Any salesperson worth their salt will be proactive: answering questions on social media, sharing thought leadership, and just generally being a helpful, sympathetic and proactive listener and sharer. This creates a channel of communication as well as accessibility. These skills aren't nice to have, they're must-haves.”

ONCE YOU WERE AT THE POINT OF EVALUATING A SET LIST OF SOLUTION PROVIDERS, PLEASE RATE THE IMPORTANCE OF THESE VARIABLES:



77%

OF BUYERS RATED "DEPLOYMENT TIME/EASE OF USE" AS VERY IMPORTANT WHEN EVALUATING SOLUTIONS.

Once a set list of potential solution providers is agreed upon, respondents rated product features and deployment high, as they continue to be cognizant of how the product will work once it's purchased. It's up to companies to provide demos, easy installation and understandable integration to potential customers in this one- to three-month timeframe.

Respondents rated the top-five following variables as "very important":

- Deployment time/ease of use (77%);
- Features/functionality (72%);
- Solved a pain point (71%);
- Reviews (65%); and
- Sales team demonstrated knowledge of our company and insights into our problems (64%).

62%

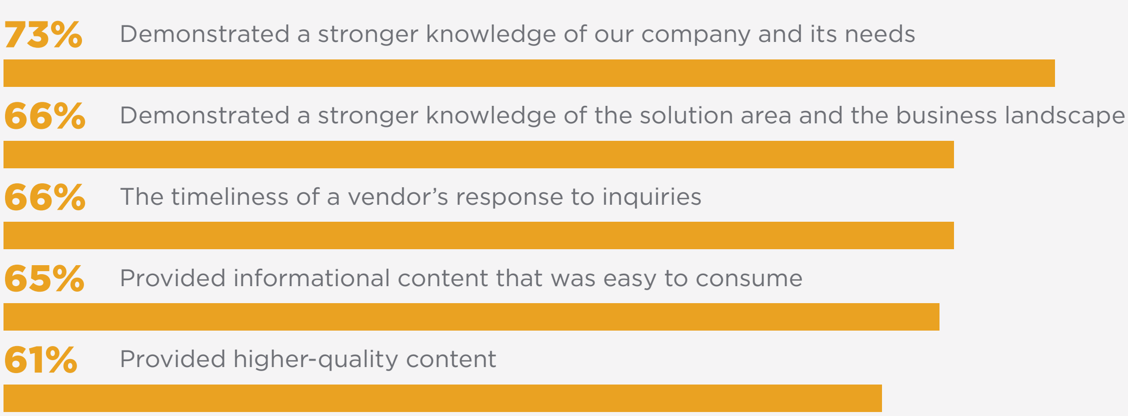
NOTED A DESIRE FOR SALES TO DEMONSTRATE EXPERIENCE WITH OR KNOWLEDGE OF THEIR INDUSTRY.

ROLE OF SALES EXPANDS AS BUYERS DEMAND MORE RELEVANT OUTREACH

Relevant engagement from sales is becoming table stakes for B2B companies, as buyers continue to demand personalized experiences that cater to their pain points and needs. More than half (64%) of respondents noted that one of the most important variables when evaluating solution providers was a sales team that demonstrated knowledge of their company and had insights into their problems. Additionally, 62% noted a desire for sales to demonstrate experience with or knowledge of their industry.

"Prior to the Internet, sales teams could get by with a solid knowledge of their products and solutions and scant knowledge of the prospects company and challenges," said Kevin Joyce, CMO and VP of Strategy Services at **The Pedowitz Group**. "But with the Internet, the prospect can educate themselves on the products, so the sales teams have to bring more insights and become buyer-centric, not product-centric. They have to be able to contextualize the products and solutions into prospects' industry, unique challenges and even into their organization. It's all about knowing what the product or service can do for the customer in their unique situation that will differentiate one vendor from the next. Becoming customer-centric in their approach is what makes the best sales teams excel."

PLEASE RATE THE FOLLOWING STATEMENTS AS THEY RELATE TO THE WINNING VENDOR VERSUS OTHER VENDORS YOU CONSIDERED:



As stated, the one- to three-month mark is the sweet spot, which means the role of the sales person is becoming much more critical to deliver relevant messaging within that timeframe and make a good impression where it counts.

Additionally, a key role for sales is to be quick on their feet and more responsive. Respondents indicated that they expect vendors to keep up with their pace, as 41% accelerate or put purchases on hold based on changing business needs and priorities.

Respondents made it clear that "faster and more consistent" responses and a knowledge of their industry and needs could have improved their buying experience. When asked to rate statements as they relate to the winning vendor versus other vendors considered, respondents noted the following as "very important":

- Demonstrated a stronger knowledge of our company and its needs (73%);
- The timeliness of a vendor's response to inquiries (66%); and
- Sales team had more insights about our company and needs (56%).

Some open-ended responses included:

> SPECIFICALLY DEMONSTRATE THE SUCCESS USE OF THEIR PRODUCT IN OUR INDUSTRY.

> MORE EXAMPLES OF HOW OTHER COMPANIES IN OUR INDUSTRY WERE USING THEIR SOLUTION WOULD HAVE HELPED.

> KNOW MY INDUSTRY OR HAVE A SPECIALIST.

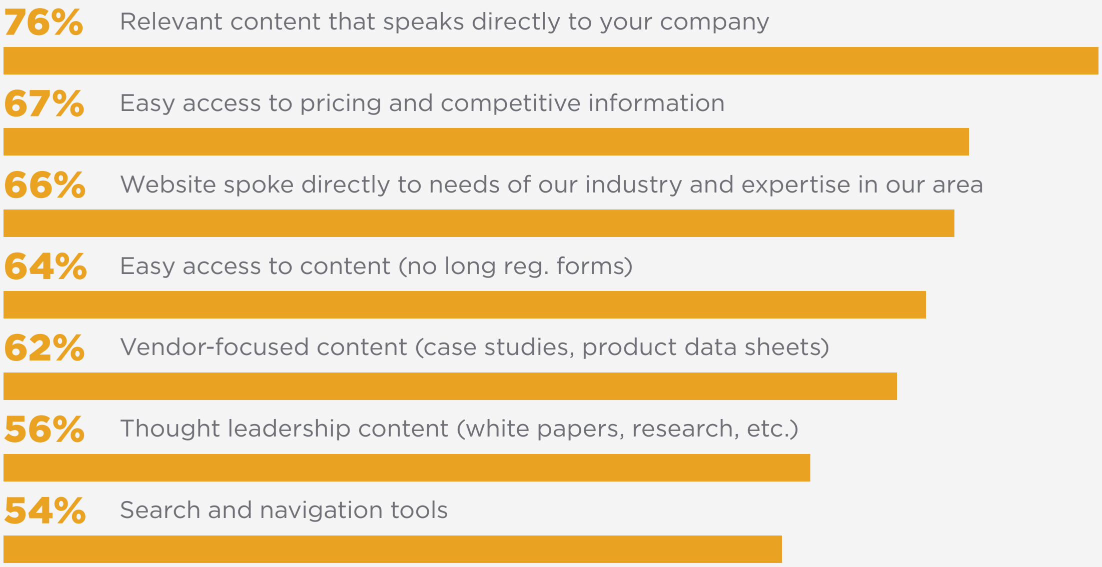
> TIMELINESS COULD HAVE IMPROVED AS FAR AS GETTING BACK TO OUR QUESTIONS.

> NONE OF THE POTENTIAL VENDORS SEEMED TO HAVE DONE MUCH SPECIFIC RESEARCH INTO MY ORGANIZATION. THE WINNING VENDOR HAD A STRONG UNDERSTANDING OF OUR PAIN POINTS.

> PULL MORE SPECIFIC CASE STUDIES FOR OUR INDUSTRY.

> ADDITIONAL RESEARCH ON US.

HOW IMPORTANT WERE THE FOLLOWING ASPECTS WHEN YOU VISITED THE WEBSITE OF POTENTIAL SOLUTION PROVIDERS FOR THE PURCHASE?



76%
OF RESPONDENTS WANT CONTENT THAT SPEAKS DIRECTLY TO THEIR COMPANY.

Once a sales rep has specific knowledge about the buyer and their pain points, delivering relevant content that speaks directly to the company was ranked as "very important" by 76% of respondents. Additionally, in terms of content and company websites, respondents noted the following variables as "very important":

- Easy access to pricing and competitive information (67%);
- Website spoke directly to needs of our industry and expertise in our area (66%);
- Easy access to content (no long reg. forms) (64%); and
- Vendor-focused content (case studies, product data sheets) (62%).

65%

OF BUYERS RELY MORE ON PEER RECOMMENDATIONS AND REVIEW SITES.

SOCIAL MEDIA, PEER REVIEWS, ADS PLAY POSITIVE ROLES IN RESEARCH PHASE

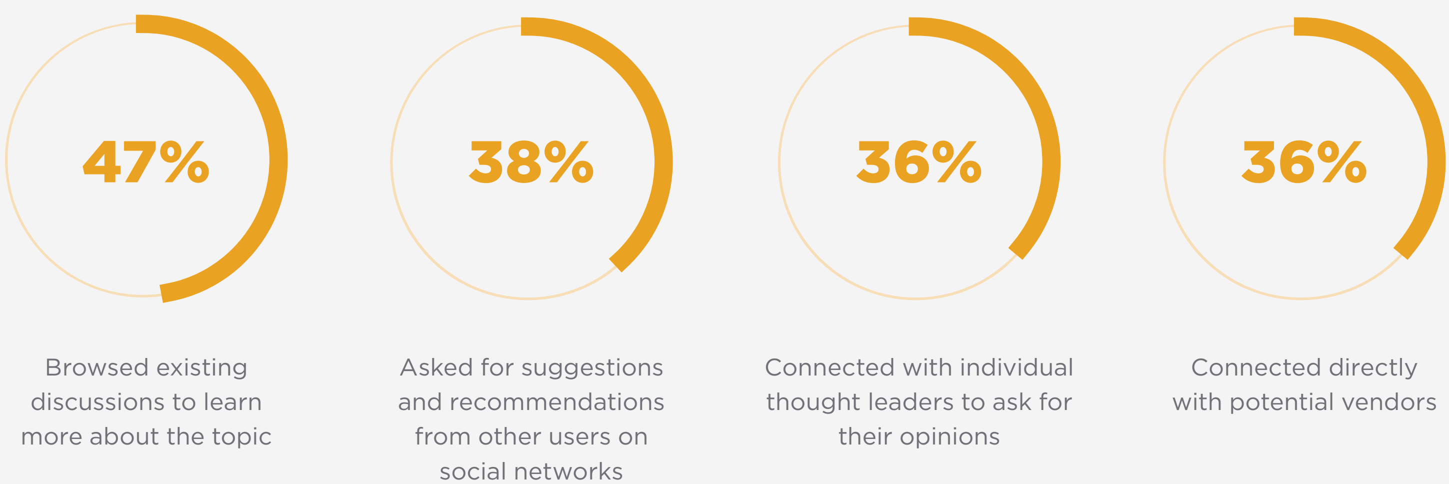
Buyers have turned to social media and peer reviews when researching purchase decisions increasingly since *Demand Gen Report's* inaugural B2B Buyers Survey in 2012. Back then, 20% said they spent more time on social media to research possible solutions and 19% relied more on live customer feedback/recommendations.

Fast forward to this year's survey, and the results have grown drastically, with 65% stating they rely more on peer recommendations/review sites and 54% relying on social media to research vendors and solutions. This gives vendors an opportunity to create social media-specific content, which can include visuals of customer reviews, short videos of success stories and more.

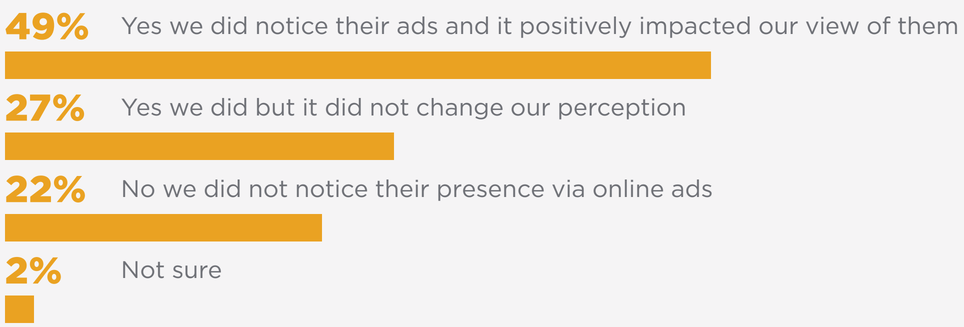
Additionally, peers/colleagues (34%) and review sites (30%) ranked in the top five resources that informed buyers of the solution in question. These two variables followed web search (54%) and vendor web sites (46%), respectively.

Third-party resources continue to gain popularity as buyers expect to gain authentic, unbiased knowledge of the solution in question before making a commitment. One respondent even indicated that they turned to "my personal network based on experience and contacts."

WHAT ROLE DID SOCIAL MEDIA PLAY IN YOUR RESEARCH PROCESS?



DID YOU NOTICE ADS FROM THE SOLUTION PROVIDER YOU CHOSE PRESENTED DURING YOUR RESEARCH PROCESS AND DID THEY INFLUENCE YOUR PERCEPTION OF THAT BRAND?



52%

OF BUYERS SAID LINKEDIN HAD THE BIGGEST IMPACT ON THEIR RESEARCH PROCESS.

"Buyers now have access to the same breadth of reviews, recommendations and insights to buy business and enterprise software as they do to buy consumer electronics and appliances," said Byron Matthews, CEO of the **Miller Heiman Group**. "Buyers are consumers first, and their B2B buying behavior mirrors their experience as consumers. More and more, buyers are coming to the table with their minds already made up based on online reviews and insights, so having an online presence is imperative to stay competitive in the new age of B2B buying."

In terms of social media, more than half (52%) of respondents noted LinkedIn as the top channel that had the biggest impact on their research process, followed by blogs (42%). Additionally, buyers leveraged social media to:

- Browse existing discussions to learn more about the topic (47%);
- Ask for suggestions and recommendations from other users on social networks (38%);
- Connect with individual thought leaders to ask for their opinions (36%); and
- Connect directly with potential vendors (36%).

Display ads from vendors also have a positive impact on buyers, according to this year's survey. Almost half (49%) of respondents stated they notice vendor ads and are positively impacted by them.

"Advertising gives you the ability to get out there and put your message and offering in front of buyers, so when they do go to market, you're already top-of-mind for them," said Demandbase's Dering. "But a lot of marketers struggle with creating attribution or high-level ROI for advertising, because if you think about the traditional funnel model and all the impressions and try to drive attribution on your spend that way, it typically doesn't look like a very effective model. What you can do is start to look at how advertising is impacting the accounts you're targeting and engaging on your website and ultimately [finding out if] those are converting on pipeline and sales engagement."

“WE CAN’T JUST PUT UP A GENERIC WEBSITE AND EXPECT PEOPLE TO GET A GOOD EXPERIENCE OR EXPECT IT TO HELP DRIVE ENGAGEMENT FOR SALES.”

- JOHN DERING, DEMANDBASE

CONCLUSION

As B2B buying habits evolve, it’s critical for companies to keep up with the pace and accommodate to buyer needs. Whether they prefer to go through the buying journey anonymously or with help, there is a growing need for sales reps to stay on their feet and cater to buyers when they’re ready.

This year’s *B2B Buyer Survey* revealed a growing opportunity for authentic content and engagement that’s relevant to buyer pain points, industry, company and more. Ready or not, the first month to three months of a buying journey is critical for vendors to get their foot in the door of potential customers. The importance of knowing the buyer and tailoring experiences to them with customized content and outreach cannot be understated.

“We can’t just put up a generic website and expect people to get a good experience or expect it to help drive engagement for sales,” said Dering. “We really have to be focused on that customer experience and how we deliver the best experience, because it’s the first impression when they show up. If [buyers] get a bad one, there will be more friction in trying to get them to engage with sales. Making sure we can deliver what they want is critical."

ABOUT THE SURVEY

The *2018 B2B Buyers Survey* was conducted in June 2018 and polled 259 marketing executives. The respondents came from a variety of industries, with High Tech representing the largest share (31%), followed by Manufacturing (19%) and Professional Services (14%).

The sample also represented a range of different size organizations, with the following breakdown:

- Less than $25 million — 24%
- More than $1 billion — 20%
- $100-500 million — 19%
- $500 million - $1 billion — 15%
- $50-100 million — 14%
- $25-50 million — 8%

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