2019 B2B Buyers Survey Report

Research Shows Buying Committees Engaging And Rewarding Agility And Relevance Of Potential Solution Providers

DemandGen Report
SURVEY REPORT

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83% of B2B buyers often accelerate or put purchase decisions on hold based changing business needs and/or priorities.

Introduction

Over the course of eight years, *Demand Gen Report*'s annual *B2B Buyers Survey* has spotlighted the ever-changing needs and expectations of the different stakeholders in complex purchasing decisions. This year is no different, with the annual survey data showing that buyers are engaging earlier with sales and conducting many of the key steps in their path to purchase to support a more agile approach to selecting new solutions.

The study, which surveyed more than 250 senior-level B2B executives, found that 83% often accelerate or put purchase decisions on hold based changing business needs and/or priorities. Of that number, 39% said that they “strongly agree” with that statement. While the survey ultimately supported that B2B buying cycles are still lengthy and involve several stakeholders, the increasing focus on agility in the process underscores the reality that buying journeys are not a linear, predictable funnel.

The B2B executives surveyed strongly stated that solution providers need to make a first impression with ads and websites, but also be responsive at all stages and ensure they are in front of prospects at all points to create a streamlined buying experience.

The research also showed that buyers are accelerating the time to engage with sales reps so they can make decisions as quickly — or as slowly — as desired.

Specifically:

- **42%** said that they spoke to and engaged with reps from the vendor in the first month, compared to 33% in 2018;
- **33%** accepted outreach from vendors for calls and demos in the first month, compared to 23% in 2018; and
- **25%** sought RFP, competitive bids and/or pricing information from vendors in the first month, compared to 20% in 2018.

These findings indicate that a growing number of buyers are no longer looking to remain anonymous in the early days of researching a process, but are instead seeing more value in bringing in sales reps early on to facilitate the journey. This is intriguing compared to past years' data, in which most buyers desired to remain anonymous in the early stages of a decision and did not engage with sales until they were ready to buy. For example, 71% of buyers said they conducted anonymous research during the first three months back in 2017.

In addition to engaging sales earlier, the study found buyers are also developing a growing reliance on peers, current users and review websites. Close to two-thirds (61%) said they agree that they rely more on peer recommendations and review sites, with 35% that said they sought input from peers and existing customers within the first month. Another 37% said they sought input from peers between one and three months.

With many hands involved in the purchase decision earlier in the customer journey, the value of detailed content and resources continues to rise. The majority (73%) of respondents agree that they are relying on more sources to research and evaluate purchases. This is particularly important to content obtained via company websites and advertising, as these are two of the first channels in which buyers often engage with brands.

Our research found that:

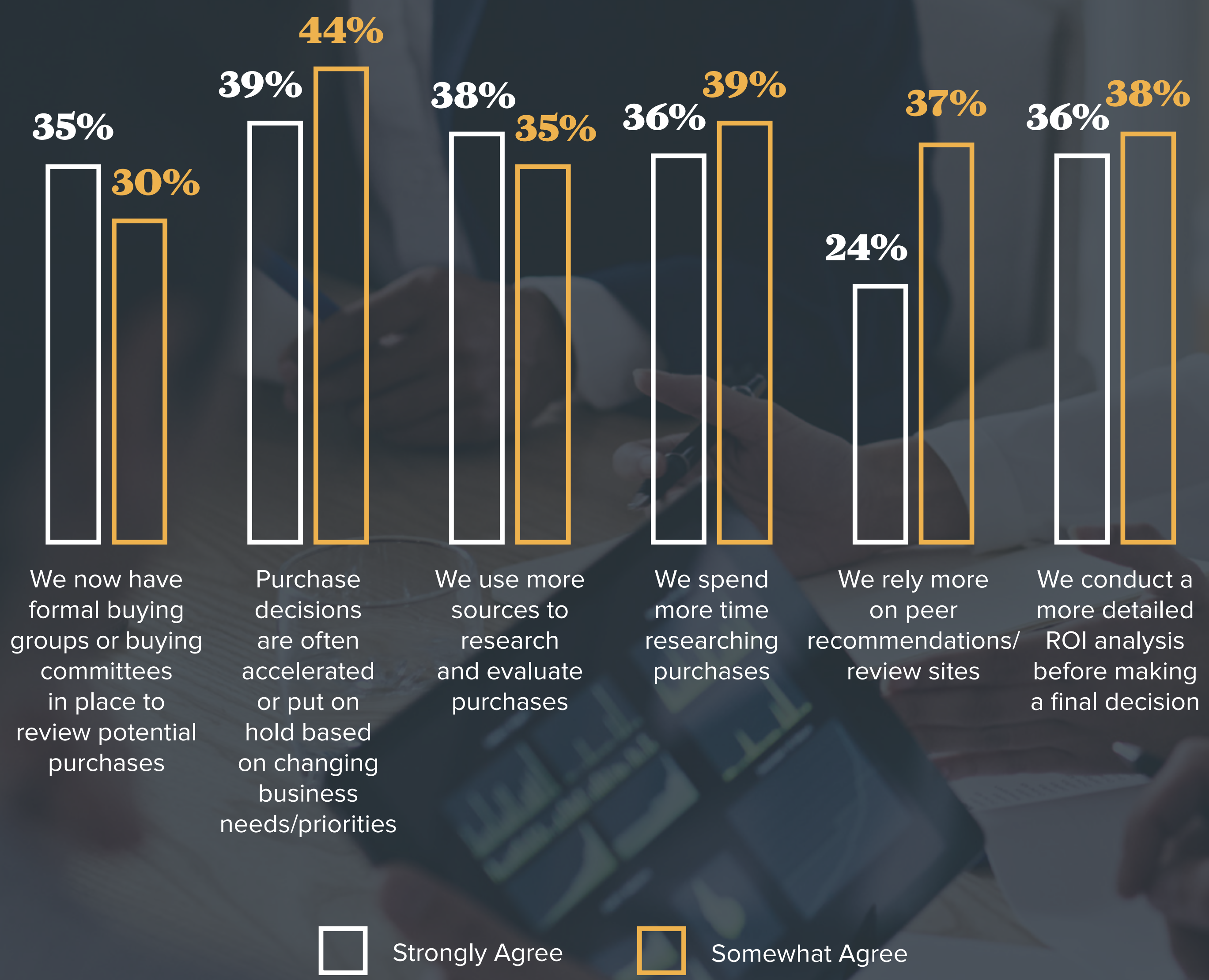
- **More than two-thirds (68%)** said they notice ads from the solution provider they chose during the research process; and
- Of those who noticed the winning vendors' ads, **37%** of them said those ads positively impacted their view of the company.

Ultimately, the research shows that having the right content and resources is helping sales reps have deeper conversations earlier in the purchase journey. Almost all (97%) of respondents said that sales reps who demonstrated a stronger knowledge of their needs was important to them, with 66% saying it was very important.

This report will provide a deeper look into B2B buyer needs, priorities and expectations, including:

- How buyer expectations for quicker engagement impact the sales funnel;
- The importance of first-contact channels, such as websites and advertising in the B2B purchase cycle;
- How a stronger necessity for ROI analysis requires vendors to have a steady stream of reliable resources to fuel buying decisions; and
- How knowledgeable sales reps are helping further educate and accelerate purchase decisions.

Please rate how each of the following aspects of your purchase process have changed over the past year:



Time To Engagement Moving Up In The Buying Cycle

While the overall sales cycle in B2B continues to stretch in many cases, the research showed B2B buyers are continuing to make key decisions earlier in the buying process. The study shows that 42% of respondents spoke to and engaged with reps from the selected vendor in under a month, compared to 33% in 2018. Another 30% said they spoke to sales reps within one to three months.

The study also found that 70% of buyers accepted a call or demo from a vendor within the first three months, while another 70% evaluated which solutions would fit well with existing partners in the first three months. This signals that sales reps are having a bigger impact on the early stages of the customer journey compared to traditional practices of marketing handing off leads to sales.

Other notable findings include:

- **35%** sought input from peers and existing users within the first month of the purchase process;
- **25%** sought RFP/competitive bids and pricing info from a select list of vendors in under one month, compared to 19% in 2018; and
- **32%** brought team members into the research process in the first month, compared to 25% in 2018.

What was your timeline for taking the following steps in your buying process?

	Under 1 Month	1-3 Months	3-6 Months	6-12 Months	More Than 12 Months
Spoke to and engaged with a sales representative from the vendor I selected	42%	30%	20%	5%	1%
Conducted anonymous research on potential solutions	28%	45%	17%	7%	1%
Developed informal list of potential providers	34%	37%	22%	4%	1%
Collected preliminary information on pricing/ costs	36%	42%	14%	5%	2%
Brought in other team members to help with research process	32%	41%	13%	5%	1%
Evaluated which solutions would fit well with existing partners	29%	41%	20%	5%	1%
Sought input from industry analysts/consultants	28%	35%	15%	7%	1%
Sought input from peers/ existing users in the community	35%	37%	11%	7%	1%
Accepted outreach from vendors and engaged in calls/demos	33%	37%	19%	4%	1%
Sought RFP/competitive bids/pricing info from a select list of providers	25%	38%	18%	6%	2%

Advertising, Websites Continue To Play Key Role In Helping Engage & Educate Buyers

With B2B buyers moving at their desired pace through the sales funnel, first points of contact have become critical to ensuring deals don't hit any roadblocks. This year's survey data shows that buyers are continuing to stress the importance of website experience and the influence of display advertising in their decision-making process.

More than two-thirds (68%) said they notice ads from the solution provider they chose during the research process. Of them, 37% said those ads positively impacted their view of the company. Ultimately, only 5% were not sure whether they saw ads from their selected vendor.

A little more than a quarter (27%) said their selected vendor's ads did not change their perception, signaling that there is still room for refinement in how B2B companies target, message and engage prospective customers via display advertising.

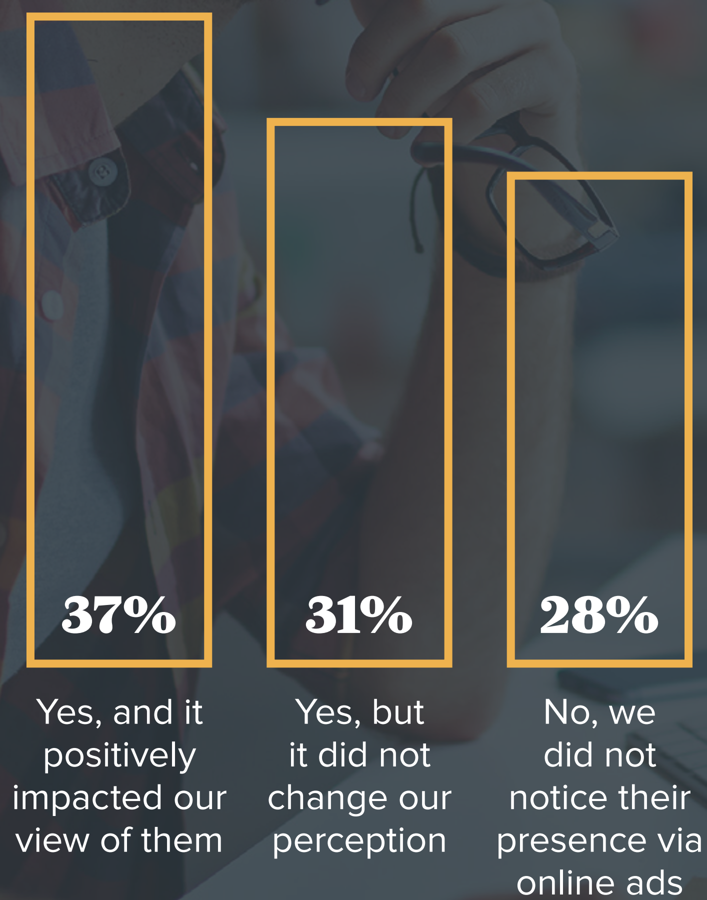
Vendor websites have also been an invaluable source for buyers as they research purchase decisions. Websites continue to be one of the top resources that informed buyers about a solution year over year. Close to half (48%) said it was one of their first three resources utilized.

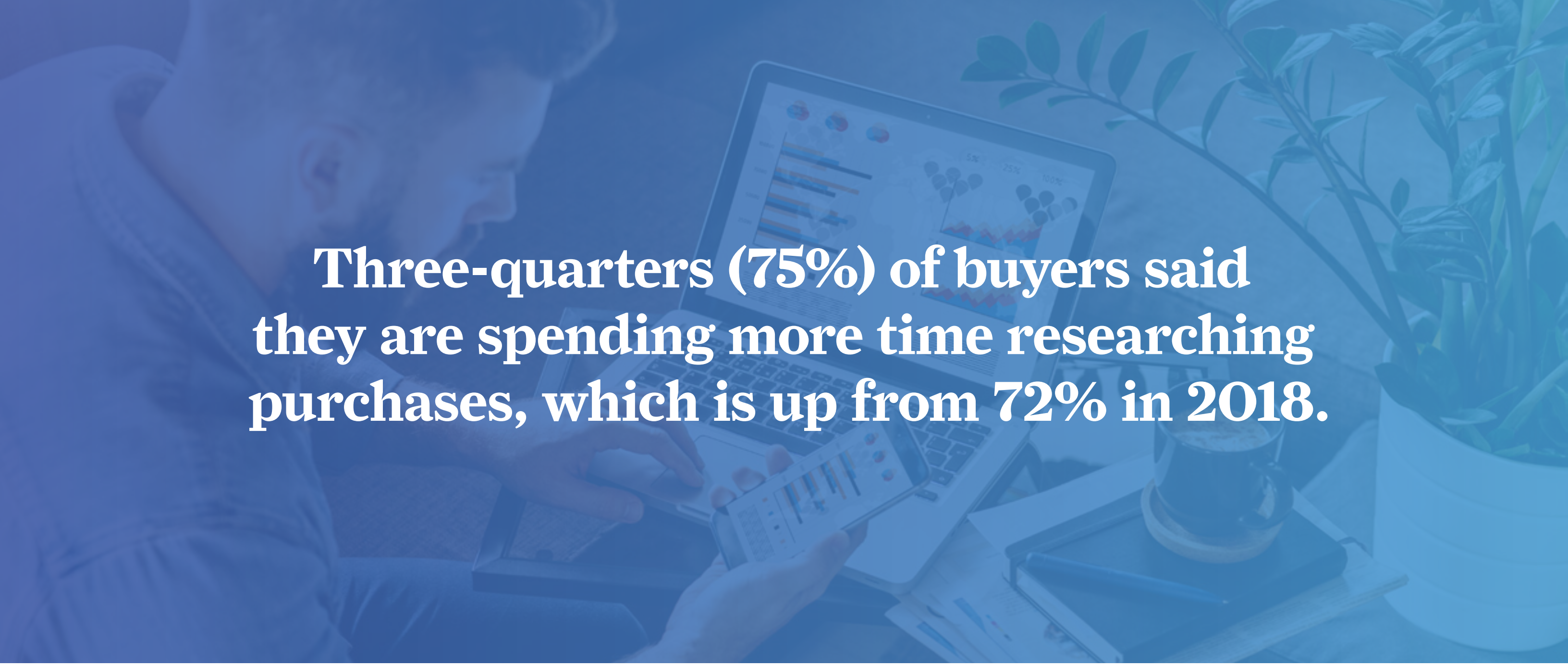
When asked specifically about vendor website expectations:

- **97%** said that it was important to them that vendor websites have relevant content that spoke directly to their company — **68%** considered this very important;
- **96%** said that it was important to them that the vendor websites spoke directly to the needs of their industry and demonstrated expertise in their area — **61%** considered this very important; and
- **97%** said that it was important to them that vendor websites offered easy access to content (i.e. no gates or minimal gates) — **56%** considered this very important.

This data indicates that B2B companies must ensure that the content, messaging and accessibility of information on their website is continuously on point, or buyers will not waste time looking for deeper engagement with that brand.

Did you notice ads from the solution provider you chose presented during your research process? If so, did they influence your perception of that brand?





Three-quarters (75%) of buyers said they are spending more time researching purchases, which is up from 72% in 2018.

Deeper ROI Analysis Places Increased Importance On Readily Available Resources

Deeper analysis shows that the requirement to prove ROI continues to grow within B2B buying committees. Close to three-quarters (74%) of respondents said they conduct a more detailed ROI analysis before making a final decision, which is up from 70% in 2018.

Due to the growing demand for detailed ROI analysis, buyers are relying on more resources to educate themselves on how vendors' solutions and services can positively impact their ability to meet business goals. The data shows that the majority (73%) agree they are relying on more sources to research and evaluate purchases. Three-quarters (75%) also said they are spending more time researching purchases, which is up from 72% in 2018.

Ultimately, 79% of respondents said the winning vendor's content had a significant impact on their buying decision.

When it comes to the content sources buyers turn to when researching purchase decisions and doing their ROI analysis, web search and vendor websites continue to be the top two sources. More than half (57%) said that Web search was one of their top sources, while 48% said it was the vendor's website.

However, there was a notable mix of resources buyers were using to learn more about vendors and their offerings. This includes:

- Peers and colleagues **(33%)**;
- Prior experience with the vendor **(32%)**;
- Industry experts, analysts and influencers **(28%)**; and
- Review websites **(27%)**.

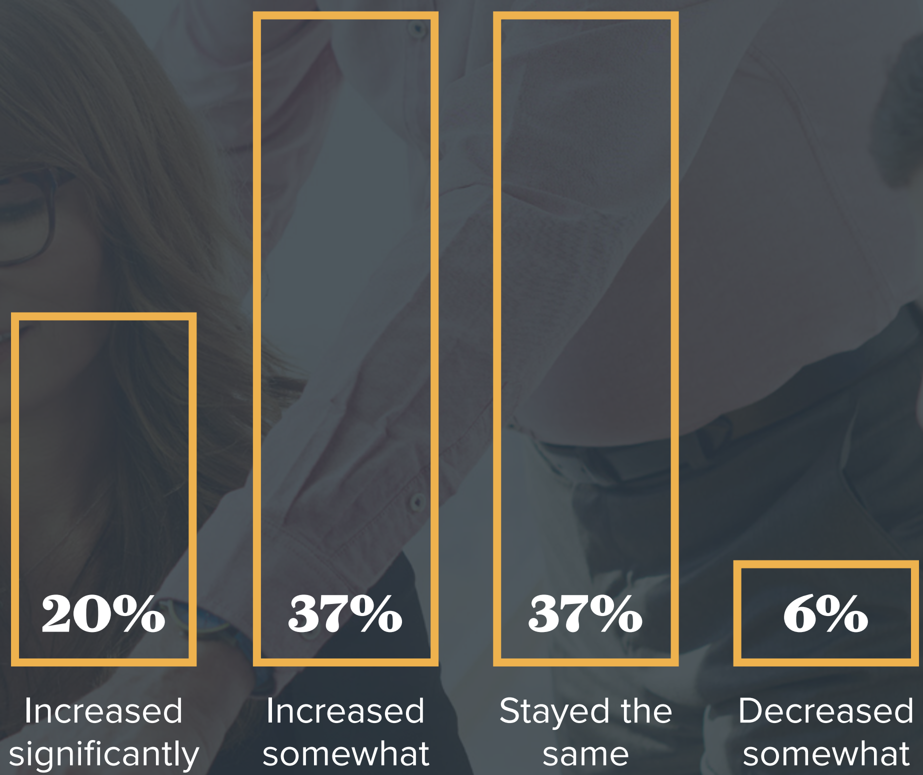
At the point of the purchase decision when buyers are evaluating a select list of vendors, key variables that were important to stakeholders revolved ultimately around solving pain points and easy deployment of the solution. Eighty-two percent said the features/functionality of the solution were very important, while 77% said deployment time was very important. Close to three-quarters (72%) said the ability to solve a pain point was very important. Pricing (76%), as always, also plays a very important factor.

Other notable variables include:

- Reviews **(63%)**;
- Vendor knowledge of the industry **(65%)**; and
- The sales team's ability to demonstrate knowledge of the buyer's company **(56%)**.

Interestingly, there was an almost-even split amongst respondents on the importance of a vendor's connections to the buyer's C-suite. Exactly 33% said this was very important, while 35% said it was somewhat important and 32% said it had no impact.

How has the length of your B2B purchase cycle changed, on average, compared with a year ago?



Sales Rep's Knowledge, Understanding Of Buyer Needs Continue To Work Wonders In Buying Journey

The survey data shows that the sales rep continues to have a significant impact on the purchase decision throughout the entire customer journey. When asked what the key differentiators were for the winning vendors, the majority (97%) said it was important that the sales rep could demonstrate a stronger knowledge of their needs — 66% considered this very important.

Also, 95% said it was important that the vendor's sales team had more insights about their company and needs, with 55% considering this very important to their decision.

Other notable differentiators that are very important to B2B buyers include:

- Demonstrated a stronger knowledge of the solution area and the business landscape **(65%)**;
- Provided informational content that was easy to consume **(63%)**;
- Timeliness of a vendor's response to inquiries **(63%)**; and
- Provided higher-quality content **(61%)**.

Ultimately, the survey shows that many buyers consider the sales reps they engage with educated about their company and that they are communicating relevant information to them. The majority (92%) agreed with the above statement, while only 8% disagreed. More than three-quarters (79%) said this influenced their purchase decision.

Respondents also noted that reviews and reports from industry analysts are having a growing impact on purchase decisions. Roughly 92% said that analyst reports and reviews influence their decisions, which is up from 82% in 2018. Of that group, 48% considered these reports very important.

When asked to share an open-ended response on what vendors could have done better, the survey shows that the majority expect vendors to provide clear, concise communication with buyers and have a complete understanding of their needs and pain points.

Some responses include:

"Build a clear, compelling and shareable business case."

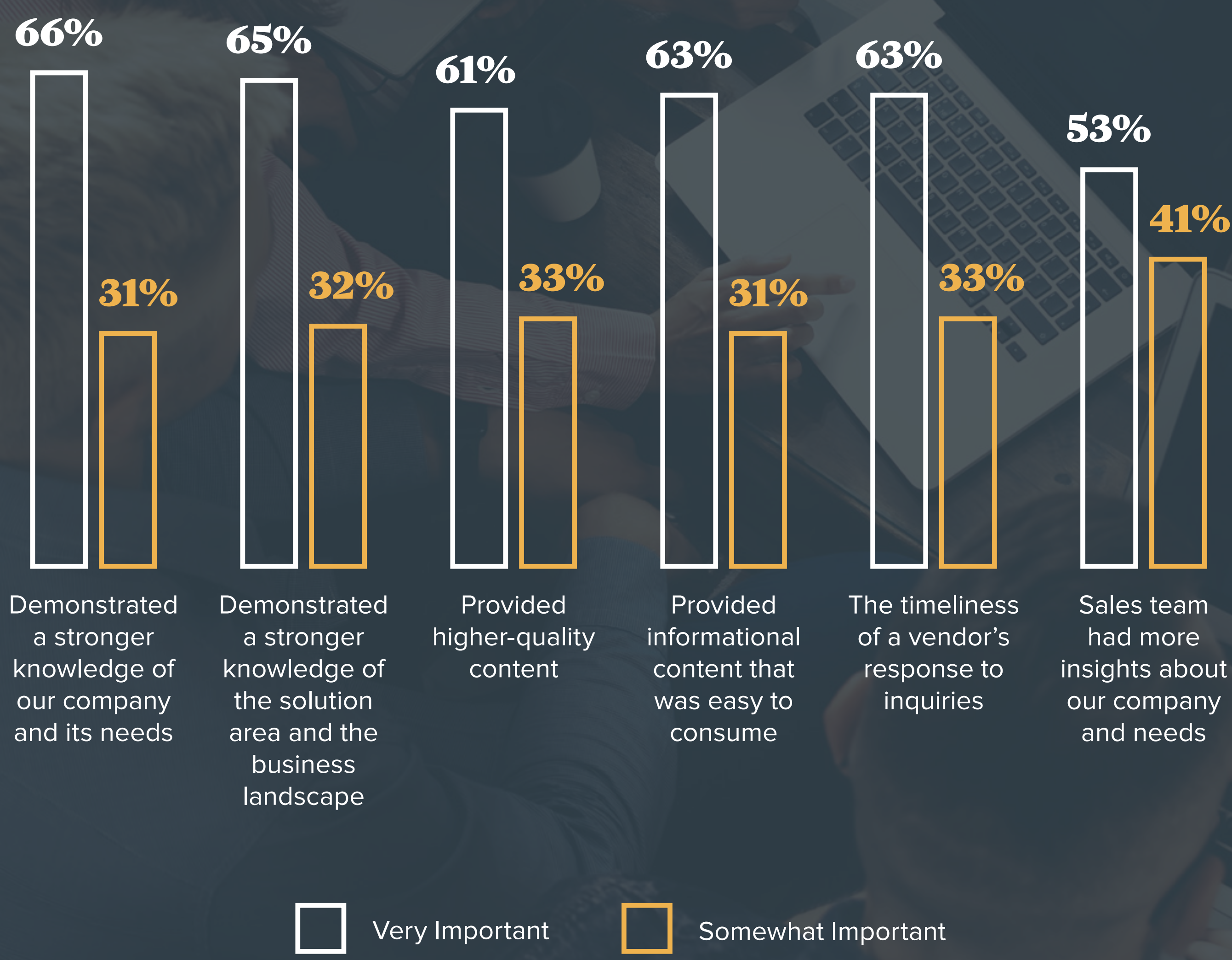
"Be more attuned to our unique industry needs."

"Take the time to get to know our needs and cater a solution to solve them."

"We have multiple businesses within our company and originally the tech vendor didn't take all of those into consideration. Needed to reset with them on the full scope of what all our [business units] handle."

"Be more upfront about possible pitfalls instead of promising everything would work without a problem."

Please rate the following statements as they relate to the winning vendor versus other vendors you considered:



Buying Committees Continue To Grow As Stakeholders Claim Roles In Purchase Decision

This year's research shows that the buying committees continue to grow year over year. More than half (56%) have four or more people involved in a purchase decision, while 21% have seven or more stakeholders. Companies with one to three people in a purchase decision dropped slightly from 47% in 2018 to 44% in 2019.

We also asked respondents to share what specific actions they took part in during the purchase decision. Diving deeper into the data, we see that:

Primary Decision Makers have a major hand in all aspects of the purchase decision, with a total average of 55% of decision makers participating in each part of the buying journey. Specifically, Primary Decision Makers had the biggest hand in communication with outside sales reps (74%), engaging in calls/demos (58%) and seeking RFP/competitive bids/pricing info from selected vendors.

Technical Buying Influencers have a smaller stake in the end-to-end sales cycle, with an average of 31% of Technical Buying Influencers being involved throughout the entire buying journey. Most of their time spent in the purchase decision was involved in evaluating which solutions would fit well with existing partners (39%), speaking with the sales rep at the selected vendor (36%) and accepting outreach from vendors and engaging in calls and demos (35%).

Internal Influencers or Champions had a heavier hand in earlier parts of a purchase decision, such as speaking to and engaging with sales reps (37%), developing informal lists of potential providers (33%) and seeking input from peers/existing users in the community (33%).

What role did you play in this purchase?

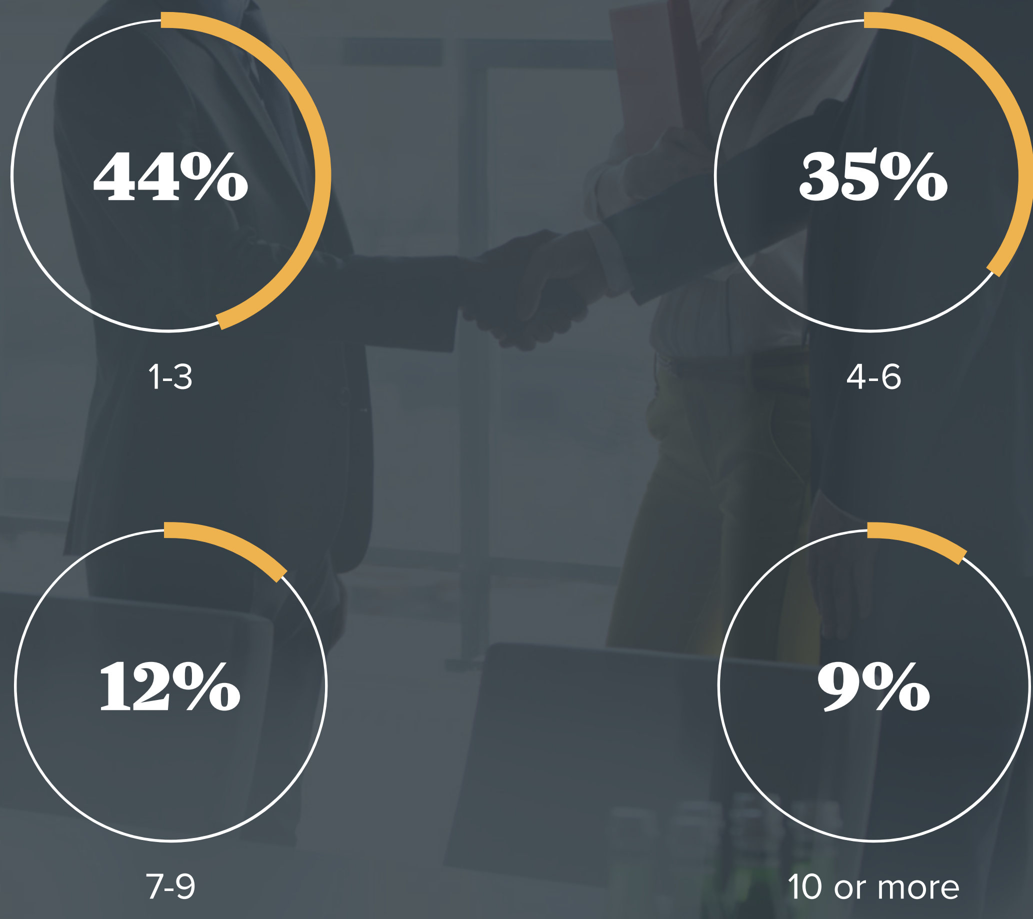
Conclusion

This year's *B2B Buyers Survey* shows that sellers need to be flexible and adaptable to meet the constantly shifting needs and expectations of their potential customers. With the majority (83%) agreeing that they often accelerate or put purchase decisions on hold based their business' changing needs and priorities, vendors have to ensure they are positioned to help accelerate that decision as much as possible.

In particular, more resources earlier on in the buying journey are of the most importance. The majority (73%) of respondents agree that they are relying on more sources to research and evaluate purchases. This is particularly important to content obtained via company websites and advertising, which have become staple sources of information for buying committees.

Ultimately, it is clear that sales reps have become a vital source for B2B buyers in the early days of a purchase decision. With the majority (70%) saying they speak to reps within the first three months, and 42% saying they engage reps in under a month, B2B companies must ensure they are positioning sales reps to provide the information buyers need to continue their path to purchase.

How many people were involved in the purchase process for the recent B2B solution?



Methodology

The *2019 B2B Buyers Survey* includes responses from more than 250 B2B marketing, sales and IT executives between May and June of 2019. Respondents stated that they predominately made software/technology purchases (54%), with others purchasing IT hardware (19%), business/consulting services (9%), promotional/advertising/media (6%) and parts and/or materials (5%). The respondents hold a variety of titles and roles, including C-level (20%), VP-level (10%), Director (33%) and Managerial-level (30%).

In this year's study, *Demand Gen Report* looked to take a deeper dive into the buying committees within B2B organizations. As always, we looked at the total number of people involved in the purchase process. More than half (56%) have at least four people on their company's buying committee — up from 53% in 2018.

Furthermore:

- **44%** have three or less people;
- **35%** have four to six people;
- **12%** have seven to nine people; and
- **9%** have 10 or more people involved in a purchase.

To understand the buying committee breakdown further, we also asked respondents what role they played in the purchase decision and where they had the biggest impact. Some key takeaways include:

- **65%** consider themselves the Primary Decision Maker;
- **23%** consider themselves the Technical Buying Influencer;
- **34%** consider themselves the Internal Influencer or Champion;
- **12%** consider themselves a Researcher; and
- **11%** consider themselves the End User.

The respondents work in a variety of industries, including High Tech (30%), Manufacturing (13%), Financial (13%) and Professional Services (11%) industries. Also, most respondents (72%) work at companies generating more than $100 million in annual revenue. Specifically, 21% generate between $100-500 million, 26% generate between $500 million and $1 billion, while 25% generate more than $1 billion.

What is your company's annual revenue?

12%
Less than $25 million

9%
$25-50 million

7%
$50-100 million

21%
$100-500 million

26%
$500 million-$1 billion

25%
More than $1 billion

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415.683.2660

INFO@DEMANDBASE.COM

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201.257.8528

INFO@DEMANDGENREPORT.COM

BRIAN ANDERSON

is an avid B2B journalist with a knack for all things trendy in the demand generation, account-based marketing, artificial intelligence and database management space.