

B2B Buyer Behavior Study

PURCHASE PLANS STILL PROGRESSING DESPITE DISRUPTION, BUT WITH INCREASED EXPECTATIONS FOR RELEVANCE & PERSONALIZATION

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Introduction

Data that shows many businesses delaying purchases due to the COVID-19 crisis would not be surprising. So, it was expected when the *2020 B2B Buyer Behavior Study* found that 47% of buyers indicated they had been forced to put off purchases due to budget freezes. But an even more interesting takeaway from the survey of 212 B2B business professionals was that more than half of the respondents said that the current crisis had not disrupted purchase plans.

In fact, the survey found 30% of companies had escalated some purchase plans due to changing business needs following the crisis. Another 7% said they were looking for more hands-on attention and engagement from solution providers, and 16% indicated their research and selection process had continued without disruption.

The survey findings demonstrate an ongoing need for agility within the B2B buying community. Rather than assuming all buying decisions are on hold, the new data indicates instead that different verticals and companies have unique needs and they are expecting solution providers to engage in personalized ways that address their specific challenges more than ever.

When asked which aspects of their purchase process had changed over the past year, the top three responses were:

- Purchase decisions now progress based on changing business needs and priorities (82%);
- Spending more time researching purchases (77%); and
- Expecting more personalized attention from providers based on specific needs (76%).

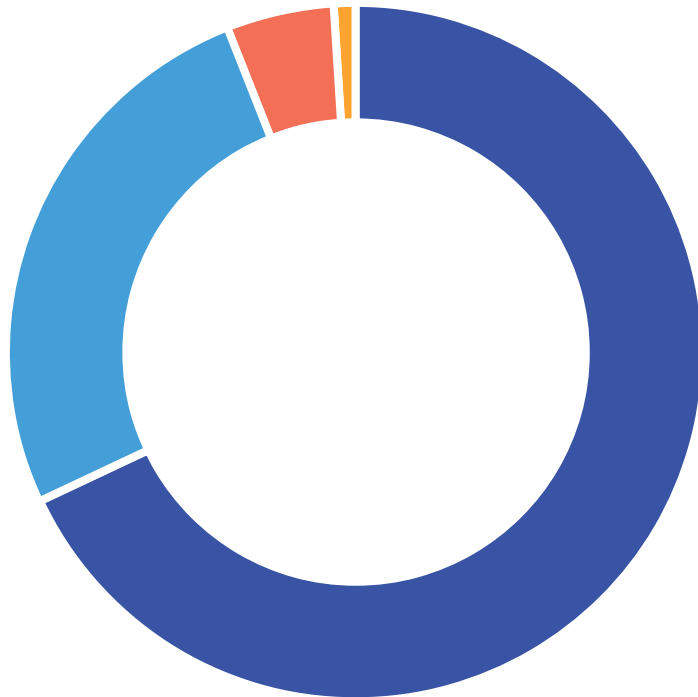
Buyers are expecting more from their solution providers. According to the survey responses, the purchase process is becoming even more complex in terms of the time, analysis and number of people involved in the decision-making process.

Has the Covid-19 crisis impacted the way you are researching potential purchases and engaging with potential solution providers?



- 47%** Yes, we have had to delay potential purchases due to budget freezes
- 30%** Yes, we have escalated some purchases due to changing business needs
- 16%** No, our researching/engagement has not changed
- 7%** Yes, we are looking for more hands-on attention/engagement from solution providers

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



68% Increased

26% Stayed the same

5% Decreased somewhat

1% Decreased significantly



47% of buyers indicated they had been forced to put off purchases due to budget freezes, but more than half said the current COVID-19 crisis had not disrupted purchase plans.

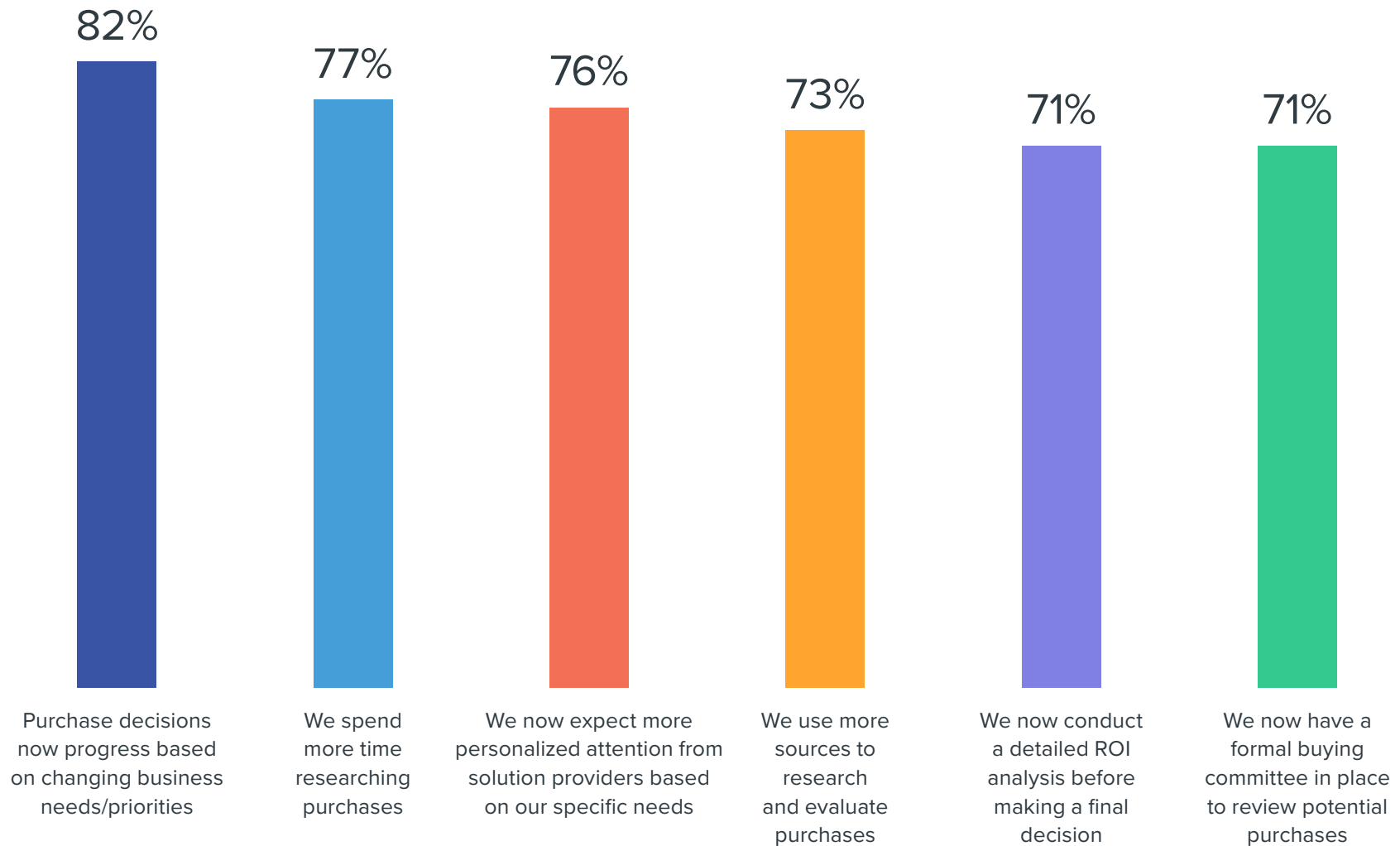
For example, 61% of respondents said the number of team members involved in the purchase decision had increased over the prior year. More than two-thirds indicated the average length of their buying cycle had increased from a year prior. Another 25% said the time span had increased significantly. Almost three quarters of the respondents said they had a formal buying committee in place to review all purchase decisions (71%), and 70% said that they were now conducting a detailed ROI analysis before making a final decision.

The combination of these trends represents a significant change for B2B vendors, because they are expected to be visible and accessible prior to the sales process, in addition to being responsive and knowledgeable of the specific needs of customers. These changing expectations make account-based marketing an imperative for B2B solution providers. Their new processes must include tools that enable them to focus on prospects with the greatest need and interest, while engaging key members of the buying team with relevant and timely content.

In the following report, we'll provide a deep analysis of the survey findings, including:

- The channels and sources buyers are relying on as they start their journey;
- The first impression buyers have about brands based on targeted advertising;
- How key steps of research and sales engagement have shifted in the buying timeline;
- What buyers are expecting from sales representatives during their buying process; and
- The top factors influencing the critical vendor selection stage.

How have the following aspects of your purchase process have changed over the past year?



Relevant Content Is Key For Early-Stage Engagement

Making a positive first impression is important in any buying situation, but the survey showed that it is becoming an even more critical part of the buyer journey. Not surprisingly, most buying journeys start online, with a general web search, specific vendor websites and review sites as the first resources buyers used to inform them about a specific topic area related to their purchase.

When it comes to their web browsing experience in visiting specific vendors, buyers expect relevance and an intuitive, user-friendly navigation experience. In particular, 70% of buyers ranked “relevant content that speaks directly to our company” as “very important” in the survey, and 96% of B2B professionals considered messaging that “spoke directly to our industry needs” to be important.

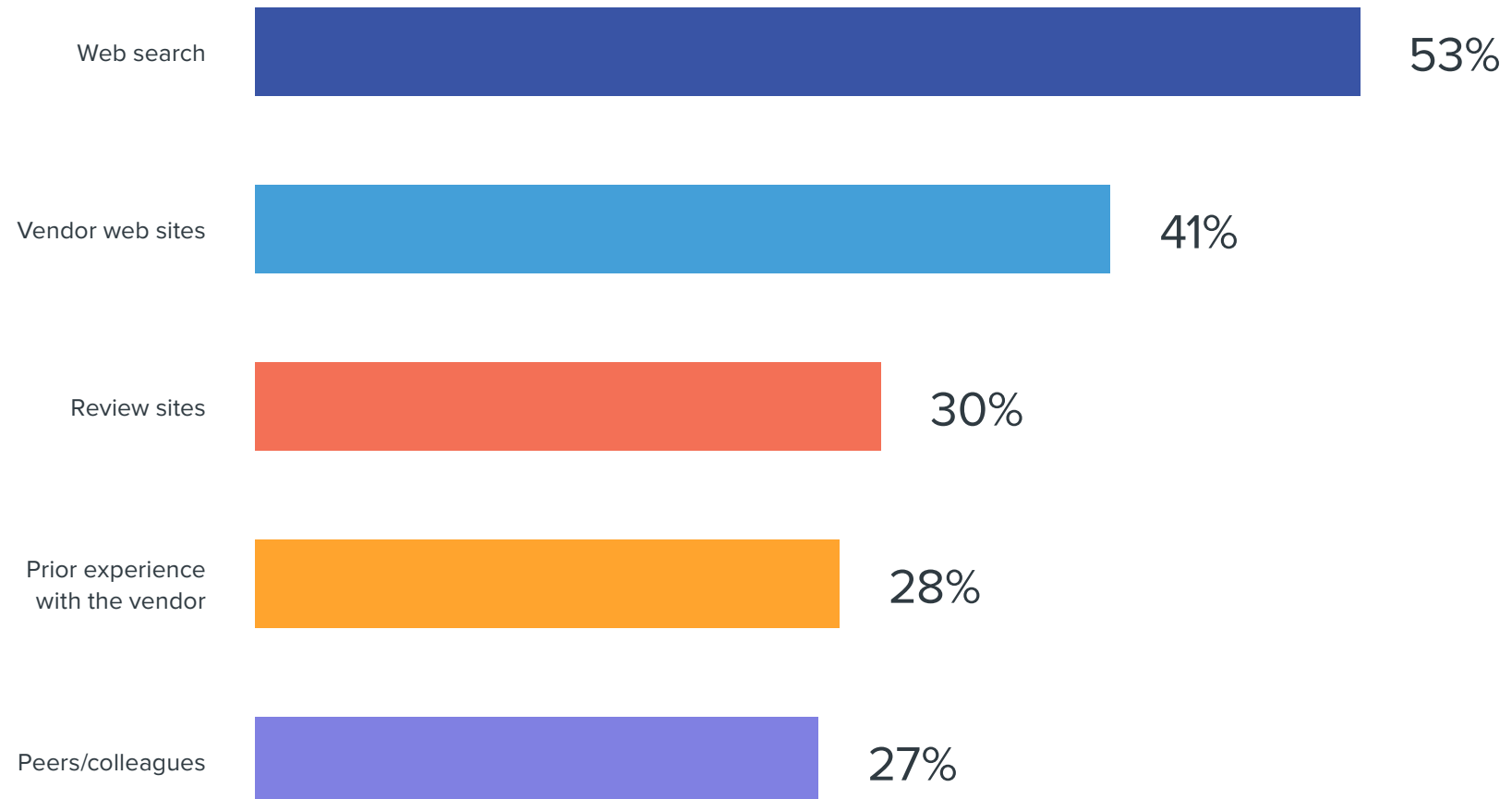
Other aspects of the website buyers deemed as important were “easy access to content without long forms” (ranked as important by 91% of buyers), and “an extensive menu of thought-leadership content” (ranked as important by 92%).

The survey underscored that content remains a critical influence on B2B buying decisions, with 76% of respondents saying the winning vendor’s content had a significant impact on their buying decision.

The research also showed that buying journeys are increasingly self-directed — either with search terms or to specific vendor website. But the data reinforced that online ads are playing an important role for B2B brands, forming favorable impressions on buyers during the early stage of the research process.

More than 70% of respondents noted they noticed ads from the solution provider they chose during the research process, and 48% said those ads positively impacted their perception of the brand.

What were the first three resources that informed you about the solution in question?



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



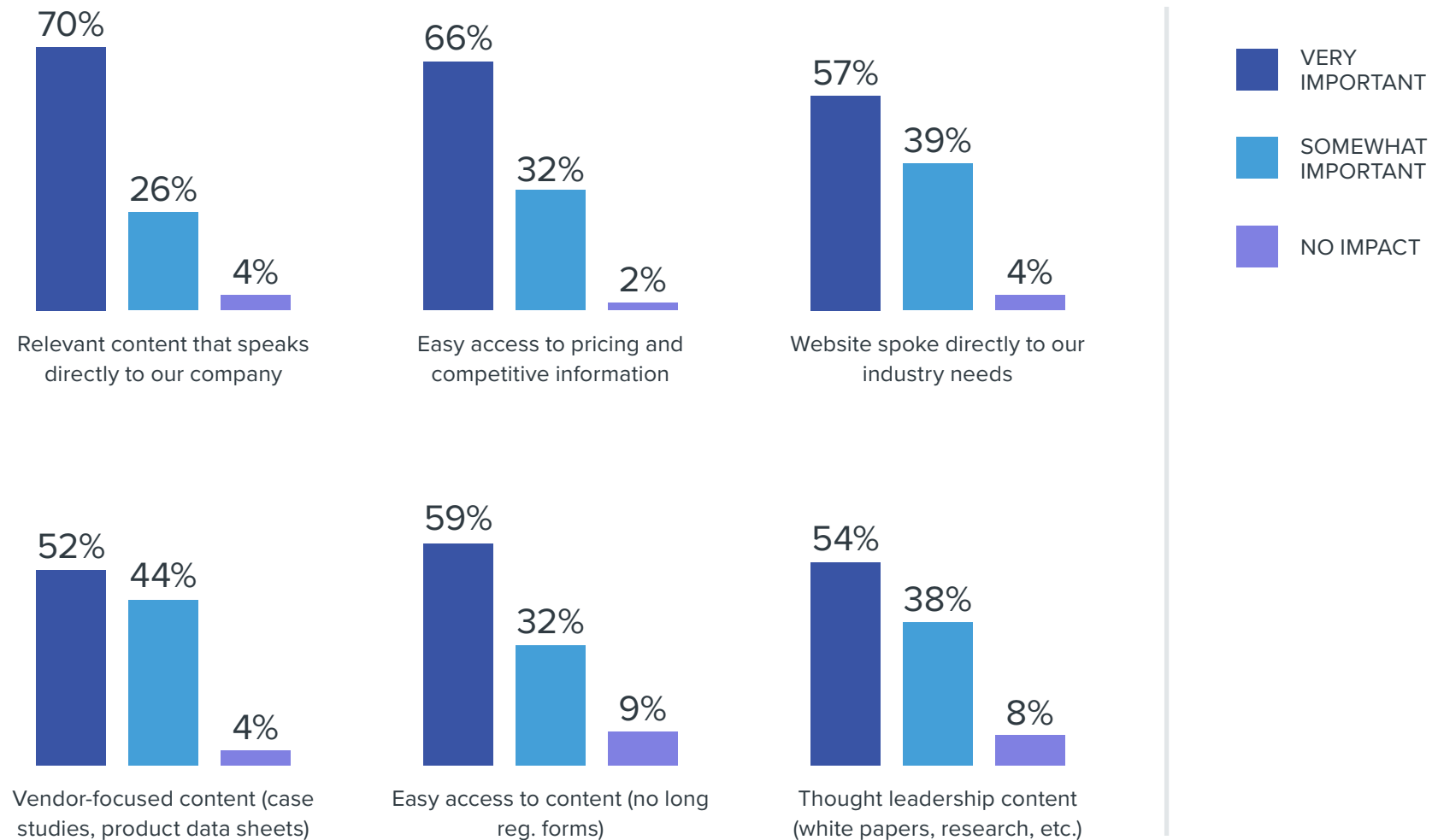
48% Yes, we did notice their ads and it positively impacted our view of them

23% Yes, we did but it did not change our perception

23% No, we did not notice their presence via online ads

6% Not sure

How important were the following aspects when you visited the website of potential solution providers for the purchase?



Buyers Signal Evolution Of Key Stages In The Buying Timeline

Although most buyers' overall timelines for completing purchases continues to lengthen, the survey showed that many of the critical engagement steps happen within the first month of the buyer journey.

For example, within 30 days, more than one-third of buyers collected preliminary information on pricing costs (38%) and developed an informal list of potential providers (35%).

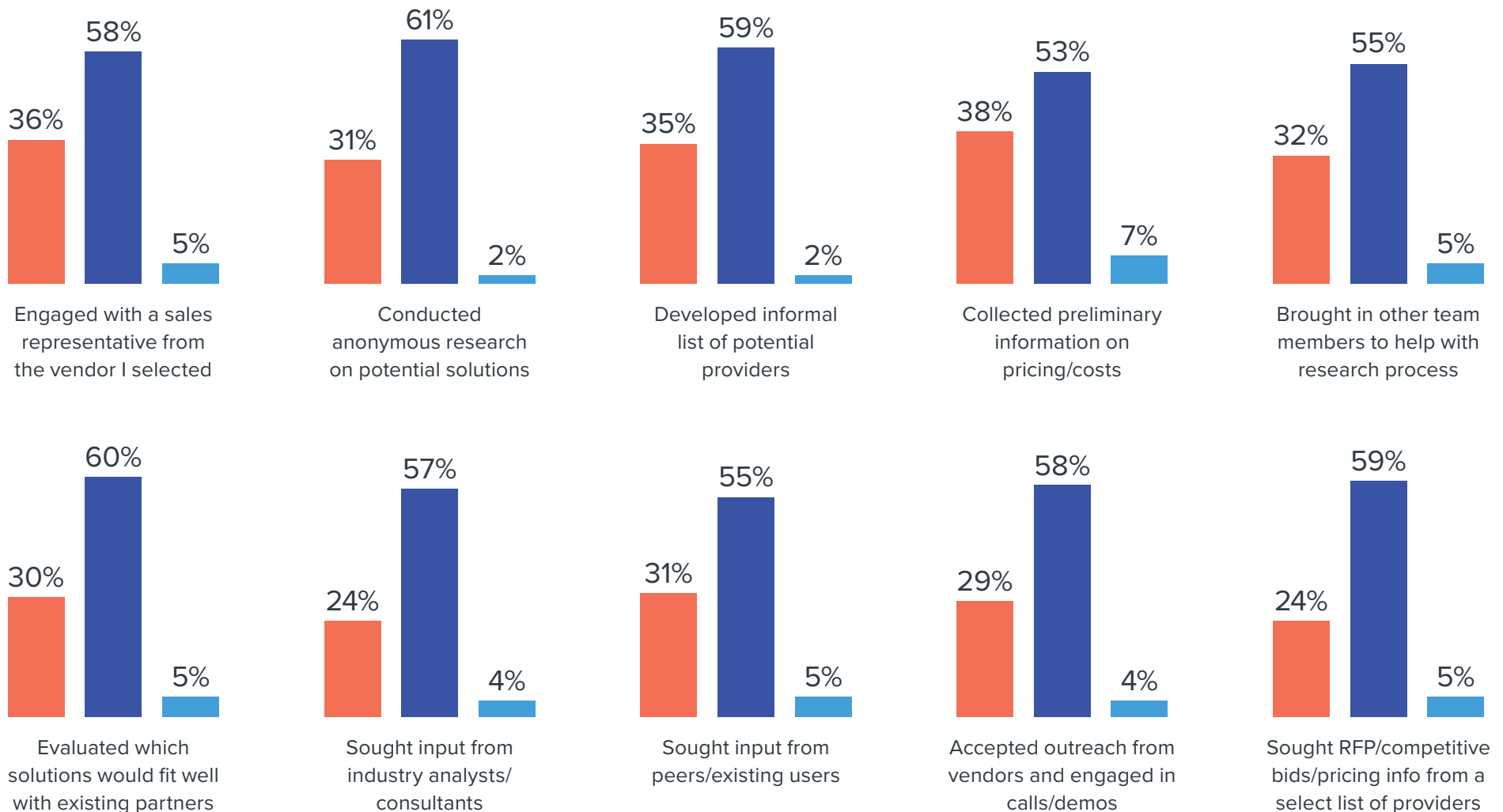
The significant number of buyers who take these important steps so early shows how important it is for B2B solution providers to be aware of buyers who are in-market and researching their category. As most experienced sales and marketing professionals know, it is often very difficult for a vendor to be seriously considered if they are not on the short list of options.

Buyers are placing vendors on their short list earlier in their journey than ever before. Seventy-one percent of respondents said they accepted outreach from vendors and engaged in calls and demos during the first three months of their buying timeline, and 65% accepted RFPs/competitive bids from a select list of providers within the first 90 days.

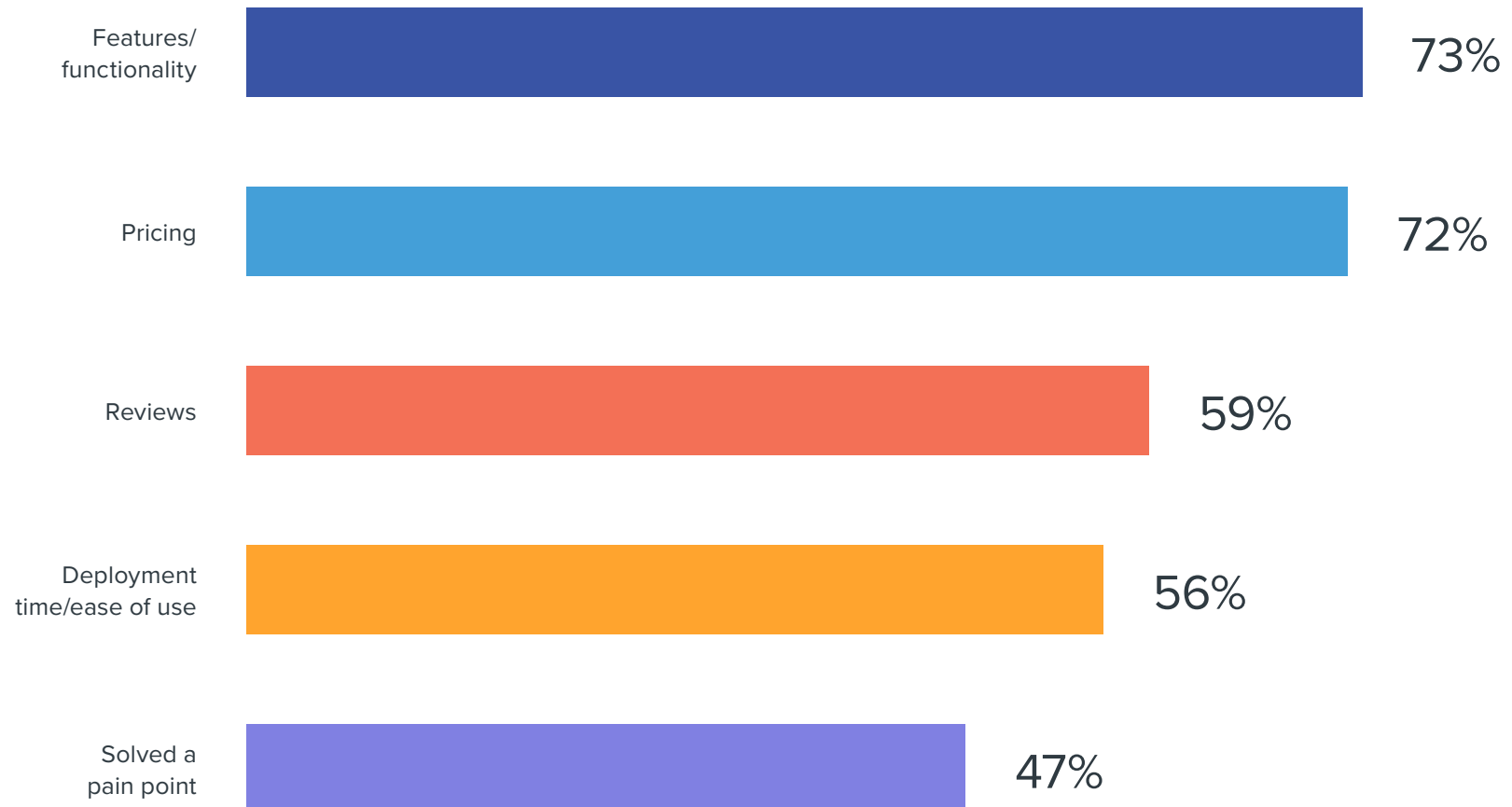
Conversely, some of the steps that traditionally were considered exclusively as part of the earlier stages of the timeline are happening at later phases of the journey. Anonymous research takes place within the first three months for 71% of buyers, but another 20% said they are still flying under the radar three to six months into the process.

While 67% of buyers said they brought in other team members to help with the research process within the first three months, 20% noted they waited until between three and six months to expand their buying group.

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



Please select the top 5 most important variables when evaluating a list of solution providers:



Sales Teams Still Sway The Selection Process

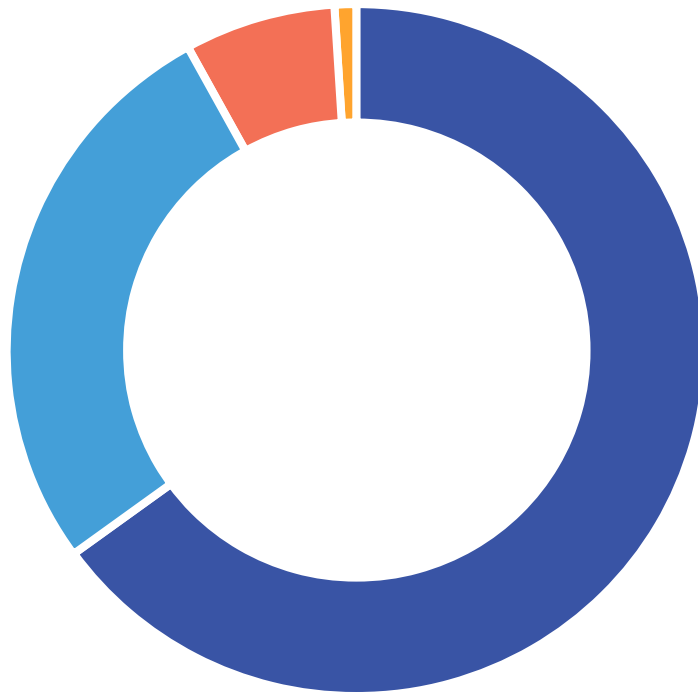
As more buyers use digital channels to navigate through the early stages of research, one assumption is that conversations with sales representatives would continue to get pushed to later in the buyer journey. However, the survey results indicated otherwise: 76% of buyers said they engaged with a sales representative from their selected vendor within three months of their research, and 36% of respondents said they connected with a salesperson within the first month.

Of those that agreed the vendor was educated and offered valuable information, 81% said the their experience with their sales rep positively influenced their decision to select that vendor. Additionally, 91% of buyers said they felt the sales rep they engaged with was educated about their company and communicated relevant information that was customized to their needs.

A related finding from the study offered some validation that the growing adoption of ABM deployments across B2B are paying off in terms of positive buying experiences. When asked if they felt multiple members of their buying team were engaged and educated by the sales rep from the solution provider, respondents ultimately said the sales rep:

- Met all of the needs of their buying team and addressed concerns with targeted messaging and content (65%);
- Somewhat met the needs of the entire buying team (27%); and
- Did not engage with multiple members of the buying team (7%).

Did you feel multiple members of your buying team were engaged and educated by the sales rep of the solution provider you selected?



65%

The sales rep met all of the needs of members of my buying team and addressed our concerns with targeted messaging and content

27%

The sales rep somewhat met the needs of our buying team

7%

The sales rep did not engage with multiple members of our buying team

1%

Other

Factors Influencing Vendor Selection

When it came down to building a list of potential providers to consider, respondents pointed to features/functionality (73%), pricing (72%), reviews (59%) and deployment time/ease of use (56%) as their most important criteria.

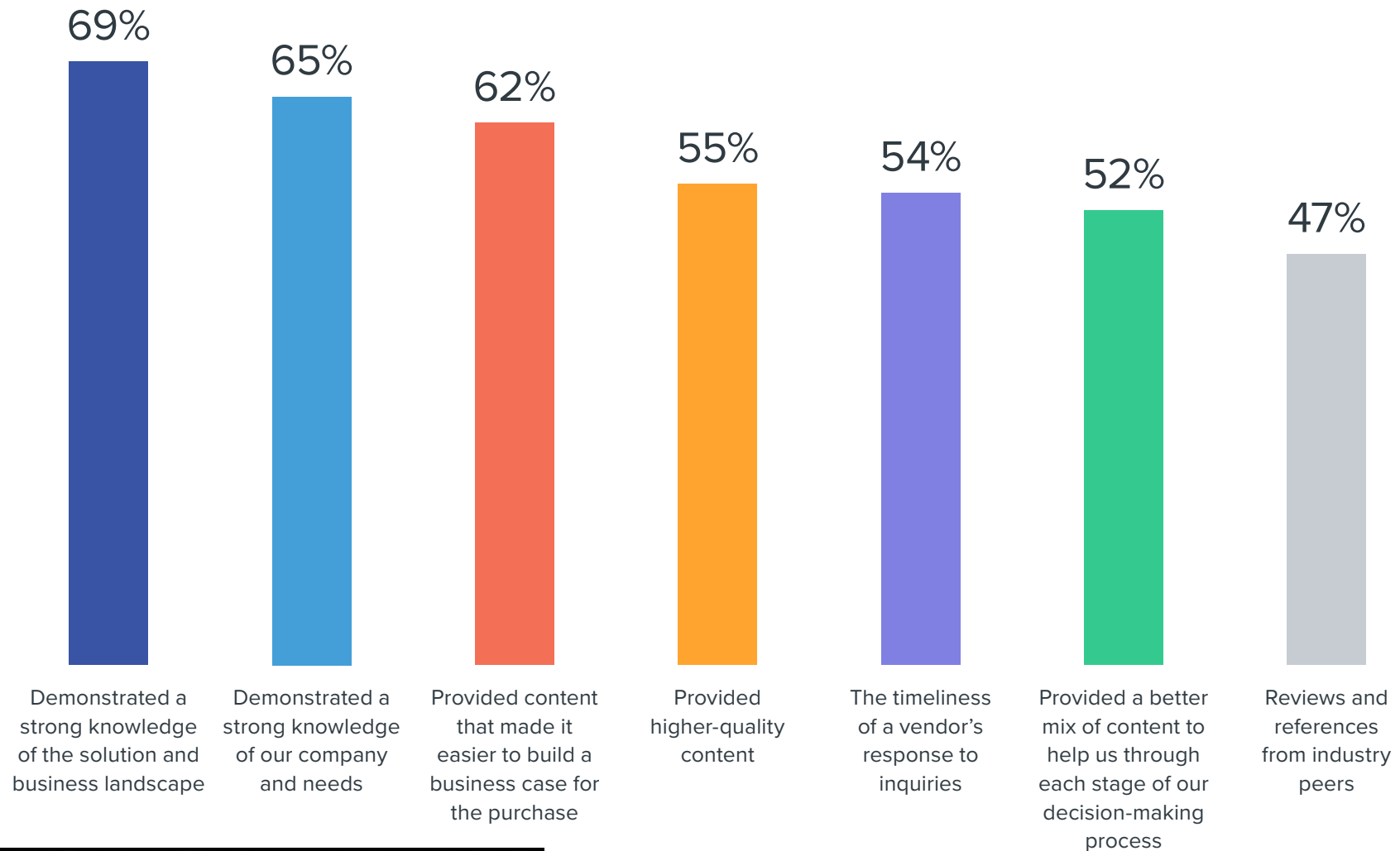
Other responses that were added as write-in factors included: “Ability to integrate with existing tech” and “existing relationships.”

Beyond providing relevant and timely sales interactions, buyers pointed to content and knowledge as the top factors that influenced their final decision between providers.

Additional reasons why respondents selected their ultimate vendor of choice include:

- Demonstrating a strong knowledge of the solution and business landscape (69%);
- Demonstrating a strong knowledge of our company and needs (65%);
- Providing content that made it easier to build a business case for the purchase (62%);
- Providing higher quality content (55%);
- Timeliness of the vendor’s response to inquiries (54%); and
- Providing a better mix of content to help us through each stage (52%).

Please select the top 5 reasons for choosing the winning vendor over other vendors you considered:



Conclusion: New Normal Means Further Funnel Disruption

B2B brands have already been forced to rethink the idea of predictable buyer journeys or funnels over the past few years. Now the disruption brought by the COVID-19 crisis has accelerated the need for brands to transform their marketing and sales strategies. The biggest change in behavior found in this year's study was 82% of buyers said purchase decisions now progress based on changing business needs/priorities.

Rather than relying on generic messages delivered on a pre-set cadence via automated platforms to a broad audience, advanced companies are using this unique environment to double down on providing content that is valuable and relevant to specific audiences.

The 2020 Buyer Behavior Study underscores that buyers expect and demand relevance and value at every stage of the purchasing journey. When you consider that 76% of buyers said they now expect more personalized attention from solution providers based on their specific needs, that behavioral change will likely become part of the “new normal” even after the lockdowns are over.

The other new realities that have only become more pronounced during this disruptive period is that B2B decision-making will only increase in complexity with timelines and analysis being extended, and the number of members on the buying committee have increased. These trends all underscore the opportunity and need for account-based strategies, which can help tailor messaging to the 71% of companies who indicated they have formal buying committees in place, as well as the 68% of respondents who said their buying timeline has been extended from the year before.

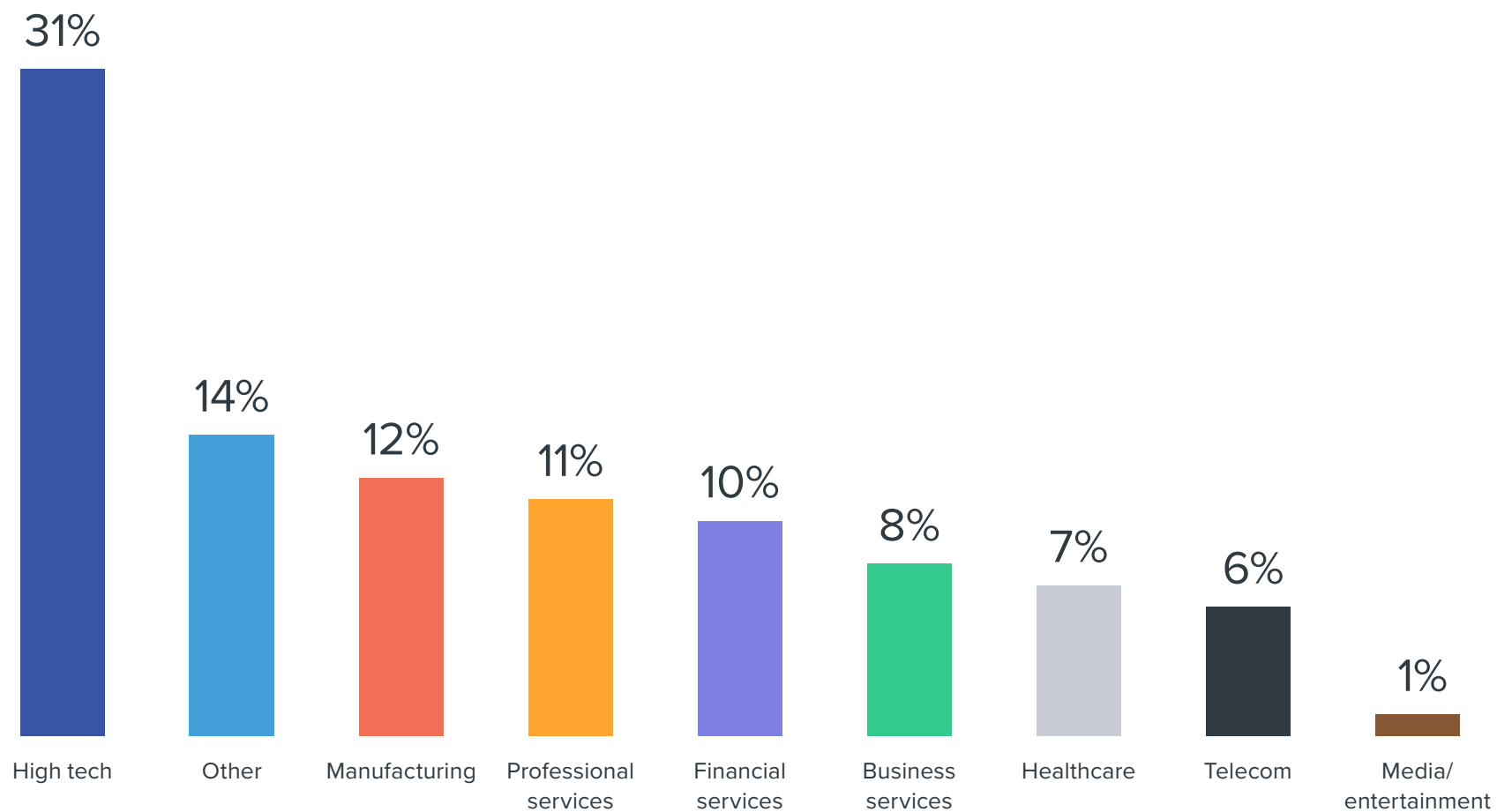
About The Survey

The 2020 B2B Buyers Survey includes responses from more than 212 B2B marketing, sales and IT executives between May and June of 2020. Respondents stated that they predominately made software/technology purchases (47%), with others purchasing IT hardware (18%), business/consulting services (13%), promotional/advertising/media (6%) and parts and/or materials (7%).

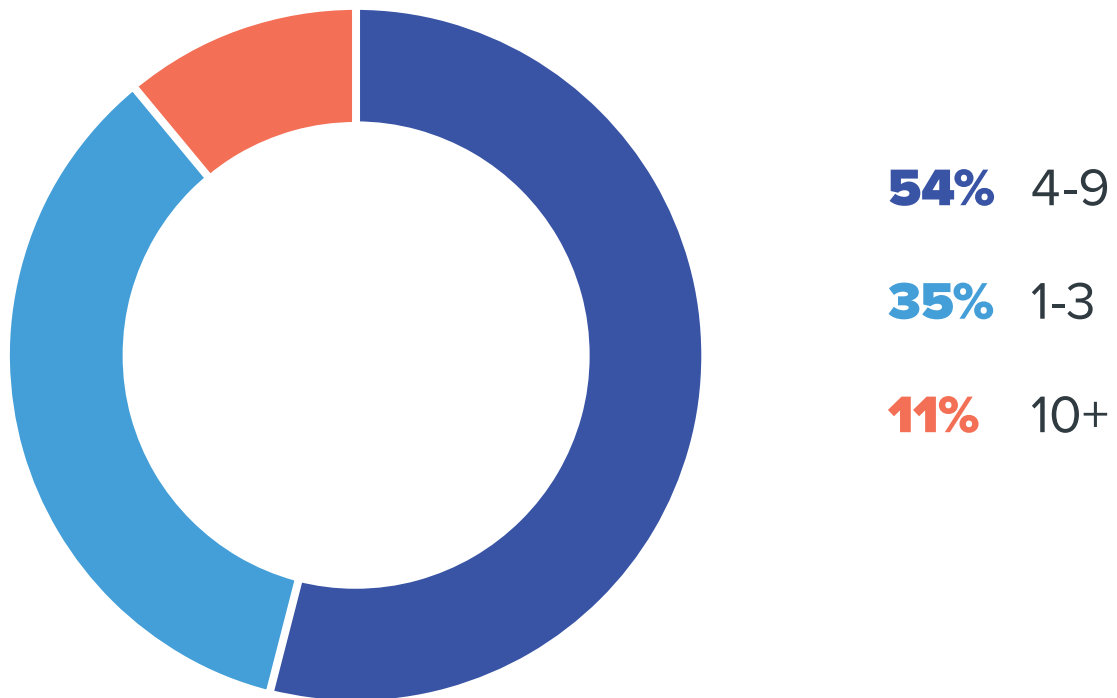
The respondents work in a variety of industries, including High Tech (31%), Manufacturing (12%), Financial (13%) and Professional Services (11%) industries. They hold a variety of titles and roles, including C-level (21%), VP-level (10%), Director (30%) and Managerial-level (33%).

Respondents work at companies generating between \$500 million and \$1 billion+ in annual revenue.

What industry are you in?



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





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