



B2B's Digital Evolution

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THE RUNDOWN

New research from CEB's Marketing Leadership Council shows that potential business customers are increasingly using digital channels to form opinions about major purchases. Today's business buyers do not contact suppliers directly until 57 percent of the purchase process is complete. The challenge for marketers is to be present in these channels at all times with content that educates buyers and helps guide commercial decisions.

Throughout 2011 and 2012, Google worked with CEB's Marketing Leadership Council to survey 1,500 business leaders who have recently been involved in major purchases for 22 large B2B organizations. The results suggest that a new paradigm in business-to-business marketing has taken hold.

Let's start with a little role-play. Say you're the buyer of IT services for a mid-sized company. One day, the CEO – your boss's boss – comes to you, disgusted. He's tired of his computer freezing all the time, and Sales has been complaining for months about problems running live demonstrations. He wants it fixed, but there's a catch: The overall IT budget for the year can only increase by 10 percent.

What do you do? There are dozens of IT vendors and thousands of available specifications. First, you figure out what you need. Then, if you're like most business buyers, you go to the internet. You start with some well-known corporate IT suppliers, companies whose names you've heard before. For some additional leads, you check out some well-respected voices in the corporate IT world: Bloggers, people you've seen at conferences. You might even visit a web forum or two that you've gotten valuable information from in the past. You come up with three or four vendors that can fulfill your needs, invite them to present, and go with the lowest bid. Success! You've solved the problem and the CEO loves you.

Makes sense, right? But if you're a B2B marketer, this narrative should give you pause: Nearly all of this has happened without the input of a single salesperson.

THE CHALLENGE IS **DIGITAL**

Why? Let's start by putting some numbers on the story. The example above isn't far-fetched; our research has shown that, on average, business buyers do not contact suppliers directly until 57 percent of the purchase process is complete. That means for nearly two thirds of the buying process, your customers are out in the ether: Forming opinions, learning technical specifications, building requirements lists, and narrowing down their options, all on their own, with minimal influence from you.

It wasn't always like this. That customers can engage in this self-directed learning is thanks to the internet; that they must learn about products and solutions themselves is a function of increased budget pressure amid a stagnant economy.

So what's wrong with waiting for customers to come to us? Because by the time they do, they have hardened expectations about what they want out of a supplier – and at that point, your job is to take their order and fill it for the lowest price. They're learning on their own, and there's no room to teach them why what they've taught themselves is wrong.

It's Marketing's job to influence the 57 percent of the sale that occurs mostly on the web, before Sales contact, but three challenges – incomplete digital integration, ineffective content, and a poorly-optimized channel mix – are keeping marketers from growing mindshare and making the most of what they are getting already.

TRUE **INTEGRATION**

Most marketing leaders still treat digital as an unwanted appendage on the traditional marketing campaign cycle, which goes roughly like this: Create a new product, design a campaign touting its features and benefits, figure out a place to stick digital channels within that campaign architecture, execute, measure, repeat.

Take a look at the story we began with, and it becomes clear why this approach won't work. Customer learning is happening all the time, and doesn't coincide with your campaign calendar. Marketing organizations have largely been designed from the ground up to support and optimize campaigns, not maintain the continuous presence that the digital channel requires. Marketing management must adjust; if the customer is always learning, then Marketing must always be teaching.

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PERSUASIVE, **FOCUSED CONTENT**

It's not enough to teach; you have to teach well. And the dirty little secret of most content marketing is that it does neither. It's obvious why: Content creation has been allowed to grow organically, with the inevitable result, our research shows, that it has typically spread across multiple business and product lines and lacks a consistent, cohesive message.

All of that leads us to the biggest problem with current B2B digital approaches: They rely on content that is not at all useful for customers in the midst of a learning journey. Most content is low value; it may be interesting or get a lot of 'engagement,' but it doesn't help buyers make commercial decisions.

This is a structural problem. Marketing's content creation machine is not designed to create consistent, focused messages.

A SMARTER **MIX**

When do customers want whitepapers, and when do they want YouTube videos? Matching customer need with channel is among the biggest challenges in digital marketing, and doing it right requires data on how customers use various channels to be – to some degree – all in the same place and comparable.

Marketing organizations are decidedly not set up for those things. Typically, they've responded to digital with a fragmented approach, where one team owns whitepaper creation for one product line, another team owns webinars for another product, and a third team owns YouTube for the entire firm, and so on. Getting a sense of channel effectiveness is tough in an environment like this, and the benefits of integrating all the data various teams hoard are often negated by the time and expense required to do it right.

How do you solve the problem? Rather than investing the time and money to implement dubious models that attribute specific leads to specific pieces of content, Marketing should double down on two things: Simpler, more actionable models and analytics talent.

If you can get digital integrated with your broader mix, get the message right, and pick the right format for those messages, you'll be well on your way to thriving in the digital landscape.

ABOUT THE **RESEARCH**

This research was completed by CEB's Marketing Leadership Council in partnership with Google. Underpinning the findings are:

- Insight and quantitative benchmark research and analysis into B2B Marketing and Sales Practices
 - Insight from the CEB advisory teams specializing in B2B marketing issues and from subject matter experts at Google
 - Structured interviews with leaders at 50 B2B marketing organizations
 - Secondary research and interviews with numerous vendors, consultants, agencies, and research organizations operating in the digital marketing space
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