



## **B2B Sellers, Wake Up! Adopt Buyer Experience Management, or Get a Pink Slip from Customer 2.0**

By: Bob Thompson

*The B2B sales profession is in denial.* That's the overwhelming conclusion I've reached after watching the painfully slow response of B2B Sellers to the rise of customer power. Instead of truly engaging as buyers expect, Sellers—the combined marketing and sales organizations—are tweaking 50-year-old selling approaches and loading up technology to optimize internal processes. This inside-out approach is a recipe for failure.

More than 10 years ago, during the dot com boom, I was researching how the Internet was disrupting distribution channels. "[Disintermediation](#)"—a clunky way to say "cutting out the middlemen"—meant that technology resellers and other partners had to find new ways to add value to the customer beyond "pushing boxes." Some did but many others didn't change fast enough, and closed up shop.

During that time, I felt field sales reps were a bit smug, believing that it was the "other guys" that should worry about being displaced by technology. I wrote articles pointing out that disintermediation could happen to *anyone* if they don't add enough value to justify their existence in the customer's supply chain.

Now the middlemen at risk are B2B sales professionals. Today's customers doesn't need them, until it's time to discuss product features and negotiate price. As any successful B2B sales rep knows, the only thing worse than not getting an RFP is being *surprised* by one. Because then it's too late to build a relationship, influence requirements and gain a preferential position.

### **Customer 2.0 to Sellers: "We're Just Not That Into You"**

In the past few years B2B buyers have followed consumer trends, leveraging the Internet and social media. Industry experts estimate that 50-80% of the B2B buying process is now being completed *without* sales involvement. Quite literally, sales reps are being *cut out* of critical early stages of the

purchasing process, because buyers have found more effective alternatives.

Let's dub this empowered, don't-call-us-we'll-call-you buyer, **Customer 2.0**.

Emerging technology buying is at the upper end of that range, according to Christine Crandell of [New Business Strategies](#). In a recent study of Fortune 100 companies, Crandell found that tech buying has changed a lot in the past five years. In a simplified form, the process looks like this:

- . A change in the company or its market "triggers" the start of the buyer's journey
- . An internal team is formed to "socialize" whether it's worth solving a problem
- . Team members search for possible solutions (not products or vendors)
- . Best practices are researched and a rough solution approach starts to take shape
- . If the feasibility looks promising, only then is a list of prospective vendors developed.

With about two-thirds of the process already complete, says Crandell, only then are vendors contacted. Now the real *selling* can begin, but that's also changed. Buyers are much better prepared to negotiate, probe weak spots, ask for detailed demos, demand proof of concepts, etc.

### **Sellers in an Arms Race**

With a few clicks of a mouse, prospective buyers can educate themselves, research alternatives and even find peers to exchange "war stories" about experiences with solution providers. As a result of this shift, B2B digital marketing is now a critical capability, because unless your brand ends up on a prospect's short list, it's unlikely to ever be considered. Sales excellence won't matter if your reps don't get an "at bat" to close the deal.

Here are four strategies I've seen employed thus far.

**Content Marketing** Some of the selling work, and power, is shifting to marketing because it's critical to have the right content available for buyers when they are searching. This has led to an explosion of marketing automation vendors and content marketing strategies. The theory is that if buyers are searching, you want the right content to be available to help them along their journey. More important, Crandell contends, is for marketers to design these interactions to build *preference* for the company and its solution. The [dirty little secret of](#)

[content marketing](#), however, is that it can take hundreds of pieces of content to engage with buyers, considering different personas, needs and stages of the buying journey.

**Updated Selling Tools** The sales profession is taking a fresh look at selling tools, sometimes under the banner of Sales 2.0. In my view, Sales 2.0 has been dominated by technology, all in an effort to make prospecting and selling more *scientific*. Until very recently, however, there's been little discussion about how to actually [engage with Customer 2.0](#) using the Social Web. For the most part, I see new cloud-based sales tools being used to automate yesterday's processes. There's little or no value to the buyer.

**Revenue Performance Management** Increasing buyer power has also forced marketing and sales organizations to finally address that age-old problem of alignment. Progressive organizations are pushing an integrated approach that some call [Revenue Performance Management \(RPM\)](#), a technology-enabled strategy to increase total revenue productivity. The core idea behind RPM is to optimize the end-to-end process, using marketing/sales technologies and metrics to track the buyer from suspect to closed deal. However, marketing automation vendors Eloqua and Marketo estimate only 10-20% of Sellers are proficient in RPM. Tim Riesterer, chief strategy and marketing officer of Corporate Visions, says about one-third of marketing and sales organization are "very collaborative" in developing messaging that resonates with buyers. Clearly RPM is at a very early stage; marketing/sales alignment is improving but has a long way to go.

**New, Improved Selling?** Perhaps the most controversial approach has been proposed by the Corporate Executive Board (CEB) in a new book [The Challenger Sale: Taking Control of the Customer Conversation](#). CEB research claims that a challenger-style sales rep is more successful in a "world of hesitant, risk-averse, empowered customers." Reps should strive to add value by, you guessed it, *challenging* the buyer to think differently about business issues and solutions. CEB research found these seven attributes of the buying experience had the highest impact on customer loyalty:

- Rep offers unique and valuable perspectives on the market

- Rep helps me navigate alternatives

- Rep provides ongoing advice or consultation

- Rep helps me avoid potential land mines

- Rep educates me on new issues and outcomes

- Supplier is easy to buy from

- Supplier has widespread support across my organization

Whether challenging customers is a new idea or not is [debatable](#). I could argue that great reps have always sold in this way, regardless of what

methodology label is applied.

All of the above strikes me as *too little, too late*. Sellers are "tuning up" the same techniques they have always been used, without a fundamental change in orientation. Marketing and selling is still mainly what vendors do *to* customers, not an experience that delivers value *for* customers. This is the history of CRM, an inside-out approach that really doesn't take into account the customer's experience.

## **Understanding Buyer Moments of Truth**

In B2C circles, Customer Experience Management (CEM) is not a new idea. In fact, the concept dates back some 30 years to Jan Carlzon's book *Moments of Truth*. His belief: "Anytime a customer comes into contact with any aspect of a business, however remote, is an opportunity to form an impression."

### **Is a Great Buying Experience Critical to Revenue Performance?**

- *Yes, it is critical. Marketing and sales [need] to be aligned around the information needs and questions that the buyers have as they move through their journey.* Jeff Ernst, [Forrester Research](#)
- *How you help the buyer to buy, helping to clarify requirements and understand how your solution can be applied to meet those needs, is as critical as anything else in the buyer/seller interaction.* Donal Daly, [The TAS Group](#)
- *Any company designing the revenue cycle must think about how it's aligned with the buyer's journey* Jon Miller, [Marketo](#)
- *If you don't align the buying process with your selling process, including the steps well before a salesperson may get involved, then you're introducing friction into the relationship.* Matt Heinz, [Heinz Marketing](#)
- *Buyers are buying a product or solution rather than an experience.* Dan McDade, [PointClear](#)
- *Not necessarily. I think delivering an experience that delivers on your brand promise is critical. If your product is not differentiated, then customer experience can be a key differentiator.* Hank Barnes, [SAP](#)
- *The pursuit of providing a "great buying experience" is highly overrated. Buyers want "people to sell the way I buy."* Andy Rudin, [Outside Technologies](#)
- *We assume that with improved buying experience, sales cycles shorten, ASP increases, and fewer deals are lost. But we need research to prove this.* Anneke Seley, [Reality Works](#)

But the real action began around 10 years ago, and interest really took off in

the past 3-5 years. Now there are dozens of books and CEM consultants trying to help B2C enterprises turn the concept of managing interactions to create a more delightful customer experiences into increased loyalty and profitable growth.

B2B firms are at least five years behind in embracing CEM concepts. Those that do, according to B2B CEM specialist Lynn Hunsaker of [ClearAction](#), tend to think first about the *post-sale* experience—mainly customer service/support. The buying experience? Not so much. Jon Vander Ark of [McKinsey](#) agrees that the customer experience is vital, but "B2C companies have taken the lead" thus far.

That's a shame, because the B2B buying experience really does matter, according to my informal poll of B2B experts in marketing, sales, customer experience and loyalty. About 90% agreed that B2B buying experience was critical to revenue performance. Although as you can see from the box to the right, it's not the only thing that matters.

McKinsey backs up these expert opinions in a study of B2B buyers that found the quality of the "sales experience" was an important factor in being perceived as "an outstanding company for your company's needs." In the book *Sales Growth: Five Proven Strategies from the World's Sales Leader*, McKinsey researchers assessed the "derived importance" of the sales experience at 25%, second only behind product/service features at 34%.

But wait, it gets better. In another study by the CEB, the sales experience is worth 53% of the buyer's likelihood to continue buying, deepen their relationship with the seller, and be an advocate to others. In essence, the CEB found that "the best companies don't win through the quality of the products they sell, but through the quality of the insight they deliver as part of the sale itself."

### **What do Buyers Expect and Value?**

Let's start with what buyers don't want. I believe it's a huge mistake to attempt to take "control of the customer conversation" as the Challenger book's subtitle implies. For heaven's sake, buyers are fed up with sellers pushing and dominating the conversation! In part, that's why they are opting out of the seller contact in the early stages of the buying journey.

A Forrester Research [study](#) found that buying executives valued sales interactions that focus on solving their problems: "The overwhelming majority (63%) of executives surveyed agreed that a salesperson who understood their business problems and offered a clear path to solving them

was valuable."

Christine Crandell's [F100 study](#) uncovered these buyer's expectations:

Have a long-term partner orientation; Act like a trusted business advisor; Always have a sense of urgency and care; Be relevant and credible; Set realistic expectations; Be transparent and forthright; Honor your word; Be fair and flexible; Maintain a positive & broad reputation; Be consistent and predictable; Focus on overall success vs. a transaction; Products perform "as advertised"

John Holland's [CustomerCentric Selling®](#) selling behaviors include:

Converse situationally; Ask relevant questions; Solutions focused; Target business people; Relate product usage; Manage their managers; and Empower buyer to achieve goals; Solve problems; Satisfy needs."

*Long-term partner. Solve problems. Trusted advisor.* Reviewing the terms on these lists, along with CEB's loyalty drivers already mentioned, I see more similarities than differences. One thing I *don't* see is any evidence that buyers want sellers to "control" the conversation. Perhaps "lead" the conversation is a more useful goal.

## **Mind the Gap**

If you agree that the buyer experience is important, then the next question is *how good a job are you doing?* If you can't answer that question, then making improvements is like driving in the dark without headlights.

### **Do Revenue Teams Understand How the Buying Experience is Perceived?**

- *B2B falls short of doing the necessary buyer research to reach a good understanding of how buyer experiences are perceived.* Tony Zambito, [Sales Benchmark Index](#)
- *Most revenue teams are too busy drilling new wells to spend time inspecting dry holes in their past.* Jack Dean, [Fast Partners](#)
- *No, our research shows that there is big gap between what BtoB buyers feel would be most useful to hear from their suppliers (in tech), compared to what they get from vendors.* Bill Band, [Forrester Research](#)
- *Companies assume that account managers understand what the buyer is thinking and I don't think that is often the case.* Pat Gibbons, [Walker Information](#)
- *Marketing and sales both understand that great impressions are critical, but I'm not clear they have great measures about what impressions they create and how they impact revenue generation.* Dave Brock, [Partners in Excellence](#)

- *Companies that leverage and develop actionable insights from VoC research, CABs (Customer Advisory Boards), and other vehicles to capture customer experience feedback... are developing their capabilities and this understanding.* Laura Patterson, [VisionEdge Marketing](#)
- *It's evolving. Now there is a lot of thought put into understanding what the buyer might want - from content to a sales conversation - and offering that.* Steve Woods, [Eloqua](#)
- *With exceptionally high performing teams, yes. Note: they're exceptional.* John Cousineau, [Amacus](#)
- *It's relatively unusual for sales and marketing teams to share an accurate and detailed perspective, but I see real progress being made.* Bob Apollo, [Inflexion-Point Strategy Partners](#)

When I asked CRM industry veteran Jim Dickie of [CSO Insights](#) whether sales and marketing leaders understood how the buying experience was perceived, his flat answer was "no." Other B2B experts consulted for this article (see box to the right) generally agreed.

B2B sales consultant Dave Kurlan of [Objective Management Group](#) elaborated more colorfully: "No, most marketers are too far removed, and most salespeople think that all of their calls/meetings/relationships are wonderful as frequently as their happy ears kick-in to blur their objectivity relevant to the quality of their opportunity and likelihood of closing it."

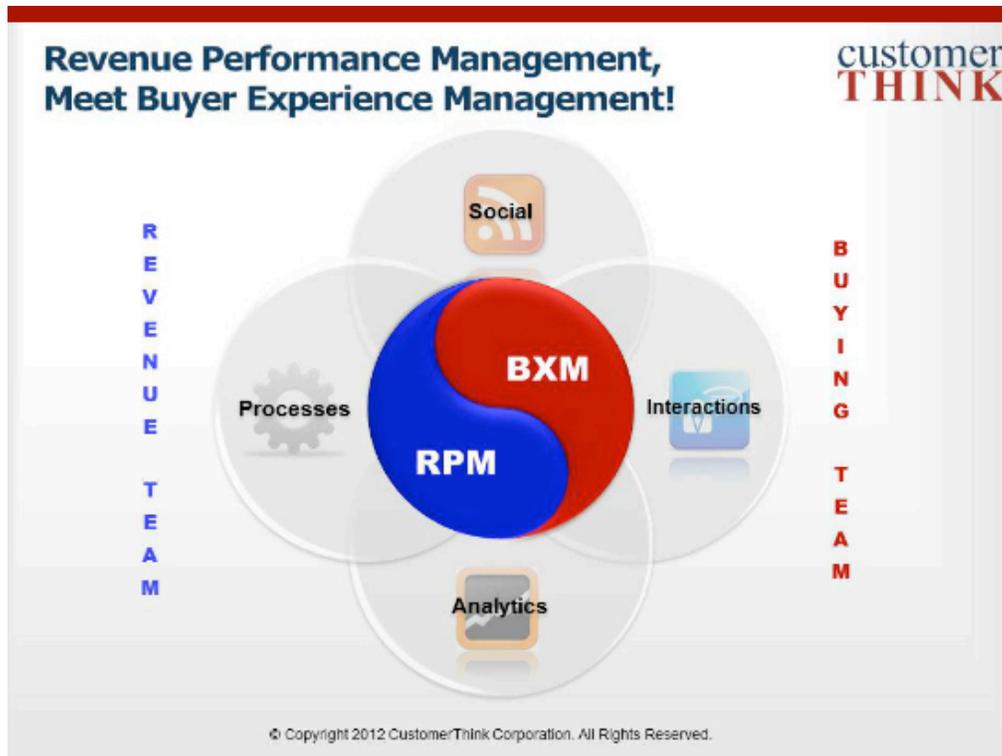
In Forrester's report [Executive Buyer Insight Study: Defining The Gap Between Buyers And Sellers](#), analyst Scott Santucci found that "understanding their company and focusing on driving a business result are by far and away the two most common attributes executives associate with vendors they believe are strategic." Good news: 75% of executives said that strategic vendors would be rewarded with more business. Bad news: just 36% of executives agreed that sales reps were delivering towards these expectations, which look very much the same as those found in other studies noted earlier.

Summing up, I estimate that no more than 10% of B2B firms really understand what experience buyers receive, yet 90% believe it's important to revenue performance. *This gap must be closed.*

### **Buyer Experience Management (BXM) to the Rescue!**

There is a light at the end of the tunnel, and it's not from an onrushing train. Some companies *are* succeeding with a buyer-centric approach, which I'll call Buyer Experience Management (BXM).

To me, it's like the [yin-yang relationship of CRM and CEM](#). Substitute RPM for the CRM, and BXM for CEM, and we've got a similar complementary relationship focused on the B2B selling/buying process. RPM is inside-out, BXM is outside-in. Both are necessary to win long-term.



Here are a few examples of companies that have profited from BXM.

- Good Technology wanted to double annual revenue. But how? The company worked to "align all market-touching processes to their customers' preferred interaction models." The results were impressive. Good Technology reported they were able to double marketing-generate pipeline, increase lead velocity by 40% and increase customer engagement. Source: [New Business Strategies](#)
- Around a decade ago, SymQuest Group found its printer/copier/fax business had deteriorated to where "price was the prevalent reason for winning or losing business." CEO Larry Sudbay decided to focus the company on helping customers solve more strategic "workflow" problems, and set about transforming their sales approach. Now instead of pushing boxes and "sharpening pencils" to get deals, sales professionals call at a higher level and everyone works hard to create "raving fans." Result: 32% increase in average annual sales revenue per sales representative, 12% increase in overall gross margin on equipment sales, and 20% decrease in sales force turnover. Source:

## CustomerCentric Systems

- **Enterasys**, a fast-growing global provider of enterprise networking solutions, used RPM to get better visibility of future business, optimize investments in marketing campaigns and improve staff productivity. But Ram Appalaraju, Sr. VP of Worldwide Marketing, isn't stopping there. The company is also forging ahead to understand the complete buyer/customer journey, including customer service/support. If you think about it, optimizing revenue must also include creating loyal customers through great service experiences. Advocates will sell themselves, and others, on future business. Source: [CustomerThink](#)

## Waiting for a "Pink Slip" to Change?

The cold hard truth is that buyers don't need sellers as much as sellers need buyers. Vendors lost control when buyers discovered the Social Web made it easy to research solutions and ask peers for the the unvarnished truth about vendors and products.

While some sales leaders recognize that times are changing, the pace needs to pick up. When I asked B2B experts what will cause leaders to get serious about the buyer experience, most said that business/sales performance would have to suffer first. John Holland, co-author of the CustomerCentric Selling™ methodology 10 years ago, says part of the problem is "everyone is looking for a silver bullet" rather than make a sincere customer-centric transformation.

With Buyer Experience Management, sellers can regain buyer's trust and become part of the conversation once again. What are you waiting for, a pink slip?

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