

ARTICLE

THE FUTURE OF BUYING

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"These are times of great change. Will they crush you or catapult you?"

Brian Halligan, CEO | **Hubspot**

Dave Boyce

Chief Strategy Officer at XANT

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Chief Executive Officer at XANT

“The world has changed. Buying decisions are evaluated by digital natives, and they think differently.”

Richard Sgro | **Modern Sales Pros**

If you run a B2B organization, the 2020 pandemic has caused you to rethink B2B selling—what can be done from home, and how do we reinvent “onsite” processes? (More on this here: [The Future of Sales](#))

We debate when employees will come back to offices and what that transition will look like. Months of forced work-from-home taught us that everything is doable remotely, so how much of this change is permanent? Our research shows that sales is never going back to how it was before—many of these changes are permanent, and for good reasons.

An important consideration is buyer preferences. Our buyers don’t want to go back to how it was. B2B buyers were already fed up with onsite sales meetings, and as early as 2017, 1 in 5 B2B buyers said they would prefer no onsite meetings at all with suppliers.¹ If anything, COVID has given buyers an excuse to insist meetings be remote. And now that we’ve made the shift, buyers are not going back to the old way—primarily because they don’t want to, but there are other reasons too:

1. Outside visitors will not be welcome in offices for at least a year

2. Flexible post-COVID work policies will have 30-50% of office workers working from home on any given day
3. Airline route reductions will turn a once-simple day-trip into a multi-day saga

Amidst these changes it’s important to note—and welcome news—that corporate buying hasn’t stopped. It’s approximately 5% below last year’s level, but it hasn’t stopped.

Just as selling organizations have figured out how to operate remotely, our customers have done the same:

- Instead of in-person daily standups, ongoing conversations over Slack
- Instead of conference-room collaboration, virtual whiteboard sessions
- Instead of onsite vendor presentations, interactive presentations and virtual collaboration

Several trends and shifts in B2B buying were already underway and merely accelerated by COVID. In this article we explore the future of buying through both lenses.



¹Forrester, [Mary Shea et. al., The Democratization of B2B Sales, Based on Forrester’s Q1 2017 International B2B Marketing Panel Online Survey](#)

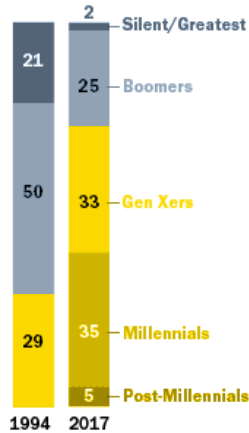
The Rise of the Digital Native

Almost 50% of the workforce is now composed of millennials or younger—digital natives. Digital natives’ first instinct when they have a question is to ask the Internet. Where their predecessors sought to fix problems on their own, digital natives seek to crowdsource solutions.

Digital natives make no distinction between personal and professional purchases when it comes to buyer experience expectations. When digital natives make purchases for work or pleasure, they expect the experience to be similarly seamless. Steven Casey from Forrester describes a “new B2B consumer,” combining elements of a traditional B2B buyer and today’s consumer behavior. Future B2B buyers demand a favorable one-way information exchange, are guided by their own emotions, and are subject to change. However, unlike B2C consumers they seek to form an interdependent relationship with sellers, and they carefully consider their decision as a group.

More than a third of the workforce are Millennials

% of the U.S. labor force



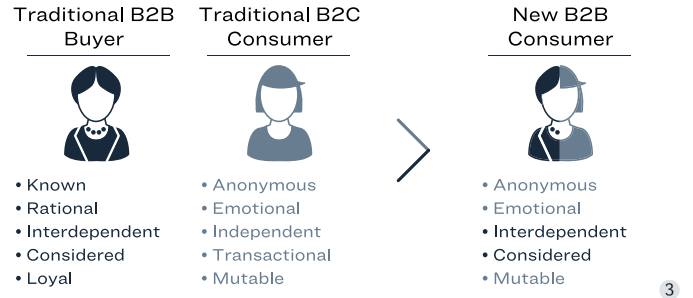
Note: Labor force includes those ages 16 and older who are working or looking for work. Annual averages shown. Source: Pew Research Center analysis of monthly 1994 and 2017 Current Population Survey (IPUMS).

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Consumer Experiences Influence B2B Customers’ New Behavior And Preferences

The B2B Consumer Grows Up



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Source: Forrester Research, Inc. Unauthorized reproduction, citation, or distribution prohibited.

Frank Cespedes of Harvard Business School further explains that the digital-native’s experience with a supplier typically moves through multiple functions over the lifecycle of a purchase, and thus these seamless expectations are difficult to deliver:

“Who is responsible for customer service?... Everyone.”

Frank Cespedes | **Harvard Business School**

² Pew Research Center, [Millennials are the largest generation in the U.S. labor force](#), Richard Fry

³ Forrester, [The B2B Consumer Grows Up – Steven Casey](#)

Information Flow

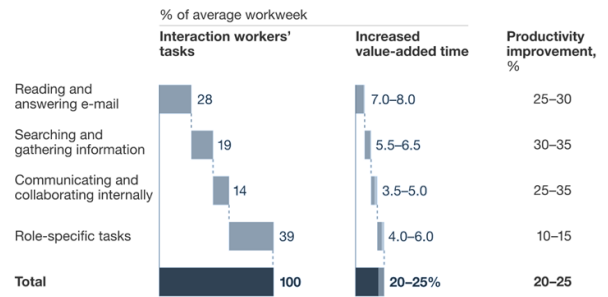
More product information is available today than ever before, and digital native buyers know where to find it. If the vendors don't publish absolutely everything on their own website (features, how-to guides, prices, videos, demos, reviews), the community on the Internet will fill in the gaps.

[Forrester](#)⁴ indicates user review sites (like G2 and Trust Radius) are ranked as more influential than independent publications, bloggers, or even consultants. Consumers want unbiased opinions from sources they can trust.

Today's buyer is an expert at getting to ground-level truth, and getting there efficiently—this means without drawn-out sales interactions. A recent [McKinsey study](#)⁵ found interaction-focused workers

(including both buyers and sellers) spend approximately 19% of their working time searching for and gathering information. By the time a buyer engages with a sales rep, she is already 70-80% of the way to her purchase decision, based purely on information she sourced independently.⁶

Improved communication and collaboration through social technologies could raise the productivity of interaction workers by 20 to 25 percent.



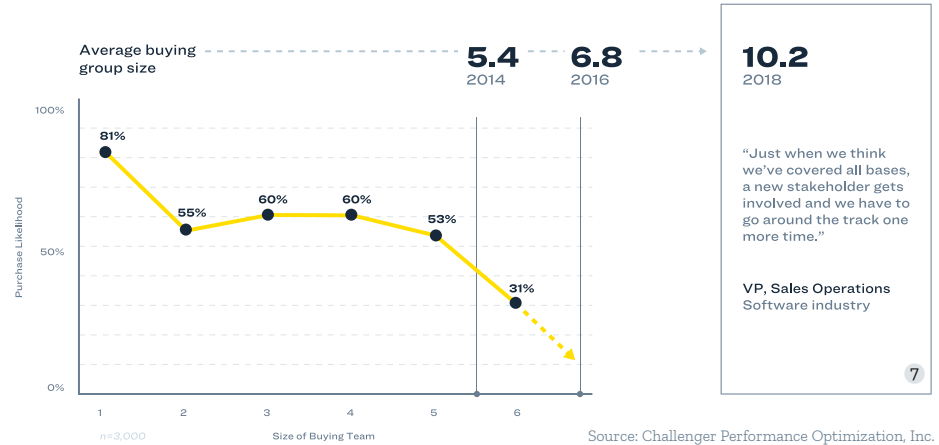
Source: International Data Corporation (IDC); McKinsey Global Institute analysis

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Structural Shifts

The B2B consumer of the future is a "we" not an "I." Buying groups have been commonplace for years, but their size has ballooned since 2014. CEB analysis shows that buying groups have almost doubled in size to 10 or more people on average.⁷

Buyers also expect consumption-based contracts with no minimums and no lock-ins. If you can't provide a trial or a proof of concept, your competitor can. Full transparency on pricing, contract terms, and walk-away provisions are a requirement for doing business with the modern B2B buyer.



Source: Challenger Performance Optimization, Inc.

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Another structural shift is the required response to omni-channel buying. In his new book, *Sales Management That Works* (Harvard Business Press, 2021), Cespedes explains why selling to B2B buyers "is not only listening to

customers and providing value, but also means working with channel partners who are influential during the buying journey and after the sale. And that has implications for hiring, training, pricing, and relevant metrics."

⁴Forrester, *Credible Empathetic Content Wins Over Elusive B2B Buyers*, Laura Ramos et al.

⁵McKinsey & Company, *The social economy: Unlocking value and productivity through social technologies*, Michael Chi et al.

⁶Forrester, [Mary Shea et al., The Democratization of B2B Sales, Based on Forrester's Q1 2017 International B2B Marketing Panel Online Survey](#)

⁷Challenger Performance Optimization Inc., [More B2B Decision Makers are Weighing In](#), Spencer Wixom



A Vision of the Future

Monique is an operations manager who has been charged by her VP, Linda, to select a new ticket management system for her company.

Monique's typical day includes 4-5 scheduled meetings, as well as ample time for research, analysis, and project management. Monique will need to fit this new challenge from Linda—selecting a new ticket management system—into her already busy schedule.

First stop on Monique's research journey: Google. She reads a few industry articles about the elements of an ideal ticketing solution, scans a list of highly rated software providers on G2 and begins structuring her thoughts on the category.

The next day, Monique holds a kickoff meeting with the buying committee. They collectively compile a list of features the company needs. They then supplement that list with considerations from Monique's Internet research.

Monique now visits a few vendors' websites to learn their perspectives. The first company's

landing page looks outdated. She doesn't bother to investigate further and moves to the second company's website, which looks more professional. Monique finds an interesting article about how to integrate a ticketing system with the CRM that she downloads for later, and then she shifts to the next search result. The third company's landing page promotes a particularly interesting article, but when Monique finds the content gated behind an extensive form fill, she moves on to research the rest of her list.

After 2 hours of research, Monique has learned quite a bit about the ticket management space. In fact, her list of possible RFP requirements and potential vendors has grown too long, and she knows she will have to edit before tomorrow's buying committee meeting.

The next day, Monique summarizes her research findings to the buying group. While they're interested in her opinion, some of the committee members have dramatically different views. The representative from IT is convinced he already knows the best provider based on recommendations from his peers, several mid-level managers value



conflicting features, and Finance weighs in with a budget constraint. At the end of the meeting, Linda messages Monique separately and says “we’re never going to get a consensus in this group. Narrow down to the three top options, and we’ll run a process with those vendors to drive to a decision.”

Monique is nervous about picking the right providers. She knows this contract is a large investment and it will reflect poorly on her if it isn’t received well. To get more direction, she texts a few friends from school and starts a poll on LinkedIn. The LinkedIn survey generates mixed results, but one of her friends messages her privately and recommends a company he had a good experience with.

Not surprisingly, Monique’s LinkedIn, Twitter, and Google ads begin populating with ticket-management vendor ads. It does surprise Monique, however, when Todd, a representative from one of the vendors, emails her asking if she would like to learn more about their ticket management system. Todd also connects with Monique over LinkedIn, and once she accepts the connection, Todd emails again with a useful article on next-generation ticket management. He direct messages (DMs) her on LinkedIn to see if she got the article, and they have a friendly exchange. Monique lets Todd know what she’s doing, and he offers to hop on a call to learn more about her challenge.

Monique takes Todd up on the offer and ends up on the phone with Todd and Angela, who seem genuinely interested in understanding Monique’s situation. She spends 45 minutes answering mostly Angela’s questions and even ends up sharing her preliminary selection criteria. Angela offers to send a list of criteria she may want to consider, as well as a selection of articles to aid her research.

Monique now begins engaging additional vendors—filling out a form here, engaging with a chatbot there. Emails start flooding Monique’s inbox. Once she has her top-3 list selected (including Todd and Angela’s company), Monique responds to all three vendors’ emails letting them know she had short-listed them, and outlining what the rest of the selection process would look like.

Over the next couple days, Monique interacts with the two other vendors with varying degrees of helpfulness. One presents a one-dimensional solution; the other dominates the conversation talking only about product features. Todd has dropped out of the picture, but Angela has stayed close, offering to help, looking at Monique’s considerations, and working on a custom proposal to meet Monique’s needs. Angela and Monique’s communications are now over Slack, SMS, and LinkedIn DM—not as much email, phone, or video call.

The rest of the selection process proceeds with the buying committee, but one thing is clear: Angela was always going to get this deal. Why?

- **Fast** — While Monique was still trying to get her research bearings, Todd (Sales Development Rep; SDR) sent an email.
 - Todd's intent detection software picked up the increased search activity
 - His Sales Engagement Platform (SEP) saw that trigger and automatically enrolled 5 personas from Monique's company into plays
- **Always-online** — Todd's SEM had him email but also connect on LinkedIn and DM—all three were steps in the play Monique had been enrolled in. Once Todd had a connection, he leveraged DM to get into a more natural conversation with Monique
- **Customer-centric** — Todd and Angela's (Account Executive; AE) lens was helping Monique. They asked questions first, vs. pitching. They followed her pace and her process.
- **Content-rich** — When Todd and Angela could, they presented useful and timely information. Some of this was 3rd-party produced, but a critical piece was their company-produced list of selection criteria for ticket-management systems
- **Technology-enabled** — All of these rapid interactions happened over technology. Initial interactions were triggered and automated via an SEP. Some subsequent interactions were scheduled (video calls and screen shares), and some not scheduled (emails, DMs, SMS). Throughout, Monique viewed Angela more like an always-on coach vs. a salesperson

This example represents best practice selling today. Shifts in power have heavily favored the buyer in recent years, but technology is beginning to enable the seller now in a shift toward equilibrium.

"As a seller I now know 1) What you're looking for on G2, 2) where you've been on my website, 3) signal data from all over the Internet about what you've been searching for. As a result, 4) I've had my team run ads targeting you with specific messages and 5) I know how you've reacted. 6) I also know all the technology you use, and 7) I know a lot about you as a person and all the recent news from your company. This begins to shift the balance of power back from buyer to seller (a little bit)."

Gabe Larsen, VP Growth | **Kustomer**

Moving Forward

COVID has thrown B2B buying and selling into chaos. Buyers seem to be adapting faster and more naturally than sellers. For buyers, the forced changes are welcome; they represent an acceleration of trends already in place. Sellers, on the other hand, having held on too long to paradigms of onsite meetings and seller-controlled processes, are adjusting more slowly and more fundamentally.

Some selling organizations have worried these changes would constrain their ability to build relationships—a super power of salespeople. According to Amy Appleyard, VP Sales at VMware, the opposite is true.

“Working from home has presented an unexpected opportunity for our sales team—to build relationships with buyers more quickly. We used to think the relationship started when we could get the customer to dinner. Now we see pets and kids in the background of video calls, we discuss shared pandemic experiences, and our relationship—while digital—becomes personal almost from the start. This provides a basis for trust and collaboration that took much longer to develop previously.”

Amy Appleyard, VP Sales | **VMware**

B2B buying is as healthy as ever—collaborative, informed, and empowered. Buyers have more information, more contract power, more negotiating leverage. And when global economic conditions return to prior levels of health, corporate buying will continue to thrive and grow—on the buyers’ terms.

For sellers this constitutes a referendum: get with the new, or become irrelevant. More on this here: [Sales is Never Going Back](#), and here: [The Future of Sales](#).

We are confident in the future of buying and selling. It will be faster, more online, more customer-centric, more content-rich, more technology enabled, and overall: better. Here’s to prosperity, progress, and success on both sides of the modern buyer - modern seller partnership.

As always, comments, challenges, suggestions welcome.

Rock on!

Dave Boyce

Chris Harrington

Resources

- Forrester, [Mary Shea et al., The Democratization of B2B Sales, Based on Forrester's Q1 2017 International B2B Marketing Panel Online Survey](#)
- Source: XANT Buyer Intelligence global dataset
- Pew Research Center, [Millennials are the largest generation in the U.S. labor force, Richard Fry](#)
- Forrester, [The B2B Consumer Grows Up – Steven Casey](#)
- Forrester, [Credible Empathetic Content Wins Over Elusive B2B Buyers, Laura Ramos et al](#)
- McKinsey & Company, [The social economy: Unlocking value and productivity through social technologies, Michael Chi et al](#)
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- Challenger Performance Optimization Inc., [More B2B Decision Makers are Weighing In, Spencer Wixom](#)
- Frank Cespedes, [Sales Management That Works](#), Harvard Business School Press, 2021