4 Strategies to Improve B2B Customer Experience

Liferay®

You've heard it time and time again, customer experience is critical to business success. But given the proliferation of new technologies, the COVID-19 pandemic, and shifting customer demands, it's critical for B2B organisations to prioritise customer experience because it's the link that brings customer satisfaction and loyalty together.

Why is a B2B Customer Experience Necessary?

B2B customer experience might not be as straightforward as it is for B2C companies. It's important to keep in mind that B2B customers are real people, not faceless corporations. When B2B sellers know customers on a more personal level and deliver personalised experiences, customers are more likely to stay with their brand and refer new sales as well.

Additionally, B2B customer experience is more personal as sellers and buyers often work together for extended periods of time. For example, when an IT solution is implemented in an organisation, the seller is likely to have an ongoing relationship and continue to work closely with the organisation, as opposed to typically shorter B2C relationships. Trust and relationship-building become key to sustaining the contract for longer periods.

Given that B2B transactions are long-term, this indicates that customer experience is not a one-time process. As long as both parties work together, the quality of service, responsiveness, and commitment should continue to be excellent throughout the customer's entire journey. When companies deliver a superior customer experience, this can help to overcome issues, retain customers, and generate new sales.

B2B customers want an experience as easy as their B2C shopping experiences, but tailored for their unique business needs. These factors, coupled with the recent pandemic, make delivering excellent customer experiences a vital initiative for every B2B organisation.

B2B Market Trends Affecting Customer Experience

In order to deliver a superior customer experience, B2B organisations need to tailor their solutions according to changing customer needs. Here are some key B2B trends to consider.

Shift to Digital Self-Service and Remote Interactions

B2B markets have rapidly evolved in recent times. According to McKinsey[1], approximately 66% of B2B decision makers prefer remote human interactions or digital self-service when interacting with sales representatives from their company's suppliers. Speed and convenience are two important drivers of this trend. Moreover, digital self-service platforms offer B2B customers the ease of scheduling while enabling them to save on travel time and costs, as well as increased levels of safety which has become another consideration during the recent pandemic. On average, 75% of B2B decision makers report that the new digital sales model has been effective in reaching and serving customers, reports McKinsey[2]. Another benefit of the shift to digital is that data is more readily available from digital sources, allowing more insights to be drawn about customer behaviour, needs, and preferences.

In addition to the rising preference for self-service and remote interactions, buyers are also becoming comfortable with making large purchases and reordering through these channels.

70%
>$50K

27%
>$500K
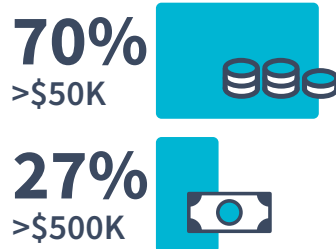
Based on McKinsey's survey[3], 70% of B2B buyers are **open to making purchases remotely or through a digital self-service solution** for transactions exceeding $50,000, while 27% are open to spending more than $500,000.

Following the shift to digital that resulted from COVID-19, video and live chat became the two predominant channels that B2B companies relied on to interact and close sales with their customers.

1   McKinsey, 'Omnichannel in B2B sales: The new normal in a year that has been anything but', March 2021
2   McKinsey, 'These eight charts show how COVID-19 has changed B2B sales forever', October 2020
3   McKinsey, 'These eight charts show how COVID-19 has changed B2B sales forever', October 2020

Changes to the B2B Buyer Demographic

One of the key reasons for the drastic shift in B2B strategies is the significant change to the B2B buyer demographic. Previously, the audience predominantly comprised baby boomers and Generation X, but there has been a recent rise in Generation Y (or millennials) involved in B2B purchasing decisions. While baby boomers often relied on sales brochures, data sheets, and product trials to learn more about a product, Generation X had access to business conferences, trade shows, and print ads.

Millennials stand on a different landscape. Forrester[4] reports that 73% of millennials are involved in B2B purchasing decisions at their companies. Born during the time of the internet revolution, millennials have grown up alongside technology and use a myriad of devices and channels to make purchases. As such, businesses have to realign their B2B strategies to accommodate for and meet the needs of millennials.

It is also important for B2B companies to understand the changing preferences relating to content consumption and the implications for their business strategies. This includes reevaluating the choice of marketing and sales channels accordingly to increase the relevance and impact for new B2B audiences while also increasing spend efficiency.

Rise of Omnichannel in B2B Sales

The transition to omnichannel interactions gained urgency during the COVID-19 pandemic but it has since remained the predominant path for B2B sales.

According to McKinsey[5], 80% of B2B leaders say that **omnichannel is equally or more effective than traditional methods** and this sentiment has continued to grow since the start of the pandemic, from 54% in April 2020 to 83% in February 2021.

80%

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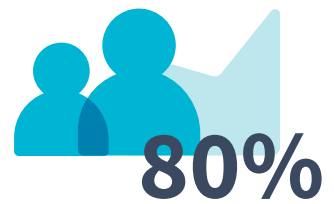
4   Forrester, 'Millennial B2B Buyers Come of Age', March 2017
5   McKinsey, 'Omnichannel in B2B sales: The new normal in a year that has been anything but', March 2021

Moreover, 83% of B2B leaders say that omnichannel selling is a more successful approach for tapping into and closing new business opportunities in comparison to traditional 'face-to-face only' sales approaches. This suggests that the new sales approach has surpassed past approaches in reaching and serving customers and is likely to stay for the long term.

Hybrid sales representatives, hybrid sales, and combined sales are a few terms that have become popular in marketing circles in recent times. A hybrid seller is one who interacts with customers via phone, video, chat, apps, and occasionally in-person.

McKinsey reports that 64% of B2B organisations are planning to increase the number of hybrid sellers and 85% expect this role to become the most common in their organisation's sales team over the next 3 years.

64%

85%

With omnichannel being established as the new B2B buying norm, increased investment in hybrid sellers will allow companies to successfully execute based on the new model.

Current State of B2B Customer Journeys

To better understand customer expectations and optimise customer experience, it is important for B2B organisations to map the entire customer journey accurately. This ultimately helps companies to identify any pain points and optimisation opportunities.

Traditionally, customer journeys were linear paths, meaning that companies could easily track and manage all customer interactions with their brand. However, this has become increasingly difficult with the increasing number of available channels as well as the shift to non-linear journeys for the majority of buyers.

Be it a linear or non-linear journey, it's crucial to consider all possible touchpoints in order to map out the customer journey accurately. By understanding customer behaviour, companies will be well equipped to improve customer experience and therefore customer satisfaction.

Strategies to Improve
B2B Customer Experience

1. Realigning B2B Strategies for
Non-Linear Customer Journeys

In order for companies to effectively manage complex non-linear customer journeys, their B2B strategies need to be realigned accordingly.

The first step in aligning B2B strategies to non-linear customer journeys is to clearly define target audiences based on their behaviour. Traditionally, marketing was based on demographics. However, in today's digital world that leverages artificial intelligence and machine learning, demographics are simply not enough to optimise the customer experience. Companies need to collect data related to customers' preferences, hobbies, online behaviours, navigation trends, and more to truly deliver an experience that stands out and meets their expectations. According to a Marketing Week survey[6], 'behaviour' emerged as the most effective segmentation method. As such, B2B companies should not stop at demographics but move a step further to leverage behavioural segmentation.

Once you identify your target audience, the next step is to understand the journeys they go through. This consists of identifying triggers, pain points, how they perform research, and what products they compare your product with. Running AI-based data analytics is the key here.

Generally, the customer journey can be broadly classified into 4 categories:

1. **Awareness and need recognition** - Identify an existing problem and recognise the need to find a solution.

2. **Research and evaluation of alternatives** - Research potential solutions and compare available options.

3. **Lead and sale process** - Decide between the alternatives and finalise the purchase decision.

4. **After-sale and satisfaction** - Receive or seek additional information / support after the purchase.

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6   Marketing Week, 'Why behaviour beats demographics when it comes to segmentation', April 2019

2. Leveraging Data to Deliver Better Customer Experiences

Today, many organisations generate high volumes of complex customer data from various disparate systems. However, very few businesses can translate this data into a good customer experience. Determining the relevant data to focus on and having the right technology in place are two crucial elements for businesses to leverage data effectively.

With several different types of customer data, it's crucial to consider the range of insights and business benefits specific to each type. Here are some of the common types of data.

Transaction History

With transaction history comprising invoice and payment details, as well as time of purchase, this data can help businesses to identify customers' purchasing patterns, budgets, frequency of purchase, trigger events, product affinities, and more. An example of leveraging transaction history data could be identifying trigger events to help deliver tailored offers at the right time to improve conversion rates. Similarly, analysing data related to high activity and total dollars spent helps you to categorise high-value customers and focus on retaining them.

Browsing History

Customer browsing history provides details about devices, browsers, navigational patterns, and pages viewed. By harnessing this data and using appropriate artificial intelligence and machine learning technologies, companies can gain insights into customer behaviour to make product recommendations that are personalised based on what has previously been viewed.

Customer Service Data

Customer service data can provide key insights into customers' pain points, changing requirements, and preferences. For instance, if customers contacted support more frequently or left the company after a product update, it could suggest that a company has misjudged the way customers use their product or improvements they find valuable. Analysing this data will help companies to reduce churn and tap into new opportunities. Data from 3rd parties can also add significant value to companies' segmentation methods.

By integrating and leveraging data from multiple sources, businesses are able to gain a single view of their customers and get a deep understanding of their preferences and needs. This will help them to nurture existing relationships, improve customer satisfaction, and build customer loyalty, while deriving impressive gains from insights.

3. Optimise Sales Process and Deliver After-Sale Satisfaction

Traditionally, price and product have been the key differentiators between brands. However, customer experience has dominated these factors in recent times in the B2B segment.

75%   Gartner[7] reports that 75% of organisations are able to show that customer satisfaction leads to revenue growth, specifically through its positive impact on customer retention and lifetime value.
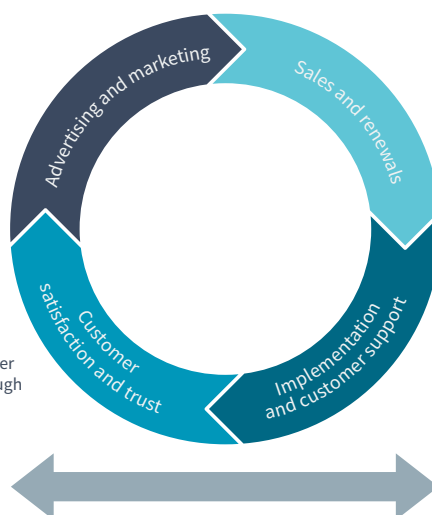
For the majority of B2B businesses, these are the common stages in the customer journey that need to be prioritised to deliver better experiences.

Attract and Present
The initial application of AI in advertising, marketing, and engagement processes at the interaction point between company and customer allows companies to better understand the customer and tailor unique and personalised digital experiences for them.

Sell and Renew
Employing AI to interact with a customer to provide the customer with additional information in digital formats, and support and assist employees as they interact with customers.

Build Loyalty
Application of AI to better understand and support the relationship between the customer and the company, primarily through the understanding and analysis of data associated with the relationship.

Service and Expand
Use of AI to directly and indirectly support the customer and the company, to obtain the highest value from the transaction or to address any issues or problems that may arise.

Advertising and marketing

Sales and renewals

Customer satisfaction and trust

Implementation and customer support

Customer Intelligence
Focuses on the characteristics of the customer and the ecosystem and by applying AI to analyse the data collected around the consumer and better understand the needs and wants of customers.

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7   Gartner, '3 Key Findings From the 2019 Gartner Customer Experience Management Survey', January 2020
8   IDC InfoBrief, sponsored by Liferay, 'Why Customer Centricity is Essential to Manufacturers', #EUR149010222, June 2021

Most businesses focus heavily on the earlier stages of the customer journey. They successfully attract customers, engage them, and convert leads into sales. However, the importance of building loyalty and retention are often overlooked or deprioritised. Delivering after-sale satisfaction is key to retaining customers and it is often more feasible to retain customers than try to gain new ones. According to Invesp[9], it costs 5x more for a business to acquire a new customer than to retain an existing one. Further to this, the probability of selling a product to a new prospect is 5%-20%, compared to 60%-70% for an existing customer. It's therefore crucial to prioritise delivering a seamless customer experience across all stages of the customer journey and ensuring after-sale satisfaction is not neglected.

Attracting Customers

According to a Bloomreach report[10], 52% of buyers are unlikely to purchase from the same company if they have a bad experience. Personalisation is one way that helps organisations improve customer experience. In order to stand out among competitors, it's crucial to present customised product suggestions, offer customised pricing, and guide them throughout the purchasing experience.

Selling to Customers and Servicing Them

B2C customers are mostly individuals compared to B2B customers that have a purchasing team behind them. As there are multiple people involved as part of the evaluation, it is important to deliver personalised experiences based on their browsing history and preferences. Creating microsites tailored for each buyer persona is recommended. To achieve this, you'll need a powerful and flexible content management system that can be easily updated and customised by the marketing team.

Building Loyalty

After a successful conversion, delivering post-sale customer service is crucial. Being ready to answer all queries 24/7, providing the right documentation for all product-related issues, making it easy to find the required information, and allowing customers to post and track queries are recommended. Allowing them to log in to the website and access customer-related information will be beneficial and self-service portals rightly serve this purpose.

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9   Invesp, 'Customer Acquisition vs Retention Costs - Statistics and Trends'
10   Bloomreach, 'The State of Commerce Experience 2021'

4. Use a Modern B2B Commerce Solution

A modern B2B commerce platform offers all the required solutions to manage the complexity of customers' non-linear journeys while prioritising customer experience. It combines digital experience and commerce solutions to deliver a centralised and robust B2B solution, allowing the product, sales, marketing, and IT teams to work together to deliver a seamless customer experience. Right from sales and marketing to inventory management, payments, and after-sale support, the platform allows you to manage B2B complexity at any scale.

Self-Service - Empower Customers

Many modern B2B commerce platforms offer self-service functionality to expedite the entire process and improve efficiency. Customers gain the luxury of accessing product information, how-to guides and videos, and tracking information at times that suit them. The expectations of B2B decision makers have continued to increase due to their seamless self-service experiences in the B2C world. Delivering the same experience in the B2B segment has now become an expectation.

Integration - Unify Disparate Systems

In addition, one of the biggest challenges with B2B solutions is the presence of disparate systems that don't talk to each other. Inadequate integration with backend systems is another concern for businesses which often leads to legacy systems becoming one of the biggest barriers to digital transformation. A modern B2B platform solves all these challenges by bringing systems and data into one place. Legacy systems can be brought together into a single, unified platform, bridging the gap between old and new systems. By connecting disparate and disconnected systems, breaking silos, and shortening processes, a modern B2B platform converts complex business processes into easy and convenient journeys for the audience. Moreover, many modern B2B platforms are cloud-ready. Be it a legacy application, backend database, or a mobile app, you can unify all services and deliver a consistent user experience across the ecosystem.
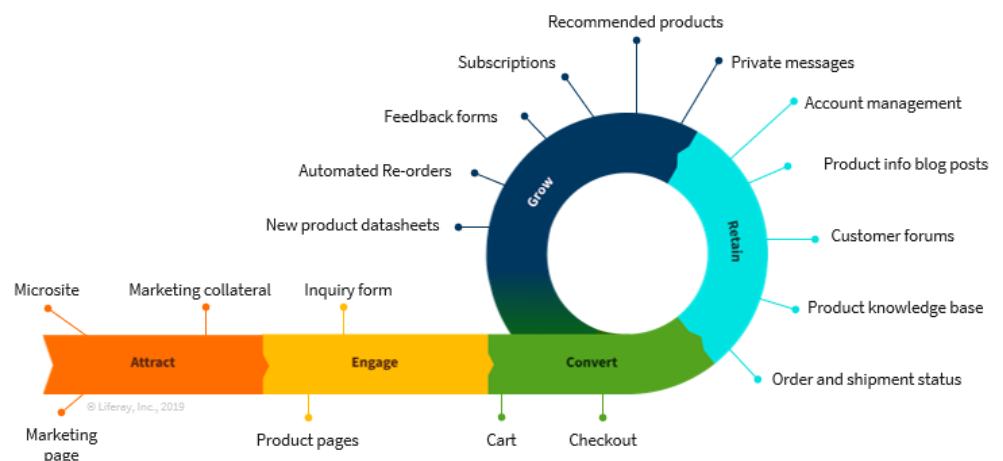
Reporting and Analytics -
Optimise Omnichannel Experiences

A modern B2B commerce platform can efficiently map the non-linear customer journey cohesively, considering navigation trends and behavioural patterns across all touchpoints and channels to deliver a customised and personal customer experience. This allows companies to set goals and define their target audience, as well as identify various touchpoints to create a visual map. This can help companies to analyse the path and optimise it for a better user experience. The right B2B commerce platform helps to efficiently manage customers throughout each stage of the journey.

Artificial Intelligence and Machine Learning -
Improve Customer Satisfaction and Loyalty

A good B2B commerce platform enables you to leverage the latest technologies such as cloud computing, artificial intelligence, machine learning, and data analytics to deliver world-class business solutions to your customers. This can significantly improve process efficiencies and increase revenue, while also enhancing customer satisfaction. They enable businesses to scale resources and customise processes at ease. Artificial intelligence and machine learning technologies enable organisations to harness huge volumes of data and translate it into business insights. Customer segmentation and lifetime value prediction can be more easily achieved with machine learning algorithms, enabling companies to design personalised marketing offerings and incentives. Using predictive and prescriptive analytics, customer churn can be prevented while also converting trial subscriptions to paid ones. Most importantly, business infrastructures become future-proof.

Conclusion

As businesses embark on a journey of digital transformation, customer experience becomes a focal point of business processes. Today, B2B customers have a strong preference for remote interactions, specifically through self-service portals and other digital options, heightened by the proliferation of smartphones and work-from-home environments that resulted from the pandemic.

It's crucial for B2B sellers to provide experiences that exceed customer expectations set by their B2C experiences, especially given that B2B customers are willing to pay more when a superior customer experience is delivered. Businesses that are proactively monitoring B2B trends have quickly identified the increasing importance of customer experience and began investing heavily in this area. The key here is choosing the right B2B commerce platform that can help businesses to increase sales, retain customers, tap into new markets, and stay ahead of the competition. Ignoring this crucial aspect will result in being left behind compared to competitors.

To stay competitive, companies also need to move beyond thinking about digital commerce in a silo and address it in the context of the full customer journey. Download this e-book, 'Transform B2B Commerce With a Digital Experience Platform' to transform the way you approach and deliver a superior customer experience.

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