

Developing a Digital Customer Strategy for B2B

Checklist and Step-by-Step Guide for Manufacturers

Your Path to a Comprehensive Digital Strategy

Digital transformation is affecting B2B manufacturers at an ever-increasing pace. Whereas digital disruption processes had initially put their mark on other industries such as B2C businesses or the media, manufacturing is now also undergoing a profound digital transformation. These transformation processes impact three areas in particular:

- **Changing customer behavior:** When it comes to digital omnichannel experiences the expectations of B2B Customers are becoming more and more similar to what B2C customers now take for granted. But B2B business remains complex and manufacturers have to find digital ways to simplify or hide that complexity.
- **Evolving technologies:** The Internet of Things (IoT) is changing the way products are manufactured with digital support. The IoT is also prompting new business models based on “digital” products – and the emergence of new players.
- **Changing competition:** Increasing global competition around technology is creating the need to be more efficient. All lines of business feel the need to become more “lean” and “agile” — from development through administration to sales. In order to be “lean” and “agile” employees must be able to easily access shared data and processes. At the same time, top performers across the globe are increasingly expecting a professional “employee experience”. Not meeting these expectations carries the risk of high employee turnover.

Digitization is happening now — and it’s happening fast. But the key to success for any B2B manufacturer’s digital transformation project is developing a viable and robust digital roadmap that outlines the strategy.

Several research projects by B2B manufacturers confirm this: An inadequate digital strategy is often cited as the main obstacle to successful digital projects.

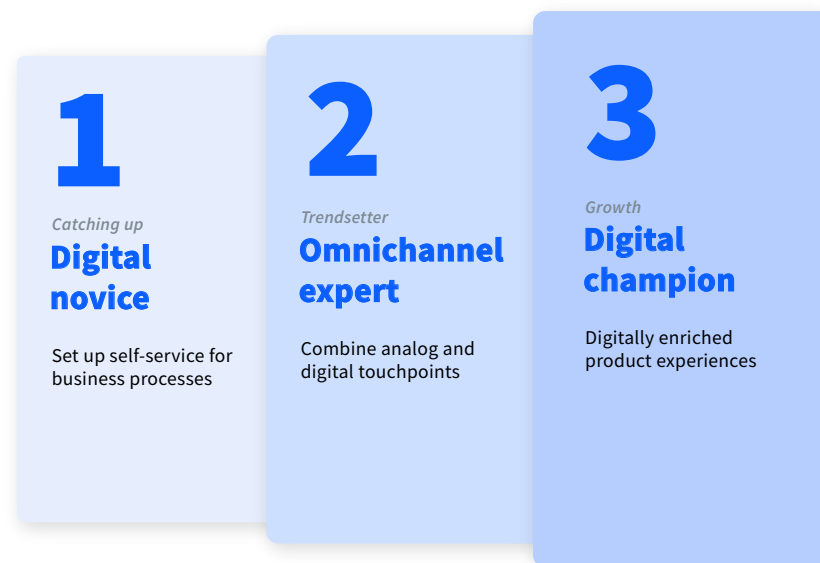
And while the business models of B2B manufacturers are often fairly complex, developing a digital strategy is entirely achievable. In this whitepaper, we’ll provide you with a step-by-step guide and a checklist that will help you form your digital strategy.

The good news: A digital strategy is the result of intensive teamwork and sound preparation. That’s why our approach involves project managers, team leaders and department heads as well. So even if you’re not part of senior management, you can still play a vital role in setting the course for your company’s digital success: by facilitating and leading the development of a strategy and then having it approved by the board or management.

A Digital Strategy in Three Steps

It's easy to get bogged down when developing a digital strategy. That's why our three-step guide will assist you in becoming a “digital” B2B company.

These steps represent specific maturity stages of B2B companies. While they may serve as a roadmap that you can work through in sequence, it is important to understand that each of the steps represents a significant maturity stage of a digital experience. And each experience stage needs to be reinforced with concrete objectives, KPIs, frameworks and customer journeys. In total, the three stages will add up to a comprehensive digital strategy.



Step 1: Create Digital Self-Service Experiences as a Foundation for Your Digital Ecosystem

The first step is all about focussing on your customers and offering them digital self-service experiences. The underlying trend here is self-evident: Both B2C and B2B customers have completely changed their expectations as buyers. They expect immediate availability of relevant business information, at the push of a button.

This means that if you want to provide successful digital experiences, you have to meet — or even exceed — your customers' basic expectations.

Therefore, it's very important to reach this stage as quickly as possible. It has been, mind you, the standard in the market for years.

RELEVANT EXPERIENCES FOR THIS STAGE ARE:

- **Searching for solutions with the help of self-service content:** Help customers, employees, and prospects find a solution to their technological challenges with digital content. Provide relevant content like white papers, FAQs or related support documents along the entire customer journey on your website via self-service. Try to align your content creation with consistent standards and use digital asset management.

Relevant players in the organization: marketing, technical documentation, product management, sales, support, IT.

- **Simplified order processes for customers, employees or partners:** Particularly in B2B, with its high number of configuration and automation options, the efficient processing of placed orders is essential. The means of choice here are online configurators, eCommerce and order fulfillment solutions as well as spare parts stores. In addition, consider the connection to B2B portal catalogs and to your channel (distributors/partners).

Relevant players in the organization: sales, product management, accounting/administration, IT, production/operations, marketing.

- **Searching for information with the help of self-service:** Introduce personalization by making relevant after-sales documents available to customers, employees and partners — for example overviews of previous orders or individual contracts. This appreciably simplifies the search for information, both for internal and external users.

Relevant players in the organization: knowledge management/sales, IT, marketing, product management, accounting/administration.

Speed is an important factor in this phase. It's recommended to form agile teams that are able to act quickly and autonomously and to build new digital structures step by step. Once you've completed this stage, you're in a position to initiate larger steps towards a more comprehensive digitization. Or put differently: If you do not complete this stage, you run the risk of being squeezed out of the market.

Step 2: Use Intelligent Omnichannel Features To Roll Out Digital Processes Across the Entire Organization

During the first step, you've created a digital ecosystem with basic self-service features in order to catch up with your competition. The second step takes a more holistic approach on digitization. Instead of relying only on selected channels, the aim now is to roll out digital self-service offerings across all channels and touchpoints — in other words: a full-fledged omnichannel approach.

Quite often the challenge here lies not so much in implementing omnichannel solutions for the customer, but rather in harmonizing a company's internal processes to form one “unified user experience”.

Consequently, the importance of having completed step one cannot be overstated. Because by making the leap to omnichannel on a company level, you'll be able to really profit from the growth opportunities and the edge in efficiency that going digital afford you. Therefore, step two is where the digital transformation of the entire organization actually begins.

RELEVANT EXPERIENCES FOR THIS STAGE ARE:

- A unified search for solutions: If customers are looking for a solution to their problem, it's crucial that a company provides the same answers, content and message at every touchpoint: at dealerships, service centers, through sales and service reps or repair techs, at events, on external websites or in sales documents (sales enablement). Content should be optimized for any situation and platform. In addition, marketing automation tools enable a more comprehensive use of personalization.

Relevant players in the organization: marketing, technical documentation, product management, sales, support, IT.

- Omnichannel sales: All sales processes should be connected. “Pure” eCommerce or face-to-face selling are (almost) obsolete. For example, customers should be able to “transfer” their online buying process to a human sales rep at any time. All data, regardless of the touchpoint, should be provided from a central source.

Relevant players in the organization: sales, product management, accounting/administration, IT, production/operations, marketing.

- Customized product overviews, support and service: Your company's self-service offerings should be supplemented by data on products as well as important information on service and support. It might even be possible to control these products remotely or to retrieve data from them. Service and support features can also be accessed online.

Relevant players in the organization: support, services, sales, product management.

Attention to detail and inclusion are crucial during this step since you're dealing with internal processes here. Hence, the digital strategy needs to determine unified processes. Apply concepts like Kaizen to raise your internal processes to a consistent and standardized level to make an omnichannel approach possible. But keep in mind: Omnichannel is not only about maintaining the context of the relationship to the customer, regardless of the touchpoint. It also means adding more data to every touchpoint and, in turn, providing better value.

Step 3: Create Innovative B2B Experiences and Become a Digital Company

Once you have built your digital ecosystem and unified your processes, you'll be in a position to develop additional digital experiences in a quick and agile manner. In this phase you can, and must, take on a visionary mindset. Because you, your employees and your customers are now ready for growth!

Your digital processes will also continue to get smarter, fueled by the power of artificial intelligence, the Internet of Things, and improved data quality from your own processes.

RELEVANT EXPERIENCES FOR THIS STAGE ARE:

- Recommendations for intelligent solutions: By merging solution requests, configurations, personal interactions and automated tools, you make it possible for your digital services to offer potential customers informed recommendations. For customers, such an experience represents a merging and an automation of the solution search and sales processes.
Relevant players in the organization: marketing, sales, product management, administration.
- A unified and digitally enriched product experience: Thanks to the growing connectivity provided by IoT systems, customers will increasingly connect to B2B products through an online interface, resulting in new usage scenarios

and business models. In addition, maintenance and service orders will frequently be initiated and processed automatically.

Relevant players in the organization: product management, R&D, sales, marketing, administration.

- An integrated service and support experience: Service and support can be handled remotely in most cases, often without the user even noticing. It's this global trend of unifying experiences that increasingly drives the digitally driven business models of manufacturers towards offering even more services.

Relevant players in the organization: service/support, R&D, product management, sales, marketing.

Absolute customer-centricity is the leitmotif for this phase. Your company will now be in a position to create new scenarios for digital applications and solutions. It's also in this phase when your development team's role in harmonizing the customer experience becomes increasingly critical. By working in agile matrix teams you pave the way for innovative user experiences.

| EXPERIENCE | STAGE 1 | STAGE 2 | STAGE 3 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| | Digital novice | Omnichannel expert | Digital superstar |
| Solution search | Content on the website (self-service) Digital asset management Product data information | Harmonized content and context at all touchpoints Analog/digital solution configuration Marketing automation | Intelligent, AI-assisted product recommendations AI-controlled customer journeys |
| Purchase | Online configurators eCommerce Digital order processes | Standardized commercial processes One commercial database | Simplified commercial processes Digitally enriched purchase procedure (virtual demos) |
| After-sales | Search for information via self-services Document databases FAQ sections Online support libraries Online training | Customized product overviews Booking services and support Remote diagnosis of services | Automated maintenance procedures Remote service and support Training on demand |
| Enriched product experiences | Product inventory | Access to product data | Managing products via the website New subscription models New product use scenarios |
| Aim | Establish a digital ecosystem | Standardized customer experience, efficiency | Digital leadership |
| Focus | Digital speed | Process standardization | Growth |
| Perspective | Retrospective | Present | Future |

Checklist: Your Path to a Digital B2B Customer Strategy

The checklist on the next page will demonstrate how B2B manufacturers can develop a digital customer strategy based on the three-step guide provide above:

Your Digital Strategy Checklist

Discovery

Identify and describe critical experiences for colleagues, customers and partners in relevant customer journey stages, like for example:

- Solution search
- Order process
- Product usage/service support
- Digitally enriched product experiences

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Identify experiences that can be enriched with internal and external data and the value they provide for customers, partners or employees

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Experiences should be described independently of the technology used. Whether you already have an ecommerce system or not, the experience should be described as "customer configures her product", not "customer configures her product through our online store".

Document and process map each critical experience:

- For each experience, mark whether it is currently "analog", "digital" or "omnichannel"

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Map each experience to a technology in order to enable it

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Define KPIs for each experience in order to measure success

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Assessment

Evaluate for each experience where it is positioned in the three-step model:

- Does an omnichannel delivery of the experience mean catching up (step 1), capitalizing on a trend (step 2), or a visionary growth development (step 3)?

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Assess the organization's current digital maturity level:

- Step 1 = Digital self-service features implemented
- Step 2 = Omnichannel approach implemented
- Step 3 = Visionary B2B features implemented

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Action

Create a step-by-step plan for expanding your digital strategy and existing infrastructure:

- Work your way through the stages
- Prioritize areas where catching up is an urgent need
- Regularly update each stage

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What You Should Keep in Mind When Developing Your Strategy

During the process of devising your digital strategy you should take a close look at the following five aspects:

1. **Focus on customer satisfaction:** Every digital strategy for manufacturing must concentrate on increasing customer satisfaction, not least because of how dramatically commercial environments are changing around the globe and how fast and aggressively new competitors enter the market. In addition, increasing customer satisfaction usually forces manufacturers with a strong technology focus to change their culture (from features to solutions).
2. **Comprehensive and agile:** Given the tremendous speed with which digital technologies are developed, a digital strategy can never remain static. It always needs to contain agile, changeable and modular elements. Make sure you implement an agile culture when developing strategies in your company. It will enable you to react quickly to change.
3. **Digital strategies are based on experiences:** Digital change is comprehensive. It doesn't just affect one department in your company (e. g. marketing or sales), but nearly every area. Digital transformation is not purely technology-related, either (e. g. to one product or marketing channel). Every digital strategy is positioned at the intersection of technology, organization and people (customers, employees, partners, etc.). It's this intersection that creates experiences and these experiences have to form the core of your strategy. Considering the huge variety of experiences, it's essential to merge them into one uniform user experience.
4. **Digital strategies have a time component:** We love to develop grand and visionary strategies and that's a good thing – because a strategy should always be devised in terms of opportunities. However, since digital transformation has been an ongoing process, organizations may already have some catching up to do in some areas. This needs to be taken into account, because those digital experiences that customers already take for granted should simply be implemented with a "just do it" attitude.
5. **Comprehensive and long-term:** B2B manufacturers usually face long sales cycles as well as replacement cycles that last several years. Products are used for years, sometimes even decades. This means a digital strategy must take the long-term perspective of B2B manufacturing into account – throughout the entire customer life cycle, as well as over long usage cycles.

Particularly the last aspect is currently a major challenge for many companies. After all, digital transformation is happening at such an enormous speed that organizations with antiquated systems and processes (and an underdeveloped digital mindset) find it almost impossible to catch up – let alone pave a way into the digital future. This is why our three-step model described above is aimed at helping B2B manufacturers to gradually and systematically exploit the opportunities offered by digitization.

Specific Complexities of B2B Manufacturers

The fact that digital transformation is so challenging for manufacturers is primarily due to the specific complexities of the B2B business. Business models that have been developed over decades are based on unique interactions between a wide range of partners and departments, users and technological advancements, and, in some cases, on sophisticated certifications. Digitizing these ecosystems and enabling some sort of digital evolution is a far greater challenge than simply launching an online store.

Customer satisfaction throughout the entire life cycle is a key success factor for a B2B manufacturer. Consequently, a digital strategy must always be set up as a team effort. It won't be enough to develop a marketing strategy, a sales strategy and a service strategy for your digital business. In the worst case, they might even conflict with each other. This is why you need to consider all experiences within the company. The easiest way to do this is by regularly discussing and then improving experiences with different departments.

A Digital Experience Platform: Many Experiences – One User Experience

As explained above, customer journeys in B2B manufacturing are characterized by a large number of experiences, which normally draw on a large number of data sources and software components.

To be successful, these experiences need to be consistent, and they need to be presented in one single source of truth – your website! This is exactly where a digital experience platform (DXP) can be invaluable for an organization. DXPs connect disparate data sources into one user experience – for example, a web portal or mobile app.

When you align your digital strategy with digital experiences, a DXP forms the heart of your digital strategy. Therefore, when deciding on a DXP, you should look for the following:

- **Connectivity:** Is the DXP able to unify the growing number of disparate data sources for experiences (e.g. ERP, CRM, configurators, marketing automation systems, etc.) into one user experience? Does open source code give your company the freedom to design individual experiences?
- **Future-proofing & scalability:** Digital strategies are designed for growth. With this in mind, your DXP should be able to support and scale growing demands. Think big, start small — that's how flexible it should be.
- **Suitable for B2B business models:** As a B2B manufacturer, you should avoid a vendor lock-in for large-scale software solutions. You should also spend less of your budgets on licensing costs and more on developments for your customized product. Start looking for open-source systems that support this approach.

These are just a few of the reasons why Liferay DXP has become one of the leading and most popular DXPs for B2B manufacturers worldwide. Liferay DXP is open-source and the only system of its kind to have consistently ranked at the top of the Gartner Magic Quadrant for DXPs for 11 years.

To grow in today's tough market, manufacturers have to deliver effortless digital experiences that customers and business partners can't walk away from. Liferay supports them by working within an organization's existing business processes and by enabling them to create seamless user experiences that uniquely meet their needs.



Liferay develops software to enable businesses of all sizes to design an end-to-end digital experience for the web, mobile devices and the Internet of Things. Liferay's open-source platform offers innovative, future-proof, flexible and secure features for implementing a digital business strategy, including the intranet, extranet and a web presence. This software has already been used more than 5 million times worldwide. Clients include small businesses, midsize companies, and large enterprises in financial services, healthcare, government, insurance, retail, manufacturing, and many other industries. With 24 offices and an international partner network, Liferay has a presence on every continent. More than 190,000 registered members of the Liferay community follow its development. You can find out more at liferay.com.

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