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Generational Shifts Fundamentally Change B2B Buyer and Seller Dynamics

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Executive Summary

Modern-day buyers reside in a “work from anywhere” world and have access to a myriad of technology solutions that minimize distance and maximize efficiency. Millennials are the predominant decision makers, Gen Xers have larger budgets, and the influence of Boomers is waning. B2B buying has evolved from an in-person, direct experience, to a digital, complex buying process with multiple stakeholders.

Buyers today typically interact with a supplier’s digital channels before accepting a sales meeting. As a result it is more important than ever for marketing and sales strategies to be aligned and to operate from a unified customer data set.

Sales leaders are proactively upskilling their reps in data analytics, and encouraging tech adoption, but what else do buyers want? Outreach commissioned Forrester to explore buyer preferences and understand what the “ideal buyer journey” looks like in 2022. Our results found that buyers value a consultative, collaborative, and efficient sales process.

Rapid technological advances, demographic shifts, and new workforce dynamics have upended the status quo.



Key Findings

The shift to digital has created a new buyer journey. Digitally savvy buyers have different engagement preferences. They now expect more frequent touchpoints and bring more stakeholders to the evaluation. Unsurprisingly, this has increased the amount of time it takes to make a decision, as 75% of respondents agreed the average buying cycle has increased in time over the last 24 months.

Millennials are the predominant decision-makers. While Gen Xers have larger budgets, millennials now dominate B2B purchase decisions. More so than their Gen X counterparts, millennials want tech-savvy, values-based experiences, and they want to interact with a sales team that reflects the world around them.

Buyers leave treasure troves of data on digital channels. Before accepting meetings with sellers, buyers go to supplier websites, visit peer review sites, and attend supplier-hosted webinars. Through these interactions, they leave data trails that marketing and sales must leverage to provide the personalized engagement today's buyers require.

Buyers value confident, consultative, and efficient sellers. Buyers conduct their research and, in return, they want their sales reps to engage efficiently and effectively. Buyers expect reps to answer questions in the moment, lead with data, and guide them through the buying process. Eighty percent of respondents said they are more likely to purchase a product/service if the sales experience is consultative.

The New Buyer Journey: Digital-First And Complex

Today's buying process is more complex than ever. More stakeholders influence the decision, more digital interactions occur across the buying journey, and cycle times are longer. When evaluating the new buying cycle we found:

- **Sellers must manage more buyer stakeholders.**

The days of single-threaded sales interactions are behind us as more business functions are now involved in the buying process. Over the last 24 months, 76% of respondents indicated that it's more likely that their CFO or financial team will get involved in provider evaluations, and 74% said that procurement is playing a more active role in the decision-making process (see Figure 1). Respondents said their average buying committee is composed of senior management (72%), influencers (56%), budget holders (55%), and users (50%).

- **Buyers expect to interact with sellers' networks.** As buyers bring more colleagues to the evaluation process, they expect sellers to do the same. Before making a purchase, roughly three out of four buyers expected to meet with a supplier's senior executives and/or wanted to speak with the suppliers' active customers.

- **Buyers prefer frequent digital touchpoints.** The previously essential, in-person meeting is losing its luster as buyers prefer to interact with sellers on a virtual meeting platform or over the phone. As digital interactions become more popular, buyers want more frequent engagement — 56% of buyer respondents said they communicate with a salesperson five or more times before making a purchase.

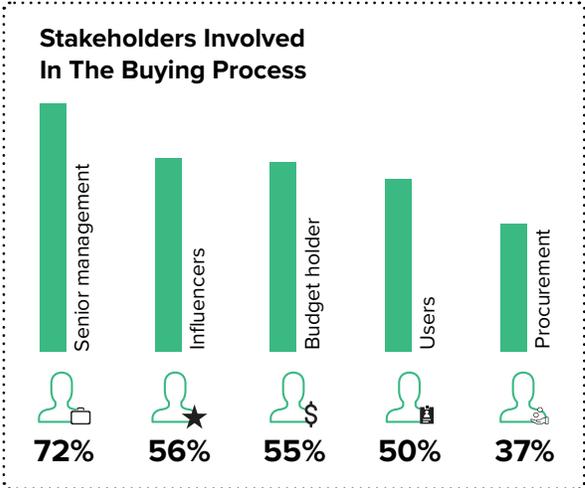
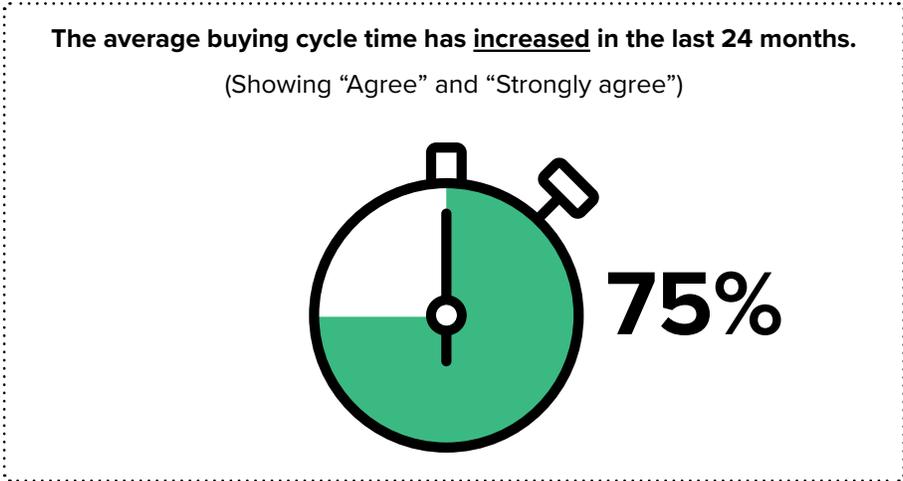
- **The average buying cycle has increased in duration.** With more people involved in buying and selling, and more touch points required to close a deal, today's sales process is more complex and takes longer than it used to. Seventy-five percent of respondents said their average buying cycle has increased in duration over the last 24 months.



The average buying cycle has increased in duration over the last 24 months.

Figure 1

Complexity And Time Increases In B2B Purchase Decisions



Base: 212 B2B directors+ that influence purchasing decisions across North America and the UK in various industries
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, April 2022

GENERATIONAL SHIFTS LEAD TO A NEW BUYING ERA

The business world understands generational shifts. One generation leaves its impact on the market as another generation brings in new practices and disrupts the status quo. We have reached those crossroads in B2B sales as millennials take on leadership roles. Sellers must be aware that millennials have different preferences than their Gen X counterparts. However, don't dismiss Gen Xers too quickly — while millennials are taking on more leadership, Gen Xers still have bigger budgets. Forrester found:

- **Millennials crave tech-savvy, consultative experiences.** Millennial respondents prefer a tech-savvy experience, where the salesperson is comfortable navigating technology and can deliver a seamless experience in a remote meeting. Additionally, millennials place a higher value on sellers with problem-solving skills than their Gen X counterparts. Gen Xers prefer an informational experience, where they can learn about products on their own using their favorite channels.
- **Millennials prefer sales interactions in the Explore phase.** Both millennials and Gen Xers agreed that they don't want salespeople involved in what Forrester calls the Discover phase.¹ However, millennials are more open to engagement with sellers in the Explore phase; 40% of millennials said they would prefer to interact with a salesperson in this phase, compared to 27% of Gen Xers. The groups regained consensus in the Buy stage, as roughly 30% of both groups indicated it's the ideal spot for the first sales interaction.
- **Millennials care about diversity.** Millennials are known to bring their values into the workplace and sales leaders need to be aware of that. Eighty-five percent of millennial respondents said supplier sales teams should be diverse and reflect the world around them. In comparison, only 65% of their Gen X counterparts agreed.
- **Gen Xers control big budgets.** Although millennials play a bigger role in influencing purchasing decisions, Gen Xers are more likely to have larger budgets. One-quarter of Gen X respondents said they have signing authority for \$1 million or more, while only 11% of millennials said the same.

Today's Buyers Are Self-Directed And Intentional

Today's buyers don't want their sales reps involved in every stage of the buyer journey; instead, they want to explore on their own across various channels and within different formats (see Figure 2). Once a sales rep is involved, buyers prefer on-the-spot answers and are less interested in follow-up calls or meetings that lengthen the cycle. In simpler terms, a good and accurate in-the-moment answer is better than a perfect answer delivered later. Forrester's research found:

- **Buyers don't want to engage with sales immediately.** In their optimal buying experience, respondents would not engage with a sales rep until the Explore (33%) or Buy phases (30%). Buyers prefer self-guided research in the Discover phase of the buying cycle, as opposed to interacting directly with a seller. However, 69% of respondents indicated that, in their ideal buying experience, a seller would reach out to them to schedule meetings. This highlights the importance of proactive seller engagement to remain top of mind so they are there when buyers are ready.
- **Buyers conduct their own research before accepting a sales meeting.** Buyer respondents typically visit the supplier's website, attend a webinar, conduct research, and go to peer review sites before accepting a sales meeting (see Figure 3). The data buyers leave behind in these digital interactions should be collected, analyzed, and turned into actionable insights. Revenue organizations should leverage these insights to deliver personalized buyer experiences and anticipate future needs.

Figure 2

DISCOVER

Encounter products, brands, or services that will meet a fundamental need for comfort, connection, variety, or uniqueness.

EXPLORE

Spend time investigating the options available that will meet your needs. In the Explore phase, you compare prices, research locations, assess services, and make other value considerations.

BUY

The Buy phase includes the span of effort to complete a transaction, from product availability to transaction.

USE

In this phase, you begin to use the product and form your initial impressions of the product or service.

ASK

After making a purchase, you seek specific assistance, guidance, or service for a new product.

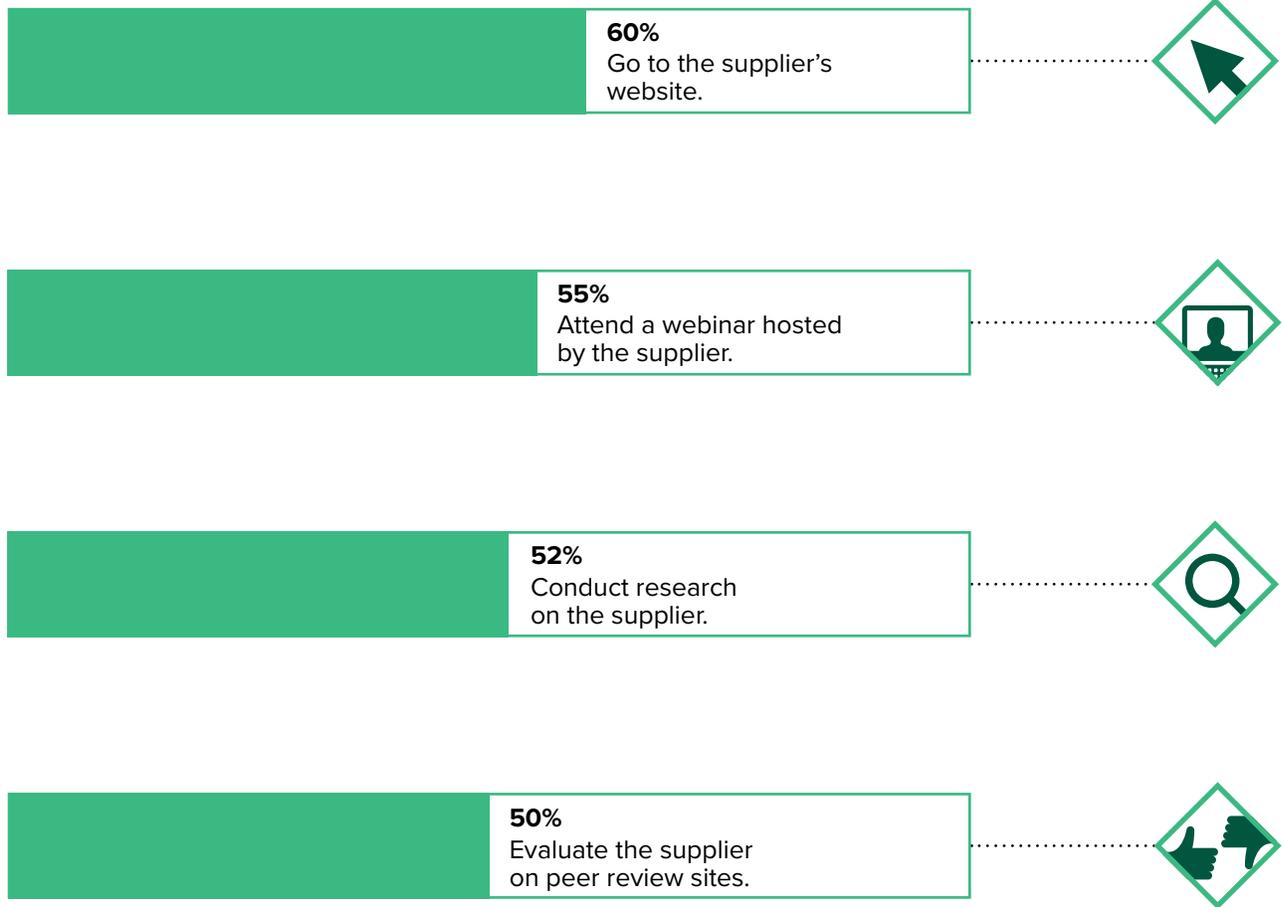
ENGAGE

Postpurchase, buyers look to engage with brands in many ways for non-service.

Source: "The Customer Life Cycle: A Blueprint For Customer-Obsessed Enterprises," Forrester Research, Inc., January 27, 2016.

Figure 3

Before accepting an in-person or remote sales meeting, I would ...



Base: 212 B2B directors+ that influence purchasing decisions across North America and the UK in various industries

Note: Showing top 4

Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, April 2022

- **Sellers must make the most of every buyer interaction.** After conducting their own research, buyers come to the sales discussion informed. In return, they expect sales teams to do the same (see Figure 4). Most respondents expect their sales rep to answer complex questions in the moment because it shortens the sales cycle (62%) and increases confidence in the seller and supplier organization (53%). In contrast, only 13% of buyers prefer to do another call or meeting with an expert.

Buyers leave data behind in digital interactions. Collect it, analyze it, and turn it into insights.

Figure 4

When Buyers Think Sales Should Get Involved



“You indicated that you don’t want to speak to a salesperson before the Buy or Explore stages, why not?”

I would be able to garner all the information I need, and not have to be shown anything that may dissuade me or lure me.

I wish to identify the best available products before buying the product myself.

Sales’ role will come later once I am able to pick the product I am going to buy.



“You indicated that you first prefer to speak with a salesperson in the Buy/Explore phase. What is valuable about a salesperson at this phase?”

I'm positive that the information I will have had by then will enable me to interact deeply and ask all questions in relation to the product.

A salesman would quickly help me regarding with the availability of products.

Using a salesperson will simplify the purchasing process.

Base: 212 B2B directors+ that influence purchasing decisions across North America and the UK in various industries
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, April 2022

Buyers Value Confidence, Collaboration, And Efficiency In Sellers

Buyers come to their first sales interaction with more knowledge than ever, and have typically made some initial decisions. As a result, they expect the sales process to move quickly. Today's buyers value confident, collaborative, and data-savvy sales reps. Forrester's research found:

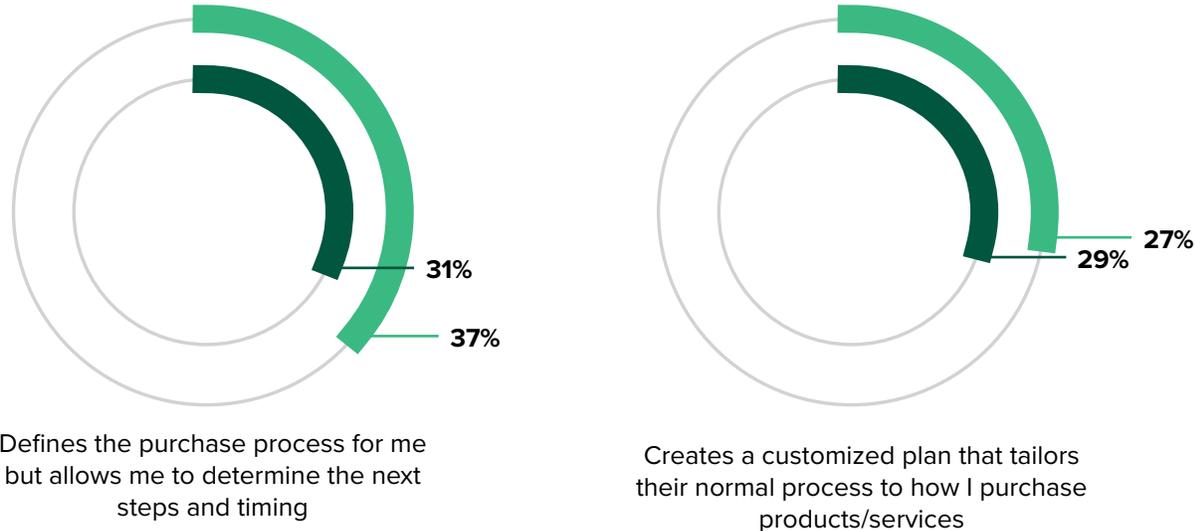
- **Buyers expect sellers to collaborate with them.** Thirty-six percent of millennial buyers said they prefer a rep who defines the purchase process, but allows them to determine the next steps and timing, while 29% of Gen Xers said they prefer a rep who tailors the normal process to how they typically make purchase decisions (see Figure 5). Regardless of generational nuances, our research shows that buyers value an efficient and collaborative sales process.
- **Buyers expect sellers to be confident and consultative.** Buyers are more likely to purchase a product/service if the sales interaction is consultative. More than half of the respondents ranked “engages with confidence” as a first or second trait they value most in sellers. Sellers that can answer in-depth questions about their product or service, effectively manage the increasing number of buyer and seller stakeholders, and guide their buyer to the right solution quickly are more likely to win the business.
- **Buyers expect data- and technology-savvy sellers.** Seventy-eight percent of respondents were more likely to purchase a product/service if the salesperson took a data-driven approach. Additionally, 46% of respondents in this survey indicated a tech-savvy experience is more valuable than it was 24 months ago. Sales leaders must upskill their reps and provide them with the right tools to ensure they can deliver best-in-class buyer experiences.



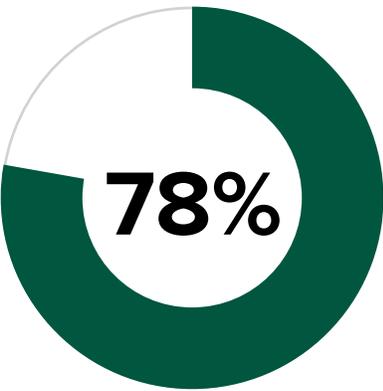
Figure 5

“In your ideal buying experience, how does the salesperson navigate the purchase process?”

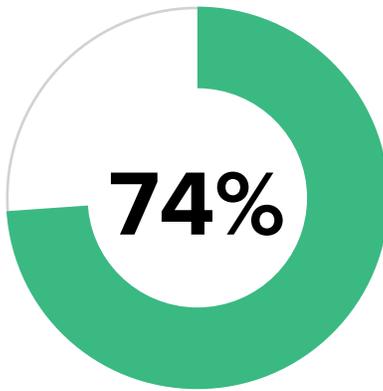
● Millennials ● Gen X



I am more likely to purchase a product/service if...
(Showing “Agree” and “Strongly agree”)



The sales experience is consultative.



The salesperson takes a data/insight-driven approach.

Base: 212 B2B directors+ that influence purchasing decisions across North America and the UK in various industries
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, April 2022

Key Recommendations

The way today's buyers prefer to interact with sellers and a supplier's assets is very different from previous generations. As a result, sales and marketing leaders must align their strategies to match current preferences. They must ensure their sellers have the tools and skills to meet new buyer demands and manage increasingly complex deal cycles. To set their organizations up for success, revenue leaders should:

Connect digital marketing and sales strategies.

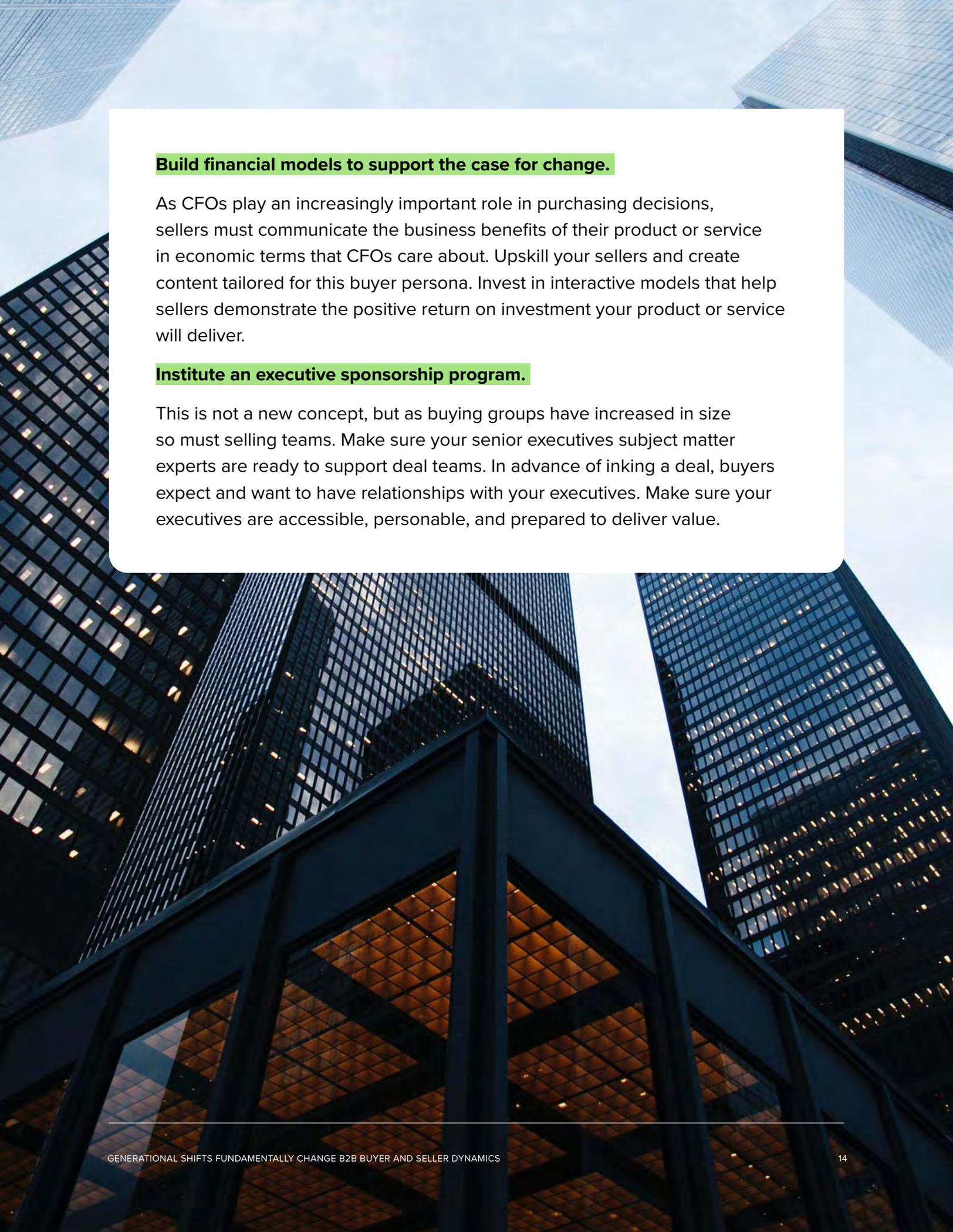
Buyers educate themselves before interacting with sellers by engaging digitally across a range of channels and formats. As a result, it's more important than ever that marketing and sales are in sync. Marketing and sales must operate in concert, leveraging the same data to deliver the seamless, personalized, and insights-driven experiences buyer's demand.

Arm sellers with a sales execution platform.

Buyers prefer confident, collaborative, and efficient sellers. But with more buyer stakeholders involved in decisions, more interactions needed to close deals, and longer cycle times, sellers need access to technology to help them manage these new cycle complexities.

Understand how unique buyer demographics play out.

While millennials represent the largest pool of decision-makers, Gen Xers have bigger budgets. Millennials value tech-savvy, consultative experiences with diverse sales teams, while Gen Xers prefer to learn about products and services on their own. Sellers must tune their approaches to resonate with each individual buyer in every interaction.



Build financial models to support the case for change.

As CFOs play an increasingly important role in purchasing decisions, sellers must communicate the business benefits of their product or service in economic terms that CFOs care about. Upskill your sellers and create content tailored for this buyer persona. Invest in interactive models that help sellers demonstrate the positive return on investment your product or service will deliver.

Institute an executive sponsorship program.

This is not a new concept, but as buying groups have increased in size so must selling teams. Make sure your senior executives subject matter experts are ready to support deal teams. In advance of inking a deal, buyers expect and want to have relationships with your executives. Make sure your executives are accessible, personable, and prepared to deliver value.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 212 decision-makers at cross-industries organizations in the US, Canada, and the UK to evaluate B2B buyer behaviors and key future trends. Survey participants included decision-makers at the director level and above who either have influencing power over purchase decisions or can make purchase decisions on their own with and without the budget. Questions provided to the participants asked about three categories: their purchase process, preferred methods of sales interactions, and key influencing factors. Respondents were offered a small incentive as a thank-you for time spent on the survey. The study began in March 2022 and was completed in April 2022.

Appendix B: Demographics

COMPANY SIZE	
500 to 999 employees	29%
1000 to 4,999 employees	42%
5,000 to 19,999 employees	18%
Over 20,000 employees	10%

GEOGRAPHY	
United Kingdom	51%
United States	40%
Canada	9%

CORPORATE LEVEL	
C-level executive	24%
Vice president	32%
Director	44%

GENERATIONS	
Millennials	49%
Gen X	42%
Baby Boomers	8%

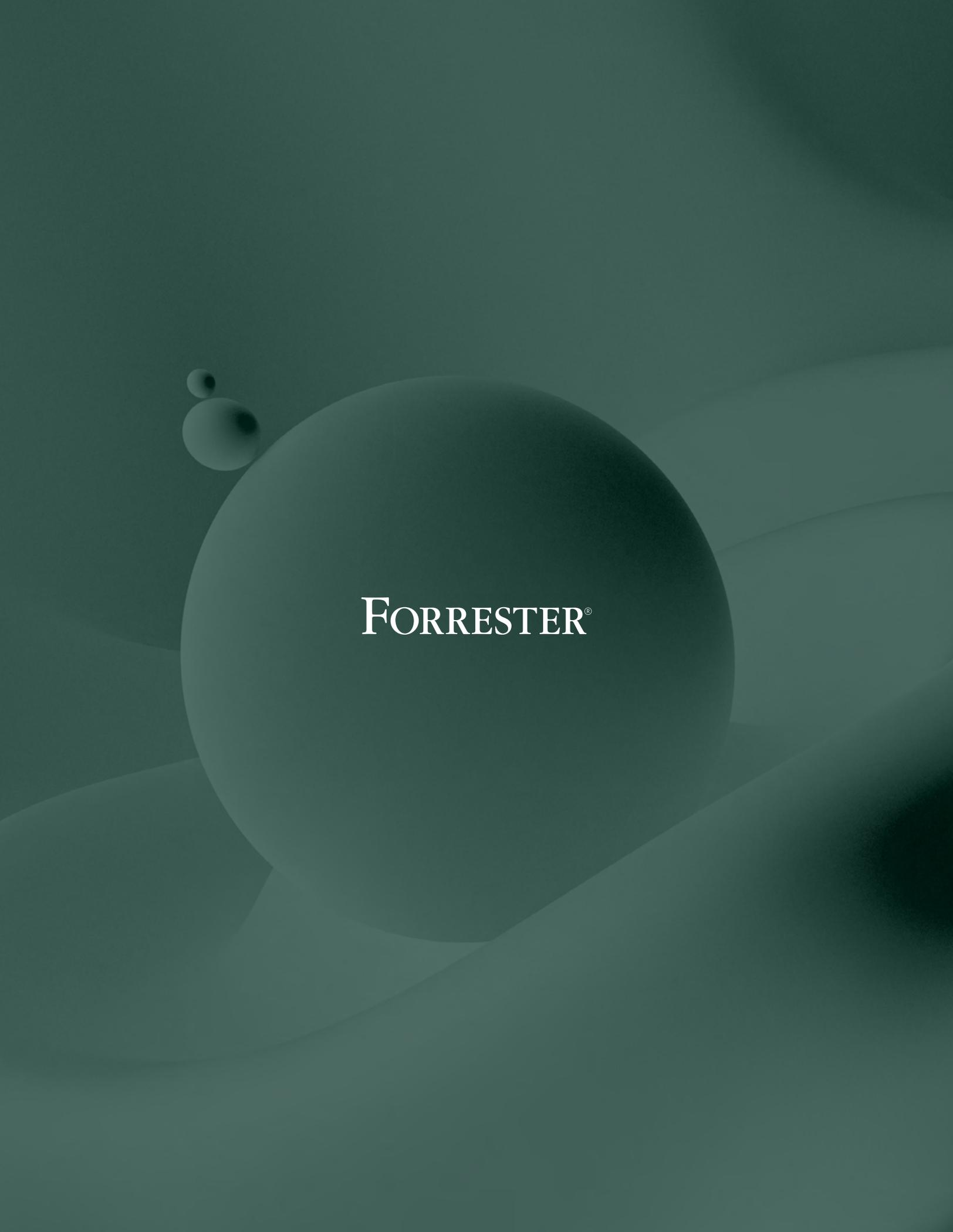
GENDER	
Male	79%
Female	21%

ETHNIC PROFILE	
White, non-Hispanic	77%
White, Hispanic/Latino	12%
Black/African American	6%
Asian/Pacific Islander	3%
Hispanic/Latino	3%

Note: Percentages may not total 100 because of rounding

Appendix C: Endnotes

¹ Source: “The Customer Life Cycle: A Blueprint For Customer-Obsessed Enterprises,” Forrester Research, Inc., January 27, 2016.



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