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The shortcut to e-commerce

WHY IS PERSONALIZED MARKETING BENEFICIAL FOR YOUR B2B BUSINESS?



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INTRODUCTION

A lot of businesses worry that moving sales online will take away that personal contact with clients that is so vital to building relationships and retaining customers. Personalized marketing, however, offers a way to reach out your customers as individuals online. It's great for businesses, because it allows you to give clients everything they need in the most efficient way possible, and it's great for clients because it drastically increases convenience during the buying process.

This document offers an in-depth look at personalized marketing: What is it? How it can be applied? And what are the benefits for both businesses and customers?

1 WHAT IS PERSONALIZED MARKETING?

Simply put, personalized marketing is marketing made personal. It's getting to know your client by understanding their interests and shopping behavior, and using that knowledge to reach them and guide them through a meaningful shopping journey.

Personalization relates to your customer's engagement with content on your website, landing pages, web store, email marketing, printed collateral, your delivery services, and other touch points. The content delivered is segment-specific and depends on who your client is, where they work, their position, their intentions and preferences.

All this effort goes towards creating a memorable customer experience, improving customer loyalty, and ultimately, increasing sales.



2 WHAT MAKES US RESPOND TO PERSONALIZATION?

Before we dig into why it's important for your B2B business, let's first understand why personalized marketing actually works. One of Hubspot's blog posts by Erik Devaney sheds more light on the matter. We all have a place in the brain (the reticular activating system, or RAV) that acts like an information filter. Among other functions, it operates what we call "selective attention", says Dr. Rachna Jain, a psychologist specializing in the interconnections of neuroscience, psychology and social media. The RAS decides what we pay attention to. We, as humans, are naturally drawn to what we find interesting and to ideas we can relate to. Relevance, it seems, is an attractive trait in information.

CONTROL IS ANOTHER REASON. WE LIKE IT.

People who feel that they have a certain amount of control over their life are more likely to be successful and psychologically healthier, according to Psychology Today.

When content is personalized, people feel that they have a certain amount of control over what they're interacting with. It makes their experience more enjoyable.

There's more to personalization than relevance and control, of course. The important thing is that it makes a big difference in the way your customers perceive their shopping experience, and therefore in how they purchase. The benefits of personalized marketing are to everyone's advantage.

Although this psychology bit applies to personalization as a whole, there are still quite a few differences between B2C and B2B shopping behaviors. B2B shoppers, for example, tend to buy mostly based on emotions, personal tastes and opinions. B2B buyers, on the other hand, have a longer, more complex buying cycle and make decisions based on what's best for their business. That doesn't mean they're not looking for a fulfilling and efficient shopping experience, though. Let's look at some facts.

3 DOES PERSONALIZED MARKETING REALLY WORK?

First of all, B2B buyers are asking for it: 54% of B2B buyers indicated that they'd like a B2C-type personalized shopping experience that includes recommendations, according to research by Accenture Digital and SAP Hybris. Furthermore, research by Seismic and Demand Metric tells us that of the B2B sellers who started using personalized marketing in their strategy, 48% indicated it was more effective, and 32% said it was much more effective.

An excellent example can be found in the case of Computer Sciences Corporation, an IT service company that designed ad campaigns according to a pre-selected group of prospects using a technique called account-based marketing. They were able to target specific companies and show very personalized content per account through different online touch points.

COMPUTER SCIENCES CORPORATION RESULTS:



PAGE VIEWS WENT UP BY **58%**



MORE COMPANIES **MOVED DOWN THE SALES FUNNEL**



OF THE 254 COMPANIES THEY TARGETED, **108 OF THEM SIGNIFICANTLY INCREASED THEIR CLICK-THROUGH RATES** & WEBSITE VISITS.

Another example is the Expert Institute, a legal service platform that provides expert witnesses. They launched a personalized email campaign that involved sending one-to-one emails to key accounts. They made sure their database was up to date and that all customers' first names were accurate. Then they fine-tuned each email according to levels of engagement.

EXPERT INSTITUTE RESULTS:

- CONVERSION WENT UP **200%**
- EMAIL OPEN RATE WAS **60%**
- CLICK-THROUGH RATE WAS **20%**

So yes, personalized marketing does work. Put effort into personalizing your message without being too intrusive, and you will be rewarded. Be careful, though, that you're not working from a purely profit-driven perspective.



4 WHY PERSONALIZATION IS IMPORTANT IN THE B2B WORLD

B2B businesses have traditionally enjoyed face-to-face customer contact; it's a rewarding way to offer great service and value. Clients also benefit from these encounters because they feel valued and heard.

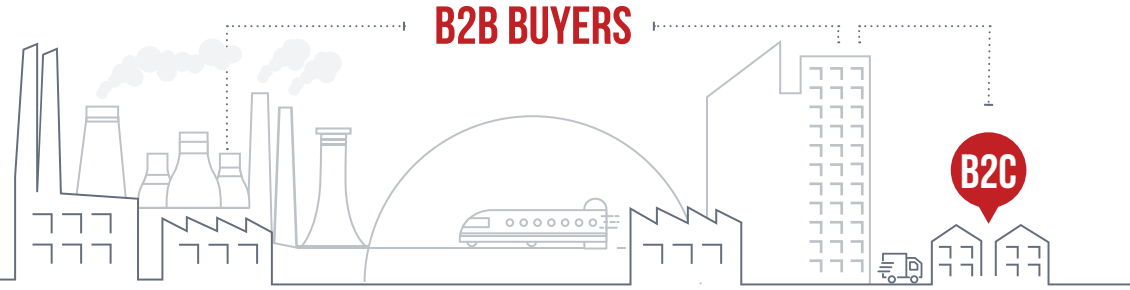
As it happens, human nature hasn't changed much in the age of digitization. Enterprise buyers still want good service and they still want to feel valued for their patronage. What has changed, however, is technology and the way in which good service and value are being delivered. This is an important point that B2B businesses need to accept if they want to stay ahead.

The good news is that vendors can still offer good service and maintain high customer loyalty. Human relations will always be important. But businesses need the additional support and added value of digital technologies.

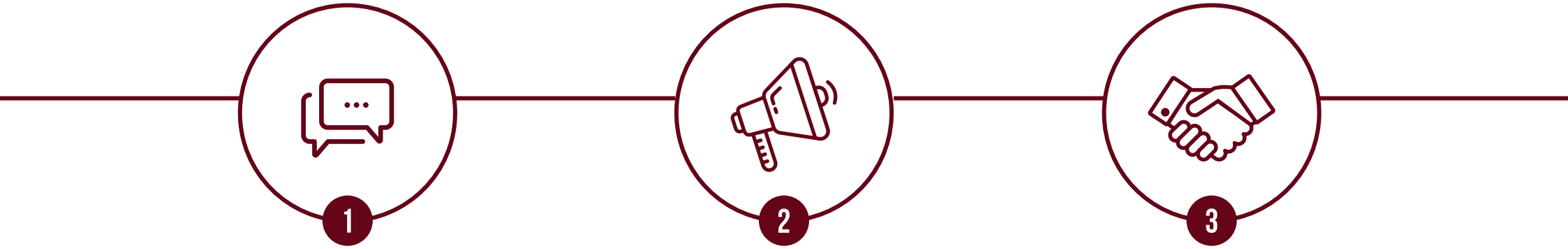
B2B buyers are increasingly coming into contact with B2C best practices when it comes to personalized marketing.

THE REASON FOR THIS IS SIMPLE: B2B BUYERS AT WORK ARE B2C BUYERS AT HOME.

Take Amazon and Netflix, for instance. B2B buyers are aware of the more sophisticated personalized experiences that companies like these are offering online, and they have come to appreciate their efficiency and benefits. It's understandable, then, that they also want that kind of personalized experience in their enterprise world. If B2B companies apply personalization strategies to their websites, they are likely to witness an increase in conversion rates and customer engagement.



IRONPAPER, A B2B MARKETING AGENCY, ASSEMBLED 3 SIGNIFICANT BENEFITS OF PERSONALIZING A B2B WEBSITE EXPERIENCE:



INCREASED CONVERSIONS

DemandGen, self-proclaimed masters of marketing automation and demand generation, say that chances of converting viewers to buyers are 20% higher if a company approaches prospects by using targeted content. Website personalization can inspire customer trust and help make buying decisions uncomplicated. The outcome is more sales and an increase in nurtured sales-qualified leads, simple leads, and user registration.

EFFICIENT COMMUNICATION

According to Devaney's Hubspot article on the psychology of personalization, consumers today are bombarded with information and often feel overwhelmed by it. Personalization can help alleviate this feeling by filtering the information and letting your customers see only what's relevant to them. Targeted calls to action had a 42% higher view-to-submission rate than their non-targeted counterparts. Not only does personalization reduce the time your customer needs to read your message or search through content, but it also makes the experience more effective and more likely to be repeated.

ENHANCED LOYALTY

Showing your clients that you're genuinely trying to add value to their experience makes them feel respected and appreciated. This leads to customer loyalty and repeat sales. This loyalty, if handled with care, can lead to content sharing, and can essentially turn your customers into brand ambassadors.



5 WHERE AND HOW TO PERSONALIZE MARKETING

In her article, Loop54's CMO Vanessa Meyer outlines a few examples of personalized marketing tactics that are specific to the B2B world.

One key opportunity for content personalization is the log in. Where mandatory registration can prevent conversion in the B2C world, in the B2B world it's an accepted step. B2B customers are used to it, so B2B vendors can take full advantage.

When your client is logged in, you know who he is; you know his company, position, preferences, history and behavior. All of the information you need to create a profile or persona is at your disposal so you can deliver personalized value.

LOG IN

HOW CAN PERSONALIZATION BE USED?

Ecommerceandb2b.com shares a few useful ways to apply personalization:

Custom Catalog

Create a catalog specific to your client's needs. You can use data based on previous purchases to build up an individual order history and see what your customer's interests are. The experience can get even more personalized than that. Since you know your customer's role in their company, you also know if they have permission to order certain materials and you know the maximum order size they can approve. So instead of having to go through an entire catalog full of irrelevant items, you can save your client time and offer complete transparency by only showing relevant products.

Contract Pricing

Contracts are customer specific. Since you already know who your client is when they're making a purchase, pricing can be personalized automatically. They can see what amounts are relevant to them directly without additional sales assistance.

Quick Ordering

You can easily make the order process more personalized by using your client's order history. Use the criteria from their previous orders to not only propose the same items, but also in the correct size and quantity. This speeds up the ordering process immensely.

Role Segmentation

Who are the buyers and who are the approvers in your customer's company? You see the rights of the user once they're logged in. With this information, you can display or restrict approval actions depending on the role of this person. This avoids confusion and ordering mistakes.

Industry-Based Content

The content viewing experience can also be personalized for those clients who have not yet been exposed to your online channels. By choosing content that is industry specific, customers will see only the items that are relevant to their field, which will save them time searching. It will make them feel recognized, and they will see that you can offer them a tailored service.

Medline.com is a great example of expertly applied industry-based content. New website visitors can select the industry that interests them, and from then on they'll only see the content that pertains to that industry.

6 WHERE ELSE CAN PERSONALIZATION BE EFFECTIVE?

Your client's personalization experience doesn't need to be limited to your website and purchasing experience. Practicalecommerce.com suggests a number of ways to customize your communication:

Opt-In Emails

You can design email campaigns directed at a specific customer segment. For example, you can use the data you have on a segment's industry, order history, size or frequency, and begin your story. Friendly messages intertwined with relevant offers or new products are a good way to pique your customer's interest.

Transaction Emails

Also known as confirmation emails, these can be sent to your customers with a personalized offer including complementary products or coupons.

Social Media

Don't hesitate to use social media to communicate directly with your clients. Twitter and online chats are excellent ways to show your customers that you are at their service and that you are ready to make business personal.

Loyalty Programs

Everyone likes freebies. Entice your customers with a personalized rewards program based on their purchases or on specific customer data they have submitted.

Packaging

You can make your packaging more personal by adding relevant promotional items or printed material, or perhaps a personal note. You can also use this medium to raise brand awareness.

On Phone and Chat

As you talk or chat online with your client, make an effort use all customer management tools at your disposal, and make sure you have all pertinent information on hand. This makes your client feel that you are paying attention to their specific context and situation, and that you know your business.

Ad Networks

You can choose to display more targeted advertising on ad networks such as Google by using IP address recognition.

Landing Pages

These can be designed according to specific topics, promotions or repeat visits. Landing pages can be a powerful persuasion tool if personalized carefully.

The Wish List

This can help your clientsby providing them a space to save their thoughts and interests. It also helps you, as vendor, to get to know your clients' preferences better.

Platform-Agnostic Web Store

The omnichannel experience is slowly permeating B2B ecommerce, and as such, your web store should be equally accessible on all devices. Your customers expect to be able to view their order on their tablet or mobile, as well as on their desktop.

Customer Testimonials

As your client makes a purchase, you can suggest a quote or testimonial from another client regarding the same products. This way, you show your customer that you are paying attention to his interests, and your customer's decision is reinforced by the positive opinion of his peers.



7 LEARNING FROM B2B PERSONALIZATION EXAMPLES

Practicalecommerce.com shows us some powerful applications of B2B personalization:

Grainger

As a leading provider of industrial supplies, Grainger offers several website personalization tools. Customers can:

- See the estimated arrival time of a product on the product page, even before they log in.
- Use faceted search that can limit displayed items based to previous purchases.
- Upload an image and chat with a sales rep using a mobile app. The app can also be used to scan a barcode, which makes re-ordering an easy process.

Herman Miller

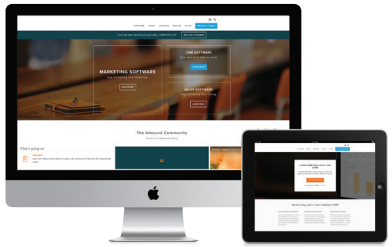
Furniture provider Herman Miller strives to make the process of selecting and ordering as smooth as possible. Its furniture selector is an excellent example of personalization, making office furniture buying a fun experience.



On its product pages, Herman Miller proposes popular furniture configurations that help customers compare and decide what's best for their office. They also show customer reviews, product Q&As, shipping information and a satisfaction guarantee mark.

Hubspot

Hubspot proposes another good website personalization example: Sales Benchmark Index, SBI. As visitors land on the website for the first time, they are asked to choose their role. Once they do, the content is adjusted to their specific choice.



8 WHAT ARE THE CURRENT B2C TRENDS?

As previously established, B2B buyers have come into contact with B2C e-commerce practices during personal shopping experiences or other service engagements, and have come to expect them in the B2B world. It's therefore logical that B2B e-commerce trends are heavily influenced by what's already out there in the B2C world. E-commerceandb2b.com names four major personalization trends that should extend from B2C to the B2B world.



A Platform-Agnostic User Experience

Taking the omnichannel experience even further than a platform-agnostic web store means making the entire user experience seamless. A responsive website is an excellent start. But digital marketing, interaction and engagement should also be consistent across all platforms and devices.



Enhanced Search Capabilities

Accenture reports that 60% of B2B shoppers expect enhanced search capabilities. By adding a faceted search, you can help your customers navigate through your product catalog and funnel down to the results that are only relevant for them.



Product Recommendations

Although common in B2C web stores, product recommendations are not as common in B2B e-commerce. Luckily, as B2B clients typically log in, a world of information can be immediately unveiled. This data can be used to suggest related or higher-end items that may be of interest to your customer.

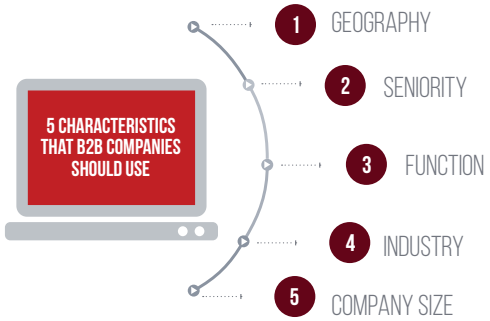


Flexible Checkout Options

Try to offer more payment alternatives. As buyers have different purchasing processes and behaviors, multiple payment choices are a positive feature to boast in your web store. In addition, functionalities that enable your clients to save their shopping cart or to create a wish list are good to have satisfaction guarantee mark.

9 WHERE DO YOU START WITH PERSONALIZATION?

Understanding your customer data is a good start. Divide it into smart segments or personas using different criteria for each. Once your customer logs in, you can apply the segment or persona that applies to them and let the unique experience begin. There are five characteristics that B2B companies should use to design their segments effectively, says Mike Weir, LinkedIn's Global Head of Category Development.



Once these characteristics have been applied, segments have been established and your clients have been assigned to them, your campaigns can be personalized with great content. As your customers engage directly with the content you have selected for them, they will enjoy a tailored shopping experience.



10 WHAT'S IN STORE FOR B2B PERSONALIZATION?

Alvarez goes on to say that B2B companies that use effective personalization online will surpass their outdated competitors by 30% within the next 2 years.

As more and more B2B businesses are going online, personalized marketing is gaining ground and establishing its presence. After all, B2B vendors also shop on B2C e-commerce platforms and are aware of the high level of sophisticated personalization out there. They want it for their clients too.

Managing Editor at B2B E-commerce, Paul Demery, writes that big B2C players are also entering the B2B field, and this phenomenon is upping the B2B ecommerce game. Amazon offers their own B2B option, Amazon Business, and Google experimented with a marketplace called Google Shopping for Suppliers. When such big B2C names are joining the B2B marketplace, it's really high time for every CEO to consider doing the same.

Two final facts: according to a joint-effort report by Seismic and Demand Metric, 67% of interviewed B2B marketers admit to personalizing marketing content largely or even entirely manually. Only 28% use content automation—targeting the right audience with the right content with existing marketing materials—with very little manual work. This already gives companies adopting content automation a major head start over the lagging competition.

"By 2018, 70% of business-to-business e-commerce sites will offer personalized features for customers."

Gene Alvarez, Gartner



11 MAKE THE JOURNEY MEANINGFUL

Great content alone won't dazzle your customer, because to your B2B customer, an item is an item. But matching great content with carefully designed segments will get him excited. Personalized value can turn an item into a purposeful shopping event.

But it doesn't end there. Great targeted content doesn't just add value to your customer's journey. It builds trust, which in turn builds loyalty. We think personalized marketing can be the beginning of a beautiful B2B friendship.

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ABOUT SANA COMMERCE

Sana helps businesses all over the world reach their full potential. We offer the shortcut to e-commerce. How? Through 100% seamless integration with SAP and Microsoft Dynamics. Our e-commerce solution leverages existing business logic and data in powerful and user-friendly web stores. This lets our clients focus on improving customer experience, streamlining sales processes, and increasing sales volume and frequency.

Sana Commerce is a certified partner of Microsoft Dynamics and SAP. Our innovative approach and strong partner network make Sana the driving force behind over 1,200 web stores worldwide. Because of our experience and expertise, we can go all the way, offering not only a product but also supporting services such as online marketing, Search Engine Optimization (SEO) advice, hosting, design and online payment providers.

Future-proof your business and join our e-commerce movement!
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