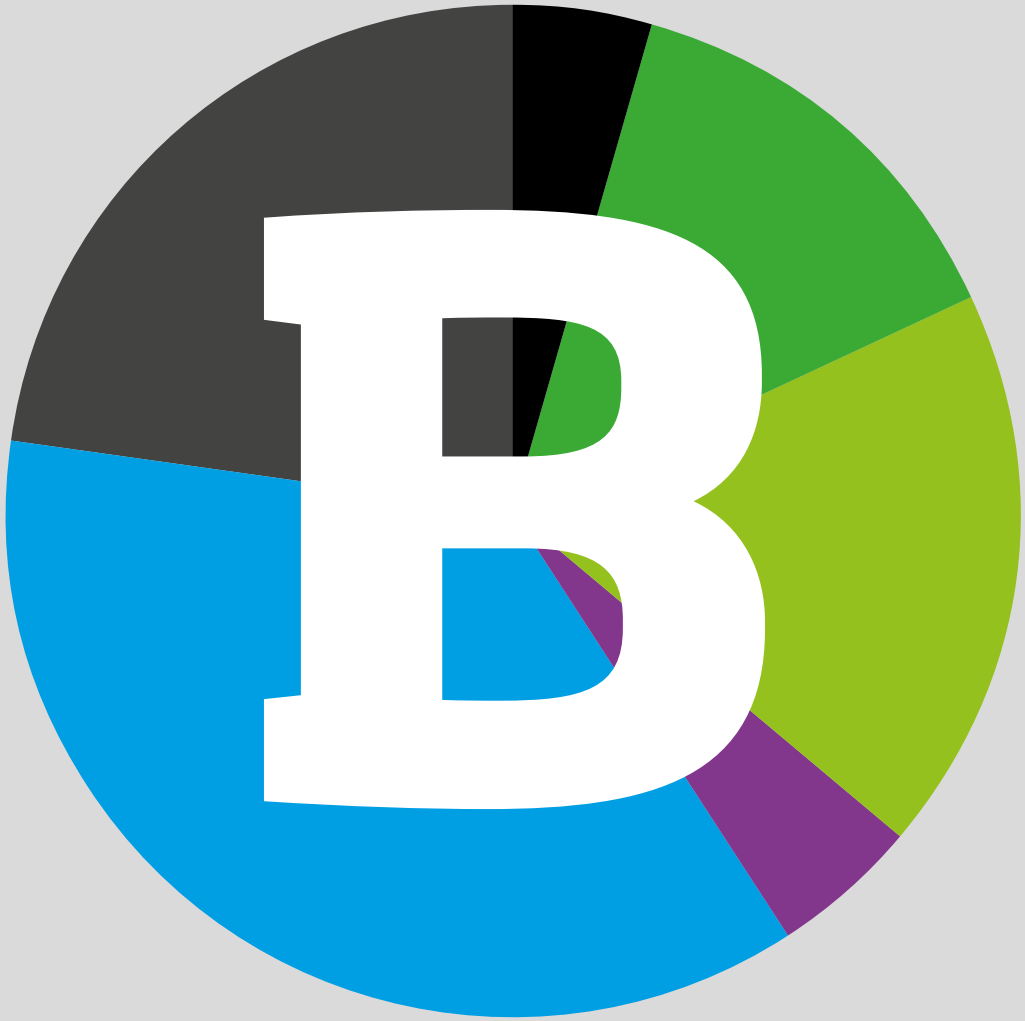


BUYERSPHERE

THE TOUCHPAPER QUESTION: HOW (AND WHY) B2B BUYERS START THE BUYING PROCESS.

A Buyersphere mini-report by
Base One and B2B Marketing

Produced in association with
McCallum Layton and Research Now

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The Touchpaper Question: How (and Why) B2B Buyers Start The Buying Process

If there is a golden moment for B2B marketers, it is the very outset of the buying process. When the blue touchpaper is first lit.

Every purchase begins with a decision, usually made around a boardroom table, to give the green light to a purchase. Whether it is investing in new IT equipment, putting out a tender for business services or starting a property search, there is a single point that every interested brand would dearly love to know about - and when they would love to be present in the minds of those around that table.

Part of the Buyersphere Report is devoted to this key stage. Our aim: to give B2B marketers like you insight into the thoughts and motivations of the newly formed decision-making unit. They say it's the early bird that catches the worm: we hope this early insight puts you in a better position to make sure your brand comes out on top at the end of the process.

Survey Highlights

All about productivity

Productivity is clearly a key topic around the boardroom table. **Over half (51%)** of buyers gave a score of

8 out of 10 or higher to "improving productivity".

Compare this with ***only***

22%

who gave similar importance scores to "competitor activity".

Keeping up with the competition is clearly ***nowhere near as important*** as ***improving their own operations.***

Reducing costs is not enough

The need to cut costs ***only***
attracted
32% of scores over 8
(compared to 51% for productivity).
It is one thing cutting costs, but buyers want
more for their money,
not just a ***lower cost.*** Less is good.
But more for less is better.

Shoots of recovery?

The second biggest reason for investment in new purchases was

"business expansion".

Over a third of B2B buyers

(36%)

rated this as at least

8 out of 10

- suggesting that the ***economic landscape is not quite so flat*** as some would have you believe.

Leverage new technology

The need to
"leverage new technology"
is the ***third most important*** reason for instigating a new major purchase. Over a third of buyers scored this as
8 or above.
Perhaps the objective of using that technology is also reflected in the other answers – to improve productivity, cut costs or raise production levels – but tech marketers should be interested to see that ***technology is a key driver in its own right.***

Emotional or rational?

Business decisions are strictly rational, right? Interesting then that the

5th most important

reason for a purchase is because ***"it's the kind of thing we should have".***

While businesses are driven by rational factors such as **cost, productivity and expansion,** they are sometimes also influenced by factors that they can't quite put their finger on. Brand strategists will tell you that such people are likely to be drawn towards the ***"kind of brands they should be working with".***

How expert are the buyers?

Only

8%

of buyers considered themselves truly expert

(ie 10 out of 10),

although knowledge levels are predictably high amongst the surveyed buyers. But note that decision makers considered themselves ***more expert than influencers***, and the larger purchases had smarter buyers making them. The ***least expert sector was marketing.*** Sorry about that.

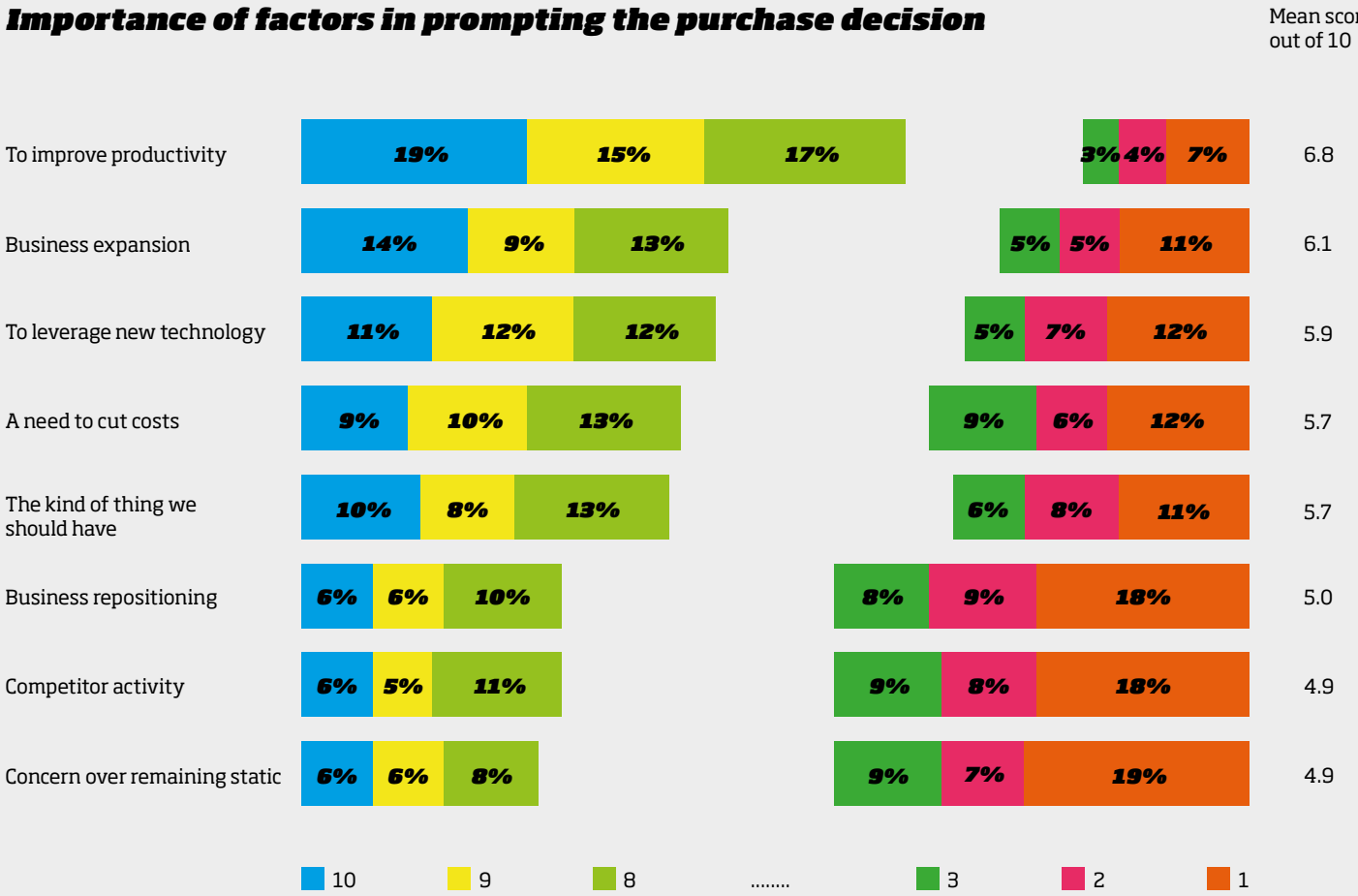
Full Survey Details

Starting the purchase process

Prompts to start the process

Respondents were asked to rate how important each of a number of given factors was, in prompting them to start the process of making this business purchase. They used a scale of 10 - 1 where meant 'extremely important':

Importance of factors in prompting the purchase decision



Findings

Overall, a need or will to improve productivity emerged as being the main motivation out of these, with a third of all respondents rating this a 9 or 10 out of 10 for importance. The relevance of this factor increased with the size of the purchase, being most important as a driving factor where the investment was greatest.

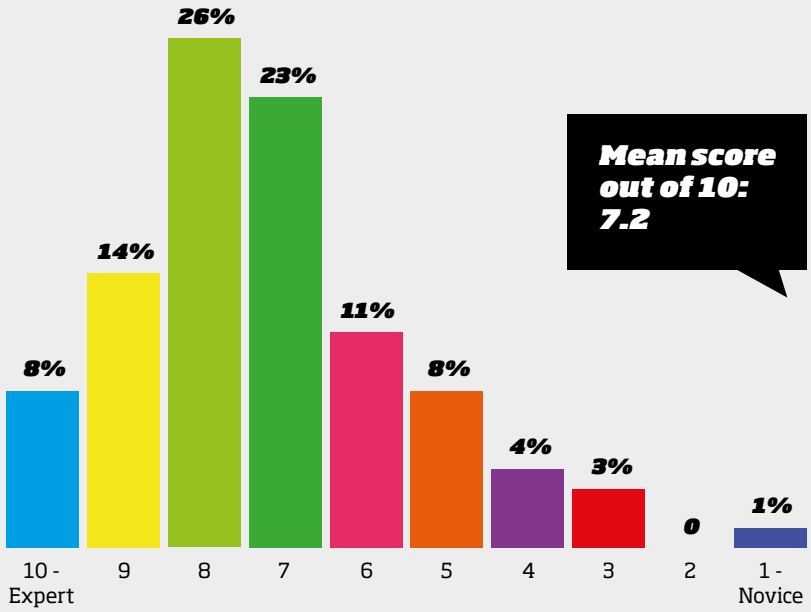
Business expansion and business repositioning were particularly relevant to medium-sized organisations (101-1,000 employees). Leveraging new technology was rated as more significant by respondents in Germany than elsewhere, and by managers working in IT and R&D roles. A need to cut costs was particularly likely to have been important where the purchase value was highest, and for those working in IT.

Competitor activity and concern over remaining (or being seen to remain) static were of less relevance overall. These factors were also of more importance, though, to medium-sized businesses than the rest.

Knowledge starting-point

When asked how knowledgeable they would say they had been at the start, about the product/ service area this purchase involved, respondents scored themselves out of 10 as follows:

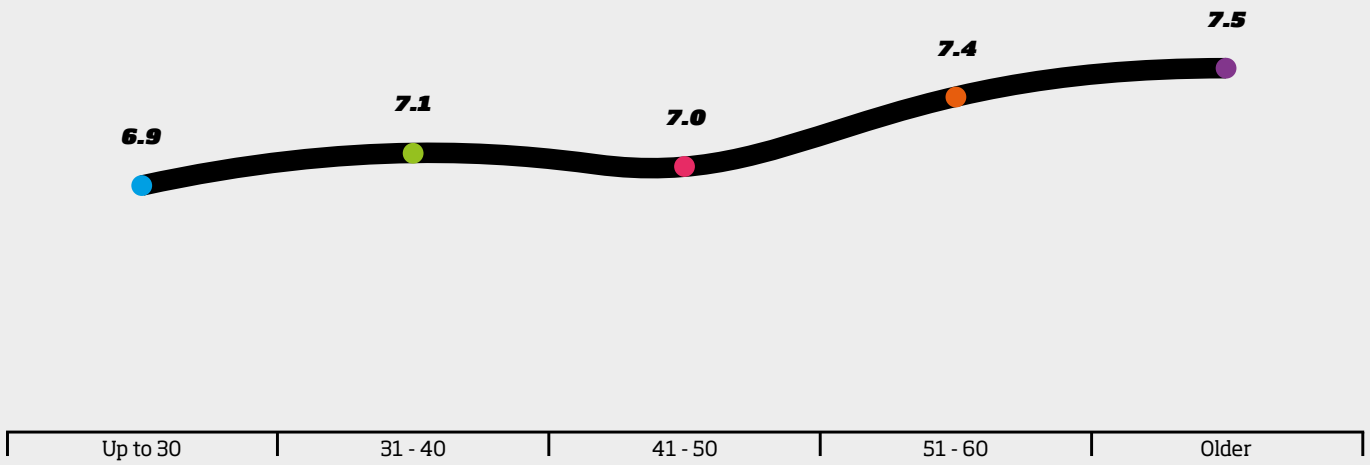
Level of knowledge at start



How expert are the buyers?

Decision-makers gave slightly higher scores on average than Influencers, although the difference was not substantial (7.3 vs 7.0 respectively). In terms of the value of the purchase, those investing the largest amounts had a higher starting point of knowledge (7.5 where the value was over £50k, compared to 7.0 relating to lower value purchases). The least 'expert' groups were respondents working in Marketing and Sales roles (6.4 and 6.8 respectively), and the most, in R&D (7.4). Respondents aged over 50 tended to score their knowledge starting point higher than younger ones, as did those with more than 5 years in their current role.

Level of knowledge at start, by age



Challenges anticipated at the outset

Respondents were then asked to say what problems or challenges they anticipated at the outset, if any, in the buying process. A third, 34%, said they had not anticipated any. For the rest, answers were quite individual and wide-ranging but some common themes mentioned were:

- Cost, staying within budget, financing the purchase
- Getting to a point of understanding enough about the product/service area to make a well-judged decision
- Finding and evaluating appropriate, competent potential suppliers
- Data security
- Convincing others within the business of the right course of action
- Speed/reliability of delivery, meeting deadlines

The Buyersphere Report 2013

Now in its 4th year, the Buyersphere Report has become established as one of the most eagerly awaited and enlightening annual research projects in the B2B space. The reason is simple. It doesn't tell you what marketers think: it tells you what buyers do.

Since 2010, we have been aiming to find the motivations behind supplier choices and the behaviours that characterise the B2B buying process. We all know it can be a long and complex process affair: even smaller B2B purchases are subject to procedures and considerations that are alien to the world of consumer marketing. B2B buyers need more; whether it involves procuring consultancy services, telecoms contracts or manufacturing equipment, they demand higher levels of information, reassurance, social proof and support from their suppliers. But this is to be expected: each buyer featured in this report is accountable to many others and needs to justify purchase decisions to superiors, shareholders and fellow staff. It is not their money, after all.

This is why the Buyersphere Report you are holding in your hand (or viewing on your device) is unique. We asked direct questions of 500 seasoned B2B buyers in the UK, France and Germany and got some fascinating answers, all detailing what they actually did in preparing for a recent large business purchase (qualified as over £20,000). Why did they start the process? What information did they seek? From whom? And in what format? Did they use social media? And - revealingly - what were the marketing traits of the successful suppliers that made them ultimately preferable to the also-rans? To answer these questions, the Buyersphere research is divided into four sections, to be published in stages, and then consolidated into a final report:

1. 

The Touchpaper Question: How (and Why) B2B Buyers Start The Buying Process

2. 

Filling The Knowledge Gap: How B2B Buyers Seek Information To Make A Purchase

3. 

Social Media: Are B2B Buyers Really Using It?

4. 

The Winning Habits of Successful B2B Brands

The Buyersphere is not only essential reading for B2B marketers, it is a unique and fascinating journey into the minds of the people who hold the budgets. Whether it challenges your thinking, opens your eyes to new possibilities for customer engagement, or simply confirms what you thought (and gives you valuable ammunition for your budget planning), we hope you find it useful.

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