THE FUTURE OF B2B THE ADAPTIVE BUSINESS

The power playbook for driving growth
and resilience in the new business landscape

Ogilvy CONSULTING

WPP VMLY&R COMMERCE

EXECUTIVE SUMMARY THE FUTURE OF B2B

It's a wild time to be leading a B2B business.

Accelerated by the COVID-19 pandemic, but brewing for years prior, customer expectations are changing, supplier dynamics are in flux, sales organizations are set for a remix, and a wave of new technologies and data analytics tools are just waiting to assist with your competitive advantage— if your organization can operationalize them quickly enough, that is.

The reality is that adapting to this change is hard, but not impossible. As a B2B leader, tackling hard is in your DNA. You power cities. You power economies. You transport food to tables. Hard has never meant impossible.

And now the events surrounding the global pandemic have spawned a period of revolutionary change, challenging even the most hardened B2B leaders. Through our conversations and proprietary research, we've identified a future-forward leadership approach we're calling Adaptive Business: customer-centric businesses that succeed through adversity by adapting quickly and confidently to the new business landscape.

The results of our analysis are lessons learned and a playbook that any leader can harness to continuously revolutionize their business for any number of challenges that come their way in the future. Those that fail to change in this new world will be left behind.

In this report we'll explore these changes and show how any business leader can drive the future of the Adaptive Business by:

1. Challenging the traditional norms of how relationships and trust are built through ***hybrid customer relationships.***
2. Developing ***networked ecosystems fit for continuous growth:*** from traditional routes to market, to unconventional direct to consumer, ecommerce, or "frenemy" partnerships
3. Creating more meaningful customer interactions and piloting big innovations through the ***new norm of next-gen technology***
4. Championing social and environmental change through active and ***influential planet and social forward actions***

Through each business strategy provocation, we'll discuss the actions that business leaders can take, including the new implications for marketing and customer engagement for the future of Adaptive Business.

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THE CHANGING B2B LANDSCAPE

How Did We Get Here?

The pandemic accelerated change, yes, but the disconnect runs deep between what customers want and what companies provide.

Add the no-rules new-rules from the pandemic, and these market tensions are boiling over.

80%

of companies think their service is superior. Just 8% of customers feel the same.[1]

65%

of buyers prefer to skip sellers in research. As a result, 41% will buy online instead.[2]

Marketing decision makers must know their customers but

50%

have not conducted any research on them in the last 12 months.[1]

40%

believe their brand promise is not customer-centric. Meaning the brands are not focused on what the customer needs or wants.[3]

Signals of change are everywhere

WHAT B2B BUYERS ARE BRINGING

CHANGING EXPECTATIONS

Desire to work with businesses in an easier, more direct and personal way; in addition, they expect to have more personalized and digitized experiences.

EVOLVING DYNAMICS

There is a shift in the balance of power toward the buyer, who expects more autonomy in the sale direction and decision making.

B2BUYER THINKING

Understanding buyers' behaviors and needs has never been more critical; how do businesses become more people-centric in their B2B selling?

HOW B2B SELLERS ARE REACTING

OVERCOMING INERTIA

B2B is known for being slow to change, keeping to familiar channels and communications—getting investment to change can be a challenge, but is more necessary than ever.

MARKETING TRANSFORMATION

A series of recent shifts are signaling an evolution in B2B marketing—from digital mega events, to data-driven personalization, to ABM experiments.

CUSTOMER CENTRICITY

Pace of change has been spurred on by changing buyer behaviors and needs—this started pre-pandemic, but is now accelerating at a rapid pace.

Recognizing half measures on the road to revolutionary change

The recent rapid pace of change in B2B has been a series of band-aid, reactionary changes, not capturing a true advantage. This has left the door open for business leaders who can drive true change.

We're moving away from here

IDLING

Entrenched behaviors and actions, considered as "industry-standard" ways of working and operating, often going unchallenged until challengers force change or drive out laggards.

Many are now here

EMERGENT

New behaviors and actions attached to legacy systems, technology, and/or roles; business remains largely unchanged in terms of ways of working and approach to the market, limiting the impact new behaviors can bring to the organization.

The future advantage is here

ADAPTIVE

Real business change around new behaviors: new systems, technology, roles, ways of working, and approach to the market. Behaviors are institutionalized and result in new actions, forming competitive differentiators that stand as challenges to business as usual.

Welcome to the era of the Adaptive Business

To understand the implications of these shifts for the future of the category, we sat down for 1:1 conversations with B2B leaders to explore their **lessons learned** and the **new behaviors necessary** for companies to compete across the evolving landscape.

Combined with further research conducted through a survey of 500 business leaders across the US and UK, we uncovered what we believe is the route to future success in B2B: **The Adaptive Business**. Formed through the upheaval and constant change of the pandemic era, businesses whose focus was customer-centricity and who demonstrated a unique fearlessness to partner and go to market in new ways will now find growth and opportunity above all others.

This is an ambitious direction of change.

But it's clear that B2B is set for re-invigoration—overhauling traditional associations of a slow-moving category, embracing customer and technological trends, and breaking down unwieldy corporate barriers. This will be driven by the leaders who can adapt and businesses that can become adaptive.

THE GOOD NEWS

This does not have to be an exclusive club. Adaptive Leaders and businesses can be built.

While the path may not be easy, future-focused business leaders can begin by evaluating the lessons learned from the pandemic and create a road map for their future.

Throughout the following pages we'll explore a series of strategies infused with insights from our research and leave you with the diagnostic questions needed to provoke your organizational change.

THE ADAPTIVE BUSINESS

The Adaptive Business

Four Key Strategies to Drive Business Growth Through Continuous Adaptation

01
HYBRID CUSTOMER RELATIONSHIPS
Establish, grow, and maintain trust in the era of flexible in-person + virtual relationships

02
DYNAMIC PARTNER NETWORKS
Develop a partnership ecosystem dynamic enough to support your continuous growth

03
NEXT-GEN TECHNOLOGY
Apply the next generation of technology to create distinctive new experiences

04
PEOPLE & PLANET FORWARD
Ensure that your business is having a positive impact on society and the planet

01 HYBRID CUSTOMER RELATIONSHIPS

Challenging the traditional notion of how relationships and trust are built, businesses will optimize engagement through blended virtual and physical interactions.

THE COVID-19 PANDEMIC QUICKLY SHIFTED MANY OPERATIONS INTO A VIRTUAL ENVIRONMENT

It challenged the traditional norms of building and growing trusted relationships face-to-face.

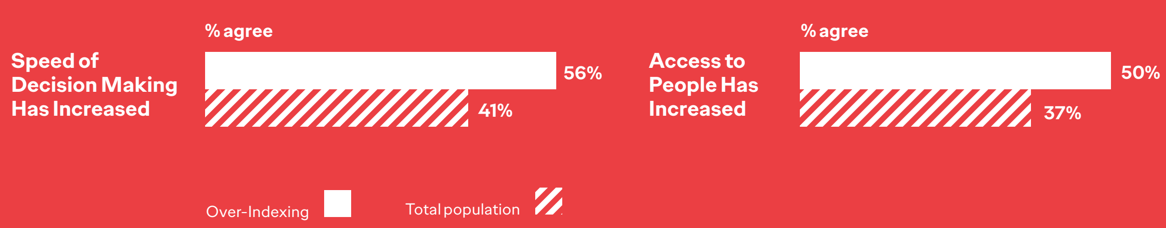
But the future of customer relationship building is not just about virtual engagement—it's about preparing and adapting to the type of environment that your customer prefers, be it physical, virtual, or a combination. It will also require building out the internal employee skills necessary to be adaptive to any type of environment.

As the world returns to the office, or not, adaptive business leaders will take the lessons learned through the pandemic to establish, build, grow, and maintain trusted client relationships in any context.

ADAPTING TO CUSTOMER CHANGE

Despite its inherent challenges, we are seeing signs that businesses harnessing virtual environments improve the speed of decision making and make deeper connections across client organizations.[4]

Q: What behavior changes have you witnessed during the virtual selling environment of the COVID-19 pandemic?



What's Happening Now

The Rise of the Virtual Seller

The image of the suave seller schmoozing his clients over a three martini lunch is not just antiquated, it's likely just plain ineffective.

While the shift to virtual environments may have been necessitated by the pandemic, it surfaced the difficult realities of establishing trusted relationships based on meaningful dialog and insight.

How trust is established between buyer and seller will change, as will the channels through which they engage and interact. What is lost in face-time can be added back in meaningful, business problem-driven conversations.

71%

of business leaders surveyed indicated that their business has already or will be increasing investment in inside sales.[4]

WHY?

Inside sellers have always been adept at the skills that a "traditional" seller has lacked, ultimately hampering their ability to establish trust virtually.

ORGANIZATIONS WILL PLACE MORE IMPORTANCE ON INSIDE SALES [4]

OUTSIDE SELLERS WILL NEED TO EXHIBIT MORE INSIDE-SELLER QUALITIES[4]

Prior to the pandemic, how important, if at all, do you feel each of the following qualities were for an **outside sales representative** at your company?

- **Outspoken** (82%)
- **Listening** (81%)
- **Empathy** (81%)
- **Quiet Confidence** (80%)

Post-pandemic, how important, if at all, are these qualities going to be for an **outside sales representative** at your company?

- **Listening** (82%)
- **Trustworthy** (82%)
- **Company Knowledge** (82%)
- **Knowledge of Customer's Organization** (81%)

Lesson Learned

Embracing Virtual Engagement

Many businesses have experienced the fast shift to virtual, but establishing meaningful relationships through this means remains a challenge.

TEAMS STRUCTURED AROUND VIRTUAL ENGAGEMENT

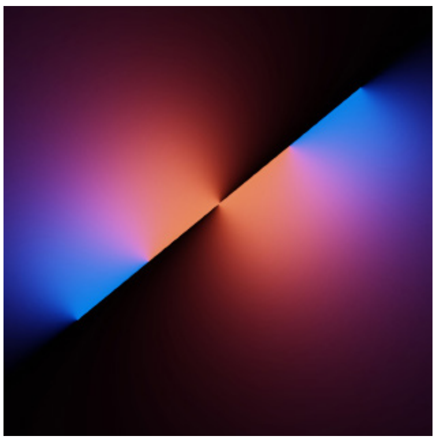
When travel stopped, sales leaders found themselves managing on-site teams that were still structured by regional territories. As sales and account teams pivoted to virtual environments, businesses have been forced to re-evaluate the model of field vs. inside sales to be more virtual engagement-led.

> *We're in the midst of restructuring to build a future of selling and business interface of probably 70% virtual and 30% in-person.*[5]
>
> – DIRECTOR OF SALES AT A GLOBAL PAPER PRODUCTS MANUFACTURING COMPANY

Future Behavior

Embracing Hybrid Customer Relationships

Adaptive Businesses optimize engagement through blended virtual and physical interactions, fearlessly challenging the traditional notion of how relationships and trust are built.



THE SALES ORGANIZATION MUST CHANGE TACK

Moving traditional field sellers inside the walls of the organization will not be a simple "lift and shift." As the seller of the future shifts to a hybrid sales environment, they will need to adopt new skills to establish relationships and trust that are not reliant on an in-person meeting and understand the communication preferences of buyers as individuals—so when to engage virtually vs. face-to-face.

They need to become better communicators. You can't BS anymore. You have to be focused on their challenges and priorities, and you have to have real solutions for them.[5]

– ENTERPRISE CUSTOMER SUCCESS EXECUTIVE FOR A CLOUD-BASED SALES PLATFORM

Change in Action

Alibaba

A virtual brand experience hub that offered attendees a 3D walk-through of Alibaba's brand experience centers.[6]

Alibaba Group created a Virtual Brand Experience Center on the Virtuosity platform that offered attendees a 3D walk-through of its famous brand experience centers.

On the tour, attendees could access six different virtual areas that offered multimedia presentations of Alibaba Cloud corporate history alongside interactive 3D and VR demos of products and services. Attendees were able to view the experience through their web browser or click over into VR mode and view it through a headset.

Gigabyte

When Mobile World Congress was cancelled, GIGABYTE brought its booth build online into a 360-degree immersive simulation.[7]

GIGABYTE brought its exhibition online, giving partners, customers and users a chance to see its latest developments for the 5G era by offering a clickable digital tour of its MWC booth build.

As part of the experience, the brand also filmed short snippets of marketing and product experts providing insights and sharing perspectives. From 360-degree immersions to smart-city simulations, the virtual booth experience offered a smart mix of education and engagement.

Actions

Accelerate growth by blending virtual and physical engagement

RETHINK MARKETING

Customer engagement is not relegated to the role of sellers alone. Often marketing is the first interaction a prospect has with a company.

Marketers can play a key role in the Adaptive Business, rethinking static communications and focusing instead on delivering more engaging virtual experiences such as hyper-personalized content and experiential demonstrations. They can also serve as a strategic partner to the business by providing account-level insights back to the sales, product, and other organizations.

But as buyer needs and interests change, so must content and experiences. Marketing must continuously work to knowå how buyers want to engage, and be ready and willing to adapt.

FIND & GROW ADAPTIVE TALENT

Your talent does the heavy lifting of customer engagement. But do your people have the skills and training to adapt as quickly as your ambitions?

The future is Adaptive Talent. Consider—is your talent ready for the hybrid environment? Can they listen and detect preferences for engagement channels? Are they equally as comfortable in person as in virtual environments? Can your digital experiences facilitate the needs of a self-service buyer, supported by a seller who is ready to step in at the right moment? Can your sales and marketing teams blend together to make your ABM efforts successful?

Finding and growing Adaptive Talent will be at the core of developing the Adaptive Business.

MAKE YOUR BUSINESS HYBRID

Sure, your teams have become adept at using video conference—but what other operations, processes, or even products could go “virtual”?

From products and services, to customer interactions, every part of your business can be re-evaluated to be physical, virtual, or a hybrid of both.

Can your services be delivered virtually? Can you provide self-service online tools? Do your virtualization efforts build trust and advocacy, as well as or better than in-person experiences? Where should virtualization never occur, whether because of a loss of a customer connection or your ability to provide your offering?

Driving this decision must be a behavioral understanding of your customers both as businesses and as individuals.

02 DYNAMIC PARTNER NETWORKS

Establish a dynamic partner ecosystem that can flex and adapt to activate the right partnership structure at the right time.

THROUGHOUT THE PANDEMIC WE'VE SEEN THAT SUCCESS IN B2B TAKES A VILLAGE.

From establishing fewer, stronger strategic supplier partnerships, to building customer trust and relationships virtually. And that when businesses and their people partner together, they stand a better shot at succeeding together.

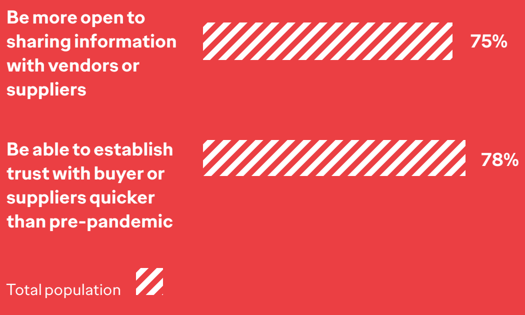
The partnership ecosystem of the Adaptive Business must be constructed so that it is ready and flexible enough to take whatever shape is necessary for the challenge at hand. We call this new ecosystem the Dynamic Partner Network.

PARTNERSHIPS OVER VENDORS [4]

Strategic, collaborative partnerships that facilitate working together to solve emerging challenges will be more valuable to Adaptive Business in the long run than continuously shopping for low-cost vendors.

Q: How important will the following be in building loyalty between buyers and sellers?

Q: Post-pandemic, which of the following will be true to your organization?



What's Happening Now

Transactional partnerships failed to deliver

Like many other changes throughout the pandemic, this story has been brewing for years. In a category so ripe for overhaul of "the way things have just always been done," B2B leaders that have succeeded through the pandemic have done so by breaking the unwritten rules and reinvigorating the category through new thinking.

These leaders are dissenting from the notion that the network from producer to end customer must follow a linear path and must be a race to the bottom focused on cost over strategic value. Instead, as customer needs changed almost overnight, creating inventory and production challenges up and down the supply chain, business leaders that emerged successfully said they owe their success to supplier partners who were ready to come together and jointly solve problems.

Partner ecosystems of the future must be adaptive to any situation. The future of business networks will no longer take any one shape, they'll be dynamic and fit for continuous growth. From traditional routes to market, to unconventional direct to consumer eCommerce, to "frenemy" partnerships. The forms will be as limitless as they are adaptive.

DYNAMIC NETWORKS

Take any shape, break rules, 3-dimensional

TRADITIONAL PARTNERSHIP NETWORKS

Linear, stay in your lane, 1-dimensional

Lesson Learned

Traditional Direct Partnerships

The B2B value chain may be complex but it is often still highly linear and cost driven, reducing the opportunities for strategic value add, partnership, and innovation.

SUPPLIERS EARNED OR LOST TRUST DURING THE HARD TIMES

B2B buyers quickly learned who their true partners were during the more difficult times of the pandemic, as demand planning forecasts went out the window for many. True partners demonstrated their commitment through flexibility, creativity, and support—not invoices.

“ ”

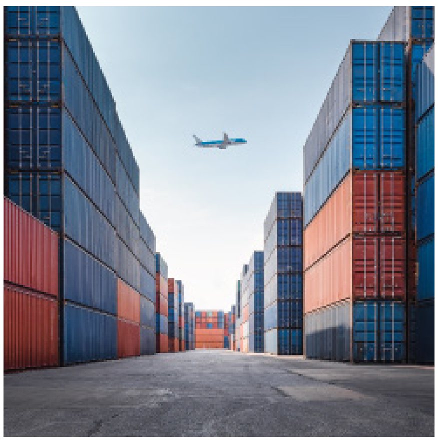
The pandemic was a threat to established business plans that were in place. And an opportunity to prove that you're a trusted partner by responding to customers' changing priority needs. Can you respond quickly? Not leave them as they were looking at demand changing?[5]

– ENTERPRISE CUSTOMER SUCCESS EXECUTIVE FOR A CLOUD-BASED SALES PLATFORM

Future Behavior

Establishing a Dynamic Partner Network

Adaptive Businesses develop dynamic ecosystems fit for continuous growth, from traditional routes to market, to unconventional direct to consumer eCommerce, to “frenemy” partnerships, that help them flex and adapt to activate the right partnership structures at the right time.



A FOCUS ON FEWER, MORE STRATEGIC RELATIONSHIPS

Lessons learned in the value of partnership will turn the tide of cost-based relationships and see a return to a strategic ecosystem of partners that will help you pivot through any future challenges.

> *I think you'll see more strategic partnerships and a skew towards that versus many tactical relationships. Fewer, stronger relationships.*[8]
>
> – VP, SUPPLY CHAIN AND BUSINESS DEVELOPMENT OF A MAJOR BEVERAGE GROUP

Change in Action

Red Hat

Red Hat Marketplace rewrites expectations for how enterprise software is marketed, purchased, and managed.[8]

Red Hat launched a public, digital marketplace to connect B2B software buyers with its ecosystem of partners, reimagining how organizations purchase, deploy, and even manage enterprise software.

A growing ecosystem of ISVs has embraced the marketplace because it offers them an efficient, vendor-neutral, and data-driven channel for selling and supporting products in enterprise accounts.

Turtle & Hughes

Turtle & Hughes adopted B2B eCommerce through the Amazon Business platform.[9]

The Amazon Business platform has created a marketplace of B2B buyers and sellers. Turtle & Hughes, one of the largest independent electrical and industrial distributors in the US, wanted to give its customers the ability to find their products however they're looking to source. Through Amazon Business they were able to list 2 million products, while also offering the option to interact through eCommerce or a physical presence.

Actions

Accelerate growth by creating dynamic partnership ecosystems

EVALUATE PARTNERSHIPS

Looking back over the turbulent pandemic era, could your partners keep up with your changing business demands? Were they by your side, working together on solutions? If yes, then you are likely in a strategic relationship. If not, then it is more likely you are in a transactional relationship.

When reevaluating your roster of partners to construct your dynamic network, consider the following—is this partner as concerned with co-creation and value exchange as we are? Will this partnership not only create value, but create exponential return? Will this partner be willing to develop a trusting exchange of knowledge and data?

SHAPE FLEXIBLE ROUTES TO MARKET

As customer needs and preferences changed during the pandemic, business leaders were forced to quickly reevaluate their distribution channels to meet the new environment. From deciding to build your own digital purchase channels to selling through existing platforms or partners.

But should adapting to new conditions always mean the pain of radical change? Instead, how can you keep up with reaching your buyer in new ways?

Approaching distribution through a dynamic network leads Adaptive Business to explore traditional and unconventional routes to market, flexing which routes are active at the right time.

KEEP CHANNELS IN HARMONY

Creating valuable partner networks applies as much to selling as it does to supply chain purchasing—whether that is B2B selling through traditional or eCommerce channels, B2B2C networks through distributors and other channels, or an increasingly D2C approach exploring more classically B2C channels.

Whatever channel mix is right for your business model, in creating an adaptive environment, consider: can your customers seamlessly move between channels, such as beginning online and moving to a seller?

Do your customers benefit through each channel in some way, such as more personalized services? Are your channels free of competition from each other, and periodically reviewed to stay that way?

03 NEXT-GEN TECHNOLOGY

Incorporate new technology investments into your corporate DNA to drive innovation, solve core business needs, and facilitate more meaningful customer interactions.

THE PANDEMIC BROUGHT WAVES OF CHANGE TO B2B COMPANIES, AND THE UNDERLYING FORCE SUPPORTING MANY OF THOSE CHANGES WAS TECHNOLOGY.

From the near ubiquity of video call software to high-end predictive demand planning systems, businesses globally turned to technology to help solve core customer and business challenges.

As we look to the future, is this surge of technological investments complete? Is technology purely a cost of entry, or can it be the key to unlocking and creating new, distinctive customer experiences? And is it really that simple—just identify new tech, and plug and play?

As we'll see, Adaptive Business not only adopts technology, but creates the internal language and processes to continuously respond as technology evolves and customer preferences change.

TECH INVESTMENT'S DATA BARRIER[4]

The need for technology investments is undeniable; the focus now must be on the collection and hygiene of customer data to create distinctive experiences. While the general population of business leaders surveyed sees that their company struggles to recognize the need (#2 barrier to bringing in new technologies), the segment over-indexing are well past this (#7) and are focused on addressing the accompanying data challenges.

Q: What are the barriers to adopting new technologies within your organization? (Choose top 3)

RANKING

	Over-Indexing	Top Pop
Lack of data or quality of data	1st	4th
Recognizing the need	7th	2nd

What's Happening Now

Openness to the potential of new technologies

In your company, has new technology been seen as a cost center, a differentiator—or maybe even both? For many companies during the global pandemic, technology innovations found a unifying label: essential.

From virtual demonstrations and AR-enabled equipment repair, to new or enhanced eCommerce platforms and virtual customer service, companies turned to new technologies to make it work when there were no other options.

But all this change wasn't without hiccups, or operational challenges. Organizations were tested not only on bringing onboard new technology in a small-scale pilot, but in many cases a series of new technologies had to be scaled across an entire organization.

The Adaptive Business of the future must be able to seamlessly incorporate new technologies as customer needs and competitive experiences evolve.

Another commonality—the result of all this change has left business leaders looking at investments in new technologies that will further tailor and personalize the customer experience, from VR to personalized eCommerce to account-based marketing tools.

The future looks personal.

Top Drivers Behind Adoption of New Technologies [4]

1. **Achieving/maintaining a competitive advantage**
2. **Meeting changing behaviors**
3. **Need for greater personalization**
4. **Improving the customer experience**
5. **Desire to act on data collected**
6. **Maturity of new technologies**

Top Technology Investments for the Near Future (Next 1-2 Years) [4]

1. **VIRTUAL REALITY** (i.e., immersive virtual showrooms or events)
2. **PERSONALIZED WEB EXPERIENCES** (i.e., personalized eCommerce and webpages)
3. **NEW DIGITAL SELLING TOOLS AND CONTENT PORTALS** (i.e., online content aggregators and social selling tools for sellers)
4. **B2B ECOMMERCE PLATFORM** (i.e., consumer-like experiences for B2B product purchases)
5. **AUGMENTED REALITY** (such as remote support for product repair)
6. **CLOUD OR SAAS TECHNOLOGIES** (i.e., related to selling or supply chain management)
7. **ACCOUNT-BASED MARKETING TOOLS** (i.e., marketing technology to assist in surrounding key accounts)
8. **PROPRIETARY VIRTUAL EVENTS PLATFORM** (i.e., over third party events platforms)
9. **ARTIFICIAL INTELLIGENCE** (i.e., anticipatory selling or improved demand forecasting)
10. **B2B ECOMMERCE MARKETPLACE** (i.e., digital experience bringing together buyers and sellers)

Lesson Learned

Adapting Technologies for Business Needs

Businesses adapt technology when they have a critical internal need, such as pivoting to online and virtual services during the pandemic. Without a culture of change, business leaders won't dedicate time to change management and operationalization.

THE FOCUS OF TECHNOLOGIES SHOULD BE ON ENHANCING THE CUSTOMER INTERACTION

New technologies and innovations get a lot of attention, but during a period of evolving customer needs and expectations, the leaders we spoke to focused on the potential for technology to help them understand their customers better and deliver a better experience.

> *It's not about automation. It's about using technology to enhance the way you work with the customer, sell. Technologies can enhance experience. The customer experience is going to be richer.* [5]
>
> – BRAND AND PRODUCT INNOVATION AT AN INDUSTRIAL GOODS MANUFACTURER

Future Behavior

Continuously applying new technologies to create and maintain distinctive customer experiences

Adaptive Business embraces technology investments that drive innovation, solve core business needs, and facilitate more meaningful customer interactions, in part by incorporating cultural change into their corporate DNA.

ECOMMERCE EXPERIENCES BECOME CRITICAL TO THE FUTURE OF B2B

What does this look like? While new technologies will drive experience innovations across many areas, eCommerce is still nascent for B2B companies, despite the growing customer expectation to accomplish more independently online—so must not be overlooked.

> *Anything to do with eCommerce is going to have jet fuel on it. The ability to do as much business transaction independently via technology as possible. Got to build sophistication around eCommerce, otherwise they're going to die.*[5]
>
> – DIRECTOR OF SALES AT A GLOBAL PAPER PRODUCTS MANUFACTURING COMPANY

Change in Action

UPS

Prior to the pandemic, UPS had been laying the groundwork for digital transformation for almost two years, but found itself needing to rapidly accelerate those plans in response to supporting the challenges faced by SMBs across the US.[10]

UPS found through surveys that SMBs were anxious for advice to help them weather the pandemic, but the challenge was to scale consulting them. UPS had to innovate quickly, with not only marketing messaging but creative technology solutions.

The answer was a set of SMB solutions to help them bounce back, including consultative tools like a series of weekly webinars and free 15-minute consultation calls. And technology-enabled solutions like delivery intercept, customer technology program, and simplified digital commerce tools.

Shopify

Leading eCommerce platforms are tooling for B2B direct sales with B2C experiences—Shopify is exemplary of this.[11]

Shopify recognizes that today's B2B buyer wants the option to order online and positions its platform as giving B2B customers the independence they need, with all the D2C features they expect, including:

- Personalized sales and marketing experiences across channels
- Help finding products with customizable navigation and onsite search
- Integrated customer data from ERP or CRM systems though an API
- Ability to offer flexible payment options through native integrations with payment providers
- Speeding the checkout process for repeat buyers
- Optimizing for conversion with checkout promotion features

Actions

Accelerate growth with technology to personalize experiences and drive innovation

INTEGRATE HUMAN AND MACHINE

Innovations like AI and Machine Learning should complement human ingenuity and creativity.

Examine then how your employees could enhance the customer experience if they had these technological superpowers. Better predict client needs? Quickly suggest complementary services? Anticipate likely maintenance requests?

In particular, watching the B2C space as B2B buyer expectations increasingly are informed by their experience as consumers. What customer touchpoints could technology improve, such as personalized web or eCommerce?

INCUBATE INNOVATION

Tomorrow's advantage will not just be built by purchasing technology out of the box. Like other transformations, the biggest innovations are creative and first to market.

Are you able to strike upon these innovations by practice, not luck? Doing so requires developing an innovation incubation environment that is centered on solving a core customer challenge while being free to embrace risk.

Businesses that institutionalize innovation will be able to not just embrace new technologies but harness them to achieve greater competitive advantage.

CREATE A CULTURE OF CHANGE

With AI, automation and other new technologies comes speed and the need for more agility as things change. But how easy is it for your teams to move quickly, to test and iterate in a changing tech landscape, and continuously create new distinctive experiences?

The reality is that so much new tech implementation either never leaves the experimental stage or gets mired in internal inertia. Why is that? The answer lies in the optimal mix of people, process, and tools—an imbalance in any can leave projects hanging, but especially when people are not ready to adopt and embrace new ways of working.

The Adaptive Business cannot be built on technology or process innovations alone—people are just as important.

04 PEOPLE & PLANET FORWARD

Create a positive impact on society and the planet through social and environmental sustainability to connect genuinely with changing B2B buyers across the supply chain.

A NEW GENERATION OF B2B BUYERS AND EMPLOYEES WILL CHOOSE ORGANIZATIONS BASED NOT JUST ON THEIR PRODUCTS, BUT ON HOW THEY DEMONSTRATE AND ACT ON THEIR BRAND PURPOSE IN THE WORLD AT LARGE.

Does the company really care, or is it just words? Are they taking action, where governments can't or won't? Are they doing more than taking advantage of a moment, and leading the way in their industry category?

These criteria are just scratching the surface.

Businesses that cannot adapt to the socially and environmentally conscious buyer risk not even entering the consideration set, regardless of product differentiation or competitiveness.

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SUSTAINABILITY AND DIVERSITY PRACTICES MATTER

60%

60% of respondents agreed (strongly or somewhat) that they will consider if a business has a positive sustainability and/or D&I practices when looking for employment—compared to less than **7%** who disagreed[4]

62%

Over **62%** of respondents agreed (strongly or somewhat) that positive sustainability and/or D&I practices of the buyer or seller will impact who they choose to do business with—compared to fewer than **7%** who disagreed[4]

The over-indexing segment was **2X MORE LIKELY** to strongly agree with both statements[4]

“ ”

The buyers or the customers not only invest in companies who can solve their problems but also the company who has shared value with them.[5]

- CHIEF CUSTOMER OFFICER, GLOBAL MARKETING TECHNOLOGY ORGANIZATION

What's Happening Now

B2B companies are awakening to the larger role they can play

Through a tumultuous time for business and the world at large, many B2B organizations have begun to demonstrate who they are through more than a just a CSR statement or brand communication. They are bringing their brand purpose to life through their actions, from social-good initiatives to sustainability and employee well-being.

And B2B buyers increasingly are looking to additional criteria when selecting a company to work with, let alone spend money with. They want to align with companies that share their social and environmental values.

Ultimately, the Adaptive Business will have a real business need to continuously demonstrate their brand purpose and credentials in both a relevant and tangible way.

U.S. CEOS

58% said the pandemic has shifted their focus toward the social component of their ESG program.[4]

88% said they want to lock in sustainability and climate gains made during the crisis.[4]

“ ”

It's really important for any B2B company to think about in particular their inputs and their outputs and how they can better serve the environment.[5]

- VP OF INNOVATION, GLOBAL PAPER PRODUCTS COMPANY

“ ”

The employees hold the company accountable and they have a voice through social platforms. [5]

– FORMER PRESIDENT & CEO OF A TAX AND ACCOUNT SOFTWARE COMPANY

Lesson Learned

Moments of Purpose

Businesses take momentary awareness of a cause, which typically fades quickly and fails to permeate the DNA of the business.

SUSTAINABILITY MUST BE THE COST OF ENTRY

B2B buyers are ready to move beyond paying a premium for sustainability and corporate responsibility. Instead of a competitive differentiator, the new B2B buyer expects supplies to be sustainability forward and in turn help them address their own end-customer expectations.

“ ”

If you don’t have a sustainable platform in your manufacturing, if you’re not consciously pressing the envelope on sustainability, you’re going to be in trouble. [5]

– DIRECTOR OF SALES AT A GLOBAL PAPER PRODUCTS MANUFACTURING COMPANY

Future Behavior

Creating a positive impact on society and the planet

Social and environmental sustainability will become a cost of entry for B2B buyers across the supply chain, as end customers increasingly focus on the impact that businesses have on society and the planet.

B2B LEADS THE WAY IN SUSTAINABILITY

While sustainability may get all the attention in consumer circles, B2B companies can make a larger impact than any individual consumer. But just like consumers, B2B buyers will look to companies that take action beyond talk and hype.

> *You see a lot of noise in the consumer world regarding sustainability, but the net effect of what we actually do is going to be seen bigger in the B2B world actually. Sustainability is not going to be an ad. It's going to be the way to do it for the future.*[5]
>
> – VP OF BRAND AND PRODUCT INNOVATION AT AN INDUSTRIAL GOODS MANUFACTURER

Change in Action

Google

With a purpose to "Organize the world's information and make it universally accessible and useful," Google used its technology and digital reach to aggregate public health data and combat misinformation during the coronavirus pandemic.[12]

During the pandemic, Google went into a deep listening mode to understand and identify market needs that it could support. They offered millions of dollars in advertising grants and updated its products and services to support small businesses, nonprofits, and health organizations.

- Its annual ad grants commitment for nonprofits was expanded to $1 billion to support those fighting Covid-19 and racial injustice
- To aid the struggling travel industry, a "pay per stay" pricing model was introduced so travel firms weren't charged for ads if a customer cancelled their booking
- Services were updated making it free for small businesses using its Smart campaign ads to promote their locations on Google Maps and enhancing the ability to search for and book local services through Local Services ads

Veissmann

In 2020, as part of a climate conservation initiative, Viessmann invited its employees to exercise – the more minutes and meters exercised, the more trees the manufacturer planted. In total, 150,000 trees were planted for reforestation projects.[13]

This year, the business restarted its #ViMove for Climate challenge—but this time opened it up to everyone, whether a Viessmann employee or not. The amount of exercise required depends on the activity: one tree is planted for every 1 km walked, for example, or for 12 minutes of Pilates—but all of them encourage people to get moving again, and for the greater good.

As a manufacturer of heating, industrial and refrigeration systems, Viessmann's business can be linked to CO2 emissions that reforestation projects are meant to absorb. So, an initiative that looks to offset this— and connect personal health to that of our environment—is a move that can benefit people and planet.

Actions

Accelerate growth by creating and demonstrating positive impact

LIVE YOUR PURPOSE

Are you clearly demonstrating your brand purpose to your prospective buyers and with your employees?

Take inspiration from both B2C and B2B brands: how they set the agenda, join and elevate movements, leverage new ways to engage and reach existing buyers and prospects. And take inspiration from employees: what matters to them, what are their shared values, what motivates them.

B2B brands should review their purpose and related communications and initiatives. Brand purpose should be relevant to both business and culture, and actions should realize this purpose and connected values.

Adaptive Business must ensure that brand purpose is relevant and incorporated into the DNA of the business to drive meaningful and continuous impact for employees, customers and the greater good.

INTEGRATE SUSTAINABILITY & BUSINESS GOALS

Can you lead the market in sustainability while driving continuous growth?

Corporate sustainability and economic growth should not be mutually exclusive. One does not negate the other but rather sustainable business transformation reframes the bottom line, and where a company derives value.

From having clarity on what purpose and values are core to brand and business, companies can then determine how these relate to sustainability as it extends across economic, environmental and social—do they connect? Where are the opportunities for change, for impact? Sustainable practices should be integrated into the business from purpose through operations and supply chain to lead generation, not just projecting but actualizing a more sustainable approach to business and growth.

Adaptive Business must harness its power as producers and manufacturers, make the right choices, and pass that on to their consumers, so everyone buys better.

LISTEN TO YOUR PEOPLE

Are you actively listening and responding to the diverse needs of your employee population?

Diversity and Inclusion is an indication of a business doing well for society, or not, and as buyers and employees look to different values when selecting a business, how that business values and drives employee well-being is a consideration increasingly front of mind.

Employee well-being, productivity, and customer experience are tightly linked, and diversity and inclusion should be supported and nurtured to transform company DNA.

Adaptive Business must create systems to continuously listen to the voice of their employees and show them that they've been heard—turning their values and the company values into meaningful engagement activities, motivating them to realize their interests and enabling positive change.

CONCLUSION

Embrace the Adaptive Business Approach and Accelerate into the Future

The challenges and change catalyzed by the pandemic have opened the door for new sources of growth and business evolution. There is not a one-size-fits-all solution for approaching this, but the four strategies identified and set out in this report present accessible opportunities and accelerants for businesses to adopt and apply to start their journey into Adaptive Business.

01

HYBRID CUSTOMER RELATIONSHIPS

Establish, grow, and maintain trust in the era of flexible in-person + virtual relationships

02

DYNAMIC PARTNER NETWORKS

Develop a partnership ecosystem dynamic enough to support your continuous growth

03

NEXT-GEN TECHNOLOGY

Apply the next generation of technology to create distinctive new experiences

04

PEOPLE & PLANET FORWARD

Ensure that your business is having a positive impact on society and the planet

YOUR READINESS ASSESSMENT

Your Readiness Assessment

Determining your path forward

Where does your company stand on the road to the **Adaptive Business?**

What can you do to **accelerate change?**

What lessons can you bring to drive a more **adaptive approach** forward?

How it Works

We've pulled together each starting accelerant across the four strategies for an Adaptive Business. Under each is a question to help you assess your readiness for organizational change.

Simply choose Yes or No—don't overthink, just select the best answer. At the end, give yourself a 1 for every "Yes" and a 0 for every "No." If a question doesn't apply, skip it and lower the scoring accordingly. Then come back to this page and fill in your scores.

SCORECARD

SECTION SCORE

1. Hybrid Customer Relationships	
2. Dynamic Partner Networks	
3. Next-Gen Technology	
4. People & Planet Forward	
TOTAL	

RESULTS

SECTION SCORE	TOTAL SCORE
0-3: Idling	0-12: Idling
4-7: Emergent	13-31: Emergent
8-9: Adaptive	32-36: Adaptive

1. Hybrid customer relationships

RETHINK MARKETING	YES	NO
Do you have a system to continuously understand your buyers, as their behaviors and preferences change over time, and provide those insights back to the organization?	☐	☐
Are you able to determine when and where to personalize content and experiences, and be able to execute it across channels and organizational units?	☐	☐
Can your prospects experience your offerings and business value through digital and immersive experiences, on their terms, before any direct interaction with a seller?	☐	☐

FIND & GROW ADAPTIVE TALENT	YES	NO
Are your teams able to build, grow, and maintain trusted relationships, whether they are in person with clients and prospects or not?	☐	☐
Do your digital experiences facilitate the needs of self-servic buyers, supported by a seller who is ready to step in at the right moment?	☐	☐
Can your sales and marketing teams blend together to make your ABM efforts successful, both for small sets of identified accounts and for larger sets of target prospect accounts?	☐	☐

MAKE YOUR BUSINESS HYBRID	YES	NO
Have you established a means for continuously listening to your buyers' changing preferences for virtual vs. in-person interactions with your company and your people?	☐	☐
Have you examined your products and/or services to determine which could be delivered in a "virtual" fashion through digital technologies, while maintaining trust and advocacy as well as or better than traditional?	☐	☐
Can you pinpoint where virtualization should never occur, whether because of the risk of losing a customer connection or your ability to provide your offering?	☐	☐

2. Dynamic partner networks

EVALUATE PARTNERSHIPS	YES	NO
During the pandemic, could your partners keep up with your changing business demands, working by your side on solutions?	☐	☐
Are your partners as concerned with co-creation and value exchange as you are? Does your investment in your partners create exponential return for you?	☐	☐
Do you have an even and trusted exchange of knowledge and data assets?	☐	☐

SHAPE FLEXIBLE ROUTES TO MARKET	YES	NO
Would introducing new distribution channels or changing your channel mix create massive churn and strain on your organization?	☐	☐
Have you conducted analysis to determine whether it is more advantageous to build your own digital purchase channels or sell through existing platforms and partners?	☐	☐
Can your customers seamlessly move between channels, such as beginning online and moving to a seller?	☐	☐

KEEP CHANNELS IN HARMONY	YES	NO
Are your channels "conflict free," for example in a D2C environment, not creating conflict with distributors that you also depend on in your B2B strategy?	☐	☐
Is your channel strategy working in unison, without conflicting or pulling customers away from another potentially more profitable channel?	☐	☐
Are your channels free of competition from each other, and periodically reviewed to stay that way?	☐	☐

3. Next-gen technology

INTEGRATE HUMAN AND MACHINE	YES	NO
Do you have the technology in place to help predict, identify, and act on changing customer needs and preferences? Can you scale that insight across the organization?	☐	☐
Have you invested in technology to enhance the customer experience in ways that will improve distinction and loyalty? From predicting buyer needs to anticipating service requests?	☐	☐
Have you identified which customer touchpoints are suffering in experience, distinction, or both from a lack of technological investment? From personalized web experiences to new or improved eCommerce capabilities?	☐	☐

INCUBATE INNOVATION	YES	NO
Are you able to strike upon innovations by practice, not luck, by codifying a process to incubate the development of ideas grounded in new technologies, shielded from the risk of failure that stops innovation before it can begin?	☐	☐
Are you not simply purchasing technology off the shelf like any of your competitors can, but focusing on the innovative uses for that technology to drive distinctive experiences?	☐	☐
Have you ensured that innovation will not just stop if employees are remote, instead investing and using digital collaboration technologies to incubate new ideas despite the challenges of distance?	☐	☐

CREATE A CULTURE OF CHANGE	YES	NO
Is it relatively easy for your teams to test and pilot new technologies, in order to continuously iterate on the customer experience?	☐	☐
Is it in your organizational DNA to accept the widespread rollout of new technologies in order to pivot quickly and maintain your market distinction?	☐	☐
Do you have an existing process to gain executive alignment on transformative projects and remove risk from employees who lead the way?	☐	☐

4. People & planet forward

LIVE YOUR PURPOSE	YES	NO
Would the majority of your executives, customers, prospects, employees, and prospective employees be able to roughly define your brand purpose?	☐	☐
Are you continuously demonstrating your brand purpose in meaningful ways for your customers, your employees, and the greater good?	☐	☐
Does your brand bring a truly distinctive utility and value to your customers?	☐	☐

INTEGRATE SUSTAINABILITY & BUSINESS GOALS	YES	NO
Does your company incorporate, mandate, and enforce sustainable development practices across the organization?	☐	☐
Does your company hold its suppliers to sustainability practices, and make its sustainable purchase behaviors transparent to its own customers?	☐	☐
Are you able to both lead your market in sustainability, and drive continuous growth?	☐	☐

LISTEN TO YOUR PEOPLE	YES	NO
Does your company have systems in place to continuously listen to the diverse needs of your employee population?	☐	☐
Is your company actively taking initiatives to address employee concerns, especially those related to issues of diversity and inclusion?	☐	☐
Do your employees share their positive experiences with prospects and customers, helping to demonstrate the shared valued that your buyers are seeking?	☐	☐

Turning your results into action

IDLING

YOUR COMPANY HAS NOT YET MADE SIGNIFICANT CHANGES, AND THAT'S OK.

As you start out on this journey, consider what is holding you back the most—is it related to people, to operations, or to tools and technology?

For quick wins, look into the accelerants where you've scored the highest and determine how you can fully excel at them. Then snowball that feeling of success into starting on new accelerants.

EMERGENT

YOU'VE GOT A JUMP START; NOW USE THAT MOMENTUM TO KEEP GOING.

It may also be time to recruit other leaders in the organization to your cause. See how the scores compare across the various divisions or departments within your company.

ADAPTIVE

CONGRATULATIONS, YOU ARE WELL ON YOUR WAY TO LEADING THE ADAPTIVE BUSINESS CHARGE.

But don't get complacent. As an Adaptive Leader, you must be ready to continue adapting and pushing your company further.

In which category could you lead your market?

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[5] B2B Leader Interviews, 2020. Qualitative Interviews were conducted in November 2020 with business leaders across Business Development, Innovation, Customer Experience, Marketing, Sales and Supply Chain. Expert names and titles have been blinded as pursuant to standard use agreement.

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IMAGE SOURCES

P. 4,8,11,14,15,17,20,23,26,29,31,42: Adobe Stock

P. 9,35,37: Getty Images

Markets	US, UK (50/50)
Respondents	505
Company Size	100-499 (23%) 500-999 (45%) 1,000+ (32%)
Audience	B2B leaders with experience making purchasing and selling decisions, e.g., CEO, CGO, Marketing, Supply Chain—excluding procurement
Industries	Construction, Gardening, DIY, Enterprise, Leisure, Finance, FMCG, HoReCa, Telecom Products/ Services, Tech & Software

Q1: Does your business have an inside and outside sales organization?

Q2: To what extent do you agree or disagree with the following statements?

Q3: Prior to the pandemic how important, if at all, do you feel each of the following qualities were for an INSIDE SALES REPRESENTATIVE at your company?

Q4: Post-pandemic, how important, if at all, are these qualities going to be for an INSIDE SALES REPRESENTATIVE at your company?

Q5: Prior to the pandemic how important, if at all, do you feel each of the following qualities were for an OUTSIDE SALES REPRESENTATIVE at your company?

Q6: Post-pandemic, how important, if at all, are these qualities going to be for an OUTSIDE SALES REPRESENTATIVE at your company?

Q7: When considering the virtual selling environment (including use of tools/ video conferencing, etc.) during the current COVID-19 pandemic, what, if any, changes in behavior have you witnessed in the following?

Q8: Post-pandemic, which, if any, of the following do you think will be true for your organization? Tick all that apply

Q9: To what extent do you agree or disagree with the following future statements about B2B buyers' behavior in a COVID-19 world?

Q10: In the future, how important do you think the following will be in improving customer experience in your organization?

Q11: From your experience, in the future how important, if at all, will the following be in building loyalty between buyers and sellers in your organization?

Q12: When considering the virtual buying and selling environment during the current COVID-19 pandemic of 2020, how important, if at all, do you think it will be for your business going forward to have the following success metrics?

Q13: To what extent do you agree or disagree with the following statements?

Q14: How progressive, if at all, do you think your company is on the following areas?

Q15: How important, if at all, do you think investments in the following technologies will be in the near future (next 1-2 years) for your organization?

Q16: Which, if any, of the following do you believe will be the largest DRIVERS behind your organization's adoption of new technologies in the next 3 years? Tick up to 3

Q17: Which, if any, of the following do you believe will be the largest BARRIERS to adopting new technologies within your organization in the next 3 years? Tick up to 3

Q18: To what extent do you agree or disagree with the following statement: Social media will have an important role in B2B buying and selling in the next 1-2 years.

Q19: How important, if at all, do you think social media will be to the following areas in the next 1-2 years?

Q20: During the COVID-19 pandemic this year, many in-person events moved to online formats. What, if anything, do you see as the greatest ADVANTAGES of a virtual event? Tick up to 3

Q21: What, if anything, do you see as the greatest DISADVANTAGES of a virtual event over an in-person event? Tick up to 3

Q22: To what extent do you agree or disagree with the following statement: I think virtual events can replace the experience and impact of an in-person event

Q23: In your opinion, what elements, if any, must virtual events incorporate in order to rival the experience and impact of in-person events? Tick all that apply

Q24: What, if any, changes do you believe your marketing organization must make to best support the sales organization? Tick up to 3

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