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Digital Body Language

READING AND RESPONDING TO YOUR PROSPECTS' BUYING BEHAVIOR IN THE WEB 2.0 WORLD

Your next customer will research and evaluate your products through websites and online networks long before your salespeople get involved. Just as consumers now search and buy online, B2B purchasing in a Web 2.0 world has transformed into an interactive process driven by the customer, not the vendor. In fact, a call to your salesperson may be the last step in the buyer's journey, greatly limiting their influence and expertise.

Yet there is an emerging vanguard of innovative companies that have learned how to decode the online behavior of their prospects early on in the buying process to gain competitive advantage and win more business. This online behavior — website visits, downloads, email responses and more — is a new **Digital Body Language** that identifies buyers and reveals their intentions to salespeople.

Executive Summary

Compare reading buyer's Digital Body Language to the traditional B2B transaction, a function dominated by sales and rooted in face-to-face interactions. The best sales professionals were highly adept at reading their buyers' body language and buying signals revealed during in-person meetings, such as business luncheons, boardroom presentations and product demos. Nuances of facial expressions, eye contact, raised eyebrows, head nods or crossed arms, could tell savvy sales professionals much about a prospect's buying disposition. He or she could then address objections early to improve the odds of closing a deal.

These skills are no longer enough. Over the past several years, the buying cycle for B2B products and services has moved online. The evolution of the Web 2.0 environment with its easy access to competitive product information and peer feedback has transformed how companies and individuals research and evaluate prospective solution providers. Salespeople get less face time with clients. Buyers are more educated and have greater leverage in the negotiation process.

To succeed in this new environment, fast-moving businesses are adapting their marketing and sales processes to the Digital Body Language of their prospects. Digital Body Language is the online equivalent of the facial expressions revealed around the negotiating table. It is comprised of website visits, information downloads, keyword searches and email responses. In many ways, online buyer behavior provides the most accurate picture of prospect interest and intent. By analyzing the recency, frequency and clickstream data of website visits, marketers can zero in on the buyer's pains, concerns and motivation.

The problem with the Digital Body Language phenomenon is that it is generally invisible to Sales. By the time the average salesperson is aware of the electronic dialog that has taken place between her company and her prospect, it is often too late to influence the buying process, scope of engagement or competitive threats.

“Multiple decision-makers and a relatively small number of target accounts characterize the typical B2B purchase. These factors make it hard for B2B marketers to identify and understand deeply their customers' various personal and corporate motivations.”

- *Laura Ramos, VP and Principal Analyst, Forrester*

This is forcing a deeper relationship between sales and marketing. The alignment and communication between the two departments is now critical to overall success. Businesses that adapt to the new buying process consistently **increase lead conversion rates, shorten sales cycles and improve win rates**. Conversely, those businesses that cannot track, analyze and communicate the online behavior of their prospects will find themselves increasingly disadvantaged in a competitive marketplace.

The New Buying Process

Before an organization can adjust its marketing and sales process to manage and measure Digital Body Language, it must first understand how the buying process has changed. The accessibility and speed of the Web greatly eases the discovery and consideration processes that buyers go through. This is especially true for typical B2B 'considered-purchase' products and services involving a buying committee or a defined decision-making process, where most of a buyer's research and evaluation moves to the Web.

The old protocol of sending detailed Request for Proposals (RFPs) to prospective vendors has in many cases been **replaced by downloading** and evaluating white papers, case studies, product specs and pricing sheets. In many cases, vendors and their sales organizations are unaware that they are being evaluated by a buyer. They do not see the buyer's Digital Body Language.

“According to the *2007 Connecting through Content Series*, Knowledge Storm and Marketing Sherpa found that technology buyers conduct nearly three quarters of their research and information gathering online.”

This increased role of the Web in the buying process is taking place across all industries, but is especially pronounced in the technology sector, where recent data shows that online search and downloadable content have become the primary research sources for buyers.

As part of their *2007 Connecting through Content Series*, Knowledge Storm and Marketing Sherpa found that technology buyers conduct nearly three quarters of their technology research and information gathering online. In addition, more than 93% of respondents considered the information they found online to be of greater or equal value to the content they received through other means such as publications and events. 84% of technology buyers begin their research for information on one of the major search engines; and nearly four out of five buyers search the Web at least weekly for new information.

Marketers should not underestimate **their own website** as a key source of this content. Fully one third of respondents said they obtain the majority of the information they use in researching solutions or evaluating purchases from companies directly, followed by online publications (74%), directories (72%) and analyst sites (57%).

However, despite the huge opportunity to serve the appetite for online information, analysts point out that few B2B marketers are properly addressing the needs of the new digital buying process. In a June 2007 report titled *B2B Marketers: Align Technology Adoption Plans With Business Goals*, VP and Principal Analyst Laura Ramos pointed out:

“Multiple decision-makers and a relatively small number of target accounts characterize the typical B2B purchase. These factors make it hard for B2B marketers to identify and understand deeply their customers' various personal and corporate motivations.”¹

The New Sales Process

With the evolution of buying behavior, it is surprising that the sales process for many companies has remained stagnant. Jim Dickie, president of CSO Insights, a firm dedicated to researching sales effectiveness, said it best in a Harvard Business Review article: **“Customers’ buying processes have evolved** in our world of ubiquitous, instant, global communication, **but companies’ selling processes have for the most part stayed the same.”²**

Given the rapid migration to an online buying process, salespeople have fewer opportunities to be in front of prospects to pick up on the visual cues and signals that help reveal their key topics of interest or pain points. For example, according to ABM’s Digital Transformation study, 78% of business decision makers surveyed said the amount of **time they spend with sales reps has “decreased** or stayed the same during the past 12 months.”

This is reflected in the movement away from the formal RFP, still a common purchasing process where all relevant vendors are given an opportunity to submit bids. In the current climate, many buyers conduct their own anonymous evaluations and typically only talk to a short list of potential vendors before making a decision. This poses a much greater risk that a company can be completely left out of the selection process if they are relying solely on relationships and cold calls to connect with prospects at the right time in their buying cycle.

Embracing Online Buyers

The good news for B2B marketers and sales organizations is that the Web 2.0 world has not only provided tools for buyers. Online tracking and analytics packages provide intelligence to better understand and serve customers.

“Salespeople have always been dying to know what is going on behind the four walls of their biggest prospects. Now, by tracking their digital behavior, companies can begin to see what is taking place in the buying process.”

- Rich Eldh, VP and Co-Founder,
Sirius Decisions

“You are able see what prospects are interested in and then respond by sending them case studies and other information that speaks directly to their needs and areas of interest,” says Jill Konrath, a leading sales strategist and author of the bestselling book *Selling To Big Companies*. “That relevancy is so powerful in today’s business environment and the relevancy quotient just keeps increasing.”

Digital DNA

Buyers each take different paths to purchasing a product or solution. Along the way, their information needs and behaviors change as they progress through the buying cycle.

For example, at the consideration phase a prospect may download a white paper examining relevant industry trends. Further down in the sales funnel, a prospect may be tackling the technical specifications and implementation issues around a particular solution. Advanced marketers adapt their outreach with targeted communications designed to address differing buyer needs at each phase, and to advance prospects to the next stage in the sales funnel.

Drew Clarke, VP of North American Marketing for Cognos, shares how tracking Digital Body Language can help salespeople predict the likelihood of winning a deal.

“We had a big deal earlier on in the year, about a million dollar deal, and when we were in the middle of negotiating, the account went dark on the sales rep. No more calls. They were not going to give us any more insight into what was going on.

At the same time, though, the decision-maker and his team were hitting our website and downloading white papers on ‘Best Practices around Deploying Cognos’, and ‘Pitfalls to Avoid.’ Normally sales reps don’t see all those website interactions, and have no idea they are taking place. We actually had a much better read on what was going on in that deal because of the Digital Body Language we were tracking and automatically pushing out to the sales rep who owns the account.”

Rich Eldh, VP and co-founder of Sirius Decisions, a leading research consultancy specializing in sales and marketing alignment, adds that online behavior provides insights into the buying cycle that had been previously unavailable to the sales team, “Salespeople have always been dying to know what is going on behind the four walls of their biggest prospects. Now, by tracking their digital behavior, companies can begin to see what is taking place in the buying process.”

“CIOs may not be answering telephone calls, but a salesperson can still see how often they are visiting the website and which research they are downloading, then provide them with more relevant collateral that advances them through sales cycle.”

Eldh estimates that less than 50% of B2B companies are strategically using tools and processes to track the Digital Body Language of their prospects and making that information available to their sales teams. “On the whole, this is in its infancy as a practice and there is still a long way to go,” he says. “However, those companies that do are seeing significant improvement in productivity and sales readiness. It really can turn a reactive organization into a proactive team.”

Reading and Responding

To benefit from Digital Body Language, businesses must make investments in people, process and technology. Simply switching on a business intelligence tool is not enough. Significant process changes are usually required on the part of both marketing and sales organizations.

Industry experts recommend taking a phased approach by focusing on the following six best practices:

- ▶ **Accumulate** Digital Body Language by integrating marketing channels on a single marketing platform to build comprehensive **prospect profiles**.
- ▶ **Communicate** Digital Body Language to the sales organization and other business stakeholders by **integrating the marketing system of record** with Customer Relationship Management (CRM) or Sales Force Automation (SFA) systems.

- ▶ **Evaluate** Digital Body Language using advanced sales **lead scoring** systems that compare prospects' explicit information against implicit indicators of buying intent.
- ▶ **Accelerate** the sales process with real time **sales alerts and notifications** of prospect Web activity and marketing responses.
- ▶ **Cultivate** the Digital Body Language of prospects with personalized **lead nurturing** campaigns that drive them back to the website.
- ▶ **Validate** marketing spend with **closed-loop marketing** systems that measure marketing's impact on revenue and pipeline.

Reaping the Rewards

Companies that adopt these marketing best practices become highly attuned to the Digital Body Language of their prospects. They align their marketing and sales teams around information and intelligence — two of the most important tools for a sales team to succeed. Recognizing that sales instincts and personal relationships are no longer enough to excel in an Internet world, high-performance organizations see that marketing holds the keys to identifying the right influencers and key issues within a buyer's organization.

“Sales simply can't carry it all,” says Konrath. “Marketing has to help provide intelligence on the engagement factor of a prospect so that Sales can respond effectively.”

The rewards for firms that track their customers' Digital Body Language include **increased sales, faster growth rates and shorter sales cycles**. By being the first responder when prospects begin to research a purchase, companies gain competitive advantage and improve sales effectiveness. By aligning their marketing department more closely with Sales and measuring the results of campaigns, these organizations increase the effectiveness of promotional spend.

Conversely, businesses that cannot track and analyze the behavior of their top prospects are likely to find themselves at a competitive disadvantage going forward. Given the rapidly changing environment in the B2B world, the question is not whether a business can afford to invest in digital transformation but whether it can afford *not to make the change*. “Information is the price of admission in today's hyper-competitive market. It is simply too hard to get in the door now without good data on your clients,” Konrath adds.

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- Jill Konrath, Author of *Selling To Big Companies*

About Eloqua

Eloqua is the category creator and leading provider of demand generation applications and best-practice expertise for business marketers around the world. Thousands of customers rely on the power of Eloqua's products and services to execute, automate and measure programs that generate revenue. Eloqua is headquartered in Vienna, Virginia, with offices in Toronto, London, Singapore and throughout North America.

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1 Forrester Research, *B2B Marketers: Align Technology Adoption Plans With Business Goals*, June 2007.

2 *Harvard Business Review*, August 2007.