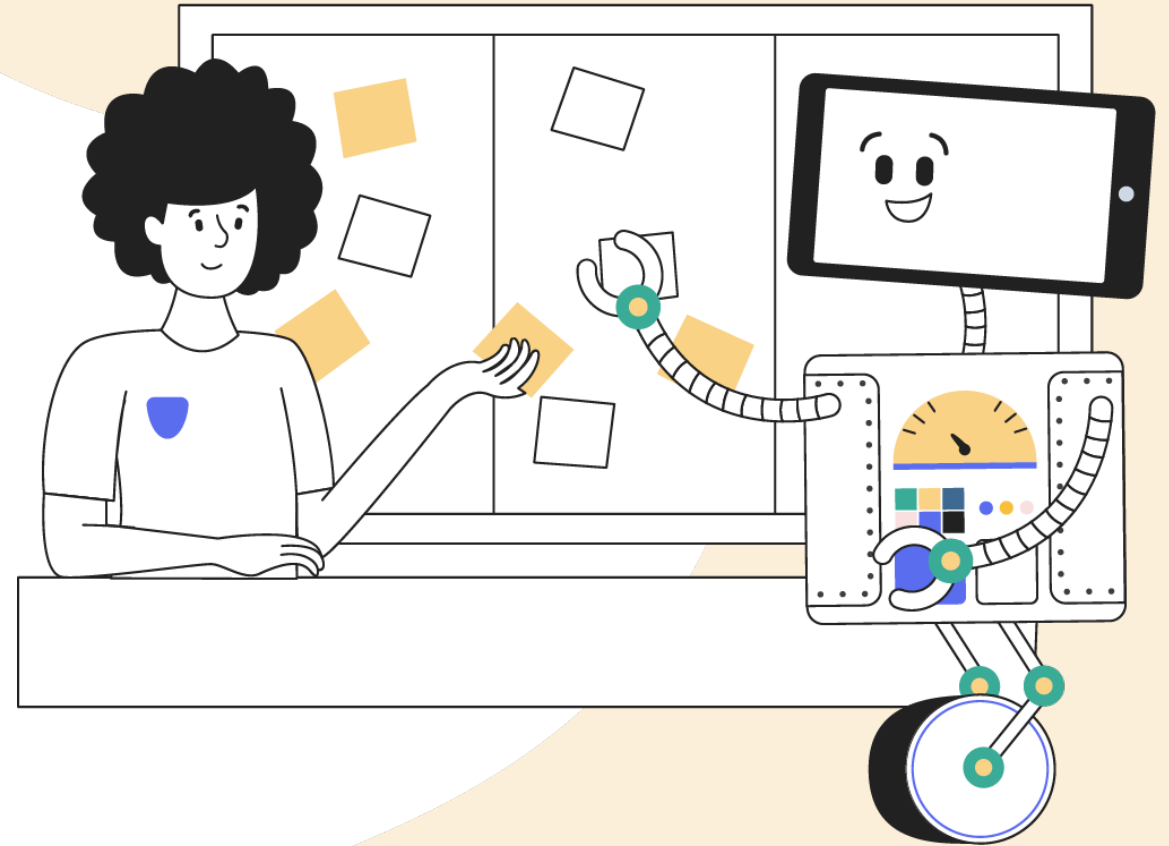




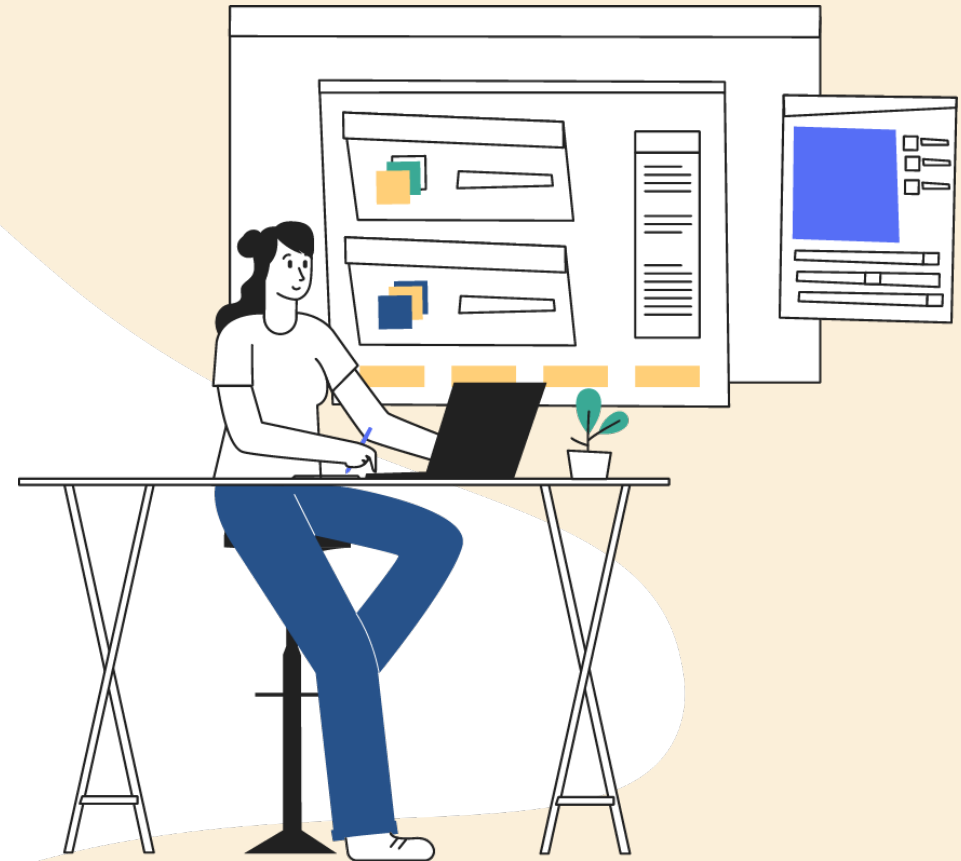
The difference between how businesses buy vs. how consumers buy

James Dhakal, Specialist BDR



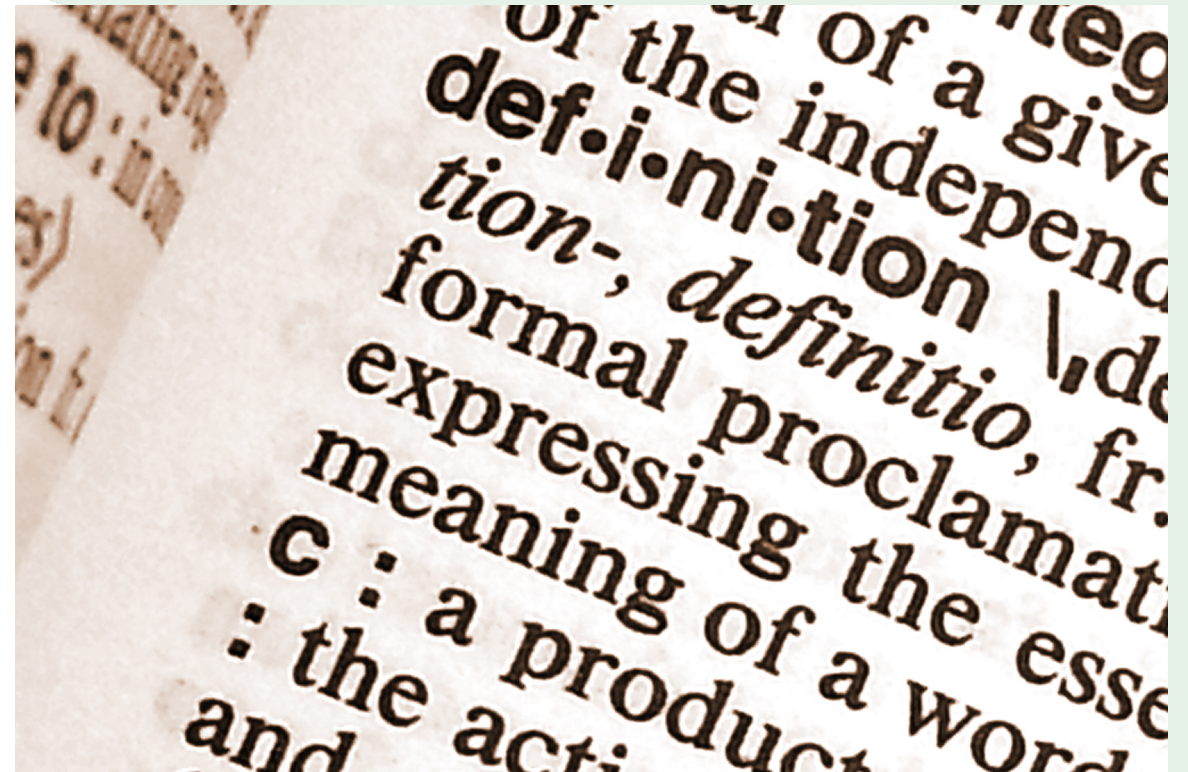
Agenda

- 1** Defining B2B and B2C
- 2** Key differences between B2B and B2C buying behaviour
- 3** Important buying behaviour statistics
- 4** Buying behaviour models
- 5** Articulate's sales approach



DEFINING B2B and B2C

- In the B2B market, businesses are targeting other companies. For example, IBM and Microsoft sell their software to other enterprises whose employees then use their products to perform their daily work.
- In the B2C market, the business focuses their marketing on the individual themselves. This can result in a linear path to purchase: where a person considers a particular set of products or services, shops around, and then makes a decision.



Key differences – Needs vs. Wants

- Businesses tend to buy what they need, while consumers are often more focused on buying discretionary items. Businesses are also very focused on the ROI of their purchases
- When selling to businesses, you'll need to focus your marketing messages on values and benefits. Now more than ever before, B2B buyers want a personalised sales experience
- From a B2C perspective, marketing messages will most likely revolve around an appeal to desires (e.g. creating an aspirational brand or associating your product with health, fun or youth)

GUCCI





Key differences – Planning vs. Impulse

- Businesses tend to plan their purchases ahead of time – they often operate on monthly, quarterly or annual budgets
- Consumers are more likely to make impulse purchases
- However, consumers also rely on the recommendations and referrals of others in the absence of concrete product knowledge

Key differences – Businesses use procurement

- Many businesses have an established procurement process that must be adhered to by all employees when attempting to make a purchase
- Some companies even require employees to use only pre-approved vendors
- Getting onto a companies vendors list can be a lengthy process on it's own (speaking from personal experience!)



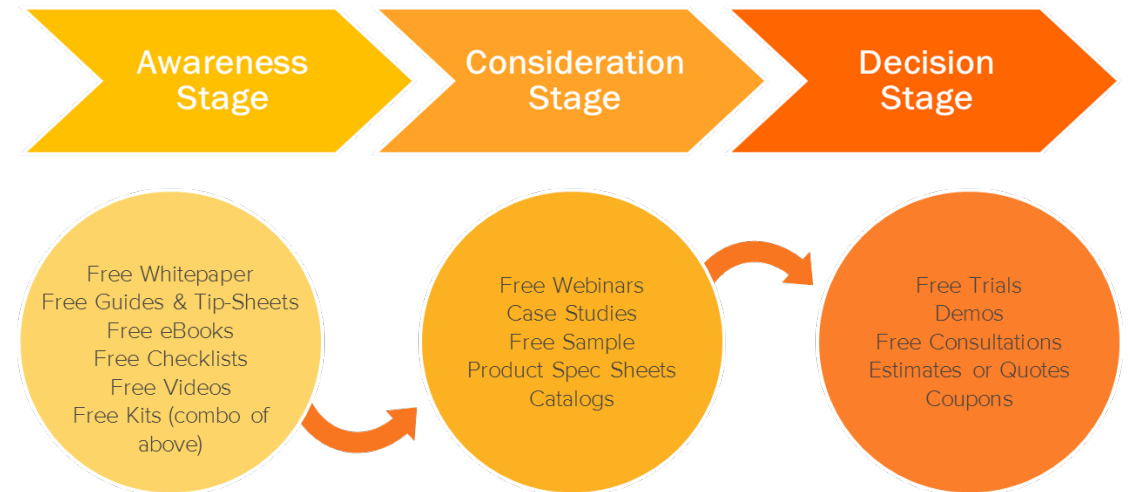
Key differences – Number of decision makers

- Businesses and consumers often make buying decisions with the input of multiple people. For example, children need permission from parents to make a purchase and managers at businesses may need permission from their directors or accounting .
- When multiple decision makers are involved in the buying process, ensure that your marketing messages not only motivate the final purchaser, but also aid them to persuade their partner/boss.



Key differences – Product knowledge

- Businesses will usually conduct more research and have more expertise around your product or service, especially if it's an expensive purchase
- It's important that you allow business buyers to find technical information on your website easily
- Consumers that buy on impulse or because of aspirational reasons will require more education around your product's benefits



Key differences – The purchasing funnel

- B2C: a consumer clicking on the 'order' on your website doesn't guarantee a sale, according to e-commerce experts Bolt. There are multiple steps to complete, and your potential customer can back out at any time
- They must confirm their shipping address, delivery option, and add their card details too
- In a B2B setting, the buying process starts with need recognition, followed up by engagement with potential partners (often leading to a proposal and further discussions). This process is usually longer than in a B2B setting due to the high prices associated with services – need to nurture, rather than the hard sell
- It's important to analyse your web traffic to learn about the sales funnel characteristics that apply to your business – and to see a which stage you mainly lose most of your prospects



Key buying behaviour statistics

Crunching the numbers to build your knowledge



77% of B2B Decision-Makers

Say they'd rather meet with vendors via video call than over a standard phone conversation.



77% of B2B Buyers

State that their latest purchase was either "difficult" or "very complex"



80% of frequent B2B Buyers

Have switched suppliers at least once within a 24-month period.



87% of shoppers

Now begin their product searches online. On average, Google processes 40,000 search queries every second..



75% of consumers

Expect consumers a consistent experience across every channel they choose to engage



82% of consumers

Expect an immediate response to sales or marketing questions.





Buying behaviour models

Two modern perspectives on buying behaviour

Engel-Kollat-Blackwell (EKB) Model

Five Stages:

- Awareness
- Information Processing
- Evaluation
- Purchasing Decision
- Outcome Analysis



Engel-Kollat-Blackwell (EKB) Model

Webster and Wind Model of Organizational Buying Behavior

4 Variables:

- Environmental Variables
- Organizational Variables
- Buying center Variables
- Individual Variables



Webster and Wind model of Organisational buying Behaviour



Engel-Kollat-Blackwell (EKB) Model of Consumer behaviour (1968)

This model of consumer behaviour outlines a 5-stage decision process that consumers embark upon before purchasing a product or service.

- **Awareness:**

Consumers view adverts from a business and become aware of their interest desire, or need to purchase what they've discovered

- **Information Processing:**

Consumers now think about how the product/service relate to past experiences or needs and whether it will actually satisfy their current needs

- **Evaluation:**

Consumers research the product alongside offerings from competitors to see if there are better options out there or if the original option is the best fit

- **Purchasing Decision:**

A consumer will not follow through with a purchase of the product that provides the most value. They may even stop the process if they change their mind too

- **Outcome Analysis:**

Post purchase, the consumer will decide whether their experience has been positive, and whether they'll make a repeat purchase



Webster and Wind Model of Organisational Buying Behaviour (1972)

This B2B buying behaviour model argues that there are 4 key major variables that influence an organisation when they are debating a purchasing decision. These are

- **Environmental Variables:**

This refers to any external factors that may sway a purchasing decision. Supplier relationships, customer demands, and competitive pressure are a few major examples. Wider variables such as culture, technology, politics and culture can apply too.

- **Organisational Variables:**

This refers to internal factors that could influence the purchase decision. For instance, such as the organisation's goals and evaluation criteria.

- **Buying Centre Variables:**

Who exactly makes the final decision? Who signs off on the contract, and who are the major influencers on the buying process?

- **Individual Variables:**

Referring to the psychographic and demographic information of the individual prospect at hand. What's their level of experience? What are their desires and goals?



How does Articulate approach the sales journey?

It's all about the stress free sales journey



Don't promise the world. Be genuine

- We're not here to offer guarantees straight away that Articulate can solve ALL of your problems!
- We don't want you to think we're robotic salespeople. We're all humans and we want you to have a genuinely engaging sales experience built on trust



Consultation and best practice

- Our approach is not to sell from the very start. We're here to understand your business on a deep level and to uncover what you're struggling with
- Any recommendations are based on your business needs only. There's no 'one size fits all' approach
- 'We drink our own champagne' – what we recommend is based on best practice



Transparency

- As well as our strengths and areas of expertise, we're very honest and up front about areas we don't specialise in (e.g. social strategy or selling leads)
- Our website is a key tool in helping people to find the right information. A smooth user journey is essential for you to fully understand our resources and services



“The best ad is a good product.”

Alan H. Meyer (1908-1976), American Aviation Pioneer

Thank you

Any questions are welcome!



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