CROWD VIEWS REPORT

Understanding the B2B Buyer

WINTER 2020

Table of Contents

Introduction & Methodology

G2 is revolutionizing how businesses discover, buy, and manage software and services. To provide a holistic view of the purchase process of B2B decision-makers, G2 conducted an online survey among nearly 1,400 B2B decision makers. The following B2B Buyer Guide combines both G2's proprietary review data information and data from the online survey to provide unique insight into the seven distinct elements of the B2B buyer's purchase cycle.
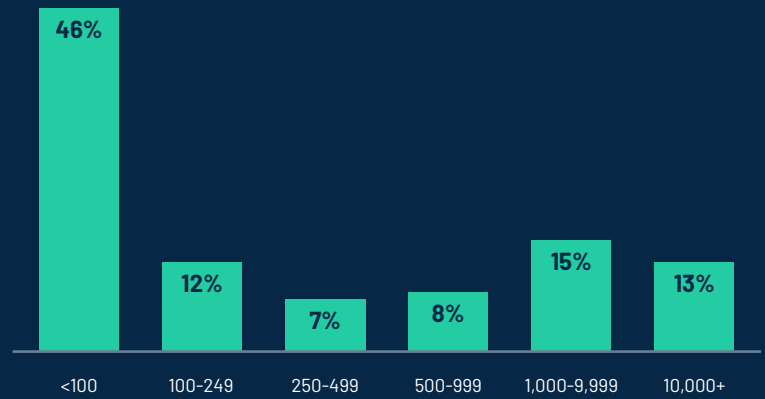
Survey Methodology

G2 fielded an online survey among 1,380 B2B decision-makers with responsibility for, or influence over, purchase decisions for departments, multiple departments, operating units, or entire businesses. Respondents had job titles of director, manager, or higher. The survey was fielded from March–April 2019.
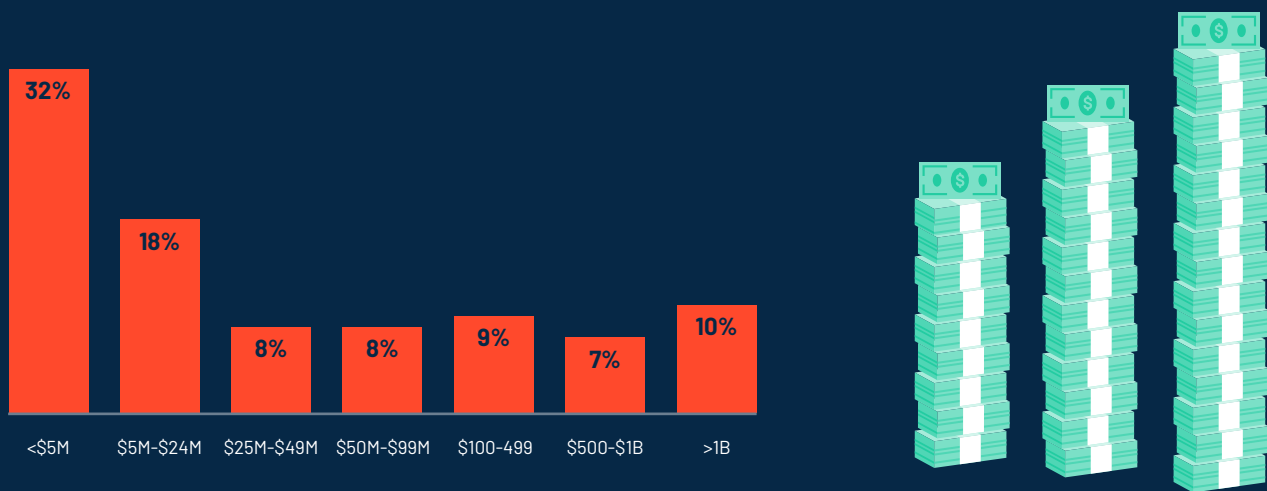
1,380

B2B Decision-Makers

Respondent Demographics

Company Size
(by number of employees)

<100	100-249	250-499	500-999	1,000-9,999	10,000+
46%	12%	7%	8%	15%	13%

Annual Company Revenue

<$5M	$5M-$24M	$25M-$49M	$50M-$99M	$100-499	$500-$1B	>1B
32%	18%	8%	8%	9%	7%	10%

9% of respondents indicated "Don't know"

Respondent Demographics

Primary Work Responsibility

Information Technology
18%

Marketing
14%

Engineering/Science/Research & Development
10%

Operations
10%

Sales
9%

Senior Management
8%

Accounting/Finance
7%

Purchasing/Procurement
6%

Customer Service/Support
6%

Human Resources
4%

Facilities
2%

5% of respondents indicated "Other"

Job Title

CEO, President, Owner, Managing Director
16%

IT VP, IT Director, or CIO
13%

VP/Director of Business Unit Other than IT
8%

CMO/VP of Marketing
7%

COO/VP of Operations
7%

CFO/Controller/VP of Finance or Administration
5%

VP/Director Human Resources
5%

39% of respondents indicated "Other"

Gaining
Buyer Trust

Doing business online while building good business relationships can be difficult. Trust, always an important factor in a business relationship, is even more critical in an online environment. Building trust online can be accelerated through transparency and openness, as well as by leveraging peer relationships to establish a "chain of trust." But trust is fragile, so maintaining and growing the relationship is directly tied to the brand's ability to stay "trustworthy."

Information and data to support the buying decision must come from sources that buyers trust. In a recent survey of B2B buyers and/or buying influencers, 82% of respondents reported using online review sites to support buying decisions.[1] Peer review sites are in wide use for consumers, so it's not surprising that buyers feel comfortable about, and trust information from, B2B review sites as well. This study examines the complete buying cycle and lays out the most trustworthy information to support a data-driven purchasing decision model.

7. Gather Feedback
Understand users' experience

1. Awareness
Identify business need

6. Production
Use solution

2. Education
Gather information

Buying Cycle

5. Implement
Set up solution

3. Compare
Evaluate alternatives

4. Decision
Select & purchase solution

1. Do you use online review sites for gathering information and getting recommendations and referrals for business products and/or services that interest you? N=1,382

Identify
Business Need

For businesses seeking a competitive advantage in 2019, technology is a key component. Digital transformation remains one of the biggest challenges facing companies, and choosing the "right" technology to enable the change is harder than ever. The number of software and services categories on G2.com grew 53% from June 2018 to June 2019, now totaling 1,760 categories and covering 90,808 products. Navigating through all the potential options can feel overwhelming.

> *"Digital transformation remains one of the biggest challenges facing companies, and choosing the 'right' technology to enable the change is harder than ever."*

The first step in selecting and implementing technology is to clearly understand the business need driving the selection. This process involves collecting feedback from all involved constituents and turning it into a clear list of business requirements. Armed with the list of requirements, the selection of a tool (or tools) to address the business issues can proceed.

1,760
Categories on G2[2]
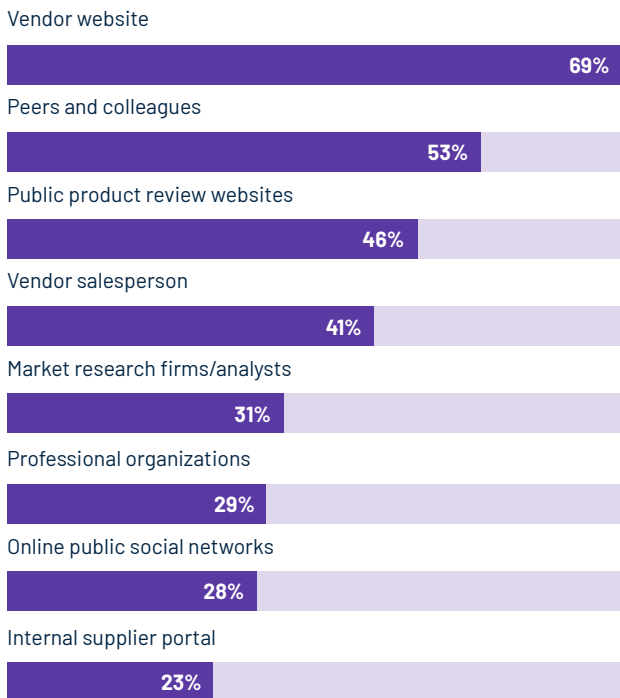
90,808
Products on G2[3]

2 & 3. As of June 2019
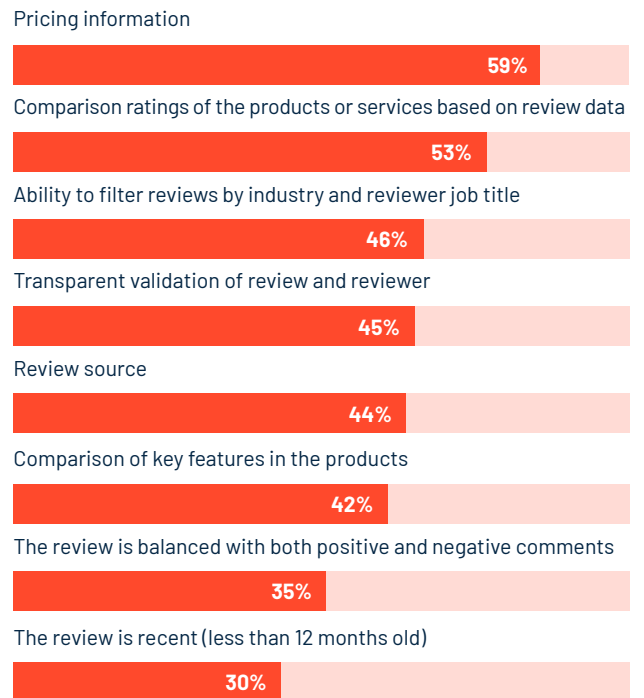
Gather Information

The internet has dramatically changed the way we research business technology solutions. Nowadays, the first stop in the information collection (or education) process for most people is a search engine. From there, buyers often look to vendor websites to collect information, but quickly expand their search to include peers, colleagues, and product review websites.

Consulting peers—either in person, or online via product review websites or social networks like LinkedIn—consistently scores among the most trusted ways to source information. For most buyers, consulting people in similar companies, industries, and roles (often referred to as the "like me" syndrome) yields both high confidence and high value.

Top information sources B2B buyers use for initial information gathering when purchasing goods and/or services[4]

Vendor website
69%

Peers and colleagues
53%

Public product review websites
46%

Vendor salesperson
41%

Market research firms/analysts
31%

Professional organizations
29%

Online public social networks
28%

Internal supplier portal
23%

Top features B2B buyers find most helpful on online product/service review websites[5]

Pricing information
59%

Comparison ratings of the products or services based on review data
53%

Ability to filter reviews by industry and reviewer job title
46%

Transparent validation of review and reviewer
45%

Review source
44%

Comparison of key features in the products
42%

The review is balanced with both positive and negative comments
35%

The review is recent (less than 12 months old)
30%

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4.   When planning to purchase goods and/or services for your company, what information sources do you most often consult for initial information? N=1,375

5.   When using online product/service review websites, which features do you find the most helpful? N=1,113
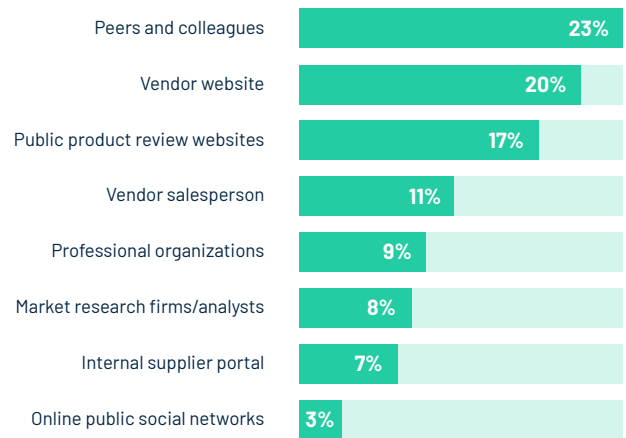
Evaluate Alternatives

Once initial information is collected on potential solutions, buyers continue to narrow choices and evaluate alternatives. During this stage, while working from a detailed list of business and technical requirements, it's critical to compare the potential solutions both from the overall satisfaction level and on an individual feature level.

There can be large differences in the features themselves and in the way they are implemented by each provider. The features necessary to fill a business' needs and requirements often vary by business size and business objectives; what fits well for a small business may not be sufficient for a mid-size company, for example. Also, what works for a business with a sustain or moderate growth business plan may not provide the flexibility and scalability needed to meet the demands of a fast growth company, no matter the current size.

Some important factors to evaluate:

Usability: Usability is generally a high priority item for the evaluation process. Usability impacts adoption, the completeness of the solution's ability to meet the necessary requirements. and even the amount of effort to administer the software for ongoing operation. The rapid growth of consumer online solutions with clean and simple user interfaces (UI) has taught employees to expect the same experience from tools provided by the business. Solutions that don't meet those expectations are often underutilized at best and may have negative impacts on employee morale over time.

Top sources B2B buyers trust

when making major purchase decisions[6]

Source	Percentage
Peers and colleagues	23%
Vendor website	20%
Public product review websites	17%
Vendor salesperson	11%
Professional organizations	9%
Market research firms/analysts	8%
Internal supplier portal	7%
Online public social networks	3%

6. What information source do you trust the most/rely on the most when making major purchasing decisions for your company? N=1375

Relationship: In the subscription economy, choosing a solution is more than a one-time transaction. It is the beginning of a longer relationship with the vendor that more closely resembles a partnership than a traditional client/supplier relationship. As a part of the selection process, examine how easy or difficult it is to sustain the partner relationship based on direct user feedback. Technical support is also an important part of the relationship and should be evaluated as well.
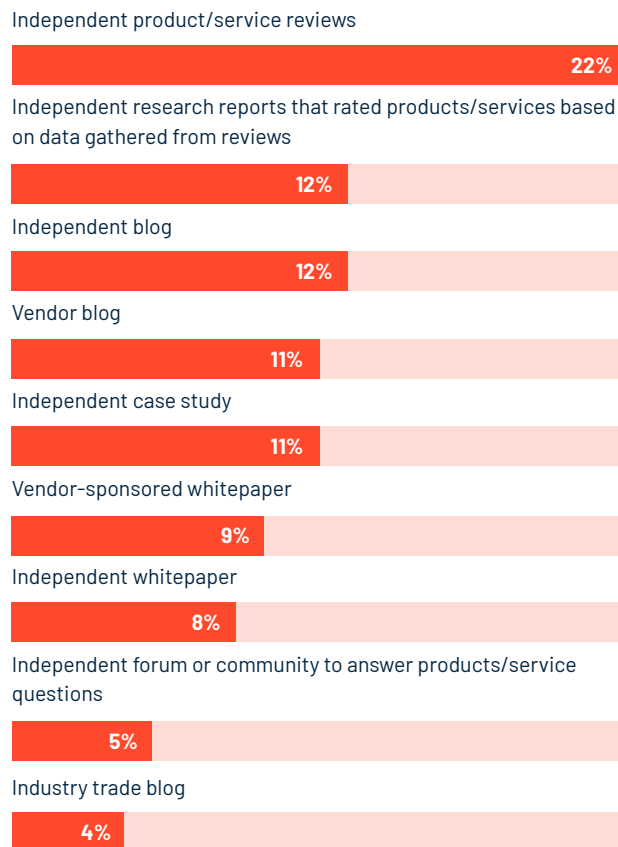
Compare: Evaluate Alternatives

Results: By seeking feedback from individuals in similar industries, at companies of a similar size, and in the same roles, it's possible to obtain a comprehensive view into the results companies saw when using various solutions. Obviously the point of the evaluation is to find the best way to meet your business needs, so actual results can be a good predictor of the outcomes you might see by implementing the solution. Return on investment (ROI), or how quickly you saw more value from the solution than the cost to purchase/subscribe and implement it, is another indicator of successful results.

Implementation: How quickly and easily a solution can be implemented is a crucial factor in any evaluation. However, this dimension isn't quite as easy to evaluate; there are many factors that impact product implementation, including solution complexity, company size, business complexity, and number of users. To adequately compare solutions, you must ensure that the users' situation is similar to yours and that the companies in question are attempting to address similar business issues.

Momentum: Many solutions are implemented with the goal of helping a company compete more effectively. Competitive advantage can come in many forms, including implementing simple business efficiencies, using technology to create a level playing field with larger competitors, or even leveraging technology to disrupt a market or industry. To do this, however, it is sometimes necessary to use newer, more advanced technology that is harder to evaluate since it doesn't have as large of a footprint of established users. Decisions to use these types of tools can also carry some business risk since they may be less proven. The evaluation is weighted in favor of higher momentum solutions that show a great deal of emerging potential.

Top information sources B2B buyer use

to support a purchase decision (in the past year)[7]

Independent product/service reviews

| | 22% |

Independent research reports that rated products/services based on data gathered from reviews

| 12% |

Independent blog

| 12% |

Vendor blog

| 11% |

Independent case study

| 11% |

Vendor-sponsored whitepaper

| 9% |

Independent whitepaper

| 8% |

Independent forum or community to answer products/service questions

| 5% |

Industry trade blog

| 4% |

7. Have you used any of the following information sources in the past 12 months to support a purchasing decision? N=1314

Select & Purchase Solution

As a result of the internet and both the amount and accessibility of data, it should be easier than ever to make data-driven decisions. In reality, data can be difficult to use or even find. There's also the issue of trust: How does a buyer know whether to trust the available information? According to buyers, the No. 1 response (or obstacle) is inability to get credible content. However, the issue isn't the ability to find content, but actually finding content that is easily trustworthy, contextual, and relevant.
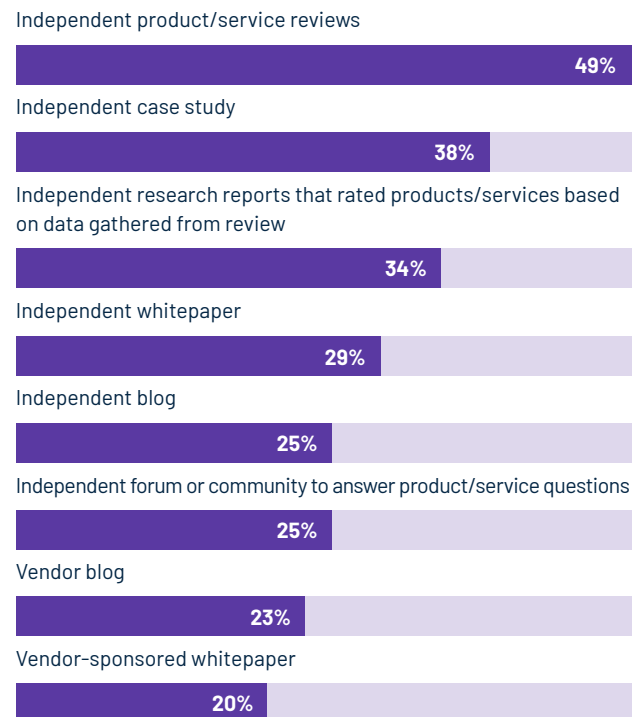
The actual decision-making process differs by company and by company size. In general, smaller companies have a much more streamlined and simplified purchasing process; large companies typically have a detailed IT governance process that requires multiple approval steps. In these situations, there can be many influencers and potentially even more than a single decision-maker. The more complex the business and business issue, the more likely the decision is, at a minimum, evaluated by a "committee" that provides the decision-maker with the short list of potential solutions and the data to effectively evaluate the options.

The B2B buyer's biggest obstacles to making good purchase decisions[8]

Inability to get credible content

16%

Lack of knowledge of vendor offerings

15%

Customer references difficult to find

14%

Not enough (or no) reviews on reviews websites

12%

Difficult to get internal alignment on the decision

9%

No reviews on the products/services from people in my industry and role

9%

Content is not specific to my industry

9%

Vendor sales professional doesn't understand our needs

6%

The most helpful information sources that supported successful purchasing decisions for B2B buyers[9]

Independent product/service reviews

49%

Independent case study

38%

Independent research reports that rated products/services based on data gathered from review

34%

Independent whitepaper

29%

Independent blog

25%

Independent forum or community to answer product/service questions

25%

Vendor blog

23%

Vendor-sponsored whitepaper

20%

8. What is the biggest obstacle to making good purchase decisions? N=1,333

9. In the last 24 months, which of the following helped support successful purchasing decisions at your company? N=1,329

Set Up Solution

Businesses can take several approaches to system implementation; when properly executed, each method can yield the desired outcome. Often the complexity of the business and/or the solution is an important factor in choosing the implementation method, as is the availability of expertise (in-house, from the solution vendors, or through third-party integration providers).

Regardless of whether a business chooses to bring in outside assistance or go it alone, the decision will almost always play an important role in the implementation process by providing the process expertise in the necessary business context.

Implementation Method by Category[10]

■ Vendor ■ Partner ■ In-House

Sales

| 13% | 5% | 82% |

Marketing

| 10% | 3% | 87% |

Analytics

| 12% | 6% | 82% |

Customer Service

| 12% | 3% | 85% |

E-Commerce

| 12% | 7% | 81% |

ERP

| 16% | 6% | 78% |

HR

| 18% | 3% | 79% |

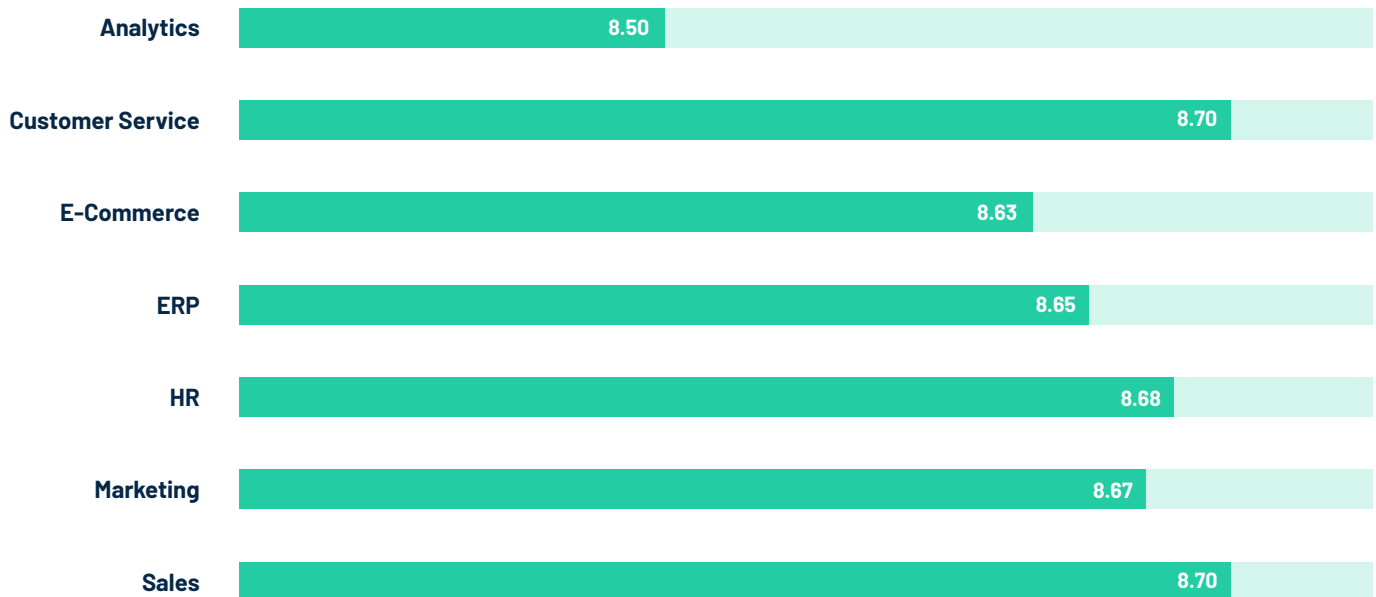
10. G2 Review Data, July 2019.

Use Solution

There are several measures of a successful implementation, and they vary (at least somewhat) based on the solution type. In general, the two most important indicators of success are adoption and results. Adoption is straightforward, but the results could be evaluated in many ways. On one hand, having successful results means hitting or exceeding the metrics established as a part of the solution requirements, or more simply answering the question: "Did the solution actually solve the business problem?" The other method is assessing the return on investment (ROI), or the time it takes to recoup the equivalent of the cost of the solution in a measure of business value, such as additional revenue, increased productivity, or increased profit margin. Solution costs can be the license fee, or the sum of some period of subscription fees, plus any implementation costs.

User Adoption of Solutions by Category[11]

The Results Index reflects a single score that considers the following factors: volume of consumer reviews, how well a product meets a customer's requirements, how quickly a customer is able to adopt a system, and the product's ROI.

Category	Score
Analytics	8.50
Customer Service	8.70
E-Commerce	8.63
ERP	8.65
HR	8.68
Marketing	8.67
Sales	8.70

11. G2 Review Data, October 2019.

Understand Users' Experience

There are two distinct areas of feedback to consider that can provide value to a business. The first is collecting feedback from stakeholders and constituents involved in a solution. Depending on the type of solution, the business can then collect feedback from employees and/or customers after the implementation and a reasonable period of solution use. The systems listed below can assist in the process of collecting and managing feedback:

The second type of feedback is based on current users providing feedback to the general business population to "pay it forward" in return for all the useful information that supported their businesses' own purchasing decisions.

This is accomplished by leaving reviews (and encouraging employees to leave reviews) on B2B peer review sites, as well as by actively participating in public communities, discussion forums, and even public social networks like LinkedIn. Sharing relevant feedback is invaluable for businesses that are in the purchasing process.

Top Employee Engagement Systems[12]

Product	Satisfaction Score
Kudos	99
15Five Continuous Performance Management	98
Lattice Performance Management	98
Motivosity	89
Clarity Wave	76
TINYpulse Engage	75
Qualtrics Employee Experience	74
Culture Amp	74
Energage	74
Officevibe	73

Top Enterprise Feedback Management Systems[13]

Product	Satisfaction Score
AskNicely	96
BirdEye	94
Nicereply	94
SurveyMonkey	93
Wootric	92
GetFeedback	83
ReviewTrackers	82
Delighted	80
Reputation.com	79
SmileBack	78

12. G2 Grid® Report for Employee Engagement | Summer 2019

13. G2 Grid® Report for Enterprise Feedback Management | Summer 2019

Credits

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About

Headquartered in Chicago, G2 is revolutionizing how businesses discover, buy, and manage software and services. More than three million monthly users rely on G2 to help them find and buy the best software for their businesses. The platform has over a million reviews and $100 million in total funding invested by IVP, Accel Partners, LinkedIn, Emergence Capital, Pritzker Goup, Chicago Ventures, and Hyde Park Ventures, as well as industry leaders and founders. G2's customers include IBM and Zoom. Its most recent funding, a $55 million Series C, was in October 2018, followed by the company's acquisitions of Siftery and Advocately.

G2.com