1. SIX LESSONS LEAKNED FROM SUCCESSFUL BZB MARKETING RULL-UUTS

Why B2B Manufacturers Should Pursue Digital Marketing & Commerce Now

According to the Institute for Supply Management's December 2019 <u>Semiannual Economic Forecast</u>, manufacturing revenues grew only 1.9% in 2019, and manufacturing executives expect revenues to grow 4.8% in 2020.

B2B ecommerce – specifically, purchases by employees from supplier websites – grew at a compound annual rate of 7.9% from 2012 to 2018, according to Forrester Research. Still, 60% of manufacturers don't provide ecommerce on their websites, as reported by <u>Digital Commerce 360</u>.

Because ecommerce is growing at over 1.5x the rate of overall sales, and because most competitors don't offer ecommerce, B2B manufacturers are increasingly looking to ecommerce to differentiate and to accelerate profitable revenue growth.

If you're among the 50% of manufacturers who are planning to implement digital marketing or commerce before 2022, here are some things to keep in mind when designing your digital roll-out strategy.

Six Lessons Learned from Successful B2B Digital Roll-outs

For B2B manufacturers in the planning process, Dakota has identified six approaches shared by successful digital marketing and commerce programs:

- 1. Design around the customer, and evolve in stages
- 2. Build and charter a core team from all parts of the company
- 3. Rely on analytics to drive continuous improvement
- 4. Present the entire portfolio online, even if it isn't sold there
- 5. Provide complete and accurate product information
- 6. Add product relationships to accelerate digital success

1. Define "Winning" by Putting the Customer First

Successful B2B digital programs put the customer first. They use customer research and other evidence (such as web analytics and competitive research) to design digital marketing and commerce strategies that meet customer needs and have predictable, measurable ROI.

Start with understanding real customers' requirements (by asking real customers), then communicate them throughout the entire business, so that everyone understands the objectives of the digital program, and everyone is working together towards shared goals. Do your customers want to purchase online, and if so, which products would they prefer to buy there? What transactions would they rather conduct electronically? What information do they want fast access to? Understand that different customer segments have different needs.

Define what "winning" looks like for your customers *and* for your business. Define metrics for each customer segment. Predict and measure at every stage of the project. Define clear progress and success metrics and targets, and report them regularly to senior management, stakeholders, and everyone working on the program.

2. Draw Leaders from all Parts of the Organization

Successful digital transformations require experienced leaders who understand the complexity of these programs – both technically, as well as from a change-management perspective. Successful program leads will bring experience from previous digital roll-outs – perhaps in other B2B sectors, from within digital agencies, or even in B2C.

Experienced digital program leaders will tell you that success requires forming an integrated core team representing all functions in the organization – but especially from sales, marketing, support, product management, product engineering, information technology, and technical content publishing. These are the areas upon which a successful digital program relies, but are also the areas in which the most change must occur. Building a core team of recognized leaders from each area will

management process.

Each core team member must have the digital program as their recognized "day job." Digital programs can take up to a year for "go-live" (the first day the website is available), then another year or two before the core capabilities of the site are fully developed (e.g. before the full product catalog is on-line).

3. Use Analytics to Continuously Measure & Improve

Digital marketing and commerce platforms provide analytics, which affords the unique ability to observe, measure, and analyze the ways visitors interact with content. You can see what brings them to your website, what they view and interact with, what they search for, and from which pages they exit.

Most importantly, you can see where and when they "convert"

- to leads (by downloading content and providing contact details),
- to prospects (by asking for samples, pricing, or to be contacted by sales), and
- to customers (by purchasing on your website or clicking-through to buy from a distributor website).

It's important to integrate web analytics into the progress and success metrics of your digital program. This data can help make digital customers "real" to business stakeholders and can build a fact base to overcome opinion-based resistance to change (which is inevitable when implementing digital programs in manufacturers).

4. Attract Visitors with your Product & Services Portfolio

Nothing is more critical to B2B digital success than presenting the full breadth of your product and service offerings on the website. There are two predominant approaches to presenting a portfolio, often used in combination:

- Online catalogs organize products and services based upon what they are. Catalogs display products in categories, with feature sets that are specific to each category to enable product search, filtering, and comparison.
- **Solutions pages** group products and services based upon what customer problems they solve, and how they address customer needs. Solutions present combinations of products, supplies, and services that uniquely solve customer problems.

It's important to present the portfolio online, even if it's not sold there because visits to online product and solution pages generate leads and prospects for conventional sales teams.

5. Provide Comprehensive Online Product Information

Based on direct voice-of-the-customer research and other evidence like web analytics and competitive intelligence, define the digital content strategy: What information needs to be online, and why? Define what information will be displayed in product pages and listings, used for filters and product comparisons, and available in downloads.

Define a strategy for migrating existing product information (specifications, images, pricing, availability, datasheets, drawings, models, manuals, etc.) into online product pages.

Define a phased approach that gets the most critical information online first, then gradually makes more information available natively online (not in downloads) to optimize your site for web search engines.

Take a hard look at documents that customers download and ask them how it could be more valuable. Explore reusing static content to create digital experiences that guide customers through step-by-step procedures and provide answers to customer questions.

6. Add Product Relationships to Accelerate Success

Migrating a product catalog online is essential, but successful digital merchandising and sales require more sophisticated content than print. Successful online product pages require links to related products such as supplies, accessories, consumables, and compatible products, as well as products used together for specific applications.

Six Lessons Learned from Successful B2B Marketing Roll-outs

Product relationships often aren't available in catalogs, documents and legacy systems, so special projects are required to identify and record these relationships as data. It's essential to put tools and processes in place that help product managers to identify, create, and maintain relationships between products as part of new product introduction.

Here's why: A study by an electronics manufacturer found that clicks on links to related products yielded a 300% increase in conversion and a 2100% increase in revenue per session. Just *displaying* links to related products on product pages increased conversion 33% and revenue per session 200%.

Learn from Those Who Went Before You

There's no reason to "roll your own" digital strategy. Enough B2B manufacturers have built successful online programs (and enough have failed) for you to learn from the mistakes and successes of others. We encourage you to seek out other manufacturers at conferences such as <u>B2B Online</u> and <u>B2B Next</u>, to understand what worked and what they would have done differently. There are many more lessons learned than the six above, but in Dakota's experience, these are the vital few that set apart the true leaders from the middle of the pack, and certainly those programs that went more smoothly.

