

Challenges facing B2B enterprises



By [Mark Eardley](#)

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It's a double train smash for B2B sales and profits...

Train smash #1: internet derails sales teams

The internet has fundamentally changed the B2B buying process. Customers no longer need to support buying decisions with extensive inputs from sales teams.

Digitally savvy customers are self-informed and self-sold. They form their opinions of products, services and vendors through research on the web. Buying decisions are further guided by online user groups and special-interest forums.

The result? A customer's first direct contact with a vendor may simply be to confirm prices and availability. They have already decided what they want. And who they want it from. Right or wrong, they trust the advice they have given themselves - and there's little chance to change their minds.

The traditional influence of sales is being replaced by the influence of the Net.

This undermines the age-old purpose of a B2B sales team: to cultivate customer relationships that support buying decisions. But sales teams are being side-lined and are spending less and less time in the game.

To grow revenues and protect profits, it's essential that B2B companies develop strong digital visibility. And this must be supported by marketing content that is relevant and credible. Content that builds confidence, trust and respect across the multiple audiences that influence business buying decisions.

Companies that remain 'digitally invisible' are not just out-of-sight, they're also out-of-mind. And if customers can't find what they need to know, they look elsewhere.

Which is where their money goes. Elsewhere.

Train smash # 2: commodity mentality derails margins

The threats posed by the Net to revenues and profits are challenging enough. Things get even worse when B2B companies don't differentiate themselves from their competitors.

There is a growing similarity between even sophisticated manufactured goods and professional services. They are

increasingly perceived as being no more distinct from one another than basic goods like plastic bags or paper plates.

And the differences between them have become even less significant to customers. Similarity breeds contempt...

When customers regard competing products as being essentially the same - as commodities - they look for the lowest price, resulting either in lower margins for suppliers or loss of revenues.

By continuing a traditional emphasis on the features and specifications of their products and services, many B2B companies are falling deeper into the commodity trap.

Unless they find alternative ways to distinguish themselves clearly from the competition, they must accept the damaging consequences of selling on price: loss of margins, loss of sales, or - even worse - loss of both.

In response to these challenges, B2B enterprises must empower their marketing to serve its sole purpose: securing profitable sales and committed customers.

And they must reinforce their B2B marketing capabilities in order to fulfil that purpose.

ABOUT MARK EARDLEY

In a 30-year career, Mark Eardley has assisted business-to-business enterprises to increase sales and margins by applying the key principles of B2B marketing. Based in Johannesburg, he can be found on LinkedIn or contacted on +27 (0)11 646 5183

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