

SUPERPOWERS 2.0

The New Shape of Superpowered B2B Customer Experiences



MERKLE
— B2B —

B2B International
A Merkle Company

Foreword

What a year it has been. If we look back to September 2020 when we ran our first global survey, Donald Trump and Joe Biden were clashing in the US presidential debates, the Black Lives Matter protests had swept across the world, and the global death toll from COVID-19 had just passed one million with no signs of stopping.

While all of this was happening at a macro level and causing waves of uncertainty, it was having a consequential effect in the business world. Through our global study, we set out to understand how B2B brands can create the ultimate customer experience, driven by four “Superpowers”:

- Reliability
- Understanding
- Enrichment
- Pre-eminence

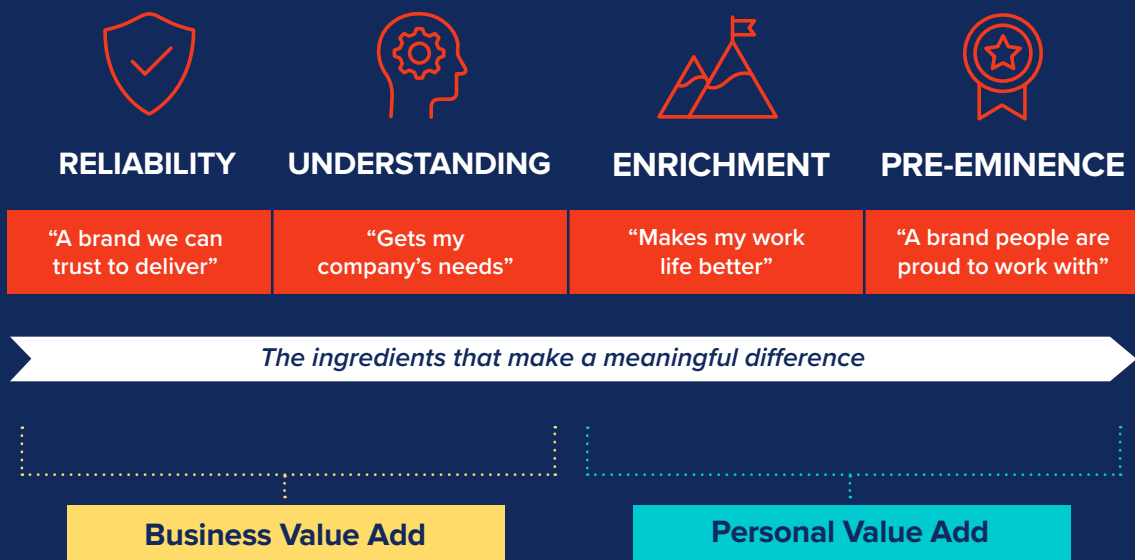




Within these four Superpowers sat 30 ingredients which shape them, all of which have relative importance at different stages of a B2B buyer’s journey.

As Figure 1 illustrates, the study also underscored what we have all long suspected: successful B2B customer experiences not only add significant value to the businesses that buyers work for (via the Reliability and Understanding Superpowers) but also add significant personal value to the buyers themselves (via the Enrichment and Pre-eminence Superpowers).

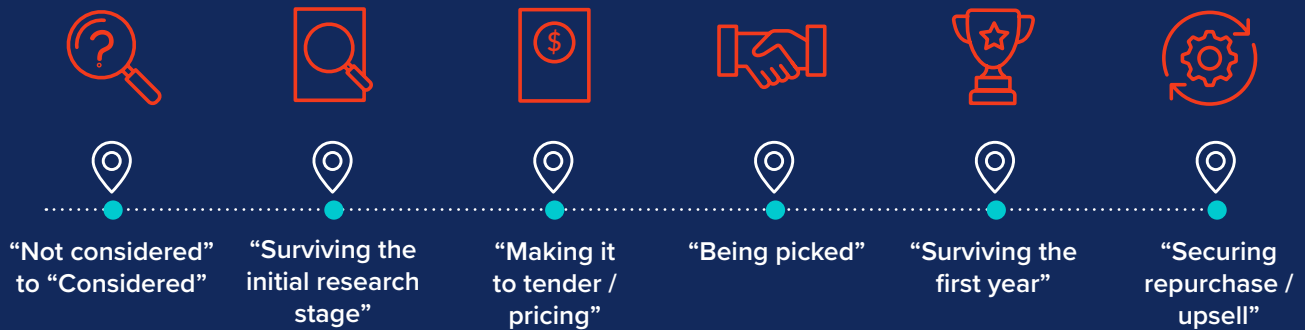
Figure 1 - The 4 Brand Superpowers That Create The Ultimate B2B Customer Experience





Fast forward to September 2021. While the world is beginning to learn to live with COVID-19, we reran our Global Superpowers survey to see how customer experiences have changed in the last 12 months. We revisited the 4 Superpowers and the 30 ingredients that shape them and set out to understand where these ingredients are more important on the B2B Buyer's Journey a year on (Figure 2).

Figure 2 - The B2B Buyer Journey



Stages on the decision-making journey

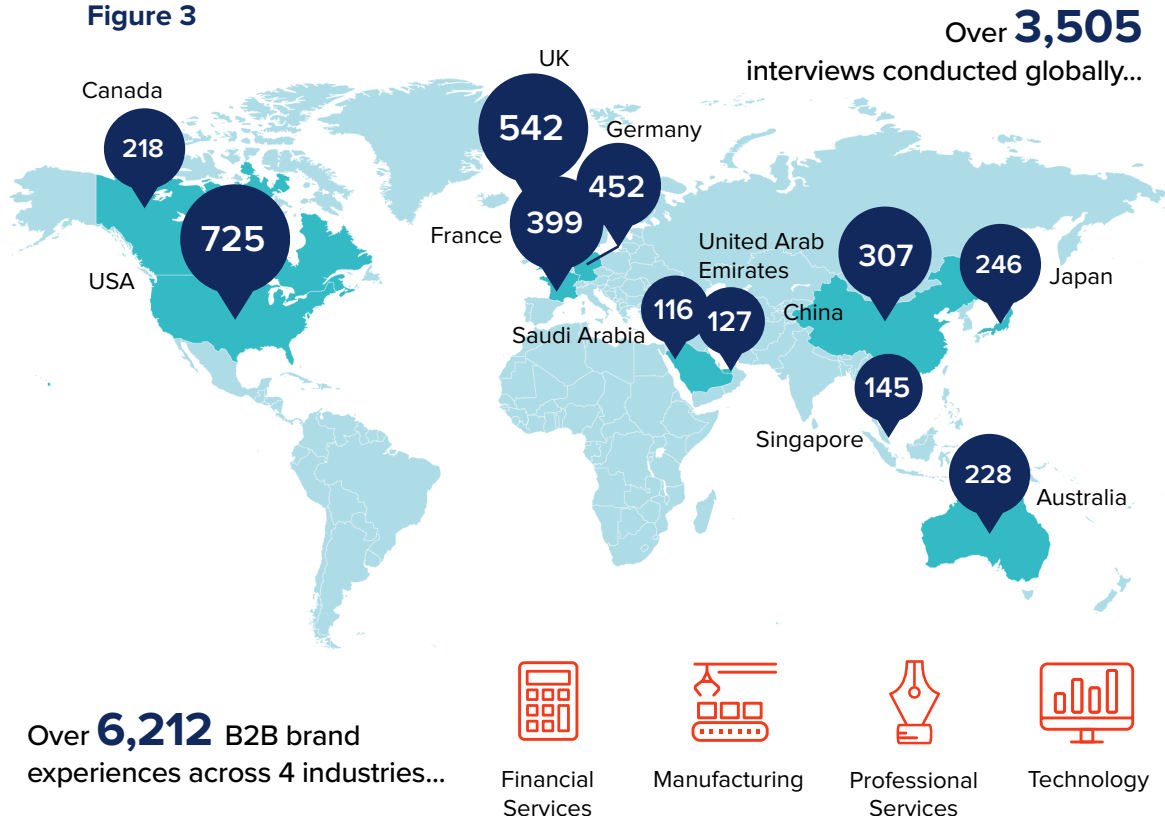
About The Study

B2B International, a global market research company and part of Merkle B2B, conducted the Superpowers survey in 2020 and again in 2021 to understand how expectations have changed.

Specifically, we talked to 3,505 buyers of B2B products and services and asked them to retrace their steps on their journeys for 6,212 recent B2B purchase experiences (1,665 in North America, 1,636 in APAC and 2,911 in EMEA). As they retraced their steps, B2B International asked them to identify which of the 30 ingredients mattered to them and when they mattered along their journey. They then scored the brands based on those ingredients and how well they were performing against the ingredients that mattered to them.

As a result, we now have a better understanding of how the past 12 months have changed the shape of Superpowered B2B customer experiences and the ingredients that create them. We have also refreshed our understanding of how you can create the ultimate B2B experience across four B2B industries (financial services, manufacturing, professional services, and technology), what it now takes to succeed in those categories, and the B2B brands that have thrived by meeting buyers' needs over the past 12 months. See Figure 3.

Figure 3





Firstly, the B2B brands that have succeeded (i.e., have taken a customer successfully through the purchase journey and secured the sale), continued to add significant value to both the buyer’s business but they also continued to add meaningful personal value to the buyers themselves.

Secondly, despite all the recent turbulence, we identified that nine of the 30 ingredients that shape these Superpowers remained as important as ever to successful B2B customer experiences. See Figure 4.

Figure 4 - The Ingredients Which Remain Important 12 Months On

RELIABILITY	UNDERSTANDING	ENRICHMENT	PRE-EMINENCE
“A brand we can trust to deliver.”	“Gets my company’s needs”	“Makes my work life better.”	“A brand people are proud to work with.”
Comply with regulations, law, industry standards & ethical practices	Approachable & transparent in their dealings with us	Makes it easy to recommend / endorse / sell their products / services	Active thought leaders in their category / sector
Takes steps to mitigate risks	Offer enough variety and choice	I feel safe signing a contract with them	Have a clear vision of and actively work towards fulfilling their obligations to society
Products and services just work and are not prone to fail			

B2B brands today should still focus on adding significant value to the business that a buyer works for by delivering the basics such as:

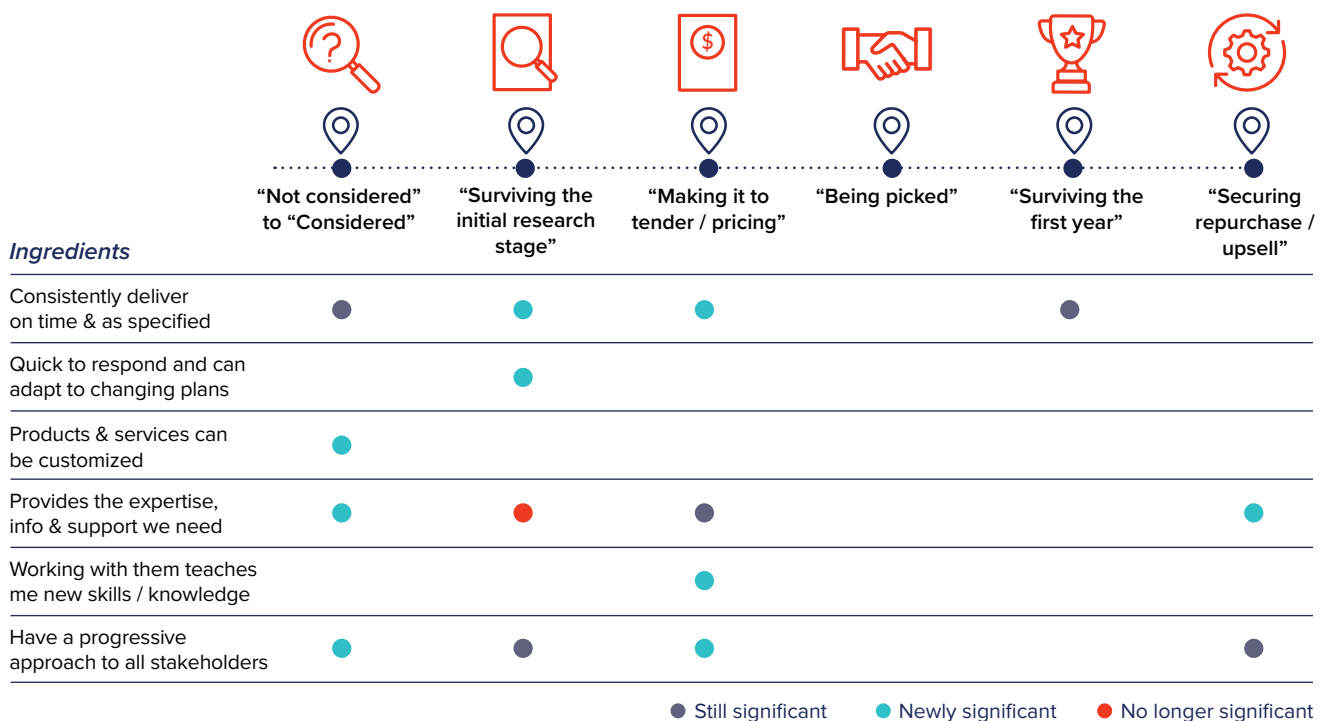
- Complying with regulations
- Taking steps to mitigate risks
- Supplying products and services that work
- Offering variety and choice
- Being approachable and transparent.

Likewise, they should continue to focus on adding value to the buyer by:

- Making recommendations easy
- Helping buyers feel safe when committing to contracts
- Seen as active thought leaders in their category
- Visibly fulfilling their obligations to society.

Thirdly, we discovered that six of the 30 ingredients had become significantly more important in creating superior customer experiences year on year, and had begun to change the shape of Superpowered B2B customer experiences (Figure 5). These are the six ingredients which will be a key focus throughout this report to help B2B brands compete with the best.

Figure 5 - The 6 Ingredients With Increased Importance Year On Year



● Still significant ● Newly significant ● No longer significant

Why is this? While the world has been learning to live with COVID-19, three broad factors have driven the changing shape of Superpowered B2B customer experiences. These factors have significant implications on how brands should begin to think about building successful B2B customer experiences moving forward.

- a. These turbulent times have created a heightened sense of uncertainty and insecurity. So it makes sense that the “Consistently deliver on time and as specified” ingredient (part of the Reliability Superpower) has become significantly more important in this year’s survey.

With this in mind, brands should revisit their customer experiences to make sure they are proving their ability to deliver on their promises. Deloitte is an example of a Professional Services brand that has succeeded with this ingredient over the past year.

- b. These times have also accelerated the speed at which companies and employees need to adapt to survive and grow. It is therefore understandable that the “Quick to respond and can adapt to changing plans” and “Products and services can be customized” ingredients (part of the Understanding Superpower) have become significantly more important to success this year.



As a result, brands should ensure their customer experiences are delivering enough evidence of agility, adaptability, and customization. Microsoft, PayPal, and Bank of America are good examples of brands that have succeeded with these ingredients over the past 12 months.

- c. To help people cope with the pressures of rapid change, we have witnessed a kinder, more open and honest collective business culture (you only have to look at your LinkedIn feeds for evidence of this.) So it stands to reason that the “Provides the expertise, information and support we need” (part of the Understanding Superpower) and “Working with them teaches me new skills/knowledge” (part of the Enrichment Superpower) have become significantly more important to success in this year’s survey. Likewise, it also makes sense that the “Have a progressive approach to all stakeholders” ingredient (part of the Pre-eminence Superpower) has also become significantly more important to success.



Therefore, it's imperative for brands to provide heightened levels of information, support, and education, while also demanding how progressive their company is for an ever-expanding list of stakeholders (Figure 6). Microsoft, PayPal, JP Morgan Chase, and the Bank of America are good examples of brands that have succeeded with these ingredients throughout this time of change.

Figure 6 - The 6 New Ingredients Shaping Superpowered B2B Customer Experiences

The newly elevated ingredients of successful B2B customer experiences

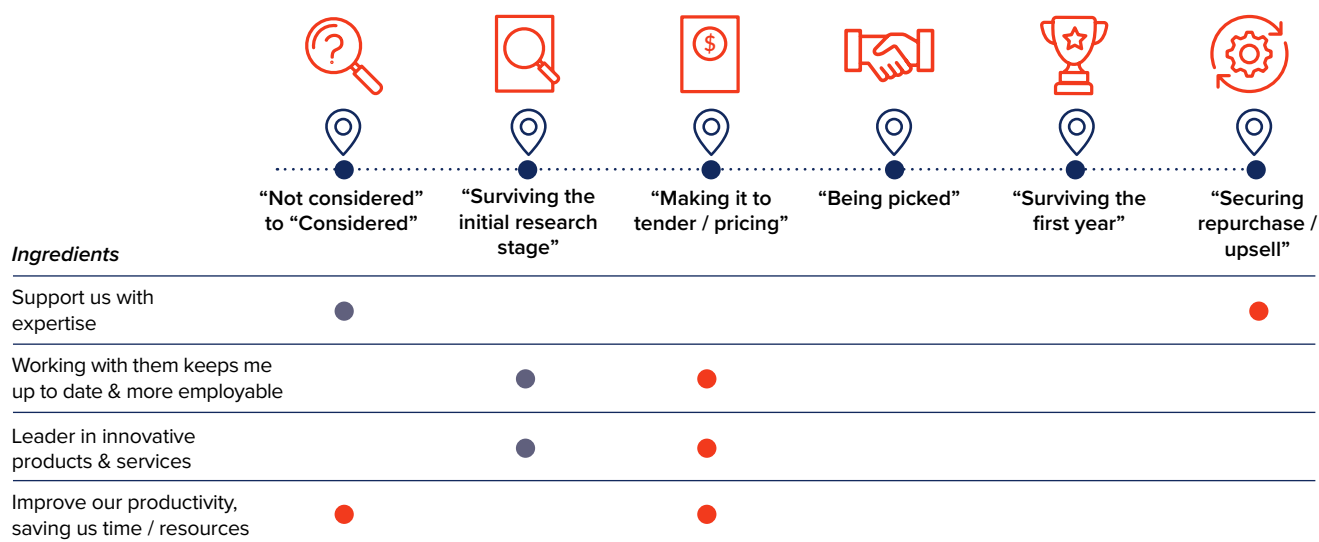
Recommendations for B2B brands trying to create more successful B2B customer experiences





And finally, as depicted in Figure 7, we discovered that four of the 30 ingredients have become less important to success.

Figure 7 - The 4 Ingredients Which Have Become Less Important Year On Year



Three of the 30 ingredients, “Supporting us with expertise,” “Leaders in innovative products/services,” and “Working with them keeps me up to date/makes me more employable,” are still important to success, but they have become less important overall. Bosch and Bank of America are good examples of brands that have succeeded with these ingredients over the past 12 months.

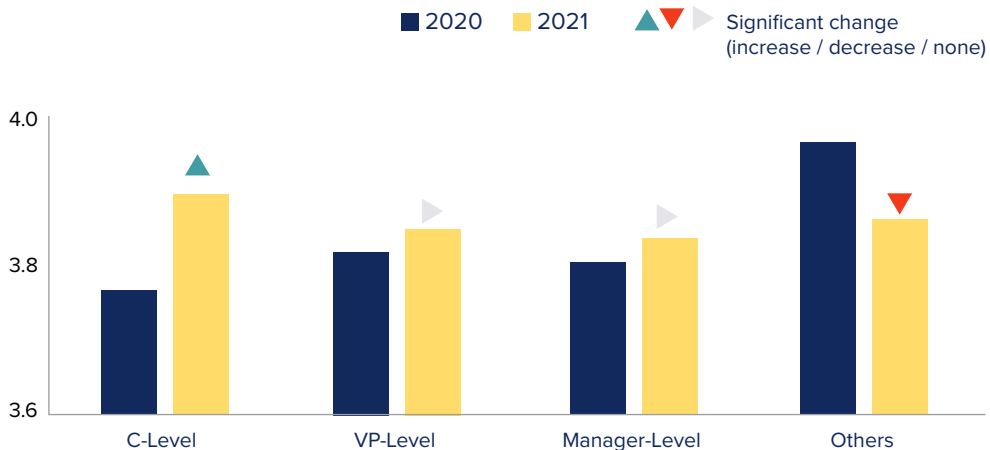
Only one of those ingredients, “Improve a customer’s productivity/save them time and resources,” has (for now) fallen off the list of ingredients that currently drive successful B2B customer experiences. At a time when many businesses were battling to cope with change and to survive, this is not entirely surprising.

While the above summarizes the global stories (i.e., the changes which apply across our entire global sample of B2B buyers), we wanted to dig into what has changed the shape of Superpowered B2B customer experiences across several cohorts. The advantage of such a large research study is that it allowed us to explore the meaningful differences across seniority, industry, region, size of business, and generational sector. This in turn allowed us to identify who is driving the changes in the importance of the ingredients, and therefore determines how you can create the ultimate B2B customer experience to satisfy a wide range of different stakeholders.

1. Seniority Differences

The C-suite is driving the increases in the scores for the six ingredients that have increased in importance. They are consistently seeing the highest average scores – and biggest increases – from 2020 to 2021, while VPs, associates, and managers saw much smaller changes, if any (Figure 8).

Figure 8 - Annual Change In Average Performance For Brands Across 6 Newly Important Ingredients, Split By Seniority Of Decision Maker



Within the C-suite, there are very different stories appearing, depending on different roles and responsibilities. Of all the C-suite functions, CEOs and CIOs collectively scored the six newly important ingredients second highest in terms of importance, compared to CHROs and CPOs. Given the turbulence of the past 12 months and the fact that business survival drove an accelerated need to change and go hybrid, this is unsurprising.

CHROs and CPOs scored those ingredients the highest. This is likely due to the instability of the past year, the accelerated need to change and adopt a hybrid approach, and the shift toward a more open, kinder, culture in the business world.


CFOs tended to score the six newly important ingredients the lowest. Again, this is unsurprising, given that the big themes driving business survival have been “Agile transformations” and “Protecting people.” These ingredients talk much more to the CEO, CIO, and CHRO/CPO than the CFO.

This therefore points to targeting the C-suite through brand experiences, creative, and content solutions.

2. Industry Differences

Interestingly, we saw very different stories emerging across the different industries. See Figure 9.

Figure 9 - Annual Change In Average Performance For Brands Across The 6 Newly Important Ingredients Split By Category

Superpowers	Ingredients	 Professional Services	 Financial Services	 Tech	 Manufacturing
 Reliability	Consistently deliver on time & as specified	▶	▶	▶	▶
	Provides the support, info & expertise we need	▶	▶	▶	▶
 Understanding	Quick to respond and can adapt to changing plans	▶	▶	▶	▶
	Products & services can be customized	▶	▲	▲	▶
 Enrichment	Working with them teaches me new skills / knowledge	▲	▲	▶	▶
 Pre-eminent	Have a progressive approach to all stakeholders	▲	▶	▶	▶

▲▼▶ Significant change in performance from 2020 to 2021 (increase / decrease / none)

Professional services was the sector that saw the most consistent improvement in the six newly important ingredients, with the most significant increases seen across “Working with them teaches me new skills / knowledge” and “Have a progressive approach to all stakeholders (employees, contractors, suppliers, etc.)” This is unsurprising, given that professional services companies are in the business of delivering knowledge and new perspectives on the world of work. They have also been better placed than many other verticals to enable hybrid working in order to survive.



Financial services saw significant increases in two of the six newly important ingredients, “Products and services that can be customized” and “Working with them teaches me new knowledge/skills.” This is not surprising, given that financial services companies – like professional services – have also been better placed to adapt to living with COVID-19 and enable that hybrid working approach.

On the other hand, the technology sector only saw a significant increase in one of the six newly important ingredients, “Products and services that can be customized,” while the manufacturing sector saw scores remain unchanged from 2020 to 2021.

All of this has most likely been driven by the fact that the industries that deal in intangible services, such as professional services and financial services, found it easier to adapt and change to hybrid working conditions. Conversely, verticals that deal in more tangible products, such as manufacturing and the “hardware/component” part of the technology sector found it much harder to adapt quickly. In short, they were more disrupted and restricted over the past 12 months and slower to change to deliver against the six newly important ingredients. If anything, those that have succeeded concentrated on the “reliable delivery” ingredient and have simplified the number of lines that they make and their supply chains. In the short term, this is the very opposite of “customization.”

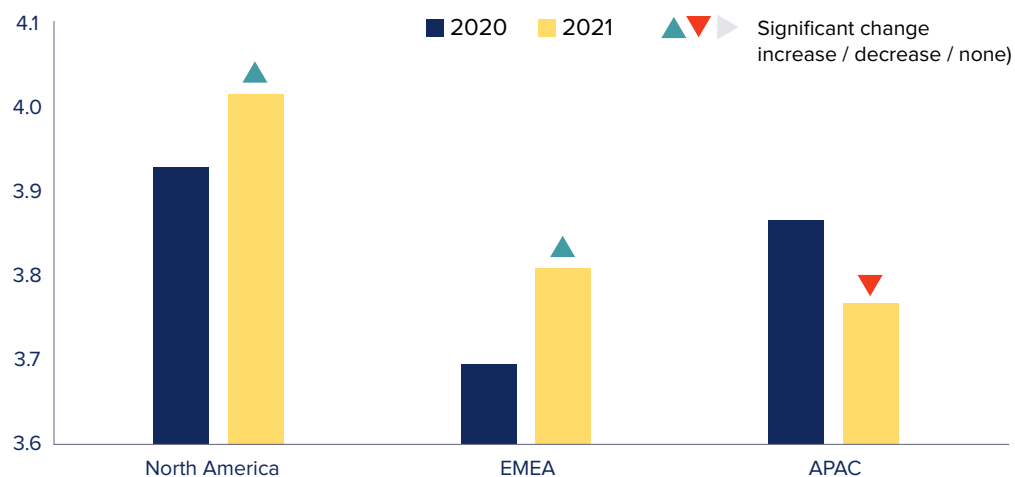
However, as the world learns to live with COVID-19, the professional services and financial services brands that have yet to reshape their brand experiences to dial up the six newly important ingredients of success may well struggle to succeed. Likewise, the opportunity for the manufacturing and hardware/component technology brands is there – when it can be taken – to reshape their brand experience to steal market share from the competition.



3. Regional Differences

We also saw very different stories emerge when we analyzed the various regions studied. North America and EMEA are driving the increases in the scores for the six ingredients that have become newly important (Figure 10).

Figure 10 - Annual Change In Average Performance For Brands Across 6 Newly Important Ingredients, Split By Region



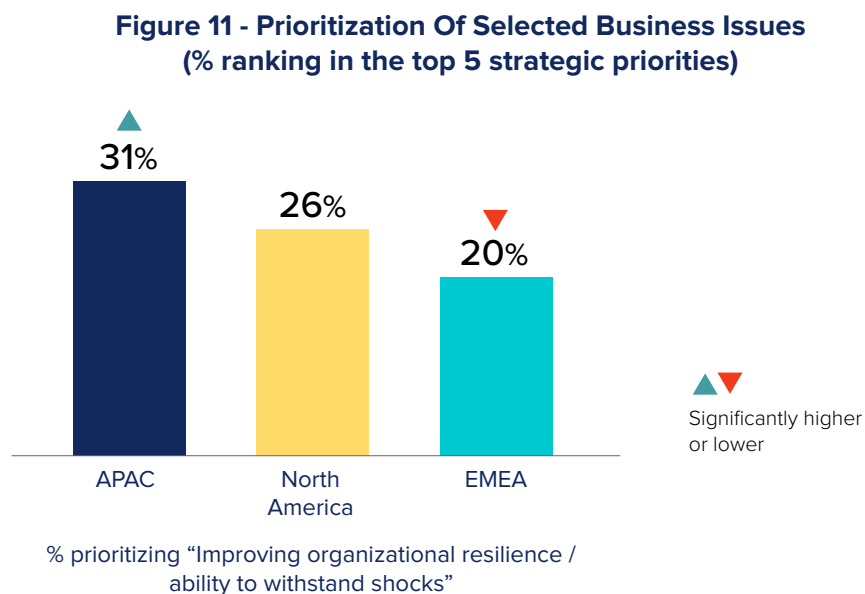
Out of the three regions, North America consistently scored the six newly important ingredients the highest and placed an increased importance on five of the six ingredients from 2020 to 2021.

EMEA increased scores for all six ingredients from 2020 to 2021, including the biggest increase (of all three regions) for four of the six ingredients: “Consistently deliver on time & as specified,” “Quick to respond and can adapt to changing plans,” “Provides the expertise, information, and support we need,” and “Have a progressive approach to all stakeholders (employees, contractors, suppliers, etc.)”

Most interestingly, APAC responders saw a decrease in their scores for the six newly important ingredients. They also scored them the lowest across five out of the six ingredients. It is perhaps worth noting that in 2020, APAC scored consistently higher than EMEA across all ingredients, but they have in fact traded places this year.

This is driven by several factors:

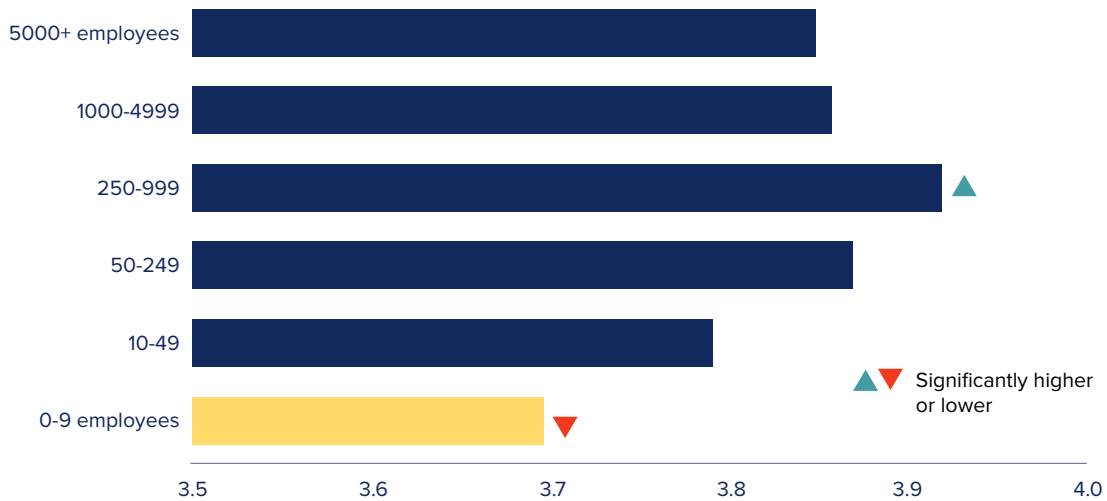
- The authorities across the different regions are imposing very different levels of restrictions on the freedoms of businesses and their ability to operate as the working world learns to live with COVID-19. North America was certainly the most liberal, the APAC countries were most restrictive, and the EMEA countries sat in between.
- APAC was overrepresented within the industries that sell tangible goods, such as manufacturing and the “hardware/component” part of the technology sector. As a result of being relatively more disrupted and restricted over the past 12 months, APAC’s focus was more about survival, delivering the basics and supply chain simplification, rather than to deliver against the six newly important ingredients.
- The economic outlook was more uncertain. One of the questions we asked all respondents was about the strategic priorities over the next 1-2 years, and businesses in APAC are significantly more focused on resilience than those in North America and EMEA (Figure 11).



4. Business Size Differences

Micro businesses (0-9 employees) tended to score the six newly important ingredients significantly lower than all other businesses. In fact, they even scored significantly lower scores than those businesses with 10-49 employees (Figure 12).

Figure 12 - Average Performance For Brands Across 6 Newly Important Ingredients, Split By Company Size (2021 only).



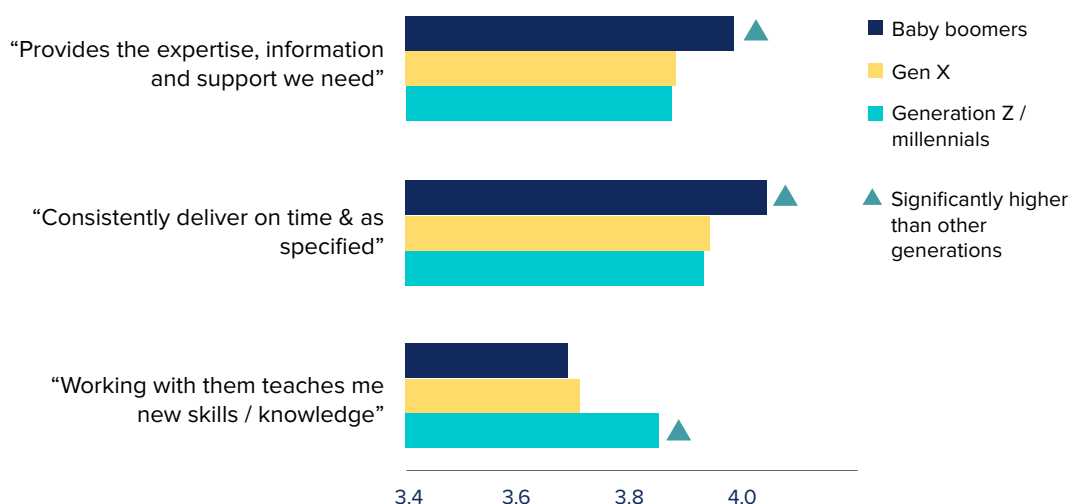
This shows that B2B brands still have some way to go in terms of creating customer experiences that meet the changing needs of micro businesses.

While many B2B brands try and push micro businesses to self-support/self-serve channels, clearly there are still significant opportunities for these brands to win a greater share of micro businesses (which account for 96% of businesses in the UK, 99.9% in North America, 99% in Singapore, and 99.8% in China). Through making their digital customer experiences work much harder, it enables them to demonstrate the six newly important ingredients of “Consistently deliver,” “Adaptability,” “Customization,” “Information & support,” “Teach skills/knowledge,” and “Progressive with stakeholders” throughout those digital channels.

5. Generational Differences

In this year's survey, millennials are rating businesses significantly more positively than they did last year, providing higher ratings across all the six newly elevated ingredients of success when compared to other generations. Clearly, businesses are catering more to millennials through their customer experiences this year.

Figure 13 - Average Performance For Brands Across 3 Of The Newly Important Ingredients, Split By Generation (2021 only).



However, further analysis revealed several differences across the generations with regard to three of the six ingredients (Figure 13). The first is that millennials rated "Working with them teaches me new skills" significantly higher than other generations. This is likely a reflection of where they might be in their careers and what is likely to be important to them.

What is also interesting to note is that baby boomers seem to be driving the newly important "Consistent delivery" and "Information and support" ingredients – they are significantly more likely than younger generations to believe their needs are being fulfilled on these issues. Again, not surprising, given that over the past 12 months many of their firmly established ways of working have been significantly disrupted.



The Superpowers in 2021

Nearly a year after our first global survey, the core four Superpowers remain as important as ever to building successful B2B customer experiences. However, the shape of the four Superpowers has changed as the business world has begun to live a life with COVID-19.

Several factors have driven the increase in importance in these six key ingredients, including:

- A heightened sense of uncertainty and insecurity
- An accelerated need for companies and individuals to adapt to survive and grow
- A kinder, more open and honest collective business culture has been adopted to help cope with the pressures of accelerated change

What does this mean for the four Superpowers?

- The Reliability Superpower (“A brand we can trust to deliver”) has been reshaped by the newly important “Consistently deliver on time and as specified” ingredient.
- The Understanding Superpower (“Gets our company’s needs”) has been reshaped by the newly important “Quick to respond and can adapt to changing plans,” “Products and services can be customized,” and “Provides the expertise, information, and support we need” ingredients.
- The Enrichment Superpower (“Makes my work life better”) has been reshaped by the newly important “Working with them teaches me new skills/knowledge” ingredient.
- The Pre-eminence Superpower (“A brand people are proud to work with”) has been reshaped by the newly important “Have a progressive approach to all stakeholders” ingredient.

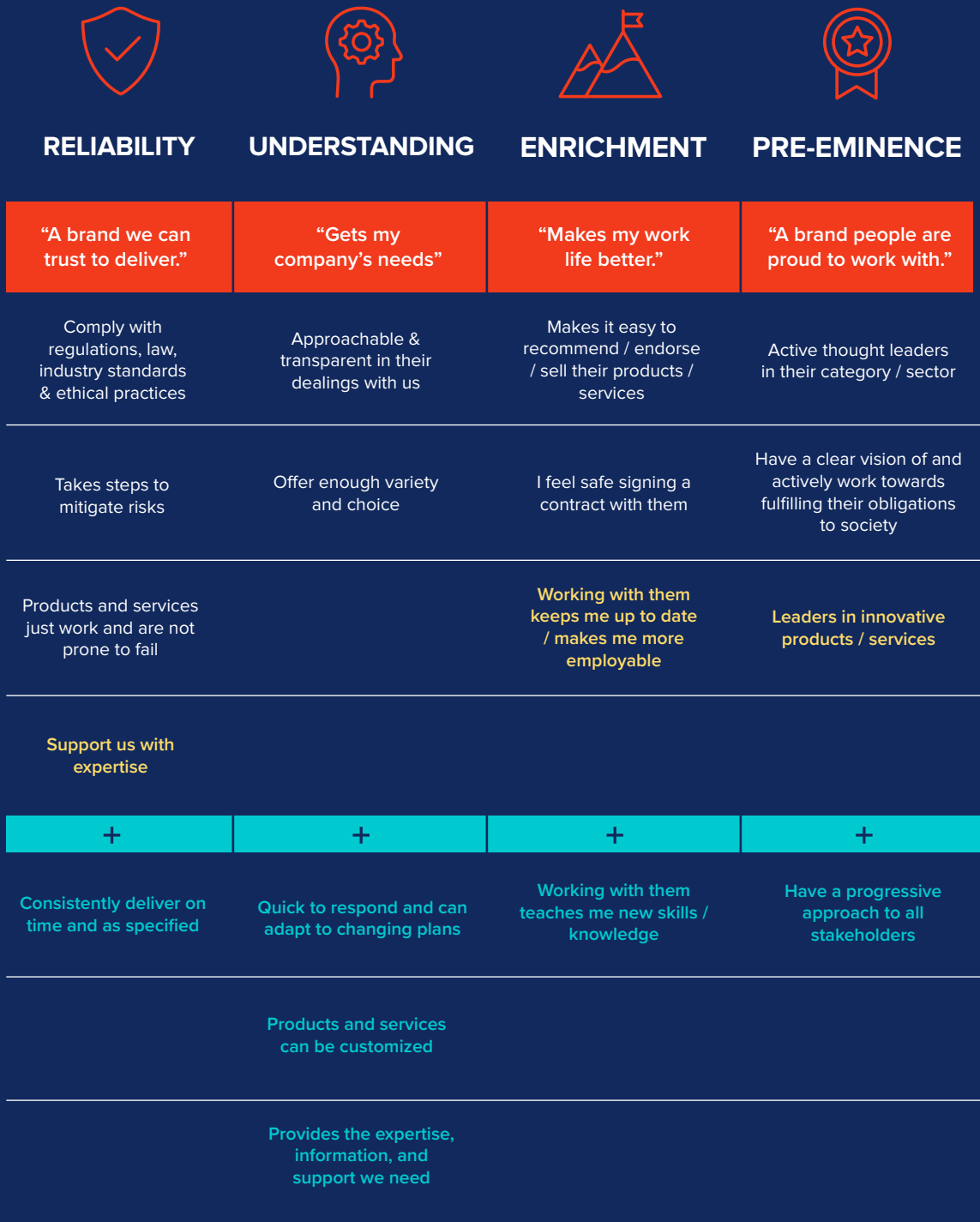
In Summary

When we add these six newly important ingredients to the three ingredients that have become less important and the nine that remained unchanged in shaping successful, Superpowered B2B customer experiences since 2020, the conclusions are clear.

The brands that succeeded in the past 12 months not only added significant value to the businesses that the buyers worked for (via the reshaped Reliability and Understanding Superpowers), they also added significant personal value to the buyers themselves (via the reshaped Enrichment and Pre-eminence Superpowers). This is only going to become more important as we look ahead to 2022 (Figure 14).



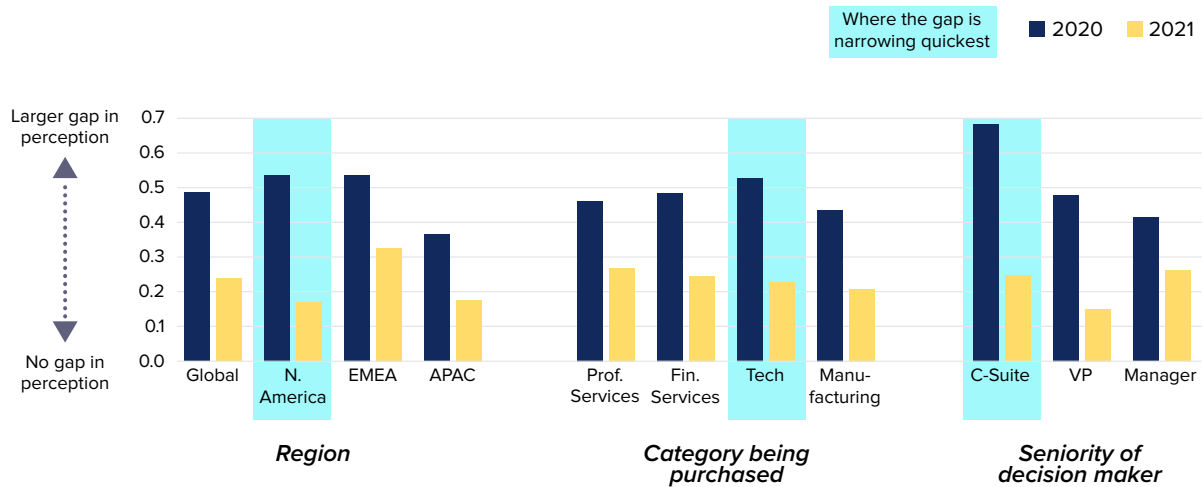
Figure 14 - The 18 Ingredients Which Will Shape Superpowered B2B Customer Experiences



■ Still important ■ Less important ■ Newly important

One of the final things that we identified in this year's survey is that the margins between the winning and losing brands are getting ever narrower (the performance scores have actually narrowed by 51% since 2020). See Figure 15.

Figure 15 - Gap In Performance Scores Between Winning And Losing Brands On The 6 Newly Important Ingredients



The biggest improvements in the scores for the six newly important ingredients were seen in B2B brands that just missed out in the purchase decision. So, despite an incredibly unsettled year, many brands may have had a relatively successful 2021. That said, having learned anything from the pandemic, their competitors will be back, better, and stronger, in 2022.

B2B buyers have attached new levels of importance to these six ingredients, and this has therefore changed the shape of Superpowered B2B customer experiences. While COVID-19 still a threat, this new shape is also likely to remain the same. So, B2B brands, take note, step ahead of your competition and create the ultimate B2B customer experience through the Superpowers 2.0.

Get in touch

With more than 1,000 talented individuals across the globe, Merkle B2B brings together the best B2B capabilities and competencies to architect modern-day customer experiences. B2B International, part of Merkle B2B, is a leading market research firm empowering clients to grow through insights.

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About Merkle

Merkle is a leading data-driven customer experience management (CXM) company that specializes in the delivery of unique, personalized customer experiences across platforms and devices. For more than 30 years, Fortune 1000 companies and leading nonprofit organizations have partnered with Merkle to maximize the value of their customer portfolios. The company's heritage in data, technology, and analytics forms the foundation for its unmatched skills in understanding consumer insights that drive hyper-personalized marketing strategies. Its combined strengths in performance media, customer experience, customer relationship management, loyalty, and enterprise marketing technology drive improved marketing results and competitive advantage. With 13,000 employees, Merkle is headquartered in Columbia, Maryland, with 50+ additional offices throughout the Americas, EMEA, and APAC. Merkle is a dentsu company.

For more information, contact Merkle at 1-877-9-Merkle or visit www.merkleinc.com.

