State of Digital Customer Experience

Focus on B2B

Define account segments
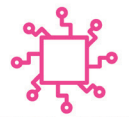
Create content

Execute account-based marketing

Report pipeline and revenue impact

Introduction

B2B companies face a unique challenge: their end customer is not just one person, but an array of decision-makers with differing needs and objectives. These buyers are demanding more relevant interactions with vendors, which means B2B companies must understand the dynamic preferences of their buyers throughout the entire customer journey to stand out from the competition.
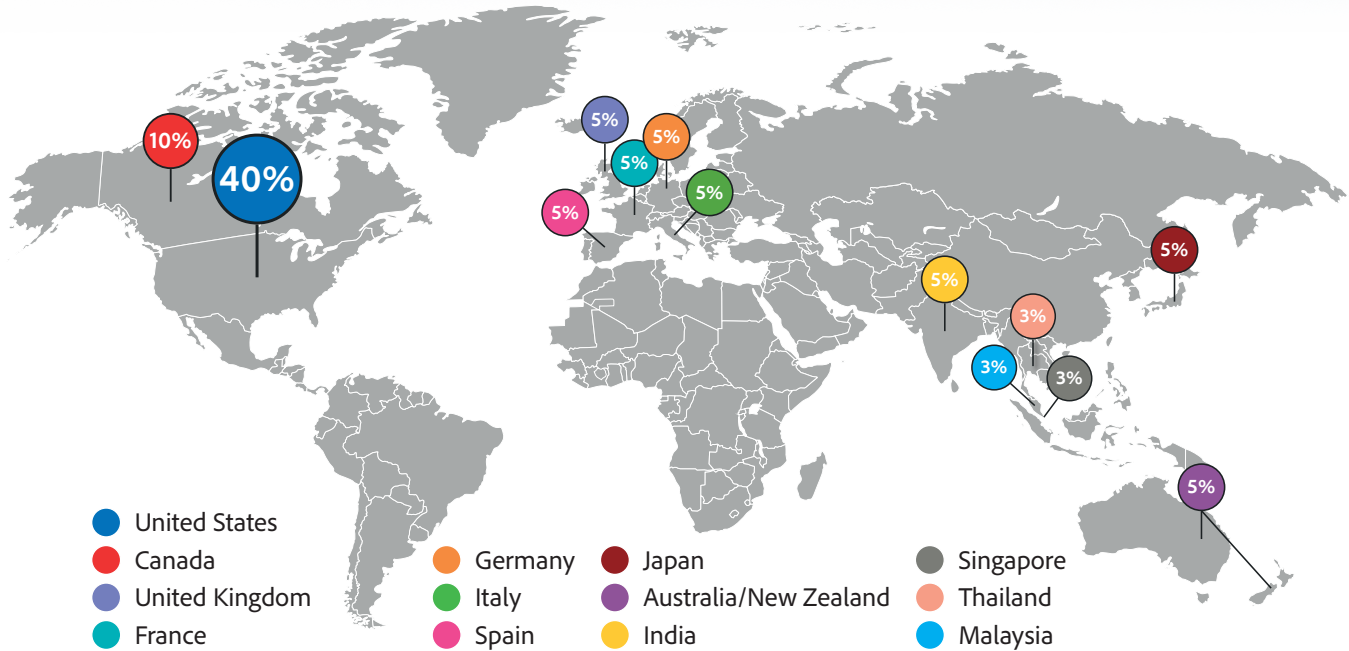
Our 2023 State of Digital Customer Experience research found that while B2B companies have many of the tools in place to support their marketing efforts, they are missing key capabilities necessary for delivering the experiences their buyers prefer.

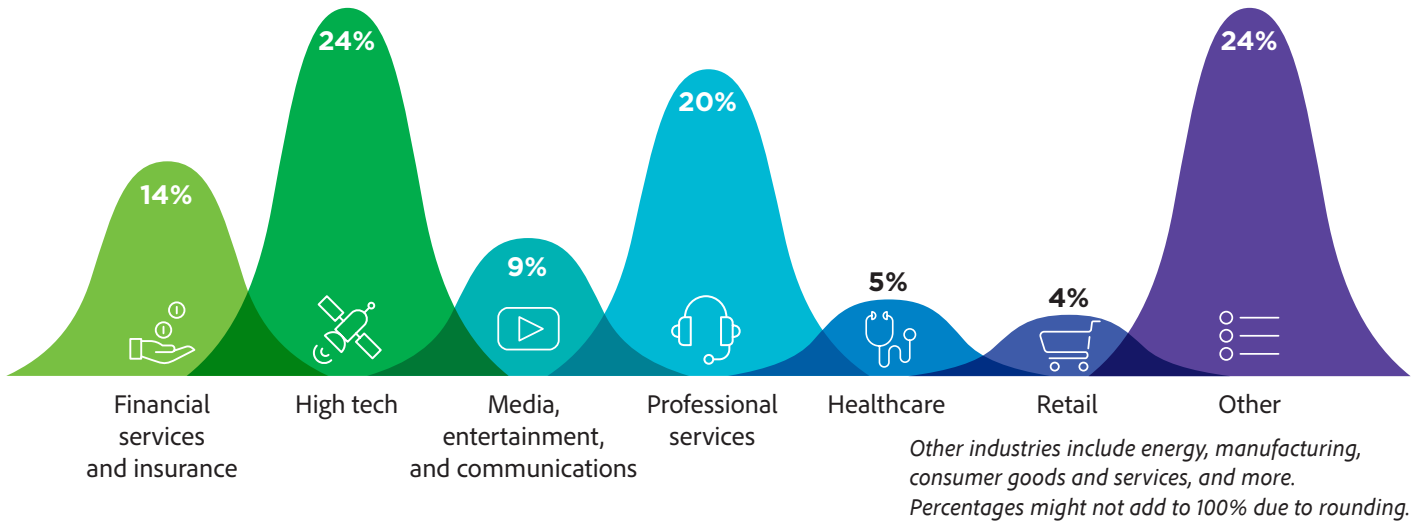## Methodology: Reaching B2B companies and their customers

In partnership with Adobe, Oxford Economics surveyed 1,500 executives and 4,000 customers around the world to better understand the current state of customer experience. Nearly half (45%) of our executive survey was made up of companies that earn a majority of their revenue from B2B sales—and close to one-fifth of these companies operate in the high-tech industry. Our customer survey asked 1,000 business buyers from a number of industries about their experiences interacting with B2B companies. To augment our survey findings, we conducted several in-depth interviews with executives who are responsible for B2B customer experience strategies.

Our findings primarily reflect the perspectives of top-level C-suite members, including CEOs, CFOs, COOs, and CTOs—but our sample includes those directly involved in their organization's customer experience strategies, like Chief Experience/Customer Officers, Chief Marketing Officers, and Chief Product Officers.
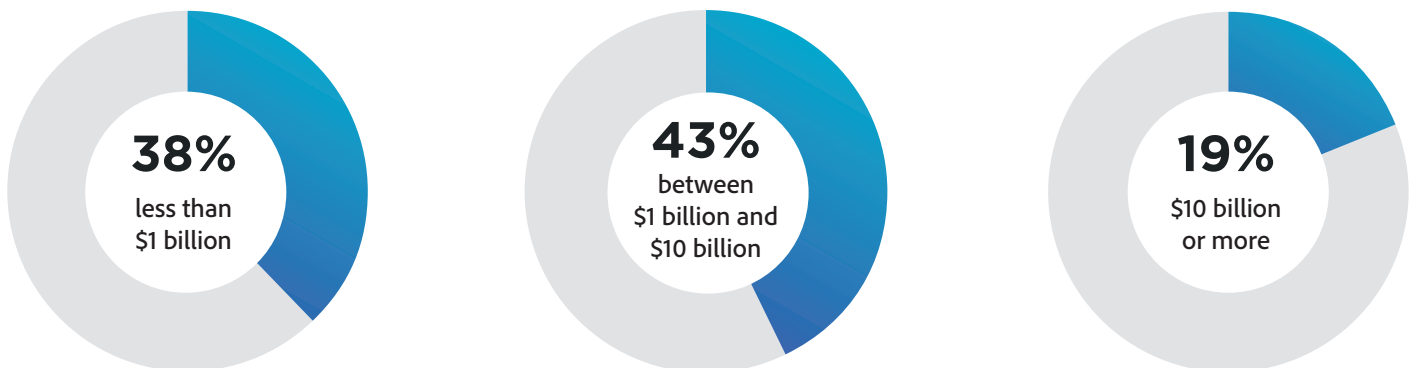
Full survey breakdown: Executive and customer locations

Map markers:
- 10% Canada
- 40% United States
- 5% United Kingdom
- 5% France
- 5% Germany
- 5% Italy
- 5% Spain
- 5% Japan
- 5% India
- 3% Thailand
- 3% Malaysia
- 3% Singapore
- 5% Australia/New Zealand

Legend:
- United States
- Canada
- United Kingdom
- France
- Germany
- Italy
- Spain
- Japan
- Australia/New Zealand
- India
- Singapore
- Thailand
- Malaysia

B2B industry breakdown

- 14% Financial services and insurance
- 24% High tech
- 9% Media, entertainment, and communications
- 20% Professional services
- 5% Healthcare
- 4% Retail
- 24% Other

Other industries include energy, manufacturing, consumer goods and services, and more. Percentages might not add to 100% due to rounding.

B2B company sizes: Global revenue (USD)

- **38%** less than $1 billion
- **43%** between $1 billion and $10 billion
- **19%** $10 billion or more

How the CX landscape looks for B2B businesses

B2B companies have invested in key capabilities around customer data management, outbound marketing, audience segmentation, and lead management—all of which contribute to enhanced experiences for buyers. Other tech stack tools, like marketing automation and personalization engines, are currently less widespread but offer significant opportunities to those aiming to provide the level of relevance their customers expect.

Buyers are noticing these flaws: nearly two-thirds point out inconsistencies in their experiences with an organization depending on the specific product or service they interact with.
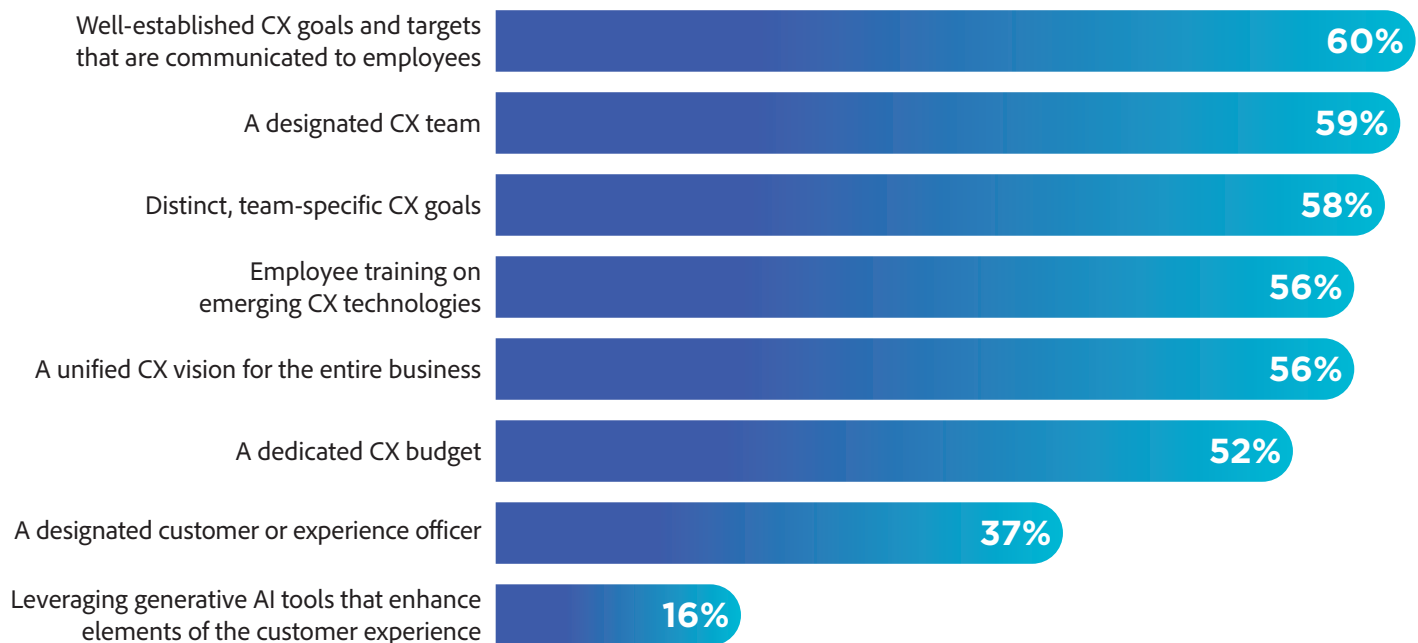
B2B companies are striving for better customer experience capabilities: 84% say this is a top or significant priority compared to other business goals. For Eran Levy, Director of Customer Success and CX Operations at Cisco, creating a Customer Success function after the COVID-19 pandemic was crucial for the company's transformation efforts. "This function leads the customer experience," he says. "It is where we're going to hire the more senior people—people who can be more holistic—to look at the entire journey and provide direction to course correct around services." Now, he adds, Cisco has established metrics, goals, and expectations that are standardized across its business functions and customer tiers.

> **24%** of B2B high-tech companies are currently using generative AI tools to enhance elements of their customer experience, compared to 16% of the overall B2B sample.

Figure 1. B2B companies must establish the right strategies to improve buyers' experiences.

Q. Which of the following elements does your organization have in place to support the customer experience (CX) today? *Select all that apply; responses from B2B executives.*

Element	Percentage
Well-established CX goals and targets that are communicated to employees	60%
A designated CX team	59%
Distinct, team-specific CX goals	58%
Employee training on emerging CX technologies	56%
A unified CX vision for the entire business	56%
A dedicated CX budget	52%
A designated customer or experience officer	37%
Leveraging generative AI tools that enhance elements of the customer experience	16%

B2B companies need to make their marketing more personalized

Losing buyers to competitors with better experiences may bring serious consequences for B2B companies, which deal with a more limited and specialized customer base than other types of businesses. But delivering the right marketing in the right way is easier said than done.

B2B companies are falling short. Buyers are more likely to interact with content that is personalized to their role or organization, but this is not always what they experience: **44% find it rare to come across relevant B2B marketing, and half say their experiences with products and services in their personal lives are more positive than those at work.**
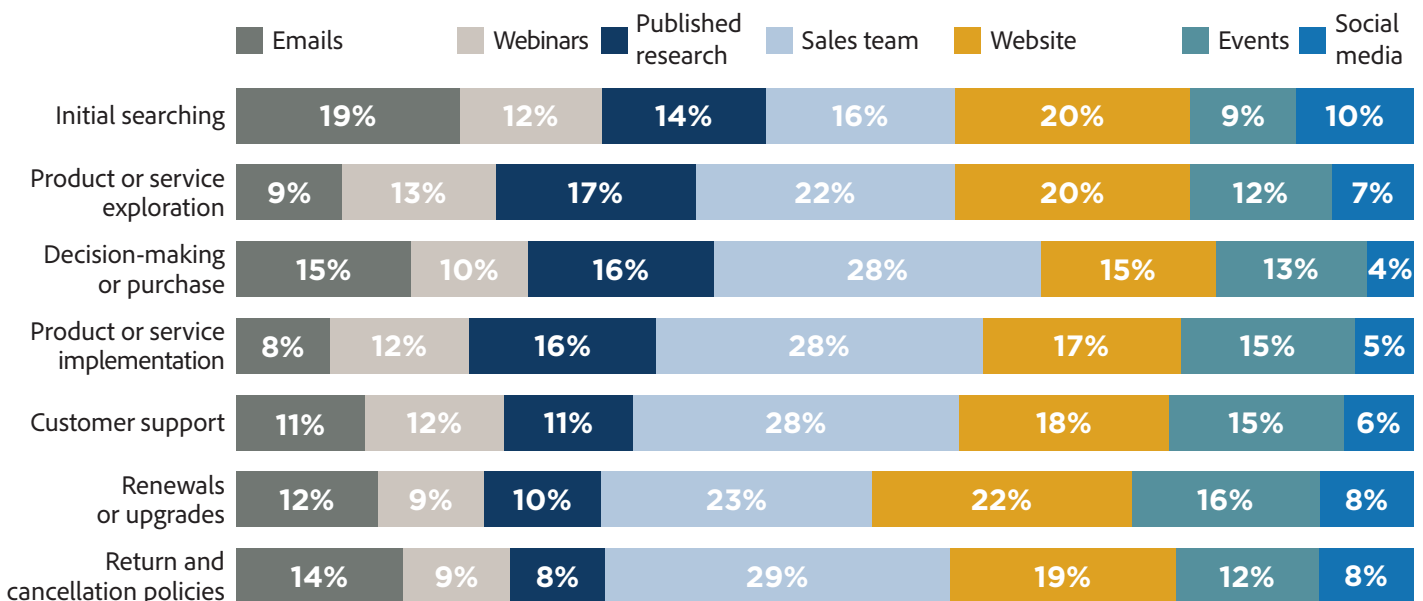
Yet most executives do not consider this irrelevance to be particularly troubling, as less than one-third think unsolicited or extraneous communications can be a primary cause of customer attrition. They may want to reconsider how successful their campaigns are in certain channels, however. For example, buyers say they often encounter relevant content via in-person events, company websites, calls with representatives, and webinars—but this is less true for other channels like email, social media, and SMS.

71% of B2B executives say personalizing content to customer needs and interests is a challenge. Similarly, well over half cite difficulties managing how frequently they should contact customers and struggle to use preferred channels when doing so.

Companies should be more nimble in the ways they interact with potential and current buyers, whose preferences often change at each stage of their journey. When initially searching for B2B products and services, buyers are most likely to gather information from an organization's website or email campaigns. However, once they are deeper into the funnel, their preferred method of contact shifts to speaking with a sales representative. Still, other channels like in-person events, and published research remain attractive throughout.

Figure 2. Buyers' preferences shift throughout their customer journey.

Q. For each of the following stages of your B2B customer experience journey, please select which channel you <u>most</u> prefer to learn about a product or service. *Select one channel per stage; responses from B2B buyers.*

	Emails	Webinars	Published research	Sales team	Website	Events	Social media
Initial searching	19%	12%	14%	16%	20%	9%	10%
Product or service exploration	9%	13%	17%	22%	20%	12%	7%
Decision-making or purchase	15%	10%	16%	28%	15%	13%	4%
Product or service implementation	8%	12%	16%	28%	17%	15%	5%
Customer support	11%	12%	11%	28%	18%	15%	6%
Renewals or upgrades	12%	9%	10%	23%	22%	16%	8%
Return and cancellation policies	14%	9%	8%	29%	19%	12%	8%

Percentages might not add to 100% due to rounding.

Using data and technology to deliver better personalization

If personalization is the vehicle that drives buyer satisfaction for B2B companies, then data is the engine. Yet fewer than half of the B2B companies in our survey say they have improved how they collect and manage account and contact data, from partnering with technology firms to restructuring data governance policies. These initiatives are key to boosting internal data-sharing, scaling data management, and meeting regulatory mandates—but only 15% say improving how they apply data insights to their customer experience efforts is their primary focus today.

Making sure customers feel their data is secure is critical to creating more relevant experiences. But B2B companies run into a number of barriers in their efforts to foster this trust:

- **62%** say providing a high level of security is challenging

- **61%** say the risk of data breaches and attacks is of greater concern for their company than ever before

- **52%** say their customers are increasingly concerned about how they collect and manage data

- **39%** say a lack of customer willingness to share data is a top barrier to personalization

Security and privacy matter, but executives must understand when customers are most interested in hearing about it. For example, buyers indicate that data security is less influential on their impression of a company during the searching and exploratory stages of the purchasing process. However, discussing security jumps in significance at the moment of purchase.

Harnessing technology for better experiences

B2B organizations can elevate their buyers' experiences by investing in specific tools and technologies that offer more customization and adaptability. Currently, only **40%** report achieving personalization across their customer base—and less than half have ongoing or full deployment of predictive analytics (**39%**) and machine learning (**39%**). Building out these capabilities may help provide more accurate information to customers when and where they need it.

Preparing for generative AI

Buyers are optimistic about the improvements generative AI will bring to their personal experiences, suggesting more openness to using the technology in their work lives. They are far more likely than consumers to believe generative AI will lead to more personalized digital experiences, quicker customer support, and more relevant advertisements and marketing content. Most B2B companies are working to meet these expectations: 76% plan to use generative AI in the customer support stage in the next 12 months.
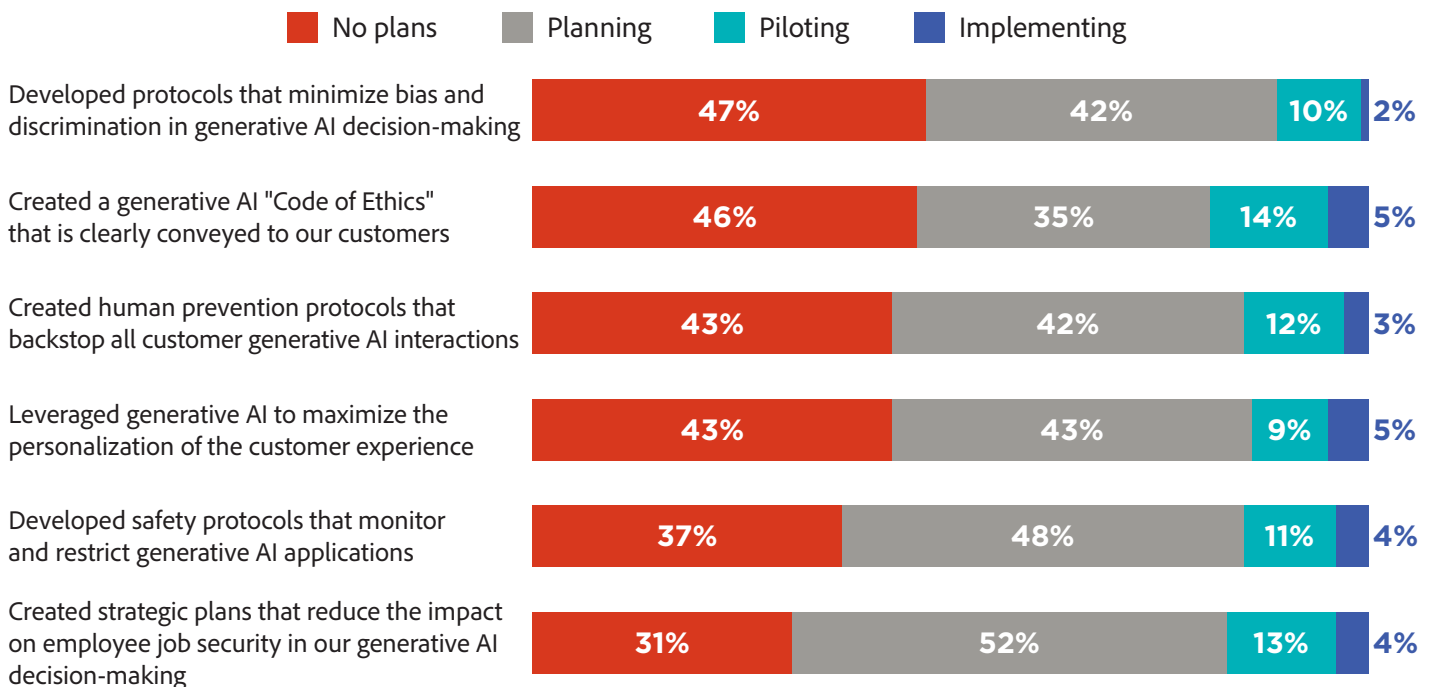
While only 14% of B2B companies in our executive survey have piloted or deployed generative AI so far, 52% are planning to integrate the technology into their customer experience efforts soon. The excitement is palpable: 77% expect it to increase the quality of insights extracted from customer data, which could make content more relevant and alleviate buyer frustrations.

But generative AI is still in its early days, which means companies must find ways to overcome a number of roadblocks before deployment. For one, talent can be hard to come by: more than half of B2B companies say the availability of skills necessary for implementing generative AI is lacking. Yet just 12% have established relationships with technology partners or consulting firms to guide their journey, and even fewer (8%) are looking to upskill current workers to run generative AI initiatives.

B2B companies must create a strategy to ensure a safe and trustworthy rollout of generative AI, as 54% of buyers fear the technology will collect too much information about their behaviors and preferences. Yet close to half of executives say they have not started developing an AI "Code of Ethics" or protocols that minimize bias and discrimination in AI decision-making. Executives would be wise to develop AI guardrails that deepen customer trust.

Figure 3. Generative AI deployment must be safe, secure, and strategic.

Q. Which of the following steps has your organization taken to prepare for its potential or current use of generative AI? *Responses from B2B executives.*

Legend: ■ No plans ■ Planning ■ Piloting ■ Implementing

Step	No plans	Planning	Piloting	Implementing
Developed protocols that minimize bias and discrimination in generative AI decision-making	47%	42%	10%	2%
Created a generative AI "Code of Ethics" that is clearly conveyed to our customers	46%	35%	14%	5%
Created human prevention protocols that backstop all customer generative AI interactions	43%	42%	12%	3%
Leveraged generative AI to maximize the personalization of the customer experience	43%	43%	9%	5%
Developed safety protocols that monitor and restrict generative AI applications	37%	48%	11%	4%
Created strategic plans that reduce the impact on employee job security in our generative AI decision-making	31%	52%	13%	4%

Percentages might not add to 100% due to rounding.

Final perspective

B2B companies can take key steps to improve the personalization, relevance, and security of their interactions with buyers:

- **Foster an integrated B2B customer experience strategy across the organization.** In B2B enterprises, customer experience (CX) strategies must be uniformly understood and implemented across departments, from marketing and customer success to sales and product development. Having a dedicated Chief Experience Officer and team can help the organization shift away from siloed, department-centric operations toward unified approaches that emphasize customer-centric objectives.

- **Build a solid data foundation for enhanced lead and account analytics.** Breaking down digital siloes is key to unlocking new data streams and enabling efficient data exchanges across departments. This is essential for improving account identification and alignment, and for gathering actionable insights at every client touchpoint—both digitally and in-person. Without these core data practices, businesses will struggle to achieve a comprehensive view of account engagements and product utilization, ultimately hindering their ability to deliver the relevant experiences that today's buyers expect.

- **Leverage data-driven insights to scale personalization in B2B engagements.** Addressing the diverse needs of buyers at various stages of their journey requires an in-depth understanding of both individuals and accounts. These insights, rooted in a robust data infrastructure, enable businesses to adapt marketing and engagement strategies effectively. Leveraging stronger insights helps a business tailor experiences to each role and account through the most appropriate channels and at different phases of the purchase cycle. This might include sending targeted support emails to some buyers while identifying others as qualified leads to be directed to sales representatives.

- **Develop an ethical, transparent generative AI strategy that takes advantage of high-quality data to improve personalization.** With better data governance, companies can maximize the opportunities generative AI brings to improve productivity, increase innovation, and create highly tailored experiences for each buyer. And stifling the use of the technology today will make it harder for companies to keep pace with more agile competitors in the B2B sector. Relying on internal strategic working groups can be key for safely rolling out generative AI and establishing industry-specific use cases, safety protocols, guardrails for employee use, and even upskilling initiatives to bridge talent shortages.

> Learn more about how you can implement the **generative AI strategies** found throughout this report and explore how these strategies can **drive growth in high tech**.

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