Selling Tech: The Bottom Line on Line-of-Business Decision-Makers

By Theresa Caragol and Kathryn Rose

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About
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KATHRYN ROSE, CSO of TCC - Achieve Unite, is an award-winning author and speaker on sales and online marketing topics. For seven years, she was a successful marketing consultant, creating engaged communities totaling more than 3 million fans, followers and connections for clients.

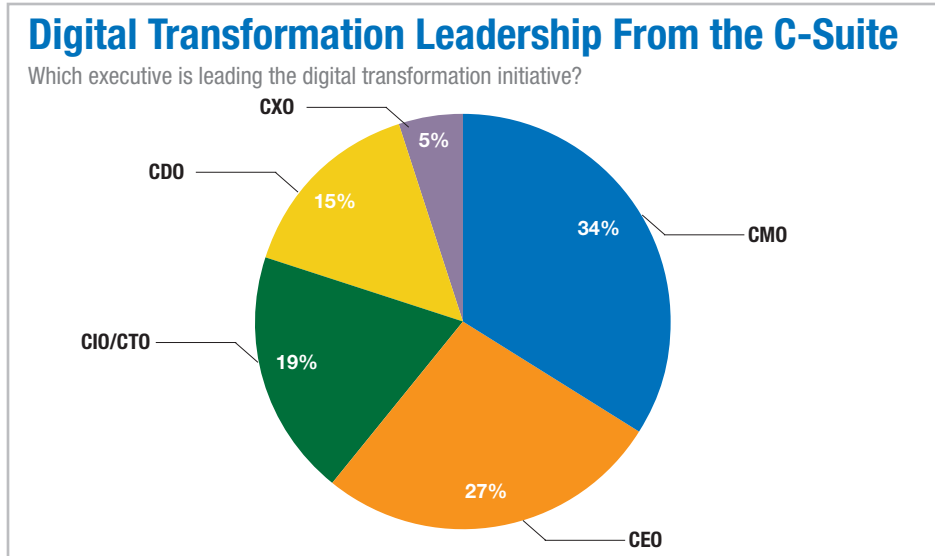linkedin.com/in/katkrose
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IT USED TO BE SO STRAIGHTFORWARD: YOU HAD A TECHNOLOGY SOLUTION TO SELL AND YOUR PROSPECT HAD AN IT manager or CIO who wanted to buy it.

Now, however, things are a lot more complicated. Studies show that there as few as four and as many as 10 people involved in the decision-making process; Gartner places the number at 13 and says just one in five decisions is made by IT; nearly three-fourths of enterprise IT purchase decisions come from C-level executive management or the business unit taking the lead.

The most significant reason for this shift in decision-making is the digitization of business. If a company needs a new marketing tool or human resource management system, the business stakeholder can simply go online, find a SaaS offering that suits their needs and sign up with a credit card. Vendors know this; new SaaS and other cloud services are emerging daily that disrupt and improve current business processes, offer a market differentiation opportunity with innovative software and/or deliver a solution that could have top- and bottom-line impact on a division profit and loss or a company's balance sheet. And, because of these cloud applications and new service offerings, many different lines of business are now purchasing IT applications and solutions.

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Digital Transformation Leadership From the C-Suite
Which executive is leading the digital transformation initiative?

CXO — 5%
CDO — 15%
CIO/CTO — 19%
CEO — 27%
CMO — 34%

Source: The 2016 State of Digital Transformation

The good news is that many final decisions are still made by the IT department, and IT is still engaged in the process. However, a number of people are initiating the discussion and influencing the decision throughout the buying process. According to a recent IDG study, 57 percent of IT organizations today are centralized, giving CIOs control of the IT budget and technology assets; 34 percent are federated/distributed, having some IT decisions and assets distributed among business units; and 8 percent are decentralized, with fully independent IT decisions.

IDG reported that there are typically around 16 people in six different roles involved in the decision-making process. There is more fluidity between IT and line-of-business (LOB) roles, with 52 percent of study participants having moved from an IT to a business role or vice versa. Moreover, the creation of an IT liaison role in 51 percent of organizations involved in the study further blurred the boundaries between IT and LOB.

Still, the beginning and end stages of the purchase process have remained consistent, with CIO, LOB management and CEO being the roles most involved in determining the business need and CIO, CEO and CFO being the roles most involved in authorizing and approving the purchase, And, while the LOB decision-makers are more important than ever, the type of product dictates the role of IT in the process. For example, a supply chain software tracking application might be initiated by the operations division, while a security and backup/recovery service might still be in the IT wheelhouse or with the chief security officer and their team.

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Defining the B2B Line-of-Business Decision-Makers

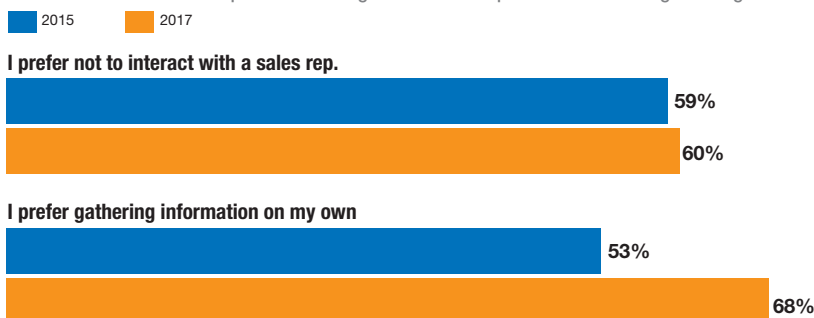In general, the application and solution buyers can be broken into three broad categories:

- The CIO and traditional IT buyer: As we noted, depending on the type of technology, the CIO may not initiate the buying decision, but they or their team will most likely be brought in for the final stamp of approval. If IT is going to be responsible for making sure the technology works with other systems and for securing it, then the department will likely be a part of the process.
- The operational buyer: These folks are typically in positions that want to make large-scale operations run more smoothly — for example, a CRO looking to streamline sales activities or a supply chain manager who would like to make sure the inventory systems are functioning properly and are easy to use.
- General business systems buyer: Think HR, finance, legal, or marketing folks. These buyers tend to do a great deal of their own research and may engage in free trials before they bring in the technology IT team to vet the system.

Selling to LOB Decision-Makers

So now that you know who they are, how do you reach them? Because the decision-making process is more than half finished before the client even reaches out to an MSP or solution provider for information, the traditional telesales or telemarketing for smiles and dials approach is waning in effectiveness. To reach these LOB decision-makers, you will need to invest in an online marketing strategy. The vast majority of LOB decision-makers and CIOs alike look online first in their search for new technologies.

Digital Self-Service on the Rise

A recent report from Forrester Research shows that B2B buyers increasingly find online research more convenient than in-person meetings with sales reps for information gathering.

■ 2015   ■ 2017

I prefer not to interact with a sales rep.

59%

60%

I prefer gathering information on my own

53%

68%

Source: Forrester Research Inc., 2017

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You need to position yourself as a key adviser from the start of the buying journey. To make sure that you are seen as a true business application provider and a valuable resource, you will need to create content to match buyers' needs at each stage of their journey. That content, as well as the format in which it's presented, will depend on the type of the buyer and the technology they're investigating.

For example, a traditional IT buyer might respond best to an in-depth white paper you use to educate clients and prospects as part of a marketing campaign. To connect with an operations person, try showing them you understand their problems with a series of well-written blogs that outline typical operational challenges and then present business solutions. To reach a marketing buyer, consider publishing a brief e-book on the challenges and corresponding high value business outcomes associated with moving to a new marketing application or technology.

Not only have the people involved in the buying process changed, the way they buy has changed as well. The sales funnel is no longer a linear path from awareness through decision. Because of the vast amount of information available to your buyers, they may decide to start the buying process long before they actually have a need for your products.

Mapping the Decision-Maker's Sales Journey

To succeed in selling to LOB buyers, new sales tools and strategies need to be employed. Many B2B vendors, MSPs and cloud providers are moving toward buyer's journey-based sales strategies that include:

- **Persona creation**. Being crystal clear on who it is you are selling to — both the decision-makers and influencers — is more critical than ever. A buyer **persona** is a semi-fictional representation of your ideal customer based on market research and real data about your existing customers. When creating your **buyer persona**(s), consider including customer demographics, specific industry characteristics, behavior patterns, personal and professional motivations, and company goals. The more detailed you are, the more likely your success will be in adopting improved marketing and sales strategies to these companies.

- **Retraining or splitting the current sales team**. Be sure that your sales team is equipped to handle this new sales model. Cold calling is not dead, but it's certainly becoming less and less effective, as more and more roles are involved in the decision-making process. Is your team prepared to engage with all different types of buyers? You may need a comprehensive business outcome education on your solution offerings for the teams. Depending on the sales force skills and experience members have, it may be necessary to split the sales organization. You may want technical sales experts or application/business service experts to support the sales team or perhaps operate in parallel and sell different applications than your mainstream sales organization.

- **Partnership between sales and marketing**. The marketing individual and team are no longer the "make it pretty" people. They are the front lines in finding the buyers and creating content that will make your clients want to engage with

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you. A strong business acquisition model starts with electronic lead cultivation and nurturing. There are many innovative companies and services available to support your company in this area. Ask your vendors for recommendations, search within the global IT and marketing associations, and/or look online, defining and refining your search terms to find the right match for your very specific needs.

- **Go deep and wide into your client base**. Are your products and services a fit for another part of your client's current business? It takes less time to sell to a current customer than find a new one. Engage across your client's business and with all buyers in your current client base. One of the most effective ways to do this is to conduct quarterly performance briefings with your client's executive team. These sessions should be architected and presented to the client as a way to discuss industry innovations and your current partnership and performance, and for either you or the client — or both —to introduce new ideas or challenges.

So as an MSP or cloud application provider, it's important to intimately understand the solutions you take to market – and who can and will have influence in the buying cycle. It's equally important that you achieve trusted adviser status across your clients' leadership teams so that they turn to you for their business needs and advice. In today's sales cycle, the channel partner is in a unique position to dramatically expand their businesses and their role as trusted adviser.

Yes, the ground is definitely shifting, but the sky is not falling. Just be sure to:

- Define clearly who it is you sell to — and that means everyone in the decision-making process
- Fully understand what makes your customers want to buy
- Use this understanding to create a crisp content strategy that will be helpful to decision-makers at different stages throughout the buying cycle

A few tweaks in your approach can help you become the LOB trusted adviser for your client base, helping them navigate the changing digital economy and landscape. And, capitalizing on this LOB decision-maker trend can significantly expand your company and revenue.

> ## Do Your Homework
>
> *"B2B buyers report that just 20 percent of meetings with sales pros focus on their specific needs. B2B sellers must come prepared. B2B buyers expect them to do their homework ahead of time, know their prospect's challenges, understand the competitive context and define specifically where they can create immediate value."*
> —Forrester Research Inc.,
> "Death of a (B2B) Salesman: Two Years Later," 2017