The Millennials are Coming!

How Generational Differences Impact B2B Buying Committees Today
That Millennials are bringing their consumer buying behaviors to their B2B work is not a surprise. What is surprising is that B2B marketers across all generations haven’t woken up yet to the fact that the old B2B marketing playbook is dead — or at the very least, it’s in hospice.”

—ANN HANDLEY, MARKETINGPROFS
Today’s buying committees are diverse; Millennials are already taking their seats among Generation X and Baby Boomers at the buying table, making navigating the already complicated buying environment even harder thanks to their different preferences. Though this shift might seem minor, it greatly impacts how marketing teams operate, sales teams engage, and how purchase decisions are ultimately made.

For B2B marketing and sales teams to continue finding success, they must be able to identify, acknowledge, and respond to the generational differences of today’s new buying committees. This report looks at the differences between the rising Millennial buyer, their Generation X and Baby Boomer counterparts, and how B2B marketing and sales strategies can address the gaps between them.

**METHODOLOGY**

To understand and identify the generational differences and impact of those differences on the B2B sales process and buyer’s journey, SnapApp and Heinz Marketing conducted a survey over two weeks in late June 2017. The responses came from 503 professionals with buying influence and/or authority across B2C and B2B businesses, in different functional areas, and from organizations that range from SMB to large enterprise.

Respondents were prequalified for the survey with the question “Are you involved in either influencing, recommending, or approving a purchase for your organization or client?” Those who answered “No” were excluded from the survey.

**Respondent Breakdown**

(out of 503 responses)

- **Generation**
  - Millennial (18-34): 20%
  - Gen X (35-55): 34%
  - Baby Boomer (Over 55): 46%

- **B2B vs. B2C Organization**
  - B2B: 29%
  - B2C: 64%
  - Both: 7%

- **Role on Buying Committee**
  - Decision Maker: 31%
  - Influencer: 14%
  - Project Manager: 7%
  - Researcher: 22%
  - Other: 26%
KEY FINDINGS

1. **The Millennials are here!**
The Millennial buyers are no longer just coming – they are here, they are active members of today's buying committees. 13% of Millennials are already making purchasing decisions, while another 28% are influencing them. B2B marketing and sales professionals who assume Millennials only impact the B2C world are mistaken.

2. **A new sales journey.**
The Millennial buyer is introducing a new marketing and sales journey, one that’s more independent than Generation X or Baby Boomers. The Millennial buyer conducts extensive research before making a decision and early sales engagement is a big turn off. Unsurprisingly, across generations, no one really likes white papers as a research tool.

3. **The rise of the sales avoiders.**
A more independent marketing and sales journey also means that Millennials reach out to sales much later in the process than their Generation X and Baby Boomer counterparts. Nearly 60% of Millennials reported that they only engage sales in the middle of a purchase decision, actively avoiding sales until only after they’ve had a chance to do some research on their own.

4. **What’s in it for me?**
A Millennial’s search usually starts for one of two reasons: their boss asked them to do it or they have a specific problem that they are experiencing. Out of the three cohorts surveyed, Millennials were least likely to proactively seek solutions for their team. This is in direct contrast to Baby Boomers, who look for solutions to team problems first.

5. **Authenticity matters.**
Authenticity and trust are the keys to winning the influence of the Millennial buyer. Where Generation X and Baby Boomers rely on the guidance of a salesperson, Millennials look to their peers, experts in the field, or other sources for insight. Millennials also care more about company values vs. product features when finding a solution.

With a more self-serve approach to finding solutions, the Millennial buyer is impacting the entire buying journey and the old marketing and sales tactics won’t work. Our approach needs to change dramatically to address the building tension between these diverse stakeholders.
GENERATION PROFILES

**Millennials**

Millennial buyers crave trust and respect from their peers. They search for solutions that are helpful to them first, not necessarily their team. This individualistic mindset puts them at direct odds with the other two generations – who are much more team-focused problem solvers – meaning that Generation X and Baby Boomers likely view Millennials more as self-centered. Millennials do not wait for traditional organizational processes to solve their own problems – they just go solve them.

**Generation X**

The buying habits of Generation X fall between Millennials and Baby Boomers, creating even more uncertainty within the buying committee. Unlike Millennials, however, Generation X is more likely to reach out to sales at the beginning of the decision-making process, which aligns closely to the actions of Baby Boomers. In fact, Generation X and Baby Boomers share more commonalities than differences.

**Baby Boomers**

Baby Boomers differ the most from Millennials in their actions as buyers and the ways they engage with sales teams. Unlike Millennials, they like to reach out to sales at the beginning of their journey – a difference that could paint Millennials as less proactive. Baby Boomers are also very team-focused, in contention with the individualistic attitude of Millennials. These differences may make Baby Boomers perceive Millennials as lacking initiative.
Millennial influence on the buying committee is growing

The buying committee today is diverse, and large, with anywhere from three to 10 stakeholders – when looking at companies with over 100 employees, nearly half (45%) have a minimum of six stakeholders! Isolating companies with more than 1,000 employees, the number jumps to 10 or more.

The power and influence of Millennials on these committees is growing, and fast. Today, 13% of Millennials are already making buying decisions; an additional 28% more are influencing decisions. A total of 82% of Millennials are involved in the buying committee in some way.
How buyers find solutions

Among the three generations, Millennials are more likely to proactively initiate research if they themselves are struggling with an issue vs. a team issue. This individual focus is in contrast to the other generations – Generation X and Baby Boomers are more likely to elevate team problems as well as their own. Of the three generations, Millennials are the least likely to proactively research new products for team issues on their own accord. In contrast, Baby Boomers are much more likely to start looking for a solution to a team problem.

Millennials are, not surprisingly, most likely to begin the buying process when they are asked to do so by a superior.

My sense is that while most B2B buyers have pretty sensitive BS meters, Millennials can sniff out not only BS, but inauthenticity a mile away. And they’re less forgiving of it, so good luck trying to win them back.”

–Douglas Burdett, Artillery Marketing
So what happens once buyers decide (or are told) they need to solve a problem? Where is the first place they start looking?

Turns out it’s social media, and it’s generation agnostic. Company social media sites were the most frequently referenced across all three generations as a channel for researching solutions.

Nearly 45% of those surveyed start research with social media.

However, there are clear differences between the generations among other sources they rely on for input. Millennials skew towards the more relational channels – using their personal social networks of friends and business contacts. Generation X and Baby Boomers were more likely to seek out customer reviews and third-party input.

“Millennials want to feel acknowledged and included. This is an interesting aspect of influencer marketing, isn’t it? By connecting to trusted influencers, we may also tap into the audience that loves them.”

Mark Schaefer, Schaefer Marketing Solutions
The old marketing and sales playbook isn’t resonating

Content is a valuable tool in any marketer’s toolbox to assist in qualifying leads for a conversation with sales, so what does each generation value most when conducting early research? You can leave your product demos and white papers at home – those types of content are the least valuable across all three groups, with more than 30% of all respondents calling it their least favorite type.

Even more so than content types, the old concept of gating a white paper only to have a sales call follow immediately after the download is not working anymore, particularly with the growing Millennial cohort.

SURVEY RESULTS

45% of those surveyed said interactive content is one of their top 3 preferred content types.

I’ve found Millennials care about the companies and brands they buy [from]. They want to work with conscious, human, and authentic businesses that operate with integrity.”

–Brian Carroll, B2B Lead Blog
The rise of the sales avoiders

Nearly 60% of Millennials are more likely to engage with sales in the middle of their buying process, long after they have a set of solutions to evaluate and have done their own research. Meanwhile, Generation X and Baby Boomers are more likely to engage a salesperson early in the process. The difference was pronounced enough to declare Millennials to be true sales avoiders.

This presents a potential point of conflict among the generations. While Generation X and Baby Boomers may believe they are saving time by reaching out early, Millennials are conducting exhaustive research long before talking to sales trying to get a fuller picture of the prospective solution.

What buyers hate most

As part of the survey, we asked “What do you hate most about marketing and sales?” The responses were overwhelmingly centered on three key issues:

**COLD CALLS/EMAILS**
“Being called incessantly when I’m not ready to buy.”
“Getting a canned email, especially when I didn’t sign up for a mailing list.”

**LACK OF PERSONALIZATION**
“I feel as though I am a part of some targeted campaign and I am typically the wrong audience.”
“No understanding of my needs.”

**CALLS AFTER WHITE PAPER DOWNLOAD**
“I’m information gathering and I’ll call you if I want to discuss.”
“Just because I downloaded one piece of content does not mean I’m in a buying process.”

Want to learn more? We had the SnapApp sales team read some of the sales gripes out loud – [check out this video!](https://www.snapapp.com/generationresearch)
Different generations value different things

What do different generations value in potential solutions? In the age of technology, automation, and impersonal outreach, a company’s values are deemed more important than a product’s features and benefits, which could lead to tension in the buying committee. When Millennials make decisions based on feeling and perception, rather than on what the organization actually produces, the decision could easily be viewed as a waste of money and resources by other generations.

But it’s not just Millennials that elevate company values. It turns out that, while Millennials felt most strongly about it, all generations surveyed named vendor company values as a top consideration when looking at solutions more often than product features.

The more that B2B brands understand the motivations and ‘human-ness’ of their target buyers, the better chance they have at having meaningful engagement and building trusting relationships throughout the customer lifecycle.”

–Carlos Hidalgo, VisiumCx
When evaluating the features of prospective solutions, Millennials are the least likely generation to use data/analytics to make a decision. Millennials are the most likely to rely on connections with people, reaching out to people they know at the vendor organization. This means that Millennials rely heavily on emotion and instinct in their buying decisions. Again, this goes back to the finding that relationships and honesty are far more valuable for Millennials than Generation X and Baby Boomers.

On the other side of things, Baby Boomers are the most skeptical of free trials. It’s not their first rodeo, and they prefer to review case studies in later stages to help decision making.
Best practices for marketing and sales: New ways to engage

For organizations who want to effectively engage buyers, marketing and sales must pay attention to the Millennial buyer and their influence on the buying committee. The old playbook won’t work, not just with them, but Baby Boomers and Generation X as well. Here are some best practices for success:

For Millennials, as they establish their careers, they have growing influence. They aren’t actively seeking products until they personally have a problem, and are immediately turned off by inauthentic ploys. Marketing to Millennials requires walking a fine line of being nonintrusive while remaining relevant and available. They value independence and authenticity, so the old marketing tactics of downloads, nurture emails, and sales followup fall on deaf ears. You must engage on their terms.

**BEST PRACTICES**

**A noninvasive approach is key to gaining any traction within this cohort:**
- Ensure solutions emphasize the relevance to the Millennial buyer and their issues specifically.
- A company must win the trust of those that the Millennial buyer trusts.
- Best pieces of content include: blog posts, infographics, videos, ungated eBooks.

For Generation X, marketing and sales must be ready to make the first move. Guide this cohort through the purchase decision by highlighting key features and using your expertise to drive the conversation forward. This cohort responds positively to what your product brings to the table, so be clear about what you offer and the impact.

**BEST PRACTICES**

**Marketing and sales should reach out early in the buying process:**
- Highlight the product details and be clear about benefits for the whole team vs. individuals.
- Use data, analytics, and other measurable statistics in your conversations.
- Best pieces of content include: webinars, charts/graphs, brochures.

For Baby Boomers, marketing and sales should be ready to reach out at the start of their buyer’s journey. This cohort is incredibly team-focused, so ensuring that marketing and sales tactics highlight the benefits as they relate to the larger group is essential. Showcasing your expertise will greatly improve response with Baby Boomers.

**BEST PRACTICES**

**Early engagement goes a long way with this generation:**
- Lead with how your product benefits the members of their teams, rather than individuals.
- Use data and analytics to clearly show the value of the product.
- Best pieces of content include: webinars, charts/graphs, interactive eBooks.
Final thoughts

The dynamics of today’s B2B buying committee are changing whether you want them to or not. Rather than be apprehensive towards this shift, marketing and sales teams should look to ways of leveraging the generational differences to find success among these cohorts. The new Millennial buyer is here, and as years pass, buying committees will continue to exhibit behavioral and demographic changes as faces phase in and out. The generational shift may be challenging, but it is also an opportunity to be a catalyst for transforming your marketing and sales strategies.

So what will you do to make the most of these generational differences? And more importantly, how will you find success with today’s B2B buying committees?

“...It’s so much easier today for outreach to be cold and automated. More and more automated messages try to seem more personal, but Millennials see right through it.”

–Mike Schultz, RAIN Group
AARON DUN, SNAPAPP

Aaron Dun drives marketing and strategy for SnapApp. He is a staunch supporter of the Oxford comma and an avid opponent of lead-gated white papers. Prior to SnapApp, Aaron served as the CMO for Intronis through its acquisition by Barracuda Networks. He has played a leadership role in the marketing success behind Percussion Software, Ness Technologies, Lionbridge Technologies, and Softscape.

SnapApp empowers marketers to create personalized interactive experiences that activate buyers, accelerates leads through the funnel, and unleashes growth. With a simple, drag-and-drop interface, marketers don’t need to be a designer or developer to create a wide variety of content types across multiple channels. Robust integrations into top marketing automation tools enables marketers to collect information that improves marketing efforts and accelerate leads through the funnel.

Visit SnapApp on the web at www.snapapp.com or follow on Twitter @snap_app.

MATT HEINZ, HEINZ MARKETING

Prolific author and nationally recognized, award-winning blogger, Matt Heinz is President and Founder of Heinz Marketing with 20 years of marketing, business development, and sales experience from a variety of organizations and industries. He is a dynamic speaker, memorable not only for his keen insight and humor, but his actionable and motivating takeaways. Matt’s career focuses on consistently delivering measurable results with greater sales, revenue growth, product success, and customer loyalty.

Matt is a repeat winner of Top 50 Most Influential People in Sales Lead Management and Top 50 Sales & Marketing Influencers. Matt is living through the renovation of a 105-year old historic farmhouse in Kirkland, Washington with his wife, Beth, three young children, a dog, two rabbits, and seven chickens.

Visit Heinz Marketing on the web at www.heinzmarketing.com or follow on Twitter @heinzmarketing.
“We all need to get smarter about how we engage our buyers, and forward-thinking companies can gain an advantage by making changes now. Old school volume-based lead metrics don’t cut it anymore. Quality trumps quantity, now more than ever.”

–Ann Handley, MarketingProfs