The Age of Agility

Expect the unexpected.
Prepare to adapt.

A LinkedIn B2B Technology Buying Survey - LATAM 20/21

Marketing Solutions

Introduction

2020 propelled us into a new normal, with analysts now predicting that business resiliency will be the key differentiator of the 2020s. Unsurprisingly, the pandemic has impacted every aspect of life. Volatile market forces and shifts in technology usage and adoption has pushed technology providers towards a new era of innovation: a desire for both reliability and innovation, end-user elevation and a need to build relationships with an expanded buyer committee.

Those who are prepared, agile and responsive to change have the chance to not only survive, but thrive.

This is the Age of Agility.

Across Latin America, the LinkedIn team has witnessed tech marketers seize the opportunities on offer. We see technology as a catalyst for change, a powerful tool that can accelerate how businesses differentiate from competitors, adapt to customer needs, and remain resilient in the face of global disruptive forces. In its seventh year, the LinkedIn Tech Buyer Survey is one of the largest research surveys of B2B technology buying and decision-making. This report lays out a new and dynamic landscape in Latin America, delving deeper into five key trends for technology marketers.

These insights can fundamentally support you to protect and grow your businesses in the Age of Agility.

Preethi Sundaram,
Head of Industry Marketing,
EMEA & LATAM,
LinkedIn Marketing Solutions

"Although this year has taught us that no business is 100 percent resilient, **those fortified by digital technology are more resilient and more capable of transforming when faced with sweeping changes** like those we are experiencing."

Satya Nadella

CEO, Microsoft
Microsoft Annual Report 2020

5 trends for technology marketers in the Age of Agility

The LinkedIn B2B Technology Buying Survey includes insights and responses from 5,894 technology decision-makers* in North America, Latin America, Europe, Middle East, Africa, and Asia Pacific.

Of these, 9% or 557 respondents were from the Latin American region. The trends uncovered in the survey will help B2B tech marketers to win in the 2020's by working smarter, not harder.

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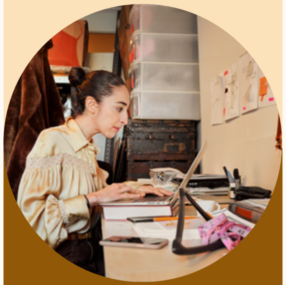

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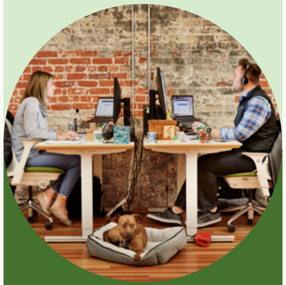
The end users is your extended brand



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Latin American businesses are reassessing the fundamentals

Organizations have had no choice but to revisit the fundamentals as strategies and budgets have pivoted due to the economic impact of the pandemic. The knock-on effects are evident when looking at predicted technology spend across every region, company size and sub-category over the next 12 months.

42%
maintain or increase budgets

18%
halt budgets

We believe these shifts in spending reflect evolving business models as companies navigate three common recovery scenarios[1]:

- Business disrupted – companies which are facing severe revenue and profitability challenges due to decreasing customer demand. Their technology budgets are likely to be impacted by efforts to cut costs and preserve cash flow.
- Business unusual – companies which are developing creative solutions to overcome temporary revenue declines. Technology budgets of these companies are likely to remain neutral or shift toward priority initiatives.
- Business evolved – companies which are adapting quickly and offering differentiated services to unlock greater value with new and existing audiences. Technology budgets are likely to increase, fueling future growth through innovation.

[1] LinkedIn Marketing Solutions 2020 "Returning to growth: Insights to help the marketing community through business and recovery planning."

What does this mean for technology buyers and providers?

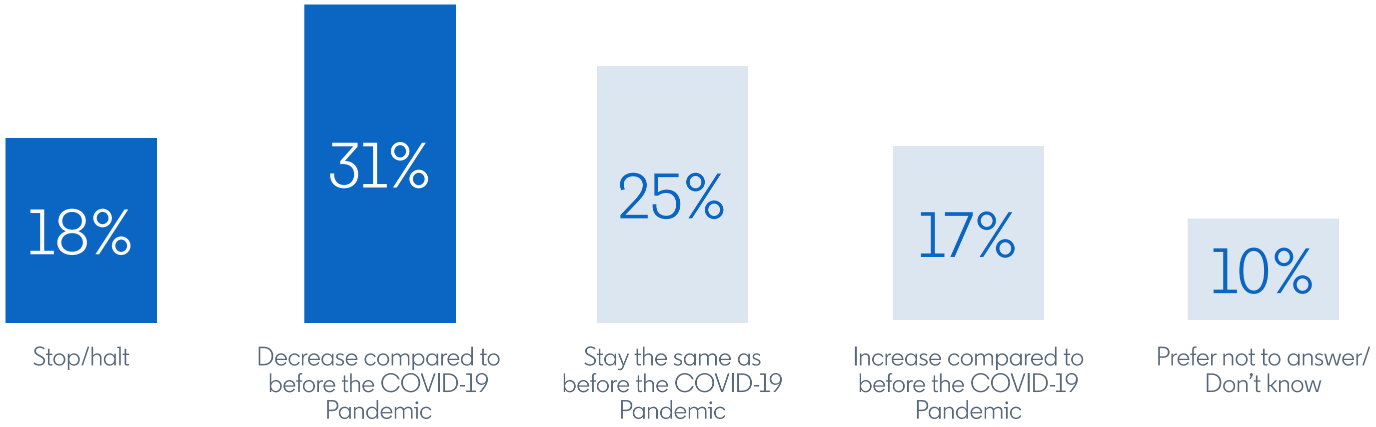
The results of the survey uncovered that buyers globally are conflicted about spending, with many businesses reassessing the role of technology alongside new strategic priorities. This year has unearthed issues around technology over-spending and a lack of technology adoption and efficiency. Around one-third of technology buyers are planning to decrease their spend compared to before COVID-19, while 13% will halt spending altogether.

Yet there is unanimous belief that technology investments are needed to boost resilience. The pandemic has driven a digital transformation, due to remote working, virtual selling and other unavoidable tech needs. Respondents proved there is still a substantial amount of investment underway, with 30% planning to keep budgets the same as before and 13% to increase budgets.

In Latin America, we see more extremes at each end than globally. 18% plan to halt, while 31% will decrease and at the same time, 17% increase and 25% stay the same.

How will COVID-19 impact spending?

Figure 2



[2] How, if at all, will the COVID-19 pandemic impact your company's spending on [PIPE FROM HS5] in the next 12 months? LatAm (N=557)

The anonymous buyer is here to stay

By the time they reach out to you, a significant proportion of potential buyers have already researched your company.

Trend 1

Target the early stages of the anonymous buyer journey

In LinkedIn research, only 25% of B2B buyers say that they're willing to share contact details to access interesting content. Why? The nature of people driving B2B tech buying has changed. The way that tech buyers want to engage with providers has changed. They want to be anonymous and experience the traditional buyer journey on their own terms. In fact, around a third of potential buyers have already done independent research on a company before they reach out to the sales team.[3]

Technology buying journeys can be complicated - and long. The average B2B technology buyer journey today is longer than we think - especially for Enterprise businesses. Over 50% of buyers across Latin America take over one year to purchase technology, needing a little over three months on average to evaluate solutions.[3]

These anonymous buyers evaluating technology solutions change throughout the buyer journey. Over half of decision makers are involved at the start of the journey, dropping off as the process moves forward.

1 in 2

decision makers are involved in the early stages[3]

In **Latin America**

58%

of buying journeys take **more than a year**

[3] Which phase in the buying journey are you involved in when purchasing [PIPE FROM HS5]? LatAm (N=557)

Give anonymous buyers value – without asking for anything in return

What does this mean for tech marketers who typically focus on the lead generation stage of the journey?

Tech marketers need to be bold and provide value - giving anonymous buyers information without asking for anything in return. To do this, marketers must align to the new modern tech buyer journey, paying careful attention to the invisible stages where anonymous buyers are most active. This means investing in research as well as search terms and keyword analysis to help identify the audience's problems.

Demonstrate that your organization understands the anonymous buyer by creating content to answer any potential questions they might have as they research solutions. Ensure this content is easy to access and ungated so you are giving away value and information upfront to potential buyers, without any potential blockers (like form-fills).

Buyers in Latin America researching technology vendors want evidence of technology providers' expertise. If that information isn't readily available, they won't necessarily ask you for it - they'll just move on. To thrive in the Age of Agility, organizations need to accept the challenge and understand the information asymmetry. They know more about you for now. But if you align to their journey, they'll reach out faster than you expect.

33%

of buyers have done **independent research** before reaching out to a vendor[4]

Company Spotlight: Atlassian

Atlassian is a software company that develops products for software developers and project managers.

They understand the anonymous buyer, which means they know they have to stay out of their way.

"Tell them how much it's going to cost. Help them answer the most frequently asked questions. And then combine that with incredible service at the other end."

Robert Chatwani, CMO, Atlassian

[4] When do you decide to connect with a vendor for [PIPE from HS5]? LatAm (N=557)

Established or Challenger? Buyers want both

Buyers in Latin America want the innovation and flexibility offered by challenger brands. But they also want the reliability that experienced vendors can offer. You need to be both … at once.

Trend 2

The tech buyers' paradoxes of needs

Technology buyers are spoilt for choice. They want the innovation and flexibility offered by challenger brands. But, they also seek the experience and reliability that comes from working with well-known companies. Recently we've seen a positive emerging trend: tech buyers no longer need to choose between established brands and agile challengers. They can choose providers which tick both boxes.

The most successful brands have pivoted to position themselves as both - and technology buyers won't settle for less. One in two Latin American buyers will consider a new vendor if these paradoxes of needs are not met.[5a] Buyers seek product factors like features, flexibility and affordability, as well as service factors like post-sale support and the ability of vendors to meet the desired outcome of customer needs. The pandemic and new budget restrictions have pushed value above all else, and technology buyers in Latin America are looking for the full package of price, product features and service.

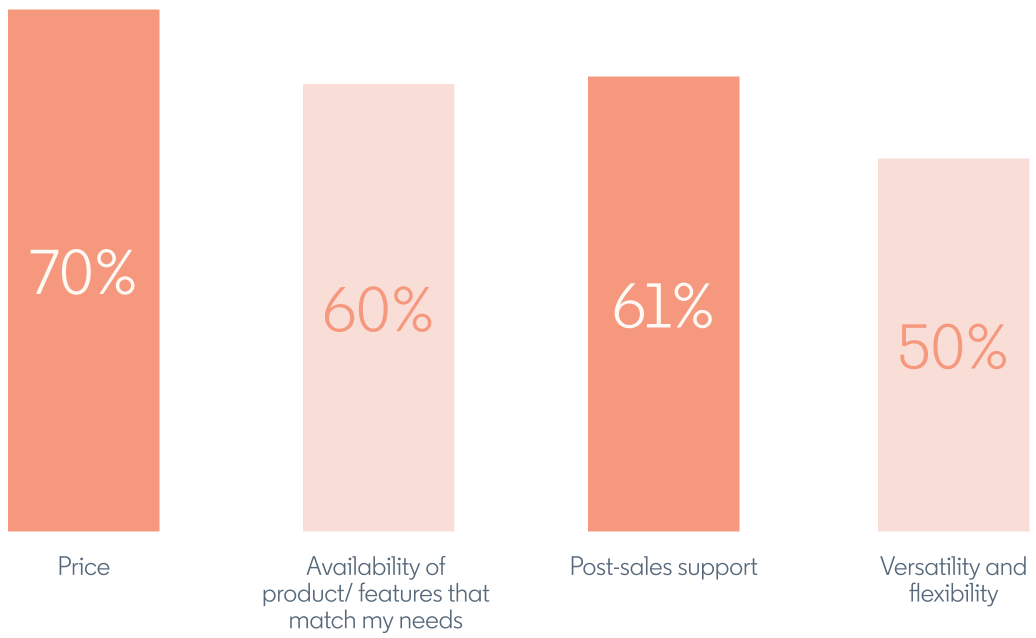
An interesting discovery from the survey is that technology buyers in Latin America are more interested in emerging players than ever, with one in three stating they are open to trying a new entrant.[5b]

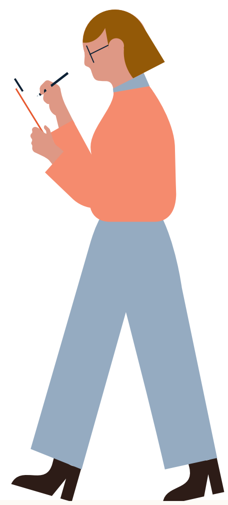
1 in 3

likely to try a **new vendor**

The most important factors when considering a new vendor:

Figure 5a





[5a] What do you consider to be the most important factors when selecting a vendor for [PIPE FROM HS5]? LatAm (N=557)
[5b] How willing are you to try a new product or new entrant into the market for [PIPE FROM HS5]? LatAm (N=557)

Marketing's role in navigating the paradox of needs

However, reliability is and always will be an attractive quality to potential buyers – 71% of technology buyers in LATAM want a vendor that demonstrates deep experience and knowledge.[6] Yet being dependable isn't enough on its own. To succeed in the Age of Agility, both established and challenger brands have the opportunity to win by differentiating their offering, positioning themselves as both innovative and reliable. Marketing has a huge role to play in this.

B2B technology buyers are trying to navigate this paradox of needs, ensuring the technology provider they choose checks all the boxes. Marketing has a significant role to play in helping meet this, driving familiarity, demonstrating relevance, and helping buyers navigate change and uncertainty throughout the new buyer journey.

Company Spotlight: Salesforce

Salesforce is the global leader in customer relationship management, empowering companies to connect with their customers in a whole new way.

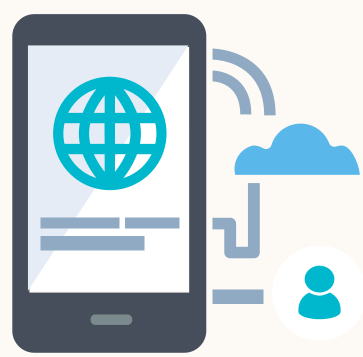
The company's approach to marketing is a masterclass in how to balance head and heart: a market leader with a twist.

"Our innovation is based on listening with attention to our clients, knowing their needs and then understanding how can we be relevant to them."

Daniel Hoe,
Head of Marketing - LATAM, Salesforce

71%

of technology buyers want a vendor that demonstrates deep experience and knowledge



[6] What do you consider to be the most important factors when selecting a vendor for [PIPE FROM HS5]?

Say hello to the IT Facilitator

As business operations across Latin America become increasingly digital, IT decision-makers have moved away from a top-down decision maker function to a key business partner that facilitates technology buying.

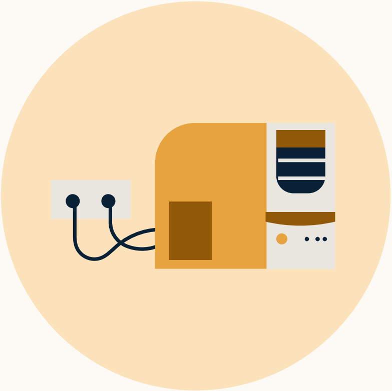
Trend 3

A shift from IT decision maker to technology facilitator

When analyzing over seven years of survey data, an IT evolution has emerged. Technology buyers are no longer IT specialists. Long gone is the era of the single IT decision-maker, whose main responsibility was to research, onboard and renew technology.

As a result, the structure of the IT buyer committee has changed. Now, organizations are made up of IT facilitators (IT, finance, procurement) and IT buyers (sales, marketing). Our survey has revealed a divide between these two groups - marketing and sales now lead the way and taking control of their tech decisions. Now, 56% of influential business functions sit outside of the IT department in Latin America.[7] For the first time, we've seen the role of IT fundamentally change - IT dropped below other functions as a lead decision-maker in technology purchases. It's a shift from IT decision-maker to technology facilitator.

The influence of IT on technology purchasing decisions has dropped from 75% in 2014. Yet, the IT department continues to play an influential role as a guide within the business.



56%

of influential business functions sit outside of the IT

[7] Which function has the most influence on your company's technology purchases? [pipe: pQ3_title]. LatAm (N=557)

Marketers must appeal to diverse stakeholders

In order to make the right decisions and improve business outcomes through technology, buyers understand the importance of strategically collaborating with facilitators. With the line between decision-makers and end users now blurred, it makes sense that over half of tech buyers work with IT when purchasing technology.[8] Finance and Procurement have been rising in prominence over the last two years, driven by an increasing focus on price.

It's clear that the tech buying committee has changed. Technology buyers are actively looking at functionality, ease of use and the business impact, while facilitators are zoning in on price, integration and adoption. For technology marketers, this signals the importance of showcasing solution capabilities and credibility amongst diverse stakeholders who are working together to achieve shared goals.

1 in 2
purchases involve IT

Company Spotlight: Microsoft

Microsoft

Microsoft's mission is to empower every person and organisation on the planet to achieve more. Over recent years, that mission has involved engaging with a rapidly expanding buying committee.

"An opportunity will have twice as many stakeholders involved today compared to a few years ago. We're having conversations with Chief Technology Officers, Chief Financial Officers, Chief Marketing Officers and Chief Environment Officers."

Sébastien Imbert, CMO, Microsoft France

[8] Which functional departments do you work with when purchasing [PIPE FROM HS5].

The end user is your extended brand

Your offering might be best-in-class, but buyers won't take your word for it. How do you prove it?

Trend 4

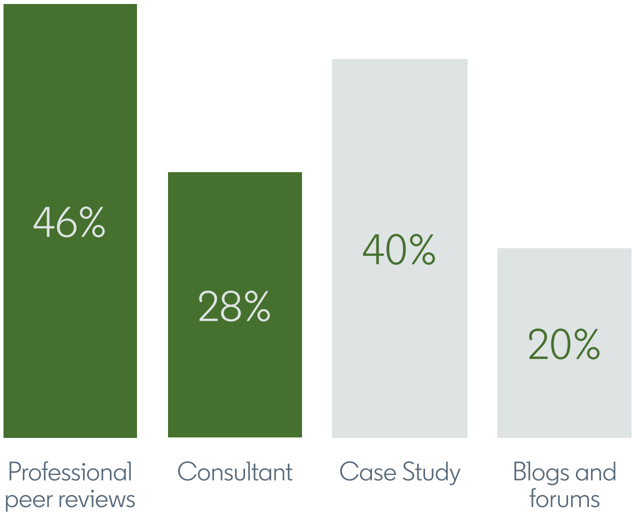
Relying on social proof to make decisions

Humans have always relied on social proof in one form or another, and never more so than in the digital age. We like to hear the experiences and listen to feedback from other users - independent of a technology provider. With social media and other knowledge-sharing innovations democratizing the buying experience, trust and reputation is everything.

Buyers are finding today's saturated technology environment increasingly difficult to navigate. This review economy sees buyers drawing inspiration from a variety of sources, helping them to weigh pros and cons of vendors in a crowded market.

Which resources relate to 'increased trust of product'?

Figure 9



This information is independent to the types of information technology providers put out to the industry, and tech marketers have no editorial control. While buyers are still motivated by advertising, which is the third largest driver of influence to purchase,[9] it's clear from the survey that they seek and are impacted most by word of mouth and one another.

Most companies already use traditional case studies in their marketing, but that's not enough.

[9] Above are some different resources related to purchasing a [PIPE FROM HS5]. Which resources influence your company's purchase and how? LatAm (N=557)

Making the end user the star

Effective marketing taps into the social proof generated by peers. The best brands are flipping their marketing, making the end-user the star because they understand that their best customers can convince a new buyer better than anything else. For customers to become true advocates, vendors need to elevate their stories, using the full range of tools at their disposal – from events to case studies and other content programs.

1 in 2

buyers say that **peer validation** is a primary vehicle for increasing trust of a product[10]

Companies that understand the value of social proof have already incorporated this crucial development into their marketing plans. They are adept at elevating their users and turning them into heroes for their brand through digital channels like podcasts and social posts. The value of peer reviews and endorsements can not be overstated and in using these, marketers have an opportunity to be innovative and creative, finding new ways to include quotes, testimonials and client proof points in their advertising and promotion.

Company Spotlight: Zapier

zapier

Zapier is a global remote company that allows end users to integrate the web applications they use.

Zapier makes their end users their brand strategy, taking inspiration from incredible customer success stories and using their marketing channels to elevate these.

"It doesn't feel overbearing, like a sales pitch over the head."

Wade Foster, Founder, Zapier

[10] Which resources influence your company's purchase and how? LatAm (N=557)

Open Frontier: The Post Sales Gap is up for grabs

As budgets are ever-more scrutinized, post-sale support is paramount. Marketers should seize the opportunity to help inform, drive, and optimize programs that unlock greater value for existing customers.

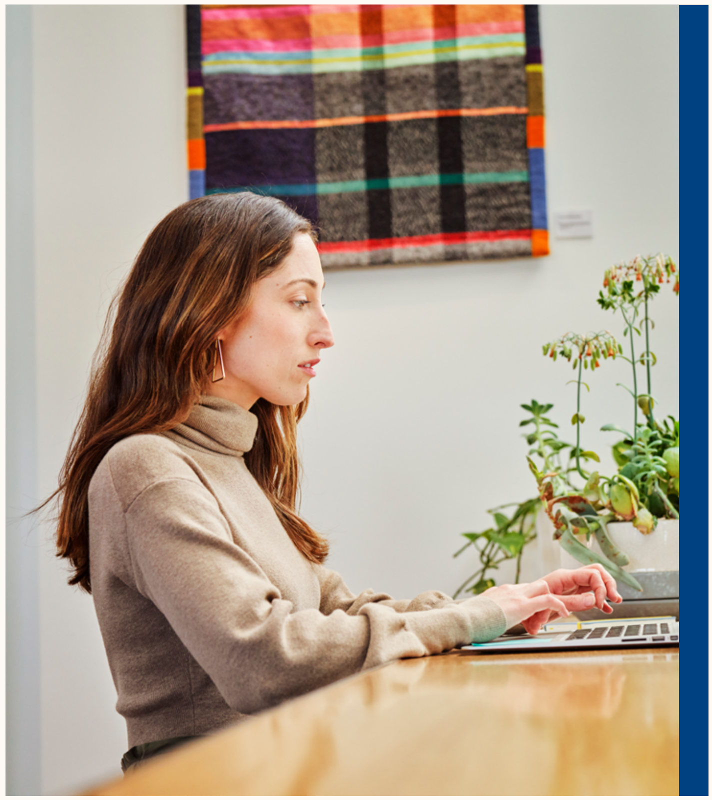
Trend 5

Buyers are investing in an outcome, not a product

Today, technology buyers are thinking further than the initial cost of investment. The survey results show that buyers are more cautious with budgets and the need to prove long-term value is evident. Yet unanimously, tech buyers agree that investment in technology is needed to support organizations to remain resilient and agile through this period of digital transformation. This creates a sort of conflict for these tech buyers.

Understanding this conflict helps tech providers to service their needs. Technology purchases must create value for the organization and as a result, buyers are investing in a desired outcome, not a product.

Decision-makers are prioritizing post-sale support and weighing past experiences with solutions when making purchases. More than half of all technology buyers say that post-sales support is a major factor behind which vendor they choose.(11) In a crowded market, technology vendors that offer reliable and industry-specific post-sales support will have an edge.



61%

of technology buyers say that post-sales support is a major factor behind which brand they choose(11)

The lengthy adoption timeframe for new technology purchases is another critical area for vendors to address. Technology implementation at Enterprise companies can take nearly six months once a new technology is onboarded - with renewals taking longer than any other part of the process. Technology buyers want signals that the pain of new technology adoption can be minimized and the outcome of the purchase be realized. Addressing this long implementation stage is vital for reducing time to value, friction and ensuring that customers stay with a solution.

[11] What do you consider to be the most important factors when selecting a vendor for [PIPE FROM HS5]? LatAm (N=557)

A key differentiator for buyers

Lengthy implementation times are another clear indicator that vendors need to close post-sale gaps. And for marketers, it means not only using post-sale support in their positioning and messaging, but also showcasing their ability to reduce time-to-value. To meet the desires of the expanded buying committee, marketing needs to push for a greater role post-sale.

We know that keeping a customer happy is easier and cheaper than acquiring a new one. Nearly half of all technology buyers take into account past experience with the solution when choosing a vendor. (12) Delivering post-sale support via a greater focus on retention and existing customer marketing will lead to stronger customer relationships and in turn generate more business opportunities. To seize the post-sale frontier, marketers must find out where existing customers feel they fall short. Then, take corrective action and create targeted messaging and action plans to address that sentiment.

46%

of tech buyers say past experience with the solution is an important factor when choosing a vendor(12)

Our survey shows that this is a key differentiating factor for technology companies, and it's an open frontier with exciting possibilities.

Company Spotlight: IBM

IBM is one of the world's leading technology companies, putting the power of hybrid cloud, quantum and AI to work on problems big and small.

Through tight-knit collaboration, the marketing and sales teams have aligned around a data-driven view of the customer journey that extends far beyond a deal closing.

"Our digital strategy goes through a client centric nurturing approach and a management system that reliably scale and create qualified opportunities by providing an integrated relevant journey with holistic view of IBM solutions. In this system, is key to understand audience behavior on every stage of the journey and specially on post sales."

Alexandre Santos Dogakiuchi,
Head Digital Marketing – LATAM, IBM

[12] What do you consider to be the most important factors when selecting a vendor for [PIPE FROM HS5]?

Marketing technology in the Age of Agility

The global pandemic has accelerated conversations about technology usage. Technology buyers need to know they are maximizing value by investing in agile solutions that offer a long, term positive outcome.

Only those who are responsive to change and willing to adapt will take full advantage of the Age of Agility.

Key lessons for marketers wanting to thrive:

1

The anonymous buyer is here to stay

By the time they reach out to you, a significant proportion of potential buyers have already researched your company.

2

Established or Challenger? Buyers want both

Buyers in Latin America want the innovation and flexibility offered by challenger brands. But they also want the reliability that experienced vendors can offer. You need to be both … at once.

3

Say hello to the IT Facilitator

As business operations across Latin America become increasingly digital, IT decision-makers have moved away from a top-down decision maker function to a key business partner that facilitates technology buying.

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As budgets are ever-more scrutinized, post-sale support is paramount. Marketers should seize the opportunity to help inform, drive, and optimize programs that unlock greater value for existing customers.

The Age of Agility. Expect the unexpected. Prepare to adapt.

Survey respondents and methodology:

5,894

technology decision makers from North America, Latin America, Europe, Middle East, Africa, and Asia Pacific.

9%

Of these decision makers were from Latin America (557).

To qualify for this survey, respondents must have researched, evaluated, bought, implemented or renewed a business technology solution in one or more of the following subcategories within the last six months:

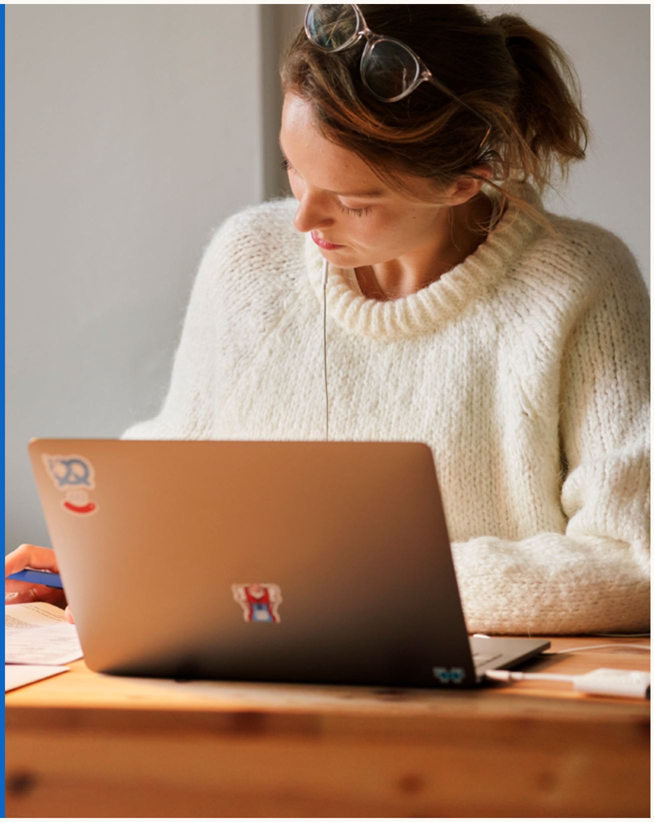
- Hardware for end users
- Software for end users
- Hardware for data centers
- Software for data centers

Respondent base includes samples from SMB, Mid-Market, and Enterprise companies.

Respondent base spans representation from the following business functions: Finance, Marketing, Sales, Business Development, Research & Development, Product, Supply Chain/Logistics, Legal/Compliance, HR, Procurement, IT, Engineering, and Communications.

Survey fielded July 2020.

To see how Latin America compares to the rest of the world, check out the Global Report here.



How LinkedIn can help tech marketers in the Age of Agility

Get started

For the first time in the history of media, you can reach the world's professionals all in one place. More than 706M people worldwide gather on LinkedIn to stay connected and informed, advance their careers, and work smarter. Together they comprise the largest global community of business professionals. These are the decision makers, influencers, and the leaders of today and tomorrow – precisely the people you want to target.

For additional tech marketing resources, visit lnkd.in/techhub

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