



ENHANCING B2B SELLING WITH AUGMENTED REALITY



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Enhancing B2B Selling with Augmented Reality



The Next Tech Revolution

“Think about the Industrial Revolution. The countries that had a first-mover advantage in industry grew so much faster than other countries. We still call some of those other countries ‘developing countries’—they never caught up...First movers with AR will have a 3-5-year advantage on their competition, who may never catch up and could be run out of their market.”

Director Operations, Index AR Solutions

The next technological revolution is upon us. Augmented reality (AR) is going to completely change how we live our lives, and all signs are pointing to the AR industry exploding in the very near future. Recent projections have the industry’s compound annual growth rate at 55.71% between 2017 and 2023 (“Augmented reality market,” 2017). Another projection estimates growth will be even higher with its market valuation to be about \$61.39 billion by 2023, up from \$2.39 billion in 2016 (Hills-Duty, 2017). While these growth projections are impressive, they underestimate the impact that augmented reality will have on creating value for enterprise clients. This white paper explores an opportunity that enterprise augmented reality presents within business-to-business commerce, specifically by enhancing business-to-business (B2B) sales.

To set the context, enterprise augmented reality is much different than the majority of augmented reality in the current marketplace. Gaming apps such as Pokémon Go and the majority of content that will be produced by Apple’s AR kit for the upcoming iPhones 8 and X will be focused on engaging direct consumers. Industries that are currently in the limelight who stand much to gain include marketing, retail and gaming. They’re using AR’s main benefit—superimposing digital data as images into our physical reality—to sell consumer products or entertain.

Enterprise AR does this as well, but on a much grander scale. Instead of viewing a single product, like an Ikea sofa superimposed in your house, enterprise AR creates a visual universe to look at an organization’s complex data in a more compelling way. Enterprise AR can use a tangible Index or fiducial target to establish a monument or an initial xyz coordinate. When pointed at the Index, camera-enabled devices like smartphones, tablets and head-up displays depict the embedded data in a visual format.

This white paper will explain how having the ability to see, hear, touch, walk around, interact with and control an organization’s data and content using this technology will help organizations with B2B sales processes save time and generate greater and more profitable sales revenues.



Key Benefits for Businesses

“Augmented reality is all about people. Index AR will make them so much more effective and efficient at what they do. At Index, we don't augment reality, we augment people.”

President and CEO, Index AR Solutions

This white paper examines two key areas of B2B sales that AR will enhance, and how enhancements in those areas will drive bottom-line results: sales presentations and communication. In addition, we'll discuss which organizations are the best fit to leverage enterprise AR within their sales process today, and how to get started.

To gain perspective on the positive impact that AR will have in those two areas, we conducted interviews with different sales industry leaders and innovators. To get a broad picture, we interviewed thought leaders from diverse industries and drew on years of sales wisdom. Our interviewees also provided insights relative to adoption and integration of tools based on augmented reality. We've also included further research that demonstrates why AR will create such a dramatic impact.

We believe organizations that are the right fit for this technology will benefit tremendously. By the end of this paper, we hope you will share in our excitement about the potential opportunities that enterprise augmented reality has made available for B2B sales.

Evolving the Sales Presentation

“Presentations haven't changed much since the 1980s. Proposals, PowerPoint, binders, packages and sponsorships are all the same.”

VP Broadcast Sales

To make clear why sales presentations need to evolve, think about how they currently fit within the context of B2B sales. Most of us envision a salesperson standing at the front of a conference room with a PowerPoint deck, painfully moving from slide to slide—something that typically leads to negative feelings. Even with fancy animations and transition effects that have developed over the years, the experience is just not engaging. The patterns and processes are too familiar.

A VP of business development for a global software and licensing company shared what it was like to be on the receiving end of a bad sales presentation.

“There are people who show up with these 50-page decks... 10 slides in I'm on the phone, I'm distracted.”



“We haven’t really come that far with the presentations that we’ve done since I got into the industry in the early 90s. Augmented reality would be a quantum leap.”

“I think if anyone of us walked in with an AR presentation to our clients right now it would blow them away and they would probably talk about it for the next month. Talk about a differentiator.”

General Manager
TV Station in Austin, TX

“If the salesperson can engage them and make it *interactive*, of course you’re going to get their attention and control the environment.”

VP Business Development
Licensing & Software Company

Some of the problem has to do with how salespeople select content. It’s often not relevant or engaging to their audience. At the same time, multi-generation sameness in presentation methodology has led to general boredom. Either way, the accumulation of negative experiences creates poor expectations that stack the odds against salespeople before they begin the presentation. If salespeople fail to capture attention and engage quickly, they’re wasting time and blowing opportunities. As these lost sales add up over time, an organization’s bottom-line will hurt significantly.

Setting New Expectations

Salespeople are about to take their audiences on a quantum leap and allow them to experience presentations in a completely new way. Imagine, instead standing in front of a PowerPoint, the salesperson places the Index on the table, directs the audience to upload the app on their tablets, and then expertly guides them on an AR journey throughout their presentation.

In this scenario, the negative perception from prior sales presentations is automatically erased. New perceptions are being set, and the salesperson and their organization are distancing themselves from their competition. The VP of sales for a global ad management platform touched on this when he said, “We’ve all grown up in a flat-screen world” and that augmented reality could help “set a new expectation for selling.” This new expectation for selling is focused on communication through engagement, not through one-sided presenting and passive listening. We know that this new dynamic is going to greatly boost sales successes, and we can prove it.

Enhancing Presentation Engagement

The two main ingredients to engagement are alluded to in the quote from the VP of Business Development: attention and interaction. AR revolutionizes sales presentation engagement because it’s the most effective way to attain these two factors.

Think of the standard sales presentation with the salesperson delivering a PowerPoint deck to their audience, one slide at a time. Naturally, the audience’s attention will come and go, because there’s usually little interaction with them. AR greatly enhances engagement because it grabs full attention through hands-on interaction.



Now salespeople will provide an interactive AR experience to facilitate their audiences' quest for information. To illustrate, let's look at a ground-breaking program where augmented reality has been used as a B2B sales presentation.

Impact of the Index AR Map

“As a sales tool, it's there. It can be used effectively.”

VP Business Development
Global Construction & Engineering Company

In this situation, a global construction and engineering company contacted Index AR Solutions to build an Index AR Map. They wanted the Index AR Map because they needed a more effective and efficient way to share all of the capabilities and the capacity of their newest fabrication facility in Asia.

The Index AR Map proved to be a superior sales presentation tool in a few key ways: First, traditional PowerPoint presentations would take hours on end to walk through, because of the depth of the content and data that needed to be covered. The Index AR Map greatly shortened the presentation length because the data had been refined and translated into images.

Second, taking a linear approach to presenting means that at any given time, content may be irrelevant for one audience member while relevant for another. With the Index AR Map, relevance and engagement were increased because individual audience members isolated and interacted with content that was most important for them.

Finally, in the traditional setting, audience members had to passively receive information, while the Index AR Map allowed them to actively interact with it and search for information they were interested in. The VP of Business Development for this company explained witnessing this process first-hand:

“People are touching the model. It displays info when they touch different parts of the map ...They're seeking for the information, they're leading and looking for it, instead of sitting and reviewing.” He continued, “When people engage with it, they're fully engaged.”

He also told us that the Index AR Map helped create measurable cost savings, because the company no longer had to fly salespeople and potential clients to the facility for sales presentations. The facility could be brought anywhere in the world, just by putting the index on the table and using a smart phone or tablet with the AR Map app loaded.

As this example shows, sales presentations that grab full attention and provide hands-on interaction with AR are currently available. We're now going to look deeper at why these enhancements for sales presentations will make a dramatic impact on an organization's B2B sales success.

Enhancing Communication

This brings us to the second key factor in B2B sales success—communication.

The role of the B2B salesperson is to communicate the value of their organization to those who would benefit from utilizing its products and services. To achieve B2B sales success, there are three levels of communication that must occur effectively.

1. First, the overall organization must position their data and content in a way that will help drive the sales process forward. This includes positioning with external and internal stakeholders.
2. Second, salespeople need to communicate effectively with their prospects and clients. In the general sense, this means being influential and persuasive. It also entails facilitating positive experiences, clearly answering questions, and providing direction to keep the sales process moving.
3. Finally, it's important to consider how audiences process information. In B2B sales, the client is ultimately responsible for deciding whether a business partnership will be established and maintained. So, communication in the sales context must resonate with client needs and motivate them to act.

At this point, we'll expand on how and why enterprise augmented reality will effectively address all three levels.

Positioning Data and Content

“Content is the secret sauce.”

President & CEO
Index AR Solutions

In today's big data business climate, organizations make significant investments in acquiring the best data possible. According to a study that explored the perception of data's influence on B2B sales, 224 of the 400 business executives who responded (56%) said that bad data quality resulted in lost sales opportunities (Experian Data Quality, 2016).

Of course, it's not enough to acquire good data—you must interpret it. Salespeople must communicate the implications of the data in an effective way. Most important, they must lead audiences to understand the data so they see how it's beneficial for them.

The beauty of the augmented reality sales presentation is that 3D images are created on the basis of what an organization wants to highlight within a specific data set. This visualization of big data is tremendously helpful for communicating difficult concepts that might ordinarily overwhelm. Luckily,



organizations that have invested heavily in acquiring large amounts of data and content are going to be able to benefit from this the most—the more data you have to show, the more information your potential clients process.

An added benefit is that every time the AR sales presentation is launched, it can capture precise usage data from each unique user. Organizations can clearly see where potential clients have the most interest. This is valuable information that will help them position products in a more client-focused way and drive the sales process forward.

However, even with large volumes of data presented in a cool visual format, an organization isn't going to benefit as well as it could if salespeople aren't communicating the value of the data to the client effectively. The role of the salesperson is as vital as ever, though the way they'll communicate value is going to be a lot different than before.

Facilitating Instead of Presenting

“During the presentation, they want to find the information, and they're asking us questions because they want further information. It's not just us regurgitating info at them.”

VP Business Development
Global Construction & Engineering Company

The above quote describes the new sales presentation dynamic that AR requires. It's facilitating an experience, not presenting a linear slide deck. Salespeople won't be all-knowing preachers—they'll be collaborative coaches. This is essential because audiences prefer a more collaborative sales dynamic. Collaboration increases their sense of ownership in the process, which leads to more confident decision-making.

At the end of the day, the prospect's or client's decision determines sales success or failure. So, the evolved sales dynamic with AR is going to automatically help increase commitment and buy-in to the sales process. This will lead to more sales success.

The new skills that sellers must acquire to help foster sales success with AR presentations are:

- Turning off sales showmanship and giving their audience freedom to explore
- Maintaining control of the situation as needed
- Providing added value that enriches and supplements the presentation

One way a salesperson can maintain control is by changing what their users see and experience by physically interacting with the AR Index. By covering specific sections of the Index, different elements and sections of the presentation can be brought into focus. Sales organizations need to determine how to share essential content without letting it disrupt their audience's exploratory experience in a major way.



“Storytelling on top of big data is a good marriage.”

Chief Revenue Officer
Major Media Corporation

“You need to be able to slice the data the right way for the client, you can't just come in and do a data dump.”

President
Sales Consulting Company

We foresee that salespeople can enrich this process by providing answers to questions that can't be found within the presentation and by bringing their personality into the mix—as long as they stay relevant to the content within the AR presentation.

Better Story Telling

Storytelling is as old as human-beings are, and modern salespeople know that stories are great for engaging audiences. Besides being entertaining, stories can impact sales decision-making more than logical, fact-based presentations. This is because they resonate with our emotional core and help build trust.

Stories also aid in the transfer of information. There are two reasons for this. First, stories release dopamine (more on that in a moment). Second, stories are more memorable. This was discovered by Harvard psychologist, Jerome Bruner. He studied the impact that linguistics and stories had on people's ability to process information and found that messages delivered as stories are 22 times more memorable (Bruner, 1986).

Adding to that, we also know that stories are told most effectively through images. So, using highly visual AR technology to weave story lines will be highly effective as a sales tool. A CRO we interviewed said:

“Augmented reality could be an amazing way to take information and help answer questions or explain concepts in a more compelling way. The ability to better tell a story through visuals would be very beneficial.”

We wholeheartedly agree. Salespeople will be able to breathe life into data more than ever before.

Audience-Centric Communication

We've discussed several problems with standard B2B sales presentations. An added challenge is how to select and present appropriate information. Oftentimes, audiences are the victims of data dumps—where they're overwhelmed with too much information to remember.



Looking at what's known as the 'Ebbinghaus forgetting curve,' roughly half of information is forgotten within 20 minutes, and only one quarter of it is retained after 6 days (Ebbinghaus, 1885/1913). Added to that, the cognitive load theory contends that our brains start filtering out non-essential or irrelevant information as soon as our working memory's capacity has been reached. Given that the average capacity is 7 elements of information at a single moment (Miller, 1956), any data you want an audience to remember must be handled very carefully.

With this in mind, it's very important for organizations and salespeople to understand how to communicate in an audience-centric way. This means only presenting information and content that's relevant to the potential client's needs and explaining everything as simply as possible.

Augmented reality sales presentations naturally help increase both relevance and simplicity. AR is going to bring organizations and salespeople more sales success, because the data is better organized and more focused. This enables audiences to retain more information and helps them make decisions and sales commitments more readily.

AR's Impact on Learning

“ We believe this technology has great potential for educational outcomes. ”

From "A Psychological Perspective on Augmented Reality in the Mathematics Classroom"
Computers & Education

To determine if other sales organizations should expect their own potential clients to learn in a similar manner to users of the Index AR Map from the construction industry, we conducted research into neuro-psychology and how AR enhances learning. The first thing we looked at was why the users of the Index AR Map were so apt to engage with it. The second topic we researched was why AR will specifically enhance how we learn.

An Addicting Learning Environment

“ People are interacting with different parts of the presentation, because they want to see if there's information there too. ”

VP Business Development Global
Construction & Engineering Company

The increased engagement that the global construction and engineering company is benefitting from is rooted in a neurological reward system. You may be familiar with dopamine—a chemical that causes us to feel good when it's released. The release of dopamine is connected to motivation, attention and addiction.

Psychologists have found that the act of seeking and anticipating a reward releases this feel-good chemical in our brains (Berridge & Robinson, 1998). For the most part, the rewards our brains seek relate to our survival—primarily eating and procreating. Learning is also critical for survival, so it too factors into our neurological reward system.



On that basis, teaching strategies that allow learners to seek new information on their own releases Dopamine. In other words, the methodology creates a different, much better feeling than one-sided approaches such as lecturing. Dopamine also acts as a bridge for information processing and recollection, sending information and data from one part of the brain to another.

The non-linear approach employed in the Index AR Map fosters information hunting—an activity that releases dopamine. It's interesting, it's new and visually-appealing—an informational hide-and-seek. Audiences are rewarded for interaction and when they engage with different elements of the presentation, they're presented with relevant information.

We believe this science will drive the same fundamental results for similar AR applications. As you can see, this is a much more effective way for organizations and their sales teams to communicate data and content. Your potential clients will in some ways be addicted to consuming it.

Information Sticks Better

“As they engage with the content, information seamlessly morphs from one representation to another, creating strong links between various concepts.”

From “A Psychological Perspective on Augmented Reality in the Mathematics Classroom”
Computers & Education

The CRO we interviewed discussed the essential way that AR will aid with driving sales success: *“If you get the data and can present it well to the client, then I think it will help move the process along faster, and help them make those decisions quicker.”* Our final study outlines the specific reasons why AR will enhance learning, which in turn, will speed up sales decision-making.

The reasons why AR will help customers better retain information are drawn from the results of a study that explored how augmented reality will impact the learning of mathematics in a classroom (Bujak et al., 2013). The study is relevant to sales because both require audiences to learn and remember complex concepts and numeric-based data. Essentially, AR will aid learning because:

- Memory encoding is aided by physical (motor) actions.
- Metaphysical and abstract data learned via AR is processed in multiple parts of the brain—parts associated with physical actions and abstract metaphysical concepts. So, there's a greater probability for that data to be recalled.
- Collaboration between learners and teachers increases motivation to learn and helps personalize the learning experience.
- Cognitive load will be reduced because AR grabs attention, and focus is needed for information processing.
- The ability to control virtual content allows one to generate their own perspective surrounding it, increasing relevancy and motivation to learn.

These conclusions provide an underlying reason for organizations to be confident that AR sales presentations are the best way to communicate information with potential clients. As you can see, many have been corroborated by actual experiences with the Index AR Map.

This enhanced communication in turn leads to some benefits that all sales organizations care about: more won contracts, increased sales revenue and stronger business partnerships. However, not all organizations stand to profit equally from this technology. An organization needs to fit the right criteria before considering investing in this technology.

Implementation

“You can't think that just because you have this you'll make money. It has to be done right.”

President, Sales Consulting Company

AR technology to support the B2B sales process is available today. However, it's important to emphasize that merely owning the technology will not guarantee success. There are two key prerequisites that organizations need to meet before taking steps towards adopting this technology into their sales process—otherwise they are unlikely to see a favorable return on their investment.

1. They need to fit the criteria described below.
2. They need to be committed to taking the right steps to implement it effectively.

Organizational Fit

“The projects we chase are in the billions so any investment in winning one is miniscule.”

VP Business Development
Global Construction & Engineering Company

The main criteria organizations need to be a good fit are that they:

- Sell big ticket products or services that could/should be differentiated
- Have a good amount of quality prospects readily accessible
- Own a wealth of proprietary data and content to be embedded in the AR program

As an aside, your organization doesn't necessarily need to generate billions per won contract, but your sales process shouldn't be dependent on a high quantity of low cost commodity transactions.

We see B2B AR sales presentations being most effective when focused on a single organizational project/presentation at a time. While an organization has the ability to update and change the content within their overall presentation, they aren't individually customizable for each sales rep. Ideally, the single AR presentation will be applicable to any and all salespeople that are working on the project from which the organization plans to derive a return.



“I do think this will help a selling organization up and down the line... it’s just a matter of how people adapt to it and take to it.”

Chief Revenue Officer
Major Media Corporation

“The client’s culture in how they want to get from A to B matter...I think sometimes the biggest mistake made is that people don’t train right. You have to train people on how to use this tool right.”

President
Sales Consulting Company

A digital sales director from a TV station in San Francisco thought, “Using it as a product demo makes perfect sense,” and that “Managers using it from a training perspective could work.” We agree, and think that there are many potential applications. It’s up to organizations to determine what the best applications for this technology within their sales process will be before committing.

Take a moment and think about your own organization. If you meet these criteria you may be the right fit for this type of B2B selling tool. If so, we believe you’ll benefit tremendously.

Implementing Effectively

At this point, we’re going to be brutally honest with you about some major challenges you’ll need to overcome when adopting AR technology as a sales tool. Too often, we’ve encountered salespeople and sales organizations that get used by their tools, instead of the other way around. Whether it be PowerPoint, Wi-Fi ports for laptops or employee smartphones, we’ve witnessed sales organizations poorly integrate tools into their sales process throughout the years. In many cases, this is due to ineffective training on how to use them. The result is that sellers often lose faith and eventually stop using them.

The commitment to adding AR or any other technology needs to be made from the top down. Executives and managers need to support training that leads to proficiency. Organizations that don’t commit to good training on new technology are destined to be revolving doors, churning salespeople constantly and incurring the high cost of employee turnover.

Augmented reality is the next—and we think greatest—tool for salespeople. However, if they aren’t taught how to effectively use it to close the sale, then salespeople will lapse into old habits or abuse their tools and waste company time and resources. When AR sales presentations are brought into the organizational fold correctly, companies will reap a much more profitable harvest than they could have before.



Next Steps

“AR is only bounded by the imagination of the people using it.”

VP Business Development
Global Construction & Engineering Company

As we stated at the outset of this white paper, the next technological revolution is upon us. B2B sales organizations that fit the right criteria and commit to proper training are presented with a once-in-a-lifetime opportunity right now. The Index AR Map is the first B2B AR selling tool that's available, so if you're not in the construction and engineering industry, your first-mover advantage is up for grabs.

Not many companies are able to produce enterprise AR on a scale that makes sense for B2B selling, which is why first movers should enjoy a 3-5-year advantage in their industry. The technology is ready, and you can now get moving on the first steps to produce, adopt, integrate and implement an enterprise augmented reality sales tool that lifts your bottom line higher than it's ever been before.

Index AR Solutions has been producing some of the world's best enterprise AR solutions for enterprise clients since 2015. Together with Newport News shipbuilding, they have deployed over 80 AR projects.

For the past 30 years, Paradigm Group has helped some of world's largest organizations achieve measurable results by implementing a consultative sales process. Our vast knowledge of B2B sales psychology, adult learning and how to integrate new tools and technologies within an organization will help you seamlessly adopt AR into your sales culture and derive a quick and long-standing ROI.

Paradigm Group and Index AR Solutions forged a partnership because together we can deliver the best experience for organizations that would like to enhance their B2B sales process through enterprise augmented reality. We're the cutting-edge technical team that produces the revolutionary enterprise AR sales presentations, and the sales coaches that establish how to adopt and implement it into the sales process effectively.

Please contact us today if you'd like to learn more about this exciting technology and its potential applications within your B2B sales process.

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