

Reaching out to the B2B world

We meet with a panel of branding experts from the B2B sector to discuss the issues facing B2B marketers and what can be learned from their counterparts in the consumer world

Brand Strategy: Has business-to-business (B2B) marketing risen up companies' agendas?

Rebecca Price: It isn't as high up as it should be. In some sectors, such as engineering and infrastructure, many companies don't even have a marketing department.

Justin Basini: In my business, B2B marketing's driven by the sales function. My bankers, who are the primary sales force, do all our marketing. We're trying to move back from that sales-driven process to think about marketing principles, so bankers can sell the whole proposition rather than just the product.

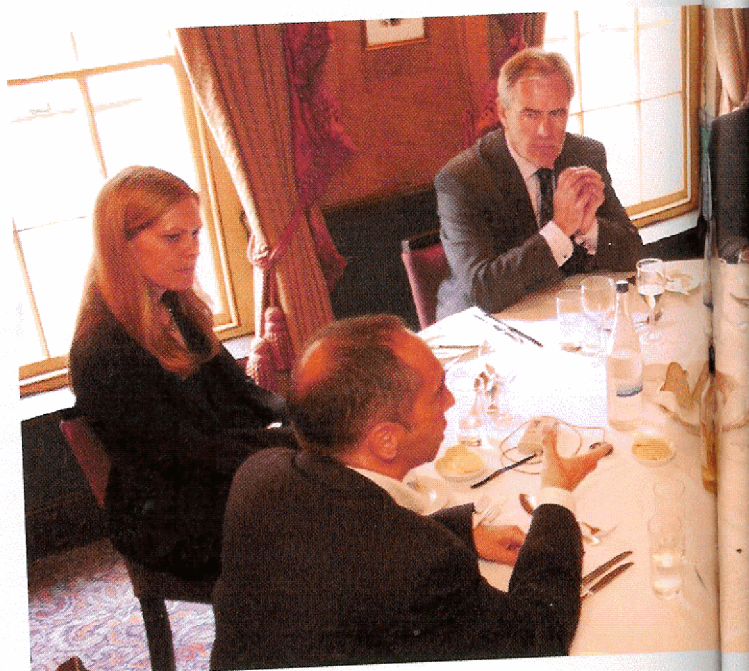
Andrew Lock: We're primarily a B2B company. We're very sales- and channel-oriented. Our challenge is to get back in touch with the user; we communicate with them rather than do fundamental marketing. We're also a lot more short term than we could be.

Brand Strategy: What changes have you seen in the past five years?

Michael Dent: The market is a lot more interested in B2B marketing, and everybody's keen to see what we should be learning from B2C.

Jeremy Rosenberg: The professional services market has changed significantly. After Enron and Andersen, it's a far more dynamic market. B2B branding, how we define ourselves, and the importance of our corporate reputation is much higher up the agenda.

Justin Basini: It can be hard to differentiate products



Photography: Edd Westmacott

in my sector. The only differentiator between a Goldman Sachs' banker and Deutsche banker is some level of awareness. In our sector everybody's more or less the same, so differentiation comes down to brand.

Brand Strategy: So is B2B more about the individuals rather than products and services?

Rebecca Price: Professional services is more to do with personal relationships, and there's a real risk that your client's brand experience is more about their relationship with their contact rather than the business. Your brand and marketing has to work harder. You don't want your clients to be solely reliant on the power of their relationship with that individual.

Justin Basini: We need to mitigate the risk of Joe Bloggs moving from Deutsche to a rival. We need to add another layer of corporate relationship so it's about the client talking to Deutsche, as well as the client's CFO talking to our banker. We need to drive Deutsche's perception, allowing our bankers to have the platform, strength and confidence that the brand gives them.

Jeremy Rosenberg: With KPMG, the corporate brand has always been a component. The key is consistency. Unless we have that, we don't have a coherent brand experience, which is far more powerful than any communication or advertising. That's where B2B branding becomes really interesting. It's affecting the culture within the organisation, affecting how 100,000 people



do business. There's a rational and emotional dimension. We all know brands, particularly at the consumer end, that people are absolutely loyal to: Apple, Virgin and Pret a Manger. When creating a culture, we should strive to create a sense of why people should feel emotionally attached to the organisation.

Michael Dent: Loyalty is slightly more important in B2B than in B2C. Personal relationships in a B2B organisation can sometimes buy you some grace – customers will forgive you once or twice. On the consumer side, people are more likely to switch.

Andrew Lock: Our loyal customers are six times more likely to purchase than any other customers, and the sales team has a real appetite for branding and leveraging it. You can only differentiate on product for a while, so marketing has become more important.

Brand Strategy: Can marketing really affect the company's internal culture and operations?

Jeremy Rosenberg: When brands sit within marketing, it creates problems because you're talking about brand experience and the culture within an organisation. If you affect the culture of a marketing department, you create a silo, not real change across the business. Also, without leadership endorsement and the perception that this is being led from the top, marketing's rarely strong enough to take a company forward. One of the real issues is where the brand sits within a B2B firm.

PARTICIPANTS



JUSTIN BASINI: Global head of marketing and communications, global banking, Deutsche Bank. He has previously worked for P&G and branding consultancy Added Value.



MICHAEL DENT: General manager marketing, DHL Express (UK). He joined DHL in 1989 and has worked in its offices in Brussels and the US. Prior to this, Dent worked with Coopers & Lybrand.



ANDREW LOCK: Marketing communications manager, 3M UK. Lock started out at 3M before moving to Xerox, then Synopsys. He returned to 3M in 2002, working on brands including Scotch.



REBECCA PRICE: Head of branding, Radley Yeldar. Price has previously worked at Bamber Forsyth and Fitch. She heads global branding projects for clients including Capita and Chubb.



JEREMY ROSENBERG: UK head of brand identity management, KPMG. Rosenberg has worked in several ad agencies including Ogilvy & Mather and Ammirati Puris Lintas.

Rebecca Price: Often when there's a marketing department in place and brand's being driven from there, the project's greeted with cynicism across the business. If we're working with a B2B organisation that's weak in marketing, the project's frequently driven by the MD or CEO and it's completely different.

Justin Basini: Some brands I admire have been built through the principles that drive their business. McKinsey's or Goldman Sachs' principles are 100 years strong and permeate everything that happens within the organisation. It doesn't come from marketing, which means you can deliver more consistently.

Michael Dent: You have to be true to your ideals but that's a big problem when organisations merge and you have different cultures coming in. First, you have the identity crisis of who you really are; second, you can offload some things you don't like about yourself. But the problem is how do you take everyone along because they might not sign up to those ideas?



Brand Strategy: What can B2B firms learn from B2C?

Andrew Lock: I'm not sure B2B companies spend enough time and effort understanding the customer. There's a strong emotional dimension to B2B decision-making – it's not always rational. B2C spends a lot more time looking for drivers and differentiators.

Michael Dent: Yes, B2B isn't as rational as you'd think. Research in eight European countries found that B2B customer needs were both functional and emotional.

Jeremy Rosenberg: I'm not surprised because people buying in business also buy as consumers. Our sales staff will tell you how emotional the buying process is.

Brand Strategy: Who's doing well in B2B branding?

Michael Dent: A lot of B2B brands are huge but almost unknown outside their sector. I don't know how many professional marketers Eddie Stobart has onboard but everything's fantastic – the uniform, the drivers.

Justin Basini: I admire IBM and the way it has reinvented itself around e services and built up its consultancy division.

Jeremy Rosenberg: Most companies I admire operate in both B2B and B2C. Apple looked at its brand, profile and positioning in its core market of creative professionals and did an outstanding job communicating its culture and differentiating itself. Commercially, it was successful and it obviously has a B2C profile too.

Brand Strategy: What could B2B branding teach B2C?

Andrew Lock: People with B2B budgets have to do a better job of proving the value and return. With the consumer there's a danger that you get used to setting a level of spend and maybe not proving it.

Rebecca Price: Many B2C brands are too short-termist

and have to reinvent themselves more frequently.

Justin Basini: B2C can learn about customer relation management – how to manage data across every touchpoint and how to drive cross-sales.

Michael Dent: B2C organisations look at individual market segments rather than the bigger picture.

Brand Strategy: Which channels are most important in B2B branding?

Andrew Lock: Customers often look to the web as the first source of information. They expect to be emailed and that's still untapped.

Justin Basini: We've gone full circle in the way we communicate. We spend a lot on advertising but have now found that the most powerful channel is our CEO Joe Ackerman. He writes a personalised letter to the CEO of our major clients every six months saying: "We're here for you, you can call me." That has helped the qualitative strength of the relationship.

Jeremy Rosenberg: It goes back to relationships. In the B2C environment you're dealing with the product, and channels such as advertising bring that product to life. In B2B you're talking about people, so the channels must enhance the relationship. Face-to-face is important, not just in a sales context but conferences and seminars. We have such a wide community with several touchpoints and have to ensure that flow of information is relevant and sent at proper intervals.

Brand Strategy: How creative can B2B brands be?

Justin Basini: There has been a move within Deutsche in the past two or three years, but it has been hard. You put ideas in front of the board and end up with something generic. That's why all investment banking ads looks the same. I can't listen to feedback from bankers because they're cynical about advertising and



brands. It can be the greatest campaign and I have to go back to the data and show it's not about opinion.

Brand Strategy: Are chief executives taking B2B branding more seriously?

Jeremy Rosenberg: Absolutely. Our chief executive has been key to implementing a brand refresh and his leadership accounts for a lot of its success. Often it won't happen without leadership support.

Rebecca Price: The flip side to not having a huge marketing department is that when it does happen it tends to do so at the highest level. It's taken seriously and skips that cynicism about marketing.

Andrew Lock: It's making sure that everybody understands the components of the brand as it filters down. Companies need a common language, but it's not quite there. The other danger is that senior management sees brand as communications only, rather than behaviour and capability.

Brand Strategy: How will B2B branding change?

Michael Dent: Companies are getting bigger. You might not think branding is that important, but you soon will because you're likely to end up with an acquisition or merger at some stage. You need to know what your brand values are and learn about the company you'll be working with.

Jeremy Rosenberg: There'll be greater emphasis and spend on B2B branding because the value of branding in running the workforce more effectively, more efficiently and more loyally will be increasingly recognised. B2B branding personnel will have a greater mix

of skillsets with an understanding of HR and technology. The diverse skills will help put branding at the heart of the organisation.

Justin Basini: There'll be more segmentation; B2B brands need to focus on customers, employees and analysts. These are classic B2B brand issues but more companies, both B2B and B2C, will have to consider this. Consumers rarely know P&G as a company and over the next 10 or 20 years, it will need a face. We're starting to see that with Unilever and Allied Domecq, so the idea of a huge organisation capturing that in a brand will become much more powerful.

Jeremy Rosenberg: I don't think B2B branding will stay in the marketing world; it will be part of the chairman's office, or a centralised office.

Rebecca Price: Enron and Sarbanes-Oxley [new US corporate governance rules] have changed the professional services sector forever. It's not a stable world any more and companies must

communicate more effectively.

Justin Basini: There's so much scrutiny now, whether it's consumers or regulators, you can't do anything without millions of people looking. That drive from consumers to understand what product they're buying or where they are purchasing will be really important.

Michael Dent: B2B companies will deal with how they position themselves. Marketers are getting more competitive and with innovation, they catch up more quickly than ever before. They will think more about their business and how it's positioned for longer-term relationship-building and profitability. The market's so much more dynamic now. ■

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