

6 Ways Consumer and Brand marketing can borrow B2B's ROI

We Live Context

Inspiring decisions.
Delivering ROI.

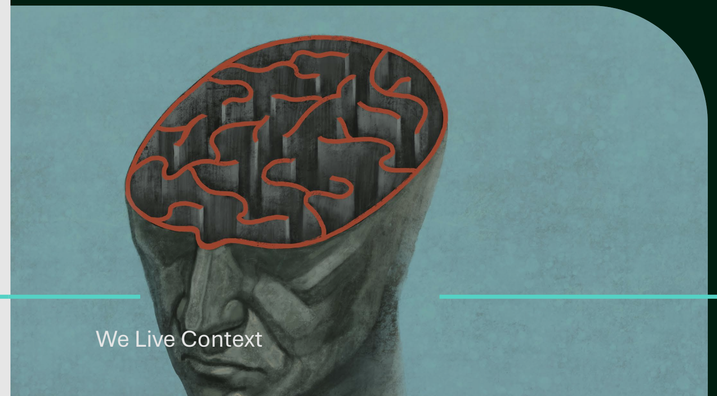
It’s easy to see the differences between consumer and brand marketing with business-to-business (B2B) when you compare Guinness or Persil with General Electric or Boeing:

- **Individual vs Business**
- **End-user vs Multiple stakeholders**
- **Short vs Long sales cycle**
- **Big vs Narrow Audience**
- **Emotional vs Rational**
- **Brand vs Reputation**
- **Product/Presentation/Place/Price vs Features & Service & Contract negotiation**
- **Relatively low outlay vs big ticket**

In both Consumer, Brand and B2B the goal is consideration, preference and ultimately sales but in B2B the initial marketing objective could be a meeting or a pilot trial.

Consumer marketing is well served by a trillion-dollar industry of agencies and consultancies attracted by the big budgets, typically 9–10% of brand revenues, and a higher public profile with the potential for awards. B2B marketing budgets are at least a third lower at 6.5% of revenue and being more sales-oriented and targeted the work often goes unseen.

Understandably, Research and Marketing in B2B requires not just a different skillset but also a different mindset compared to consumer or brand.



And it is precisely that B2B mind-set and those skills that consumer/ brand marketing could benefit from.

Here are the 6 reasons why:

1. **ROI Discipline**
2. **Issue-led & Solution Neutral**
3. **Customer not Consumer Focus**
4. **Context with breadth and depth**
5. **Precision Segmentation**
6. **‘Intravenous’ Implementation**

Our six key take-aways

1. ROI Discipline

Brand spend is taken as a given in consumer markets, with an acceptance that no model will fully capture long-term return. In B2B, any marketing spend is treated like an investment and is expected to yield short- and long-term ROI. Research & marketing proposals are written with the same ROI discipline as capital expenditure proposals.

2. Issue-Led & Solution Neutral

It's harsh to call brand spend formulaic but the road is so well trodden in consumer marketing that budgets often fall into well-established buckets: Research & Insight, Design, Advertising, Social Media, Promotions and Brand Tracking. Often the task – e.g. a Social Media Campaign - is undertaken without challenging the issue, the fundamental problem or opportunity. In B2B the issue is always front and centre and there is complete open-mindedness about the solution.

3. Customer not 'consumer' focus

Brand marketers are trying to get out of the habit of calling the people they engage with 'consumers'. They try to think of them as people, develop personas from their segmentation studies – "Flash Jimmy, Practical Jane" – but they still look at 'consumer journeys' and delineate between consumer and trade marketing. They have so many 'consumers' they inevitably think in terms of occasional or loyal, defined by how much or how often they buy not by who they are as people. In B2B, customers and stakeholders are specific people: you know their names and what they care about. To target or even interview prospective customers, you must understand them and their business in detail.

4. Context with Breadth and Depth

The customer or people context is just one dimension in B2B. You need to know the specific industry context, the business culture and ambition, the technical details, the competitive environments. Knowing how to talk to technical people is a rare skill in consumer marketing, and there seems to be an implicit assumption that 'consumer insight' drives everything where, in fact, it is the 'nuclear' fusion between technical and market insight in context. As a rule, B2B looks at context in greater breadth and depth.

5. Precision Segmentation

In brand marketing millions of consumers are segmented into need states (who, why and perhaps when/where) and consumer journeys. In B2B, where customers and prospective customers might be counted in the tens or hundreds, segmentation must be far more precise: to gather detailed intelligence you need to develop highly targeted, account-based implementation.

Taking these last three points together, the B2B mind-set is to develop solutions for that customer and that person. In consumer marketing it is for 'them', always an aggregate. Yet, ask any creative person and they will tell you they create with someone in mind. Rather than thinking in terms of 'consumers' and 'need state segments' it is better to think in terms of actual people. If they are delighted the chances are many more like them will be …

6. 'Intravenous' Implementation

Going back to the 'buckets' of consumer marketing there is an inherent risk of disconnection between Brand & Market Intelligence and Implementation. As the strategy and recommendations get handed off to a variety of different agencies from media to comms to design etc., so the message can get dissipated (agencies have a habit of wanting to develop their own spin on the brief). In B2B the strategy and tactics are fed directly into e.g. the sales team, developers, technical or UX team who are the people who implement. B2B marketers and their partners work hard to connect market intelligence to implementation. The aim is connect the 'Here's what' to 'So what' and 'Now what' …

Applying B2B skills, perspectives and disciplines could bring some fresh thinking to consumer or brand marketing, a higher return on intelligence and a higher return on investment.

On the other hand, there are things B2B can learn from brand marketing based on two false dichotomies that were mentioned right upfront:

1

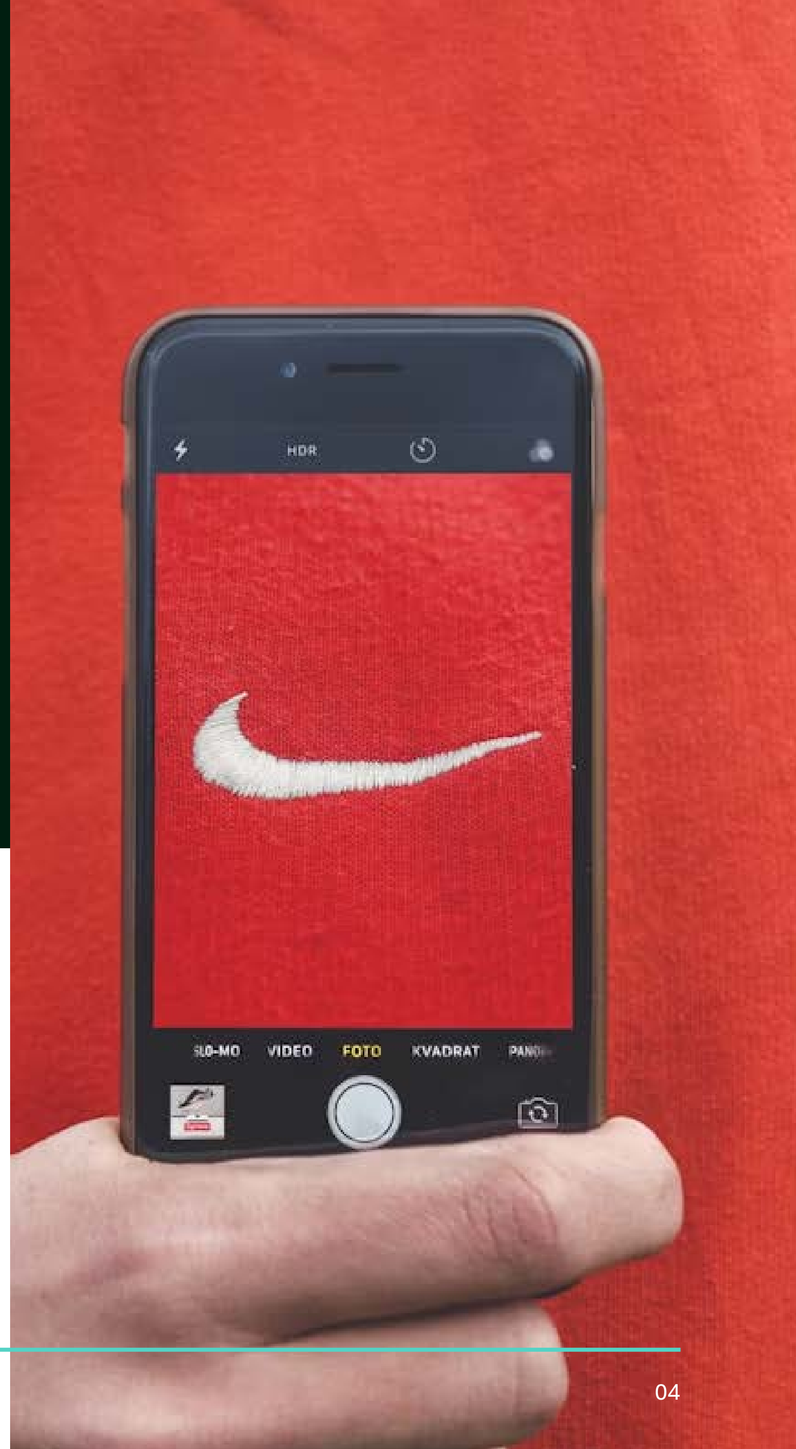
Brand vs Reputation

A brand IS your reputation: the sum of everything you do (and don't do) at every single touchpoint.

2

Emotional vs Rational

The modern marketers have embraced the latest ideas from psychology and behavioural science, which shows that emotional vs rational decision-making is a false dichotomy. We make visceral decisions (e.g. based on fight or flight, FOMO, etc.) and far fewer calculated cognitive decisions. In B2B buyers will often behave defensively, like the old saying goes: "no one was ever fired for hiring IBM". That is an entirely rational point of view based on reputation and risk mitigation, it is also a gut reaction. Reputation - also known as Brand - matters just as much in B2B.



Brand vs Reputation

Emotional vs Rational

B2B people are right to believe that any investment in research or marketing is an investment that should have a ROI, but Consumer or Brand Marketers are 100% right in believing that the greater your insight and intelligence on the market the better your marketing will be. Stronger brands do deliver higher operating margins and a higher ROI.

Inspiring decisions. Delivering ROI.

We Live Context inspires business and consumer brands around the world to make the best decisions and maximise their Return on Intelligence. Inspiration that consistently delivers Return on Investment.



Contact us to access detailed B2B Research and Marketing proposals.

Get in touch

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