

five

The bulletin for marketing communications

The Business to Business Issue

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Introduction by **Gavin Roberts** PR Account Manager, Fifth Ring



Intro

Welcome to the fifth issue of **Five** magazine, the publication which shines a light on the intimacies and intricacies of marketing communications.

I am privileged to be the editor of **Five**, a return to my journalistic roots, having cut my teeth in newspaper editorial halls and television newsrooms before jumping the fence (twice) from journalism to PR to journalism and back again! I look forward to working with the incredibly talented team who have made the magazine the much sought-after and well-read publication it has become.

Regimes and policies change but the demands of customers don't, they want more, faster, better, bigger, and all at a lower cost, of course. Perhaps 'efficient' is the word that best describes these austere times, and the importance of communicating in an efficient and effective manner is ever present.

With that in mind, this edition of Five focuses on B2B, a tiny acronym with an infinite number of definitions.

Pardon the clichéd approach here, but the Oxford Dictionary's definition of B2B is 'business-to-business, denoting trade conducted via the Internet between businesses'. Interesting to think that the world wide web might be seen by some as the only sphere within which B2B operates.

And what do those initials mean to you? Put that question to ten people and ten different interpretations will likely result.

But why? Is the concept of organisations communicating with one another new? Hardly.

Is the notion of the need for a robust, clear and well thought-out plan to help ensure success too complex to grasp? Surely not.

Perhaps having an agreed definition of the initials is less important than understanding why B2B communications is vital to all businesses, big and small.

So over the following pages, let us take you on a journey through the history of B2B, dispelling some of the most common myths, contrasting B2B with B2C, and examining how it can help you and your business.

In this issue we also take a look at the Business Branding Network, how the B2B specialists ensure brands succeed across global marketplaces.

So kick back, relax and prepare to be B2B'd!

Three B2B myths dispelled

Clif Collier Group Managing Director, Fifth Ring

1. B2B advertising is a **new fad**
2. There is **no difference** in B2B and B2C advertising
3. The **world is round**



B2B's 'overnight' success story.

Many of you will be conversant with Dr Jagdish Sheth's 'An Integrative Model of Industrial Buying Behaviour' (published in the Journal of Marketing October 1973). No? Perhaps not entirely surprising, in that the majority of people in the marketing communications industry were not even born when he was articulating the complex nature of business buying decisions.

Dr Sheth has been writing prolifically on this subject for over forty years, yet you could easily be forgiven for thinking that integrated business-to-business (B2B) marketing has only come about because of the dramatic advances in digital communications over the last few years (which incidentally Sheth was flagging up almost ten years ago).

Thirty-five years ago, Tim Hazelhurst started the first dedicated B2B agency in the UK, Industrial Art Services (IAS), and for over twenty years Fifth Ring has been focused on highly sophisticated B2B communication solutions, particularly in the field of oil & gas. So although many are only now becoming conscious of the genre, there are those of us who have been in practice for way longer than we are comfortable to acknowledge.

That takes us to the difference.

Be very suspicious of anyone who claims that B2B is just an extension of the techniques employed in the business-to-consumer (B2C) sector. It's not a question of one being right and the other wrong. Without doubt some of the greatest creative brains in the world have produced stunning and highly effective campaigns aimed at consumers since the turn of the twentieth century. But, for the majority of that time these have taken the form of a monologue, brands directing their message at the ultimate purchaser with the expectation of a relatively immediate result. Conversely, B2B is about creating an ongoing dialogue with numerous and varied stakeholders over many months and even years. This involves the application of a series of robust, bespoke processes connecting planning, contact strategy and a creative approach that satisfies the multidimensional demands of the audiences.

In the late 1970s, published under the title 'A framework for interorganizational distribution channel management', the good Dr Sheth, in conjunction with Gary Frazier, elegantly summarised the proposition as follows:

$$OB_k = \sum_{i=1}^3 (BW_i + ij) + \sum_{i=4}^6 NBC_{ij}$$

Why on earth no-one managed to articulate this before then is one of life's enduring mysteries!

Seriously, B2B does require a whole different mind-set. It also requires continuous and significant investment in processes and systems development that reflect, and occasionally actually anticipate, the changes in markets, financial paradigm and technologies that impact on business. Amongst these the advances in technology above all have had the most profound effect.

Which is why the world is no longer round.

The ever-increasing speed, reduction in costs and sophistication of communications technology have allowed companies to not only decentralise their operations, but also, radically reduce their hierarchies and flatten their decision-making processes.

Geography and borders have been removed as barriers to doing business. Functions no longer have to be located in one 'head office'. So the world is now effectively flat. This makes the whole process of creating dialogue with the relevant stakeholders more challenging than ever before. Web 2.0 has made this more achievable and manageable whilst paradoxically creating far greater complexity and demands on marketers to approach their contact strategies in a considerably more forensic manner. And if you are going to capture and retain the attention of each and every key stakeholder, you had better have your messaging clearly targeted and backed up with all the necessary data and support materials.

So content is king. In addition to the conventional medium there is now an incessant demand for information through web channels and an unremitting requirement to feed your social media groups (if you don't others surely will). In addition, your customers don't just want quantity they want it appropriately purposed as they journey through Awareness, Interest, Desire, Action (AIDA) before they sign an order. This is another 'new' concept (E St Elmo Lewis – Financial Advertising 1907).

B2B – it's not new. It is different, and getting more so by the day. And the world is now flat. Quite a lot to take in, in just 700 words. Fortunately greater insight is provided in the following pages.

Data defines B2B

Why marketing methods from direct mail to digital have defined B2B

Joel Harrison Editor, B2B Marketing

The history of B2B marketing is a murky one, with few clear dates or milestones to track its development. By enabling highly targeted communications for the first time, it was the data revolution from the '60s to the '80s that really created B2B as we know it, and continues to transform the industry to this day.

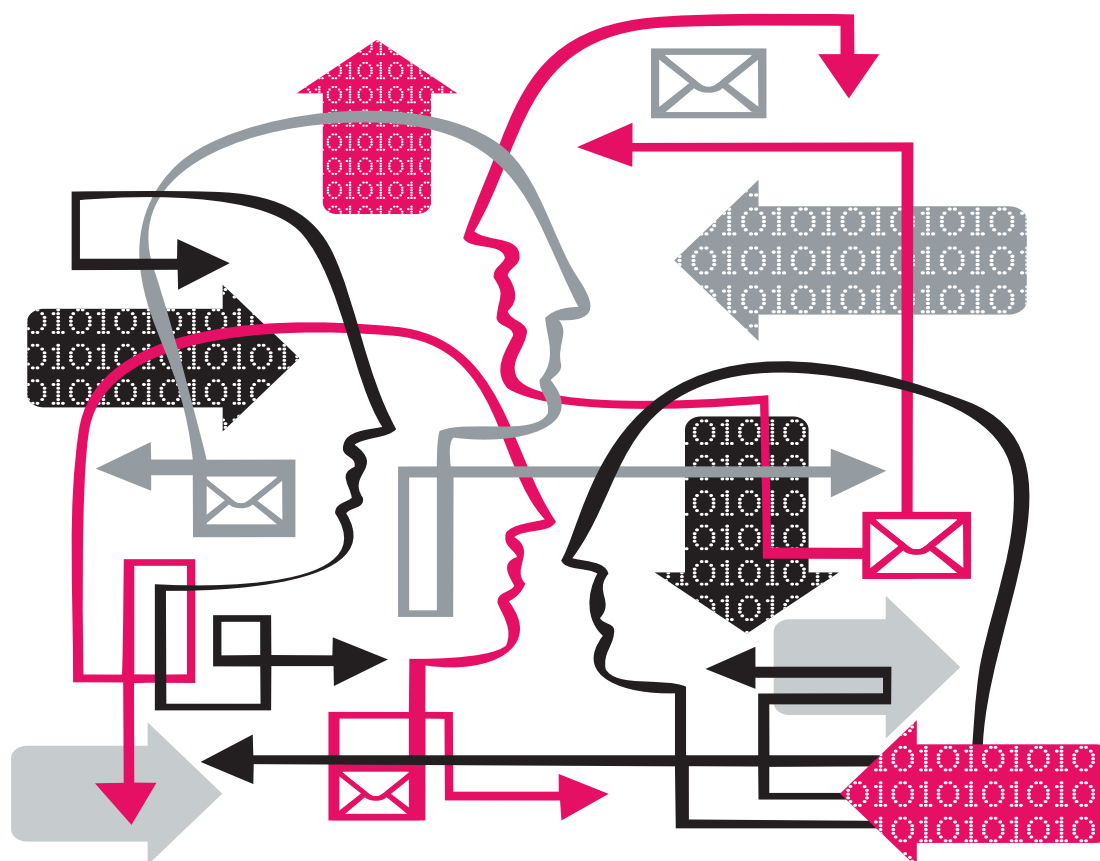
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While traditional or print techniques looked dead and buried 18 months ago, there are growing signs of a renaissance

It is unclear when B2B – or business-to-business – marketing really came into being as a stand-alone discipline. Human beings have been ‘selling’ things to one another in the broadest sense of the word since the dawn of time, but things moved up a gear in the industrial revolution. Marketing really came into its own at the beginning of the 20th century with the development of mass-produced consumer products, aimed at the mass market. It’s fair to say that these new methods of communication were subsequently adapted for the business world, some sooner than others.

In the mid-20th century, however, marketing was still very much in its infancy and the means and methods available to communicate with potential business customers were pretty limited – newspapers, printed business directories or billboards were the primary techniques. Exhibitions had been on the agenda for at least a century, with the Great Exhibition at Crystal Palace of 1851 an early example, but they had yet to emerge as a mass communications technique.

The emergence of broadcast media from the 1930s did very little to change the situation, with commercial services far more limited than today, and the cost of using them was prohibitive for B2B brands with a niche appeal.



Things really began change in the '60s and '70s, with the emergence of new and more sophisticated data techniques, and cheaper and better printing. These developments enabled both the launch and management of niche business magazines and periodicals (produced on a weekly or monthly basis and distributed by post), better exhibitions and events, telemarketing, and – most important of all – direct mail.

The impact of these developments cannot be overstated; effectively they created B2B marketing as we know it, allowing brands to communicate for the first time with highly targeted audiences in a measurable way. Although consumer brands were using these techniques, they had arguably more impact on the B2B world, allowing B2B brands at last to emerge as serious marketing players, and B2B for the first time to become recognised as a distinct discipline with its own set of challenges. It also enabled the first dedicated B2B agencies and service providers to emerge.

In the 1980s and '90s, direct marketing techniques were honed further, and were applied to email marketing, which arrived with the Internet, and together with the first websites marked the start of the digital transformation. Digital techniques were relatively slow to catch on, but in the later years the pace of

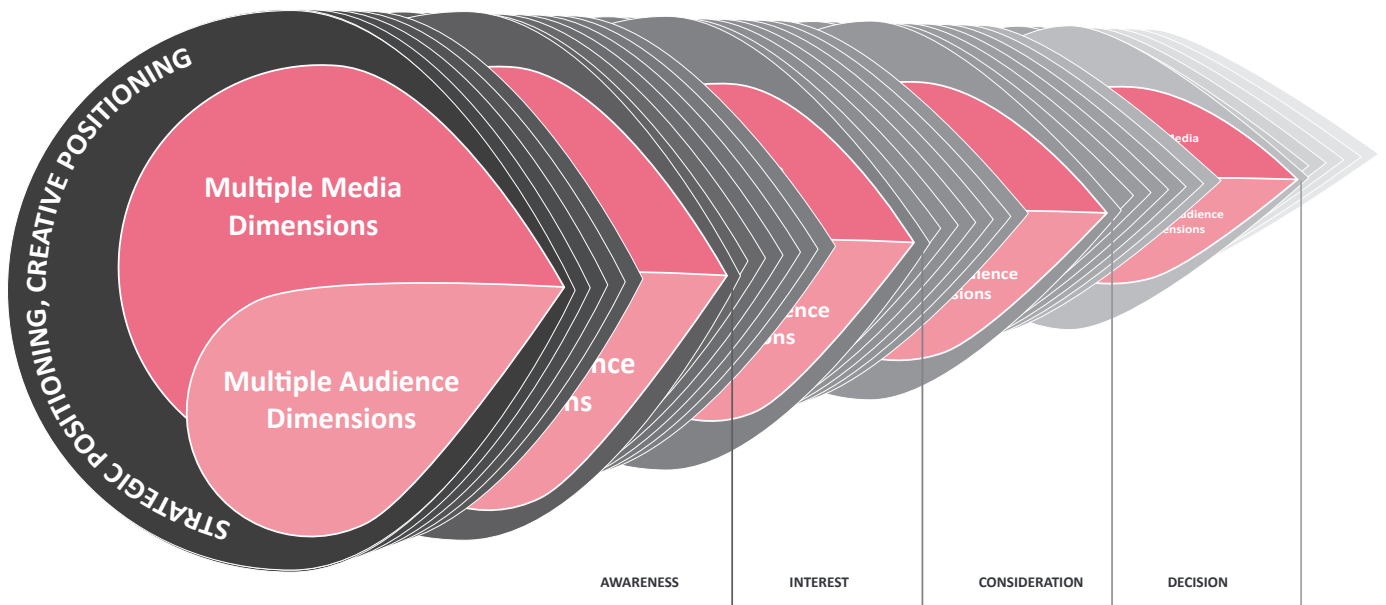
change quickened exponentially, changing the way brands and marketers engage beyond recognition. Developments such as search marketing, social media, video, mobile etc have increasingly become the mainstay of B2B marketing, drawing spend and focus away from the likes of direct mail and print advertising, which marketers had come to believe were the core disciplines in B2B.

So what's the future? The only thing we can say for certain is that the pace of change shows no sign of abating – digital channels continue to evolve at a frightening pace, as does buyer behaviour. Many of the old rules and certainties of marketing have been swept away – today, there is increasing onus on 'pull' rather than 'push' techniques as the fundamentals of marketing. However, marketing is, after all, a fashion industry, and just as hem lines go up and down, so do different philosophies and techniques go in and out of fashion. While traditional or print techniques looked dead and buried eighteen months ago, there are growing signs of a renaissance, and media buyers are starting to question whether so-called demand generation techniques really are a panacea, or whether they would be better off focusing on branding instead. The exciting thing for marketers is that our industry will continue to evolve, creating opportunities and rewards for those willing and able to keep abreast of new developments, and adapt their strategies accordingly.

The big long idea

How one has to go a very long way in B2B creativity

Reuben Webb Creative Director, IAS



Warp with me and we shall break the b2beast down to its constituent enormousnesses.

Ever heard that? If by that, people mean one message won't work for all, fair enough. But one idea can. And it better had, because if you've got two ideas for what you're selling (or more in direct proportion to your committee) you'll be chasing your tail while someone with a clear idea of their business steps in and makes things clear for your market. But the term 'big idea' is open to interpretation. The answer to everything lies in the question, what's the big idea? that is, what's the bigness and why does that equal goodness?

The big idea that solves all B2B's problems is a multidimensional beast whose bigness spans Mindspaces, Mediaspaces and Time. We call it, the Big Long Idea. The 'Big' aspect deals with the space, the 'Long' with time. Warp with me and we shall break the b2beast down to its constituent enormosnesses. And, something B2B always looks forward to, there'll be an example at the end.

First to the Mindspaces, also called people. How many people does your idea have to appeal to? Who has to be on board with the brand? This includes those in the decision-making unit but can, and should, extend to the brand ambassadors – those who work for the brand. Once you get to grips with that, you can start to appreciate the types of things your big idea has to achieve and can make calls as to the nature of your colossus.

Next to the Mediaspaces. If you went back in time twenty years and tried to explain to a B2B marketer the scale and complexity of today's media choices, like Kyle Reese from Terminator, you'd be locked up and probed by psychiatrists. And rightly so – it's bloody madness out there! As luck would have it you can narrow media down and make informed choices when you have the measure of the mindspace co-efficient. You know what we're on about, there's only so much media one group of minds can cope with. Your big idea should be able to work effortlessly there.

The third dimension of our behemoth is Time. Have you seen how long it takes for people to make a decision in B2B markets? Hardly surprising if you consider the density of the average B2B website. And that actually reminds us of the whole point of the Big Long Idea. To clarify things for everyone so as to shrink the time it takes to actually sell something. It's hard enough to ratify a decision like (random example) outsourcing IT for the whole of your business without having to work out what that actually means and why it's a good decision. The decision-making timeline loves a Big Long Idea because, as customers journey from awareness to consideration to decision, a brand needs content. A Big Long Idea provides the golden thread that makes this content coherent and consistent.

If there's one for the universe there's one for B2B. And here it is, the **big idea** ... ta-dah. Yes, the big idea is the answer. Simple and somewhat counter-intuitive. Especially if you've been taught the lesson that 'Big Ideas don't work for B2B'.

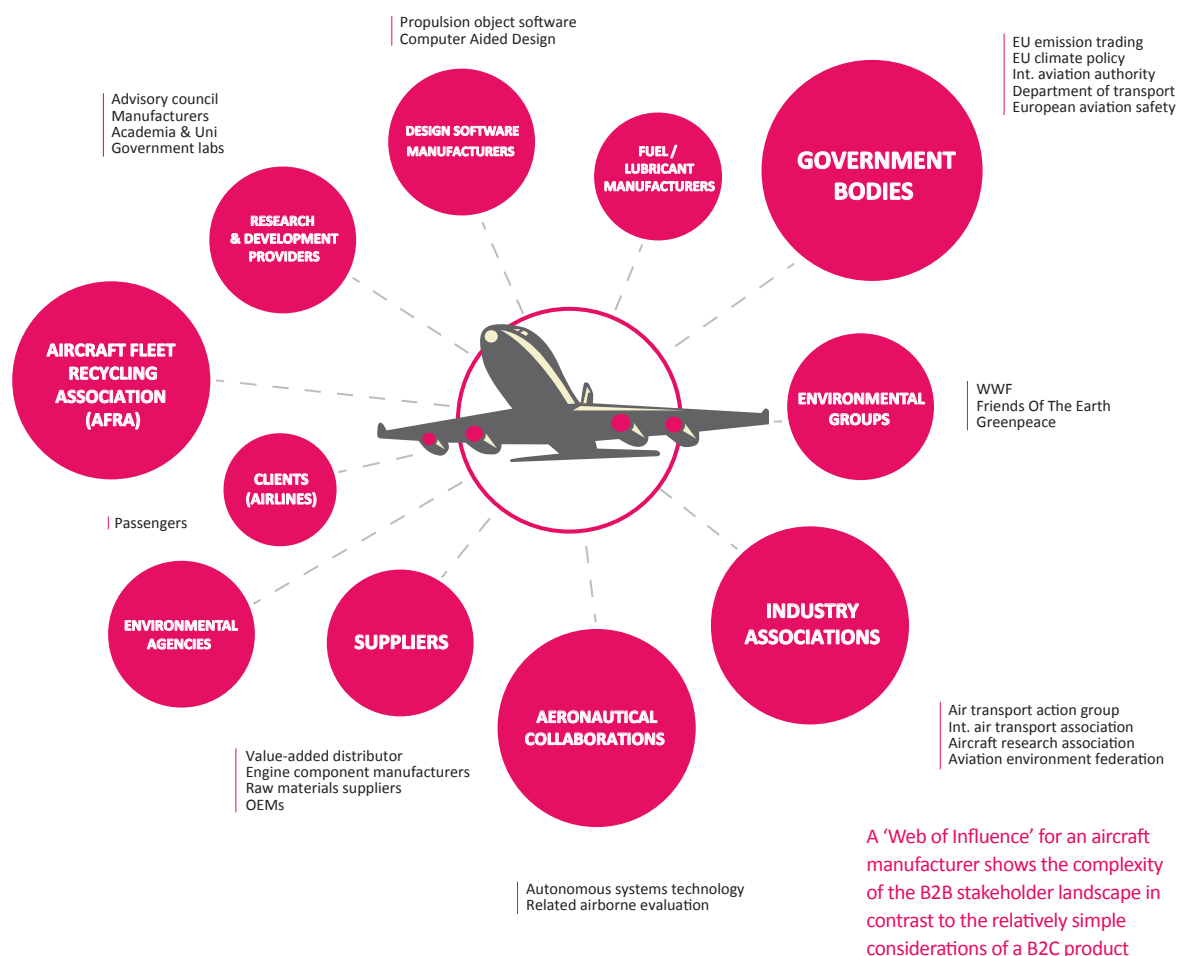


More at stake in B2B

Alex Webb Senior Copywriter, Fifth Ring

The big difference between **B2B** and **B2C** stakeholder groups





I recently changed brands of washing-up liquid (dishwashing liquid for our American English subscribers). My decision-making process was deeply thought out.

First I checked out the new brand's credentials with several environmental groups. Then I studied the detergent's strength-to-price ratio when compared to competitor brands. Finally I hired several aromatherapy consultants to make sure I'd like the smell and contacted medical authorities to have myself checked for allergic reactions to all 62 items on the ingredients list.

But of course I did none of these things, because I am one of seven billion simple creatures on this earth known as consumers. My decision-making process was easy – it was on offer that week. But when businesses make a purchase decision, there's a lot more at stake, and a lot more stakeholders to consider.

The B2B communications landscape is far more complex than a B2C one. There are all sorts of stakeholder groups with opposing motivations all

influencing each other. That's why before creating any new brand or campaign idea for a B2B market, businesses need to invest time and effort mapping out their market place.

This mapping not only takes into account the different customers to be contacted, but many groups and organisations that directly or indirectly influence them. We call this a web of influence. This web will vary dramatically depending on the business, but the principle is the same for any B2B communications. We have used a fictitious aircraft manufacturer to demonstrate a typical B2B web of influence.

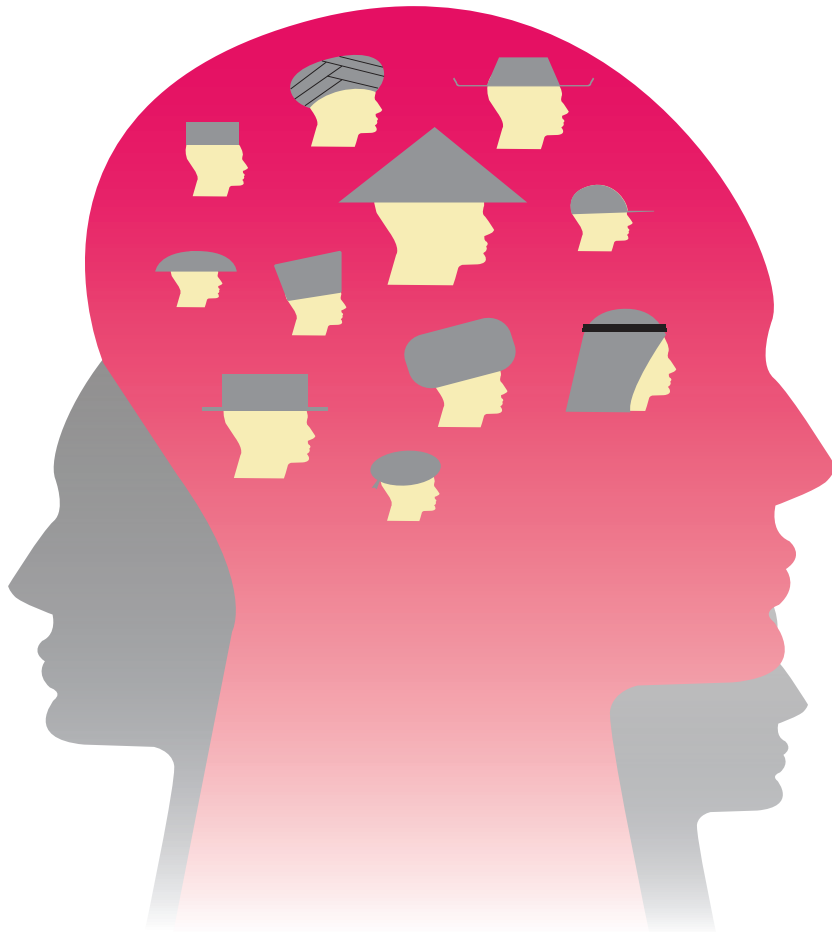
So while consumers buy things on impulse and make decisions alone, businesses consult multiple stakeholders and have a long-term buying cycle to consider. This is why more and more businesses are realising the need to employ specialist B2B stakeholder identification experts before any new communications activity. Before talking to a B2B market, you have to know who's listening.

BBN International

How the B2B specialists' network works

Richard Brelet Executive Director, BBN International

We are all aware that international marketing is much more than just translating an advertising campaign. Successful global brands communicate by understanding and adapting to local markets.





The last few years have seen a fundamental shift in the way brands exist and position themselves

BBN, the Business Branding Network, delivers international marketing communications, from integrated marketing strategies to great creative campaigns. With twenty independent marketing agencies worldwide, we have the right people in the right places to make brands succeed.

BBN sets out to be different from the traditional global advertising agency networks. It is made up of independent marketing communications consultancies, free from the constraints of ownership control. We work together because we want to, not because we are told to. We're strategically placed on every continent to deliver brands worldwide. But there's more to us than geographical spread. The BBN network gives access to the finest minds in international marketing, branding, digital and advertising.

The last few years have seen a fundamental shift in the way brands exist and position themselves. The move towards an ever-increasing level of integration between communication channels means brands need to envisage their future differently and make the most of the opportunities that are out there – nowhere is this truer than in the field of B2B marketing communications.

As a result of this, we decided to set up four best-practice groups: **Brand Asset Management (BAM), Contact Strategy, Creative and Social Media/Public Relations**. In this way, BBN always has a seamless, up-to-date approach to its offering that takes clients from a blank sheet of paper to a business result. These best practices are shared with all agencies and regular training courses – BBN Academies – are held to ensure the timely and effective transfer of knowledge.

This multi-level collaboration has led to the creation and launch of the industry's most comprehensive **integrated strategy process (ISP)** in the field of B2B marcoms today. BBN's three-stage ISP enables brands to develop strategies in line with companies' overall marketing objectives and deliver results. BAM is the first stage and establishes how best to present a brand asset to its market through a series of insights gathered on the

target audiences and their needs in order to develop the appropriate positioning for the asset. The Technology Enabled Contact Strategy stage takes the output of BAM to generate a blueprint for the delivery of messages to the relevant target audiences by linking channels, web platforms, marketing software, analytics and content. Stage three is the Big Long Idea, a specialised approach to B2B creative work that takes into account the mind-set of professionals at work, multiple audiences, multiple channels and the purchasing timeline. It gives voice and character to the brand asset as it is communicated to the market. And of course the ISP's intricate nature requires highly skilled people – BBN's greatest assets.

BBN's strength is born out of its talented and motivated individuals – over 900 leading practitioners across every discipline, from marketing to branding, interactive and design. Together we develop the international marketing strategies to build relationships within all media-shifting, information-empowered markets and provide the tactical capabilities to implement that strategy effectively.

BBN comprises 20 agencies worldwide. With a presence on every continent, we are able to service the requirements of our international clients from any of our 28 locations. Our B2B specialists can be called upon at any given time to work as integrated teams across borders and functions to deliver top-level support to our international clients. We have members in Australia, Austria, Brazil, Canada, China, the Czech Republic, Egypt, Finland, France, Germany, India, Italy, The Netherlands, Poland, Russia, South Korea, Sweden, the United Arab Emirates, the United Kingdom and the USA (Midwest and Southwest).

Our ambition is to continue growing our network both in size and quality in the months and years to come in Asia and the Pacific, Latin America and Mexico, where there is a real opportunity to service these markets with an integrated offering of the type BBN has developed.

Right people, right place.

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Get involved

Five aims to provide compelling, thought-provoking and meaningful insight and commentary on all things marketing and communications. Our contributors are recognised for their expertise and fresh ways of thinking – but the more, the merrier. We want to hear your thoughts on Five and we always welcome new contributors who want to share their own thoughts on industry, tools and talent.

Get in touch with the Five editorial team at five@fifthring.com

Making thinking visible

A global integrated corporate communications company with a strong track record, Fifth Ring provides cohesive, consistent marketing services for some of the biggest brands in the business.



Fifth Ring's mission is simple. It increases the value of their clients' business by making thinking visible

We have integrated our five key disciplines of business positioning, design, digital media, public relations and advertising into one seamless offering across the energy capitals of the world.

Since 1991 we have stayed true to a strategic, joined-up way of delivering communications in the energy sector, resulting in unique and powerful brands which enhance our clients' businesses.

Built on referrals, we have grown year-on-year and while passionate about various business arenas, the energy industry is where we live and breathe. Energy clients have been on our roster since day one and we are proud to be the leading corporate communications provider in the sector. Whether we're helping our clients grab market share or launching new companies and technologies, our fingers are firmly on the energy pulse.

Strong partnerships achieve great things, leaving a lasting impression and in an increasingly combative communications marketplace, securing client loyalty will always be key to long-term success. It's true that clients come in many different shapes and sizes so

investing in relationships with them and understanding their specific needs and desires will ultimately pay dividends. Like any partnership, increased effort will yield better results. Key to this is clear and honest communication, but the challenge, particularly in the current economic climate, is to maintain and develop these relationships, and always striving to add value.

Clients have their own separate challenges and demands on their time, and we ensure we understand their business, take proactive steps to constantly improve the service delivery and relationship management and, most importantly, deliver and exceed expectations. The client also needs to have faith in the agency's expertise.

Trust too is essential, and can only be built through regular and honest communication. This honesty also relates to budgets and flagging up issues as a matter of urgency and the importance of spending time with clients, assessing their specific needs is absolute. Each organisation and its requirements are different, so our methods to engage with our audiences are tailored accordingly.

We take nothing and no-one for granted. One of the biggest mistakes made within the sector is allowing complacency to creep in and this is why we constantly and openly evaluate our own performance, with the emphasis on creativity, proactive ideas and recommendations, always ensuring quality control remains top notch.

And we are where our clients need us to be. With offices in the major energy centres of the world; Aberdeen, Abu Dhabi, Dubai, Houston and Kuala Lumpur, we are either implementing international strategy or handling local tactical issues and campaigns. We understand the international aspects of the energy sector and through our partnership with the Business Branding Network, even if we're not in the same city as you, we'll be working with someone who is.

Providing well thought-out ideas, creative execution and consistently delivering enduring and measurable results, no-one else has the expertise, knowledge and experience that we can provide, which makes us rather unique.

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