

Management for Professionals

Uwe G. Seebacher *Editor*

B2B Marketing

A Guidebook for the Classroom
to the Boardroom

 Springer

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Foreword

B2B Marketing's Time Has Come

B2B marketing, as a discipline and an industry, has come of age. For so many years, it was dismissed as the “poor relation” of B2C—less interesting, less important, less professional, and just less good. But today, in 2020, it has cast off those negative associations and has emerged as a unique, dynamic, vibrant, and exciting discipline. That vibrancy and dynamism mean we all need to work harder to stay informed about the latest developments and what best practice looks like—that is the only downside!

The maturation of the industry is in no small part due to the skill, dedication, and professionalism of practitioners within it—people like Dr. Uwe Seebacher and the other authors of this book, who have gone out of their way to drive it forward. I am flattered for the opportunity to play my own small part.

These authors have invested their time, energy, and intelligence into making B2B marketing better and more effective world to work in—and this book is just the latest example of their efforts to accelerate the profession that they love. This willingness to share experiences and pass on wisdom is truly the hallmark of a great practitioner. The wisdom and experiences encapsulated within this book will unquestionably be a major boost to helping the current generation of B2B marketers to raise their game and to encourage the emerging generation to reach new heights.

This book is being written and published against a backdrop of a global pandemic, creating an unprecedented upheaval for B2B companies of all sizes and in all industries. It is going to challenge all of us to be at our best to navigate through it. But I can tell you two things for certain: Firstly, that learning from industry luminaries like the authors in this book is the best way to equip yourself for what lies ahead. And secondly, that B2B will emerge from this crisis stronger, better, and more effective than ever before.

B2B Marketing London, UK

Joel Harrison

Preface

Just as quickly as the corona crisis surprised Europe, this book was written. It was at the end of March 2020, when many entrepreneurs had to register their employees for short-time work or even dismiss them into unemployment due to the shutdowns. During this turbulent period, many organizations began to switch from events to virtual conferences, online events, and lectures. I was also invited several times to exchange experiences in industrial goods marketing with many colleagues and interested listeners from different companies.

Subsequently, I was immediately approached by an international publishing house to publish a publication on the topic of industrial goods marketing. For years I had been of the opinion that there was no literature in this field besides the classic books by renowned experts and professors such as Backhausen and Meffert (to name only two) that was up-to-date and comprehensive and did justice to the new terms, approaches and concepts, possibilities, and MarTech IT tools.

Therefore, I wrote a LinkedIn Post to promote the idea of a guide for B2B marketing in book form to my national and international network, especially to the business-to-business (B2B) marketers. Within a short period of time my call was viewed, liked, and shared many thousands of times. I received a lot of encouragement and confirmation for the increasing urgency of the realization of such a book and also promises to participate in this publication with topic-specific contributions.

Under the impression of the enormous solidarity that emerged in many countries in connection with global development (corona pandemic) and was felt everywhere, the concretization of this book project was only a question of time. The idea of this publication was not only to share experience and knowledge, but also to bring the community of marketing managers and colleagues closer together symbiotically and virtually, but above all sustainably, in order to grow with each other and be open for future projects. Transformation in reverse would also be the idea of looking at a famous quotation upside down: There is a beginning to every end (or even a certain magic).

This book was written in a truly dramatic situation that has gripped the entire world. Even if such a crisis takes on truly dramatic proportions, it cannot and must not have been in vain. Its effects can be seen in the many different initiatives and actions of solidarity and mutual assistance. Generous aid and support in the smallest of spaces are proof that people in need are once again reflecting on each other and treating each other with consideration.

A book is only a book. As such, it can by no means make us forget the thousands of dead and the suffering associated with them, but, because it was written with this tragedy in mind, it can serve as a memorial to those difficult months in the spring and summer of 2020. This book has only become a reality because many individuals have recognized and seen the great whole. The contribution of each individual and the bundling of many experiences and the knowledge available in industrial goods marketing can make a lasting difference and secure many jobs, locations, and their companies in global competition in the future by applying and implementing these latest approaches and findings from the book.

For this reason, it is important for me to thank all those involved for the fact that this project could be realized within a short time. Convinced of the necessity of being able to offer something for our troubled society at exactly the right time with this book, my thanks go to the many authors and experts who have put themselves at the service of the cause.

Thoughts of sincere sympathy are dedicated to the many thousands of mourners and victims. These thoughts may always remind us of those days in April and May 2020.

Graz, Austria

Uwe G. Seebacher

Next-Generation B2B Marketing

Abstract

In this chapter, we want to shed light on the background which has led to the fact that industrial goods marketing has begun to change massively in recent years. It looks at the big picture, which leads to the fact that I have to change or rather change entire economic sectors. In this context, digitalization and globalization are only two of many different factors. Why is Germany, once the world's third largest economy, no longer the driving economic force that it once was? Or why is the "Made in Germany" that used to be everywhere a symbol of a faltering automotive and heavy industry? Against the background of these emerging paradigm shifts, this chapter deals with B2B marketing of the next generation. A B2B marketing whose goals must be to proactively position Western industrial companies successfully in global markets that are characterized by new, emerging economic powers and their agile companies with increasingly innovative products. Western engineers and their conventional, rigid ways of thinking and acting alone will no longer suffice for the survival of the companies. The convergence of the various areas of competence at eye level within the companies is required in order to place customer-centered innovations in a targeted and successful manner in the relevant markets in the long term using modern B2B marketing.

Introduction

When I began work on my book *Template-Driven Consulting*, also published by Springer Verlag, in the late autumn of 2003, the global economy was supposedly in a difficult period. I described the situation at the time like this:

Throughout the past 40 years, we have never had a world-economic situation like we have right now; all three major economies are exhausted and following a path of shrinking growth rather than trying to focus the hausse direction. Now, what is so specific about the current situation?

Recall economically turbulent situations of our modern times and think about the three large economies: Europe, Asia and the USA. At least one of these three large markets was

always strong and thus served as the engine to pull the others' development along in a positive sense. Therefore, the power of the one strong economy could help the two others to realize the shift from a recession or weak market situation towards a growing and more stable one. This causality was and still is labeled as the so-called band-wagon effect.

At that time, nobody would have assumed how the global economy would change or develop. Today, we are faced with a completely different starting situation. The first two decades of the new millennium have left their mark not only geopolitically but also in terms of economic policy and have painted a completely new picture. And it is precisely this picture that makes it more necessary than ever before for industrial companies to rethink their respective functions in terms of departments, because a completely changing macroeconomic structure as a global economic environment also requires completely new rules of the game. This also means that classical engineering, which led to the strengthening of the global economy after the two world wars, will gradually have to take on a new position. In the future, engineers will no longer define and specify new products and innovations on their own, but rather it will be the customers with whom and with whose decisive input the cash cows of a company's future will be designed and realized.

Of Populists and Realists

The new geopolitical world is characterized by populists and power-obsessed politicians. Russia feels compelled to annex parts of Ukraine. On the other side of the world, efforts are being made to build a wall between two states to stop migration flows. This undoubtedly brings back memories of the very important and welcome fall of the Berlin Wall. By the way—as dramatic as the current COVID-19 crisis is—it mercilessly exposes the populists in the respective countries.

In other countries, parliaments decide to grant their heads of state unlimited power because of the COVID-19 pandemic, as in earlier times. In Europe, there is a debate on whether to issue common debts in the form of Euro bonds to help countries such as Italy and Spain which are severely weakened by the current pandemic. This should prevent an “Italexit” after the more or less successful Brexit. This joint debt is intended to help the European internal market with its closely interlinked sales markets to regain its strength quickly. In view of the border controls reintroduced because of COVID-19, however, the question arises as to the direction in which the European Union will develop as an association of states. Will this duty-free movement of goods within the European internal market continue at all? Or will the reactivated border controls have a lasting effect on the movement of goods within the EU?

Time and again, one hears from economists and futurologists about a new, completely different society or world order after corona. Idealists assume or hope that the changed travel behavior due to the corona crisis and the associated travel restrictions will manifest itself in a large-scale rethinking process even after the lifting of the restrictions. They even believe that corona would solve our general

environmental problem and global warming. It gives the impression that we find ourselves in a world of dreamers and populists. The few realists are currently very critical of whether the construct of the European Union will pass this ordeal. They proclaim that the EU as a community of states has actually lost its *raison d'être* as a result of the heterogeneous approach taken in the corona crisis, or rather has by no means fulfilled the expectations placed in it. Ursula von der Leyen was unable to pass this first test in the eyes of those political advisers.

This new geopolitical scenario has dramatic implications for future economic action. When states, due to their own lack of competitiveness, rely on massively environmentally damaging, outdated technologies or even punitive tariffs on imported goods from certain countries, the question arises as to the causes and the reason for this. There is no doubt that a country may try to secure and strengthen its own business location. However, such strategies must always be able to stand up to scrutiny from an international economic policy perspective. But the dubious virtues that are spreading in the global geopolitical landscape also have an impact on economic activity.

Forward into the Past

There is no question: there are always two sides to a medal. Globalization and digitization have shown that they bring enormous benefits for the world economy. Supply and demand are becoming transparent on a global level. Supply and value chains can be planned, controlled, and optimized in terms of the economic use of resources worldwide. Through virtual marketplaces, companies can always order products with regard to a shortened, optimized delivery route and thus minimize CO₂ emissions and transport costs. All this can equally combine economic aspects and corporate social responsibility (CSR)¹ aspects. However, when presidents start to disregard any CSR idea just to compensate for the declining competitiveness of their own country, the possible advantages and potentials of a world economy optimized by digitalization and globalization are being squandered. The real fatal thing about such behavior on the part of politicians is that in the long term this happens at the expense of their own people and even their own voters, which is actually tantamount to an abuse of trust in their own country.

A further phenomenon of current economic policy development is the resurgence and imposition of punitive tariffs on imported products with the pretext of securing one's own business location and domestic jobs in the long term. Again, in the long term, all this is happening at the expense of their own population; only that the latter is not aware of it. For in the long term, old and outdated industries and weak economic sectors and their companies are kept artificially alive, with the effect that the development of new technologies falls by the wayside for lack of pressure to act. The result is economic areas that are gradually losing touch with emerging and

¹https://en.wikipedia.org/wiki/Corporate_Social_Responsibility. Accessed: April 18, 2020.

innovative markets, companies, and economies. Commercial law uses the term or the facts of an intentional delay in filing for insolvency for such a procedure. The bill is paid by future generations or the taxpayer.

It can therefore only be the goal of governments to do everything possible to ensure that economic policy does not move forward into the past. Our global economic system and everything that goes with it is too valuable to be undermined by antiquated methods such as, among other things, the reintroduction of punitive tariffs or the reactivation of completely outdated, resource-wasting production methods.

Global Madness: So What?

The legitimate question arises as to what the previously described has to do with industrial goods marketing in the twenty-first century. The classic B2B marketing manager enters an industrial company after successfully completing his marketing studies or marketing training. There he or she learns and experiences from day one what the function of a marketing department is based on, namely the production of brochures and the supervision of relevant industrial fairs. In most cases, one then had the privilege of pursuing a brilliant marketing career in this company until one's own retirement. In most cases, the ambitious young professional also has the dubious pleasure of learning all his knowledge from an older marketing manager with the same history—namely graduation, entry, and retirement. In summary, this means that the one-eyed person trains the non-sighted. Very quickly the ambitious young professional realizes that marketing is the extended workbench in the company and actually has nothing to say, because the gods in gray are the real heroes, the engineers. Moreover, marketing only costs money anyway and creates no added value. This is also confirmed by a statement from a marketing colleague from Germany who I hold in high esteem and who wrote me the following:

Short-time working was introduced in our division. We received an e-mail to the entire management team, which stated that research and development had to be reduced by 50%, product management by 40%, calculation by 30%, sales by 50% and marketing by 90% (!) for the next three months. That means the whole marketing department will only work 4 hours per week...

There is no need to go into further detail between the lines to discuss the assessment or appreciation of the marketing department in the company. It is important to mention that the responsible area manager had a technical and not a commercial background. At this point, it should be noted that the marketing manager in question does anything but a bad job. It is therefore not surprising that if you listen to engineers, they know and can do everything better than experts in other fields; their products are always perfect and sell themselves. So they do not know why you need marketing. This picture is painted by experts with a technological education

background who ideally—if at all—had once heard of customers, markets, and sales in their entire education.

Madness is thus not only global, but also in the companies themselves, where overconfidence leads to the fact that any self-reflection and self-criticism is stringently suppressed. Praise should be given to the current, upcoming, young, and highly trained engineers who are already benefiting from the expanded, adapted training models. In addition to comprehensive technical training content, these include modules in the areas of customer orientation, market analyses, and sales. In this respect, it is interesting to note how the internal, cross-departmental cooperation immediately changes significantly for the better and how completely new projects and innovation potentials are immediately created by the shoulder-to-shoulder cooperation of market-oriented and product-oriented units.

Under no circumstances should the thesis be put forward here that B2B marketing is the salutary savior for the current plight. But B2B marketing can and must make a significant contribution to the sustainable safeguarding and strengthening of the industrial companies for and in which they operate. The technological developments in this area make this possible. It must therefore be the task of the responsible marketing managers in the industry to prepare their own marketing departments and their teams for this, but also to spread the knowledge of these new possibilities within the companies' internal communication. Against this background, the following essential fields of competence arise for “next-generation” B2B marketing, which will be discussed in more detail below:

- Method and process competence
- Data competence
- IT Competence

Method and Process Competence

The Russian scientist Nikolai Dmitrievich Kondratieff (1892–1938) is the founder of the theory of long waves. During his research on the business cycle in 1919 and 1921, he found out that apart from short cycles lasting up to 3 years and medium cycles lasting up to 11 years, there are also longer time phases—so-called business cycle waves—with a duration of 45–60 years. As part of his function as director of the Moscow Institute for Business Cycle Research, Kondratieff published his findings in 1926 in the German-language *Archiv für Sozialwissenschaft und Sozialpolitik* and pointed out that the economic development of the Western industrial countries since the end of the eighteenth century had been determined by three major upswings and downturns. Joseph Schumpeter was the first to highlight the central importance of basic innovations for a Kondratieff cycle in his work *Konjunkturzyklen* (Vandenhoeck and Ruprecht 2008). It was also Schumpeter who coined the term “Kondratieff cycle” and thus linked the name with the phenomenon of long waves.

Kondratieff recognized in the course of his work that the increasing automation and technologization of the economy would make humans the weakest link in the chain. He predicted that this would be the great challenge of the twenty-first century:

1. To ensure the holistic health of the human being and
2. to equip people with the appropriate methodological and structural competence

in order to be able to fully realize the potential of automation and technologization in the first place. The sharp rise in the number of mental illnesses in people over the past few years is clear evidence of Kondratieff's hypothesis. An entire economic sector for corporate health management has developed in recent years under the term "corporate mental wellness" (Güpner et al. 2010). The costs to national economies for the treatment of mental illness have already reached high double-digit percentages of total healthcare costs. Significantly greater is the economic damage caused by a lack of method and process competence in companies.

Process Competence as a Basic Requirement

How does this damage occur? A lack of methodological and structural competence manifests itself in the form of inefficient processes, duplication, interface problems, inadequate use of information systems, and even the failure to achieve defined goals within the specified time and within the defined budget. A prime example is, for example, the untimely introduction of a product because the responsible project manager in the research and development department did not handle the project properly. Another common problem is the lack of coordination between production and project management, which can result in significant overruns of a defined delivery time. With regard to B2B marketing, a lack of structural and methodological competence manifests itself in the absence of detailed process descriptions of marketing and communication activities, and even in the absence of up-to-date job descriptions, clear objectives, and clear performance indicators of the measures implemented.

The lack of such basic structural elements of a marketing organization means that such a department will always operate in the so-called firefighting mode. Always on the defensive, marketing will try to deliver in the best possible way, the activities that are handed over and commissioned by the various departments much too late and most of the time inaccurately. Marketing is therefore always the driven and the plaything of the other departments. With the necessary structural and methodological competence, the proverbial homework as described above can be documented and made transparent to everyone. Should someone now fail to bring in a work order in accordance with the given processes and timelines, the marketing department can refer to it and thus gradually become master of its own time and planning.

Homework First

If these structural foundations are not created, an internal marketing department will never have the necessary stringent and congruent structure to be able to act and argue with the internal customer groups with the necessary sovereignty. Once again we would like to state at this point: Change always begins with itself and thus in the marketing department. With the necessary structural competence, a clear organizational chart of your own marketing department in the narrower sense but also in the broader sense can be created in interaction with other organizational units. This, in turn, has a positive effect on cross-team and cross-departmental process efficiency, as interfaces are clearly defined.

Everything Must Pay Off

Another important aspect also falls within the area of methodological competence, namely that of presenting and analyzing all circumstances in terms of economic efficiency considerations. This concerns every small campaign up to investments in a new MarTech tool.² Next-generation B2B marketing says goodbye to the clumsy picking up and querying of new resources and budgets but starts to show in a small way how something can work. This creates an argumentative basis for itself, in order to submit the proof of concept in the context of the acquisition of additional means and resources and to deliver the big business case based on it. Next-generation B2B marketing breaks away from the shadowy existence of marketing and claims to always be one step ahead of the competition. How can you do this? The answer is very simple: be empathetic. Put yourself in the position of your counterpart. Imagine that you were sitting opposite your CEO. What question would he ask you? The answer is always the same 90% of the time: what does it cost me and what does it get us?

Your goal must be to always shine in every imaginable situation and not to expose yourself. This means that you must always think the decisive step ahead. Think about what question might come up in the meeting? Try to find the weak points in your concept. Identify inconsistencies and structural weaknesses. Start to think in structures. Structures can be diverse, such as:

- Management models (BCG matrix, SWOT analysis, ...)
- Business processes (Buyer's journey, purchasing, production, ...)
- Templates (questionnaire, checklist for an event, ...)

Against this background, structures already provide you with other prequalified frames of reference with which you can evaluate relevant information. The aim is not

²<https://merlinone.com/what-is-martech/>. Accessed: April 17, 2020.

to keep reinventing the wheel, but to use the existing one for yourself. Not for nothing do two proverbs say, “He who reads has advantages in life” and “He who writes stays!” Try to find provable and justifiable numbers and values for everything you do.

Data Competence

A second essential area for successful B2B marketing in the twenty-first century is the handling and knowledge of data and information of all kinds. In classical management teaching, this has been an integral part of current teaching and practice for years. Only the two areas of human resource management and marketing have for years very successfully negated the topic of performance management and measurement. It was not until the last years of the twentieth century that the first specific indicators for the area of human resource management were introduced. Since that time, a rethinking process toward transparent measurement and evaluation of marketing return on investment (MRoI) in connection with the marketing resource management (MRM) approach had also taken place in marketing (Seebacher and G pner 2021).

However, the field of data literacy has developed rapidly in recent years. Enabled by increasingly complex business intelligence (BI) solutions, ever larger volumes of data can now be processed, interpreted, and evaluated more easily and quickly. Marketing managers in the industry have only two options: either they start to deal with the topic of data management in terms of business and predictive analytics³ in a timely manner or they will find themselves on the losing side in the long run. The saying “knowledge is power” is not new but has experienced an enormous renaissance against the background of current developments. Next-generation B2B marketing must be able to know everything about markets, customers, projects, and products 24/7 and always up to date. The content sovereignty of all data and information, including in the area of customer relationship management (CRM), must be uncompromisingly located in marketing.

In many companies, the sovereignty over the CRM system lies with the sales or even the IT department. In the absence of the necessary structural competence, most marketing managers do not realize what the problem is. Because if you look at the situation described above in terms of structural analysis, you inevitably come to the conclusion that pure IT sovereignty in the sense of the system-technical term must very well be located in the operational IT department, but not the responsibility for the content. Logically, this can only be located in the marketing department, which in turn must define which data is collected, entered, analyzed, and used in the context of the further marketing value chain, where, and how often. Of course, all this can only be done in close coordination and together with the sales department, because

³<https://www.marconomy.de/marketing-der-zukunft-kennen-sie-schon-predictive-intelligence-a-920935/>. Accessed: April 17, 2020.

only the sales department has the competence in dealing with customers and communicating with them. Coordination with the sales department is essential!

IT Competence

This may sound hard for many readers, but it is reality. B2B marketing in the twenty-first century is more and more driven by modern information technology. As a member of the next-generation B2B marketing manager community, you must be able to make competent statements about the latest MarTech tools. This does not mean that you have to become a programmer. But you need to be able to manage a clean selection process for a new marketing solution with the help of the required methodological skills. You will also need to be able to communicate with colleagues in other departments, especially IT, via interfaces and data fields, to ensure that you always have the correct data available in the required format. You are the business owner and represent the business. The IT department is the internal service provider for the provision of the corresponding systems and interfaces. As marketing manager, you must be able to conduct the necessary coordination and discussions with your colleagues from a content perspective with regard to system-related aspects.

The area of IT competence also means that from a strategic point of view you need to develop a concept for the MarTech blueprint of the organization. Which applications, systems, and tools should be used in the future and in the long term in the company in the area of marketing and through which interfaces should be connected? This is the only way you can establish the necessary modern MarTech infrastructure in your own company on the basis of the existing system landscape in the long term, which is necessary to meet the demands of modern B2B marketing. If the subject area of marketing IT in terms of the MarTech stack is not proactively dealt with by the marketing department in a timely manner, marketing will soon find itself in a co-pilot role. This means that others will make appropriate decisions for marketing. In view of the madness in companies that is present everywhere with regard to the appreciation of marketing, it can be assumed that the right decisions will certainly only be made in the rarest of cases.

Summary

Change always starts with itself. Again and again, you hear the question about the size of a marketing department in terms of the number of employees. Again and again, the objection is raised that in small and medium-sized companies there are too few resources in marketing to implement all these things. Again and again, you hear the objection that everything is too expensive and there would be no budget anyway? Frankly, these are the wrong questions from someone who has understood the ideology and philosophy of this book.

It does not take much to successfully implement next-generation B2B marketing in a company—except a marketing manager who stringently starts to do his own

homework. No matter how many employees are involved in marketing, it is always a matter of progressing in small steps in a structured manner from within. This approach makes it possible to present and document one's own actions in the form of concrete and measurable results. This subsequently creates transparency and trust. On this basis and with the corresponding advance of trust resulting from it, new ideas and projects can be launched. The decisive factor is to always be clear about what is possible on a small scale and only then to apply for further resources or financial support from your superior. Always think of your children and what you tell them when they want something from you: "Duty comes before free skating" or "Homework must be done first!"

The entire book is based on the maturity model for industrial goods marketing. This means that the approaches, concepts, and models presented in the three main parts of this book are arranged in such a way that the basic concepts are placed at the beginning of the chapter and those with higher complexity and corresponding prior knowledge are placed further back in the individual sections. The sections of this book are thus structured in the sense of a companion and guide along your very personal B2B marketing journey. Have a good journey!

Graz, Austria

Uwe G. Seebacher

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Part I

Basics and Theories: A Good Base Is Half the Rent

The Big Picture: Why the Going Gets Tougher!

1

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1.1 Change Is the Only Constant

... also and especially for industrial companies. Considering the enormous and in recent years ever more rapidly progressing digitalization, this is only currently the last stage of a series of change processes and paradigm shifts. Industry 1.0 meant the first mass production by machines around 1800. Looms as the first “machines” used human power as their drive. At that time, mechanical partial automation was an enormous advance, which was both a relief and a considerable increase in efficiency. In the further course of Industry 1.0, mechanical production plants were built and water and steam power soon replaced human labor in the sense of motive power. At this time, in 1852 to be precise, the Hungarian Josef Körösi founded an iron foundry in the Graz suburb of Andritz, where soon after large capital goods such as cranes, pumps and water turbines, and later bridges, steam boilers and engines, and mining equipment were manufactured. The first successes of this early industrialization included the first railways, coal mining, heavy industry, steam navigation, but also transport and textile printing. But in addition to the use of machines and the beginnings of series production, the first foundations for the subsequent further industrial revolutions were laid as early as the nineteenth century. For example, the British mathematician Ada Lovelace¹ is referred to as the first programmer because of the program she wrote for Charles Babbage’s Analytical Engine.² Although the mechanical computer was unfortunately never completed, Ada Lovelace nevertheless anticipated essential aspects of later programming languages, such as subroutines and branches.

The second industrial revolution in the sense of Industry 2.0 began with the introduction or conversion from steam energy to electricity as the driving force for machines at the end of the nineteenth century. This significant change, too, was not initiated by the industry itself, but by innovative minds from other areas of science. The industry merely made use of the findings of other knowledge disciplines to further optimize the yield. This changed in the further course of this epoch. For with the first automobiles, engineers wanted to continuously automate work in the production halls. For the first time, the industry itself was the driver of innovation with the sole aim that factory halls could produce more and more in record time by using assembly lines and engines.

1.2 Industry as a Beneficiary

However—from today’s perspective—the great and sustainable innovations of the time were once again not realized by industry and engineers, but once again by experts in other fields. For example, office work and administration was enormously simplified and accelerated by new types of communication, such as telephone calls

¹Retrieved April 17, 2020, from https://de.wikipedia.org/wiki/Ada_Lovelace

²Retrieved April 17, 2020, from https://en.wikipedia.org/wiki/Analytical_Engine

and telegrams. The foundation for this was not laid by an industrial engineer but by the book setter Henry Mills in 1714 with a kind of typewriter, for which he was also granted a patent. The first real typewriter was also invented and built out of necessity. In 1808, the Italian Pellegrino Turri³ created such an apparatus for the blind Countess Carolina Fantoni da Fivizzona to enable her to write.

Further progress in this phase was made in the automation of production and processing of automobiles, clothing, raw materials, and food. Globalization also made its mark and for the first time, it was possible to transport goods across continents. That is why all these developments that made these innovations possible were not developed by engineers from industry, but by other disciplines. After the first revolution changed the way of production, the second industrial revolution focused on simplifying and optimizing the availability of raw materials relevant to the industry. As always, the industry was the beneficiary of these innovations from other fields.

The third industrial revolution and its developments were essentially due to the pioneers Charles Babbage and Ada Lovelace of the eighteenth century. In 1941, Konrad Ernst Otto Zuse, a German civil engineer, developed the Z3, the world's first functional computer, which was program-controlled, freely programmable and fully automatic. The successor model Z4 can be described as the first commercial computer, which was followed by others. A rapid development with ever shorter development cycles began. Even in the third industrial revolution, the real innovations did not take place in the industrial companies themselves, but rather they were created in other areas of research and science—outside of the industry. The managers and those responsible in industry first had to be convinced of the possibilities of these new technologies. In the 1970s, the main phase of the third industrial revolution began, and integrated automation was introduced in factories.

This was made possible by the enormous progress in electronics and information technology (IT). Personal computers for office and home use became more and more widespread. The Commodore 20⁴ and Commodore 64⁵ were some of the best-selling models. Computers, software, and subsequently digitalization continued to develop at an ever-faster pace, paving the way for the fourth industrial revolution, characterized by complete transparency, comparability, global availability, and virtualization of all business activities. The Game Changers were not only factors such as newly available technologies, but above all a community of ever-younger experts in the new knowledge disciplines. They began to drive the industry ahead of them.

³Retrieved April 17, 2020, from https://en.wikipedia.org/wiki/Pellegrino_Turri

⁴Retrieved April 17, 2020, from https://en.wikipedia.org/wiki/Commodore_VIC-20

⁵Retrieved April 17, 2020, from https://en.wikipedia.org/wiki/Commodore_64

1.3 Away from Sheet Metal: Toward Services and Software

Internet of Things (IoT), Internet of People (IoP), Equipment as a Service (EaaS), Software as a Service (SaaS). Currently, all these terms are summarized under the keyword Industry 4.0. However, the online competence check recently carried out by the German Engineering Federation (VDMA) attests to enormous deficits in I4.0. The survey of 1700 participants showed that the knowledge of industry 4.0 among students, employees, and companies in Germany is often insufficient to help shape the digital change.⁶ There is therefore a great danger that digitization will overtake even industry heavyweights and drivers of innovation.

The range of new keywords could be extended as long as you like. But one thing is clear: in the entire B2B sector, the focus is changing away from the product, which has always been the central component of business life, to peripheral factors. It is no longer just a question of percentage savings or the extent of these savings when purchasing a product, but rather the question of whether I still have to buy a product or whether I can even rent it. Especially in the times of COVID-19, when current news is predicting a recession with a global economic downturn of between 3% and 7% or more, such questions about products as a service or, for example, paying for a pump according to the volume of water you have booked, are becoming increasingly louder and more understandable. We are in the middle of the fourth industrial revolution—perhaps even at the end. The focus is on the total digitalization of earlier analog technologies and the integration of cyber-physical systems. What Toyota already achieved in the 1990s with the synchronization of the supply and demand chain through digital networks in the automotive sector (Olbermann and Seebacher 2003) is now finding its way into companies. As a result, companies no longer have to produce in stock, as many products are manufactured on demand or according to actual demand. Just-in-Time (JIT) strategies (Masing 1999) have been implemented thanks to the constant development in information processing and technology.

Industry 4.0 is used to describe modern technology and production in the age of the digital revolution. The drivers for these developments are the disciplines of automation and information technology. Sensor technology also plays a decisive role, as the possibilities of these control elements are becoming ever wider. Smart Sensors (Mukhopadhyay and Mason 2013) make multidimensional measurement of various process parameters possible for the first time. In connection with the increasing bandwidth of Internet connections, 24/7 monitoring and control of entire industrial processes and industrial plants will be technically possible for the first time in a stable and reliable manner. Thus, the fourth industrial revolution not only includes the industrial development of further technologies, but also changed production and working worlds in the global age.

⁶Retrieved April 26, 2020, from https://www.vdma.org/documents/14969637/46993756/Onlinekompetenzcheck_1581497893938.pdf/bb8bb533-b070-6aa0-8f40-44e865927630

1.4 The Industry Is Lagging Behind

It is noticeable that the industry itself is increasingly following these developments. Whereas the industry used to be the motor of innovation, other disciplines and fields are increasingly becoming the driving forces and are beginning to drive industrial companies ahead of them. The industry's persistence is probably due in part to an outdated management team in the top echelons of the previous industrial pioneers and conglomerates. There would be no other explanation for such a development. The new, integrated technologies make it possible to produce an ever wider range of models and product designs as quickly as they are of high quality, but also to react promptly to market developments. Even today, digital factories are already producing affordable one-off pieces on demand, without any loss of quality, using high-quality 3D printing equipment and manufacturing processes many times faster than the inventors of these machines themselves with their sluggish productions.

One can say that everything is now possible. The only limiting factor is the industry itself, if you take a closer look at the current offers in terms of IoT as *pars pro toto*. Thus, one finds tentative attempts to place something that is *de facto* not yet ready for the market with crisp advertising messages in the market. Actually, companies do not even want to do this because they know they know nothing and have nothing to offer but are forced to act and communicate by the dynamics of the market and the demands of customers. If you look around a little in the departments of the companies, it becomes clear why this is so. Automation and electrical engineers of the old guard, who had learned to equip machines and plants with electronics and sensor technology, are now supposed to be the "innovators" who are supposed to bring the Internet of Things to the machine. They are supposed to make simple sensors suddenly "smart," even though they lack any basic understanding of IT, digitalization and the new thinking and business models that go with it. This calculation cannot work out.

As a result, even heads of state such as German Chancellor Angela Merkel, among others, appealed to the public in 2019 with a call to not oversleep Industry 4.0. The current already quoted competence check of the leading German industry association VDMA confirms Angela Merkel's concern even 1 year later.⁷ The phenomenon that drives us in B2B marketing is that of a conservative industry that has been used to working and generating business with large and heavy machines for generations, but which, in a figurative sense, lacks the necessary agility and ease to reposition itself from within due to this "product-related heaviness." However, these qualities are necessary to successfully deal with the new contingency situation. The virtualization of markets, accompanied by increasing transparency, comparability but also the interchangeability of goods, services, and products, requires a rethinking of the entire business and industrial activity.

⁷Retrieved April 26, 2020, from https://www.vdma.org/documents/14969637/46993756/Onlinekompetenzcheck_1581497893938.pdf/bb8bb533-b070-6aa0-8f40-44e865927630

This dramatic process of change can be compared with that of the deregulation of the energy markets in Europe at the beginning of the twenty-first century. At that time, the aim was to break up a sector of the economy that was almost protected by the state in order to transform it into a system that would be profitable from an economic point of view. The advantage in this situation was that there were legal requirements for this change, according to which companies and their managers had to act. As a result, the entire human resources department, together with the works councils, also supported this far-reaching cultural change process. The task was to prepare long-serving employees who had worked for years in a public-law structure for performance-oriented, private sector energy industry.

However, the current paradigm shift in the B2B sector is not initiated by law, which is why there is no external pressure from the legislature on industrial companies. As a result, the necessary measures are not implemented in the companies with the necessary rigor and vehemence. As a result, veteran and highly experienced mechanical or metal construction engineers suddenly become responsible for smart sensors or even IoT applications—this cannot work, because there is a lack of an eye for the big picture, but also the necessary background knowledge that young, future colleagues already have. Then the next fatal mistake is made: young ambitious and talented employees are hired and brought into the companies, and placed under the control of the previously mentioned veteran metal construction engineers. That would be like putting a young football star like David Alaba from Bayern Munich in a team in the “Over 50” league. Alaba would provide the perfect ideas for the game and provide the perfect templates for his teammates in the game, but the concept would not work out. Because the young talent would fail due to an outdated game system of the past generation and could not be victorious with an inadequate team. After a short time, Alaba would once again go out on a limb and seek a more victorious environment.

1.5 Management Is the Challenge

In a figurative sense, this means that just as the top management of start-ups is getting younger and younger, team and departmental managers in large companies must also undergo a rejuvenation process in order to remain competitive in the long term. After all, these younger managers not only have the current necessary knowledge, but also an understanding of the changing market environment and the resulting needs and expectations of customers. Today’s customers expect suppliers to “be heard.” Today’s customers are open to the joint development of new products or product adaptations. This means that those companies that jointly design and implement innovations through active dialog with potential customers will build lasting trust with these potential customers and thus have a decisive competitive advantage in the long term.

The classic mechanical engineer has never learned to design innovation management together with customers. On the contrary, innovation management was a closely guarded secret of companies in order to secure decisive competitive

advantages. One of the first to advocate the opening of innovation management was the leading corporate strategist and innovation researcher Servatius (1988). Servatius was also a pioneer in terms of the multidisciplinary of teams.

Edmondson and Mason (2012) from Harvard Business School even go a step further and state that the classic team is dead, because together with the customer, situational teams are always put together to solve a given problem together over a short period of time. The advantage of these “teams on the fly,” according to Tuckman,⁸ is that the classic phases of team building do not have to be gone through. In addition, it would be possible to ensure the optimal multidisciplinary of teams with regard to the problem solution.

All these changes thus affect the most elementary units and thus the foundations of any organization. The buzzword of the mature customer, who can find everything on Google 24/7, means that industrial companies must finally make the paradigm shift from sellers’ markets to buyers’ markets. This sounds absurd, but it corresponds to reality when you talk to representatives of many companies about what companies are currently dealing with—namely primarily with internal, structural problems. What B2B marketing managers demand, a stringent customer focus along the entire value chain, is a strategic goal, but currently not a feasible practice. There are many reasons for this, and we will only list here those that apply to the majority of companies:

- In most companies, there is no regular, structured, and targeted exchange between sales, product management, research and development, innovation management, and marketing.
- Common business practice in the field of research and development is that budgets are defined at the beginning of the year and in the following year, if targets are not met, new budgets are simply made available for the continuation of work. In addition, for many research projects, no economic feasibility studies using business intelligence or predictive intelligence⁹ are prepared. This means that, without any reflection on concrete market volumes and sales opportunities, the majority of research and development takes place on the basis of the judgment of internal technology departments—usually without reference to the market. John Wanamaker (1838–1922) summed this up at the time when he said that 50% of the money was thrown out the window, but the question is only which 50%.¹⁰
- In most companies today, research and development take place off the market, even further away from the customer, their ideas, or needs.

⁸Retrieved April 22, 2020, from https://de.wikipedia.org/wiki/Teambildung#Phasenmodell_nach_Tuckman

⁹Retrieved April 26, 2020, from <https://www.marconomy.de/vertrieboptimierung-in-365-tagenein-praxisbeispiel-a-904712/>

¹⁰Retrieved April 26, 2020, from https://en.wikipedia.org/wiki/John_Wanamaker

- When companies inquire about product management, they often lack not only clear objectives, job descriptions, or profitability considerations, but also the necessary multidisciplinary skills underlying a modern product management approach.
- In many cases, the organizations are also wrongly set up from an organizational point of view, with the result that the coordination, the processes, and also the financial reporting do not work.

This list could be extended endlessly. Regardless of how detailed this list is, the following conclusion can be drawn from it:

- Management does not ensure a clean and stringent organizational structure with regard to the interaction of sales, product management, research and development, innovation management, and marketing.
- Technical experts are not project managers with sufficient methodological and structural competence in the areas of finance, controlling, project management, communication, and interaction to handle innovation management or product development on a project basis according to strict economic criteria.
- The sometimes deceptive, self-conception of many engineers and technicians with regard to the dramatically changing environment allows them to continue to believe and be convinced that products will continue to sell themselves in the future and that customers must always want what research and development are currently working on.

Why did modern hospitals and their operating companies begin years ago to divide the responsibility for hospitals between a medical director and a commercial director? The background for this decision was simply the fact that the medical staff is not provided with the necessary skills in the areas of personnel management, IT and process management, marketing, and communication up to the area of finance and accounting. However, these skills are crucial in the context of the privatization of nursing homes and hospitals in order to be able to operate successfully but above all responsibly in the long term with partly public funds.

The introduction of commercial managers also represented a paradigm shift for these companies that was not easy to manage. Today, the entire industry, and with it the entire B2B marketing, finds itself in a similar situation. However, in order to successfully manage this change process, this awareness must also be established on the management floors of the companies concerned. If, however, a former R&D director with a technical background is suddenly recalled to the role of CEO, this change will only rarely occur. This will only happen if the former research director, due to his own personal perception and commitment, has also dealt with other areas that need to be mastered in order to lead a company successfully into the future and has the corresponding competencies in these areas. In the automotive industry, there are brilliant examples of such successful top managers.

The situation is similar when a former chief financial officer (CFO) is appointed to the chief position of a CEO. Then the program will be to continue saving,

optimizing, and getting the best and last out of customers, markets, and products for the company. Of course, as in all areas of life, exceptions confirm the rule. By and large, however, the above will be repeated in the industry until the company either disappears from the market, such as Nokia¹¹ or Kodak,¹² is taken over by another company, or a far-sighted executive with the necessary skills in leadership, management, methodology, and structures takes the helm.

Companies must reorient all their actions toward the customer. This also means that organizations must adapt to this changed focus of action. In concrete terms, this means that new organizational structures must be considered in terms of marketing and communication, sales and distribution, product management, innovation management, and research and development. The process, and thus the way these departments work together, must change permanently. The research and development department may, can and will no longer be the driving force, but must in future be a service provider for product management, which will examine and allocate the relevant program and budget for research and development in close coordination with marketing and sales. Technicians and engineers are technical experts, not managers. This is why many companies have already established the distinction between expert careers and management careers through human resources and integrated it into their management development programs (Seebacher and Wiegel 2004).

Change always starts with itself. The distinction between manager and leader is that a manager lights the fire “among” the employees and the leader nourishes the fire “in” the employees. A successful manager must lead by example in phases of change. Successful B2B marketing managers must be innovative pioneers, because they know the market and are aware of the need for change. A key success factor in companies will be that marketing managers and business experts work and communicate on an equal footing and that the relevant structures in the organizations are evaluated and adapted to the changing requirements.

1.6 Organization Must be Rethought

Anglo-Saxon corporate communications being understood as a set of activities related to the management and orchestration of all internal and external communications, aimed at developing and securing a favorable positioning with stakeholders on whom the company depends.¹³ The term corporate communication used in the German-speaking world generally covers the entire organizational communication of companies. The term, which is fuzzy in practice, is often used

¹¹Retrieved April 17, 2020, from <https://medium.com/multiplier-magazine/why-did-nokia-fail-81110d981787>

¹²Retrieved April 17, 2020, from https://medium.com/@brand_minds/why-did-kodak-fail-and-what-can-you-learn-from-its-failure-70b92793493c

¹³Retrieved April 20, 2020, from https://en.wikipedia.org/wiki/Corporate_communication

as a synonym for company-related public relations (PR) work. However, just like corporate communications, it also includes internal communication and market communication.¹⁴

In B2B companies, the work of Corporate Communications has to take into account the diversity of the many different stakeholders from politics, investor relations, society, the market, and national and international conditions. In the past, the rule was to take care of all communication tasks that were not “marketing” or that could not be solved with the methodological knowledge of the marketing department.¹⁵ Against this background, marketing is still predominantly located within the Corporate Communications department. In order to make the chaos complete, the Corporate Communications activity is sometimes simply referred to as “PR” and is then again found in the classic marketing mix after McCarthy’s 4¹⁶ P’s in the marketing department.

The predominant “subordination” of marketing in corporate communications or even the complete lack of “corporate marketing” in B2B companies, is based on the fact that until the 1990s, the means of communication of a company were relatively manageable and marketing was not considered necessary anyway. While B2C companies in Germany recognized in the 1960s that it makes sense to consider for whom something should be developed and whether these groups of people really need the product even before product development, the rethinking process with regard to the necessity of such a structured process should take much longer for the already mostly complex and explanation-needy products in B2B companies. Based on many current examples, it is clear that this way of thinking has still not been stringently established to this day. In the past, personal communication with representatives of the press was crucial for B2B companies. The most important target group was journalists, because otherwise it was hardly possible to speak directly to several people. Clarissa Haller, Head of Corporate Communications at Siemens, sums it up as follows:

Thirty years ago, the most important skills of a communications employee were that he could write and that he was a drinker. . . Because you spent a lot of time with contact management and Wining & Dining.¹⁷

Sales talks with customers used to be a pure “people business” for technicians and engineers, but not a matter for the Corporate Communications department. The personal discussions were accompanied by sales-supporting print materials such as advertisements, brochures, flyers, or later also mailings. As a rule, these contained very scientific and technocratic treatises without market-oriented fine-tuning in the

¹⁴Retrieved April 20, 2020, from <https://de.wikipedia.org/wiki/Unternehmenskommunikation>

¹⁵Retrieved April 20, 2020, from <https://www.zielbar.de/magazin/marketing-kommunikation-zukunft-15989/>

¹⁶Retrieved April 21, 2020, from https://en.wikipedia.org/wiki/E._Jerome_McCarthy

¹⁷Retrieved April 20, 2020, from <https://www.gpra.de/podcast/corporate-communications-bei-siemens-gemeinsame-verantwortung-und-vertrauen/>

sense of the inside-out concept.¹⁸ This silo separation between sales and communication led to the fact that sales departments today still have large budgets for the print sector, which some marketing departments can only dream of. Some of our colleagues even report that some events such as customer days, specialist presentations, or trade fairs were and are planned and implemented separately and without coordination between marketing and sales.

B2B communication is characterized by a strict pragmatism in terms of business- and technology-oriented communication. Since the capital goods sector has always been very rational, experts from the specialist areas specified the topics and the tonality. One moved almost exclusively within a specific, topic-oriented framework and a narrow, closed, and manageable circle of players. As a result, even world-leading B2B companies moved almost completely “under the radar” in terms of their reputation as brands for those outside the industry, thus unnecessarily damaging their own visibility and competitiveness.¹⁹

With globalization and the digitalization of our everyday life, two decisive factors have been added that push the previous corporate communications model to its limits. Increasing transparency, new technologies, growing competition, and changing customer demands are causing the boundaries between B2B and B2C to blur more and more and are necessitating a change in the way we communicate with relevant and different target groups. Target groups must be completely transparent in terms of their needs in terms of B2B marketing in order to optimize their user experience. Corporate Communications in the classic sense of the word works on one target group, the investors. However, the fact that this target group alone has many different segmentations in terms of buyer personas is stringently neglected. This target group does not buy products, but they “buy” and “consume” the company information provided. The aim should therefore be to optimize the area of corporate communication with the knowledge and technologies from B2B marketing. After all, if corporate communication optimizes the user experience in terms of the needs and preferences of the target group, the perception of the entire communication will benefit from this. Corporate communications could also benefit from the findings of influencer marketing. Companies that today negate any knowledge of modern B2B marketing in the area of corporate communications, from buyer persona, buyer journey, influencer marketing to touchpoint, and user experience, are giving away an enormous potential—certainly also in terms of their share price. Every financial investor or journalist is also a private person and has completely different user habits, which modern B2B corporate communications can know and use for itself. If this is done with moderation and purpose, it can only have a positive effect on corporate communications. Does your corporate communications know the touchpoints of financial journalists? Has a UX query ever been made in this target

¹⁸Retrieved April 21, 2020, from <https://www.business2community.com/marketing/inside-marketing-reframes-marketing-theory-know-01064611>

¹⁹Retrieved April 17, 2020, from <https://www.themarketingblender.com/inconsistent-branding-sabotages-business-growth/>

group? Which touchpoints perform well, and which do not, and why? What does the buyer persona of the corporate communications target group look like—or could it be that there should even be different ones? Which social media channels do the members of this community use after work? If you think corporate communications is contemporary, there is a lot to do and a lot to modernize and optimize. Next Generation B2B Marketing can be a valuable pathfinder for this.

1.7 Digitization as a Driver and Game Changer

The Internet and social media have already changed entire markets. This includes the entire world of information and communication. At the beginning of the 1990s, the number of media genres (TV, radio, print) and their areas of distribution in analog times were still clearly limited or defined. With the Internet, this changed abruptly and information was available hyperlocal or global at the push of a button. As the Internet entered the daily lives of customers, their demands also increased. Competition increased and the customer was suddenly informed about everything. While the B2C sector developed rapidly and, especially in the context of eCommerce, presented itself in a colorful and exciting way, the B2B segment also developed in the opposite direction for a long time—almost not at all.

The long sales and decision-making processes in the capital goods sector, the belief in technological market leadership and the still largely manageable circle of players, deceived us about the ever-increasing pressure for change. Meanwhile, in the B2C sector, one industry after another was innovated or even disrupted by new, digital players. The GAFAM (Google–Amazon–Facebook–Apple–Microsoft) companies created ever-better digital user experiences and shopping experiences based on analytics and learning algorithms, while B2B companies still tormented their customers with analog processes, cumbersome input masks, and outdated systems. The changed media use in everyday life and the increasing number of “millennials” in B2B companies finally led to increasing digitalization in B2B communication in the 2010s. Probably the most impressive facts (Snyder and Hilal 2015) are

- That between 2012 and 2014, the rise in the number of millennials in the B2B buyer sector rose by around 70% to more than half of all buyers.
- That 77% of B2B purchasers now rely only to a very limited extent on direct interaction with sales staff.
- In more than 80% of cases, the procurement process takes place via the provider’s website, 77% via Google and almost 50% via reviews.

Against this background, it is not surprising that according to a Forrester study (2015), around one million B2B sellers—more than a fifth—will already lose their jobs in the USA by 2020. If companies in B2B marketing are not positioned accordingly as future revenue generators, this has precarious consequences for

their survival, as can already be seen in the consolidation and restructuring activities of B2B companies worldwide.

The press as the most important multiplier and journalists as the most important target group have become less important. Journalists are still important because they create context. However, social media have created a completely new reach and access to stakeholders. Google generates more advertising revenue in the USA than all daily newspapers combined. Adult US citizens spend almost 6 h a day online, and the situation is similar in Asia and old Europe. We communicate via WeChat, Twitter, WhatsApp and email, post photos on Instagram, write posts on LinkedIn, and watch videos on YouTube, anytime, anywhere.

1.8 Reinventing Corporate Communications

Group Communications departments have to be completely rethought and redefined in their definition and scope against the background of the changing environment in the B2B sector. If this does not happen, it will have a variety of negative consequences for the companies. This is because the majority of corporate communications departments have become unnecessarily large and cost-intensive areas over the years. The blame lies not with the departments themselves, but rather with the fact that attempts have been made, depending on the situation, to adapt to the changing environment described above without actually having a precise plan. Everything was necessarily dumped into the Corporate Communications departments. Against this background, new resources and funds were released, which were then mostly built up and used without a clear organizational strategy with regard to corporate communications. This has often left corporate communications managers in the predicament of having to do a job they were not trained for. This circumstance is manifested in the definition²⁰:

Corporate communication is a set of activities involved in managing and orchestrating all internal and external communications aimed at creating favourable point of view among stakeholders on which the company depends. It is the messages issued by a corporate organization, body, or institute to its audiences, such as employees, media, channel partners and the general public. . .

Corporate communication helps organizations explain their mission, combine its many visions and values into a cohesive message to stakeholders. The concept of corporate communication could be seen as an integrative communication structure linking stakeholders to the organization.

Public relations and corporate communications experts tend to come from journalistic and financial training and disciplines in order to use this knowledge to carry out the relevant activities in the best possible way in accordance with the above definition. This basically involves the preparation, correction, and publication of

²⁰Retrieved April 21, 2020, from https://en.wikipedia.org/wiki/Corporate_communication

press releases, from statements on the financial development of the company, communication in times of crisis to the preparation of annual reports.

If we compare the definition of marketing²¹ with that of corporate communications, the following picture emerges:

Marketing is the study and management of exchange relationships. It is the business process of identifying, anticipating and satisfying customers' needs and wants. Because marketing is used to attract customers, it is one of the primary components of business management and commerce. Marketers can direct product to other businesses (B2B marketing) or directly to consumers (B2C marketing).

Regardless of who is being marketed to, several factors, including the perspective the marketers will use. These market orientations determine how marketers will approach the planning stage of marketing. This leads into the marketing mix, which outlines the specifics of the product and how it will be sold. This can in turn be affected by the environment surrounding the product, the results of marketing research and market research, and the characteristics of the product's target market.

Once these factors are determined, marketers must then decide what methods will be used to market the product. This decision is based on the factors analyzed in the planning stage as well as where the product is in the product life cycle.

Marketing therefore encompasses a much larger field of activity compared to corporate communications and does not focus on a sustainable positive positioning of the company with stakeholders, but on the customer and his buying behavior. In addition, digital marketing is subject to additional different mechanisms compared to traditional marketing communication, which in turn requires an adapted corporate organization (Meffert 2017, p. 176f.).

1.9 Marketing and Sales Automation Make Everything Possible

The marketing of the twenty-first century can process and cover large parts of the buyer journey, which used to be part of the sales department, in an automated and thus much more efficient way. While in the 1990s the path of a B2B buyer from the research phase to contacting sales was relatively short, the situation looks completely different in 2020 (Hoar et al. 2015):

- Fifty percent of the purchasing process is completed before any sales representative of the company concerned is involved.
- Seventy-four percent of B2B buyers prefer an online shop or a purchase from a supplier's website to the classic purchase via sales staff.
- Ninety percent of B2B decision-makers completely ignore "cold calls."

²¹Retrieved April 21, 2020, from <https://en.wikipedia.org/wiki/Marketing>

These are impressively clear facts and many changes regarding the expansion of the B2B marketing field of activity have not been driven by the B2B marketers themselves, but by thought leaders who recognized the decisive strategic potential in the symbiosis of sales and marketing years ago. This is certainly one of the reasons why many marketing managers in the industrial goods sector have enormous problems to adequately face these new tasks and opportunities. After all, they still come from a time when marketing in the narrower sense was taught and was also common practice, when the economy still followed other purchasing mechanisms, and when marketing and sales automation (Hannig 2017) still lay in the distant future. In the convergence of many different factors in a wide range of areas such as

- The ever-faster developing technical possibilities
- The changing sociodemographic structures in companies
- The completely changing use of media
- The structural changes in demand and purchasing processes
- The significantly cheaper and also more efficient customer approach via digital channels and
- Also the increasing blurring of professional and private communication and interaction

enormous challenges arise for all those involved. The situation is somewhat reminiscent of the emergence of the first eCommerce solutions and companies, such as the B2B online marketplace of Commerce One²² in 1994. There was a gold-rush atmosphere. It was thought that everything could only be done online, interactively, and highly effectively. However, this did not take place in sales or marketing, but these new possibilities all focused on corporate purchasing. At that time, many of the possibilities failed because of the information-technical overcoming of interfaces, the lack of transmission capacities, and also the understanding of the buyers. At that time, it was all about optimizing purchasing. The premise was that the profit lay in purchasing.

Today it is all about supporting sales with modern B2B marketing. Through the use of MarTech solutions repetitive activities should be automated. This can only be done in constant reference to existing customer data and information. In this way, it can be ensured that the potential customer only receives the relevant information via the individual, preferred channel. Everything that used to be, often intangible, in the minds of large numbers of salespeople can now be automated, evaluated, traceably, and measurably linked and used through marketing engineering. Once campaigns have been defined, they are continuously played out in the background in a targeted manner and optimized in parallel, and the corresponding leads tumble from marketing into the company as if by magic. In the further course of this book, the various concepts and case studies show how all this has been successfully implemented by

²²Retrieved April 20, 2020, from https://en.wikipedia.org/wiki/Commerce_One

different companies of different sizes and which concepts can be used for each of them.

1.10 Marketing Engineering as a New Discipline

Next Generation B2B Marketing turns everything upside down. If it is implemented correctly and stringently, the entire sales process becomes more efficient because the entire buyer journey process is optimized. When sales and marketing work in close coordination, not only can incoming orders be significantly increased, but also the return on sales (RoS) can be sustainably optimized for the company, regardless of its size, through a targeted and effective customer approach. Modern B2B marketing will gradually enable companies to measure everything along the buyer journey. Thus the much-quoted quotation from John Wanamaker “I know that half of my advertising is money thrown out. I just don’t know which half.” finally ceases to apply, which can and should only be in the CEO’s best interest. However, this requires the courage to initiate the necessary massive changes within the organizations and to implement them with determination. This necessary paradigm shift in the formal and informal positioning of B2B marketing becomes clear in the current involvement and positioning of marketing and communications departments in most industrial companies and their structural integration with other areas such as research and development, innovation management, product management or sales.

However, this change at the corporate structural level must also be accompanied by an internal marketing change process. This means that conventional job profiles in marketing must also undergo a change. Here, too, it will be necessary for the industry to drive this process of change forward, because current courses of study and curricula unfortunately still focus on conventional job profiles in the field of marketing. Thus, there are still predominantly generic training courses in marketing, international marketing and sales or international studies but no training courses for the new subject areas such as

- Campaign Management
- Content marketing
- MarTech Management or
- Data Management or Data Science
- Business Intelligence or Business Analytics
- Performance marketing

Based on the work for this publication, we know that such positions have already been introduced and documented in the B2B Marketing Benchmark companies. Once again, it is pointed out that this current challenge for the industry can only be met by all involved interest groups together. Coordination and communication are the decisive factors for success in order to design a valid, structured organizational plan and then to implement it stringently. In the sense of “walk the talk,” top management must be able to implement the initial measures authentically and

confidently, because in the long term it is a question of the competitiveness and continued existence of their own organization and its tradition.

1.11 Traditional Engineering: Old or Valuable?

Six years after Christopher Columbus discovered America, one of the oldest transport companies in the world was founded in Aberdeen, Scotland, in 1498: The Shore Porters Society.²³ When you look at the company's modern and user-friendly website more than five centuries later, the following statement catches your eye:

We are proud of our roots as one of the world's oldest transport company, but we also invest in our future, co-ordinating our fully-trained staff, vehicles and materials to deliver peace of mind and a quality experience to our customers.²⁴

It is clear that, while being proud of its long history, it also points out that it is continuously investing in the future to provide the best possible experience for its customers.

Tradition is generally understood to be the transmission of the totality of **knowledge, skills**, and the customs and traditions of a **culture** or **group**. However, the term is also often interpreted in different ways and is controversially discussed, especially for sports clubs: First FC Köln, founded in 1948, is undisputedly regarded as a traditional club among German football fans, while Bayer 04 Leverkusen, founded in 1904, is considered a “plastic club” because a major corporation has been behind it since its founding. When the successful Austrian entrepreneur and majority owner of Red Bull, Dietrich Mateschitz, took over Red Bull Salzburg, an old traditional Austrian soccer club, some initially mocked “that money wouldn't score goals!” But they were proved wrong, because the Salzburg football club, which had a long tradition but had been languishing until Mateschitz's entry, soon stormed to the top of the table and began to do well in the international arena. Why? Because tradition was broken and changed. Success also always requires the courage to make decisions. For example, there are some former top managers who, as “non-decision-makers,” had to vacate their chairs ingloriously.

Tradition has something transfigured. We can refer to it, we can become nostalgic and wallow in memories. Especially in times when the world is spinning faster and faster and becoming more complicated, this is an important aspect. Everything used to be better, is a familiar set of people who are going through changes and do not yet accept them as the new normality.

According to **Hans Blumenberg's**²⁵ definition, tradition does not consist of relics, i.e., what remains from history, but of “**testaments** and **legacies**.” Tradition in this

²³Retrieved April 20, 2020, from https://en.wikipedia.org/wiki/Shore_Porters_Society

²⁴Retrieved April 20, 2020, from <https://www.shoreporters.com/about-us/>

²⁵Retrieved April 20, 2020, from https://de.wikipedia.org/wiki/Hans_Blumenberg

respect is cultural heritage in the sense of “legacy,” which is passed on from one generation to the next in [work](#) and [communication processes](#). Scientific knowledge and craftsmanship are just as much a part of it as [rituals](#), artistic concepts of design, moral rules, and rules of the game.²⁶

Despite its long tradition, The Shore Porters Society is far from being the oldest company in the world that has inherited its work and communication processes over generations. If you research the oldest companies in the world on the Internet, you will come across numerous discussions as to when a company is even considered a company and whether it is still considered independent due to changed shareholder structures.

For a long time, the Japanese construction company [Kongō Gumi](#) was at the top of the world’s oldest companies.²⁷ It was founded in [578](#) to build the [Buddhist temple Shitennō-ji](#) in [Ōsaka](#). At 1428 years old, it was the company with the longest continuous operating history in the world. Unfortunately, age does not always mean wisdom. Shortly before the Second World War, when armor was more important than temples, the company had its first existential problems. It was saved by a storm that destroyed a five-storey pagoda in the famous Shitennō-ji temple, which was rebuilt by Kongō Gumi. The company finally went out of business in 2006 when the management got into excessive debt, fueled by investments made during the real estate bubble of the 1980s. With the acquisition by [Takamatsu Construction Group](#),²⁸ Kongō Gumi was dissolved and its operations were transferred to a wholly owned subsidiary of Takamatsu of the same name.

A recently appointed manager attributed the longevity of the company in part to its flexibility in transferring family responsibilities:

Instead of always choosing the eldest son, the leadership went to the one best suited for the task. Sometimes it wasn’t even a son—they used the common practice in Japan of adopting sons-in-law to keep the family name alive, and the 38th manager was actually a woman.²⁹

According to a report published by the Bank of Korea in 2008, which examined 41 countries, there were 5586 companies older than 200 years. Of these, 3146 (56%) are in Japan, 837 (15%) in Germany, 222 (4%) in the Netherlands, and 196 (3%) in France. Of the companies with a history of more than 100 years, most (89%) employ fewer than 300 people. A nationwide Japanese survey counted more than 21,000 companies over 100 years old as of September 30, 2009.³⁰ More recent examples, such as Kodak or Nokia, also show that the experience gained from tradition over generations does not represent a competitive advantage per se if the cultural heritage

²⁶Retrieved April 20, 2020, from <https://de.wikipedia.org/wiki/Tradition>

²⁷Retrieved April 20, 2020, from https://en.wikipedia.org/wiki/Kong%C5%8D_Gumi

²⁸Retrieved April 20, 2020, from <https://www.takamatsu-cg.co.jp/eng/>

²⁹Retrieved April 20, 2020, from <https://www.tofugu.com/japan/oldest-businesses-in-japan/>

³⁰Retrieved April 20, 2020, from https://en.wikipedia.org/wiki/List_of_oldest_companies

is not accompanied by agility, flexibility, innovativeness, courage, and fluid thinking.

1.12 There Is No Shortcut for Experience

Against the background of the enormous geopolitical and sociopolitical changes currently confronting the entire industry and all its companies, the wheat will once again be separated from the chaff. Those market participants will survive who have the necessary change managers who succeed in realigning organizations with the right mix of tradition and transformation. When the Internet bubble burst at the turn of the millennium, many New Economy³¹ companies had to be realigned. Cyber Commerce Reframing (CCR) by Seebacher (2012) heralded the end of Business Process Reengineering (BPR)³² by Michael Hammer of MIT and James Champy at that time, as the classic management approach of BPR no longer met the changed requirements of the New Economy and its agile companies from an organizational theory and structure perspective. New times need new solutions, and those who do not keep up with the times are moving with the times—or are being moved.

It is undisputed that there is no shortcut for experience. Especially in industry and infrastructure, for example in the handling of global plant construction projects with engineering, procurement, construction, and management, experience is a more important criterion for achieving the required quality “in time & budget.” However, it is also essential for companies in the large plant construction segment to continuously invest in their employees and company in order to meet the expectations of customers and stakeholders. Those who fail to constantly and constantly question themselves and reinvent themselves will not develop further. Organizational development is like learning, and learning is like swimming against the current, because if you stop, you will inevitably drift away. Many top managers forget that the organizational and operational structures of organizations must also adapt to changing environments in order to remain successful. It is not uncommon for an often outdated top management with the corresponding stoicism toward traditional structures to be an enormous inhibiting factor for necessary changes. Only recently, the renowned Gallup Institute therefore titled its article by Adam Hickman and Ryan Pendell “The End of the Old Managers! (2018).³³

The COVID-19 crisis shows us what flexibility means. Within a few weeks production processes are changed or have to be changed. Car manufacturers like Tesla, GM, Ford, or VW are supposed to build ventilators. Textile companies like Trigema or Zara produce respirators and unemployed McDonald’s employees help out in Aldi stores to cope with the onslaught of hamster purchases.

³¹Retrieved April 26, 2020, from https://en.wikipedia.org/wiki/New_economy

³²Retrieved April 21, 2020, from https://en.wikipedia.org/wiki/Business_process_re-engineering

³³Retrieved April 21, 2020, from <https://www.gallup.com/workplace/235811/end-traditional-manager.aspx>

The German journalist and media entrepreneur, Gabor Steingart, gave a remarkable interview to the 240-year-old “NZZ—Neue Zürcher Zeitung” in early 2020. Influenced by media change and digital disruption, the former editor and chairman of the *Handelsblatt* had founded his journalism start-up “Media Pioneer”³⁴ a year earlier. His mission is as follows: To establish an independent, journalistic business model without advertising revenues. After all, advertising and sales revenues in the classic publishing industry are in a constant downward spiral as advertisers’ demands influence increase. Steingart had a clear opinion on the subject of tradition:

Today, tradition has no meaning. Sometimes it is just a problem and a wealth of experience, another word for hazardous waste...The supposed wealth of experience makes many people blind to the necessary, not only in relation to media...The great heritage burdens our industry. Everything is so heavy and so nostalgic. The nimble newcomers from the USA have freed themselves from all the things like paper, logistics chains, haptics. We have to get rid of it first.³⁵

These sentences weigh heavily, but they bring the truth to the point. Traditional B2B companies, especially corporations, have also built complex matrix organizations, heavy IT systems, and nostalgic corporate cultures.

Tradition can also mean visiting a trade fair for 30 years, which, although it has been proven that it does not boost order volumes, offers the sales team a cherished opportunity to break out of their daily routine and party for a week. In good times this may not be a problem, because employee incentives are important, but in times of increasing competitive pressure, six-figure budgets must be used efficiently. In stark contrast to this is the culture of B2B digital companies operating in growing markets, such as the B2B network LinkedIn. Although they also attend trade fairs there together with their parent company Microsoft, they organize so-called “Client Connect” events for VIP customers and then reward the sales team that has achieved its sales targets with an overseas team event.

1.13 From World Market Leaders and Deadly Comfort Zones

Success makes slow and sluggish. Success paired with tradition makes even slower. One of the most dazzling examples from current management practice with regard to this fact is the Microsoft case. Microsoft CEO Satya Nadella describes his path and his time after taking office in his book “Hit Refresh: How Microsoft reinvented itself and changed the future” published in 2017. He describes the company as being aging and sluggish and saturated with success. When he became CEO, the founding spirit that had so shaped Microsoft at the time was completely lost. Nadella had to break up the old structures in order to reawaken the desire for innovation and success.

³⁴Retrieved April 21, 2020, from <https://mediapioneer.com/>

³⁵Retrieved April 20, 2020, from <https://www.nzz.ch/schweiz/240-jahre-jubilaeum/gabor-steingart-das-versagen-und-die-zukunft-des-journalismus-ld.1533157>

Microsoft was founded in 1975 in Albuquerque, New Mexico. So Nadella had to struggle with manifested and traditional mechanisms in a company that had not even 40 years since its foundation and that although Microsoft was and is by no means located in a conservative industry. This circumstance leads to the conclusion that companies with a much longer history should have much more serious challenges with manifested and traditional structures. In this context, Senge (2006) deals with concepts for dealing with the breaking up of such rigid structures in order to establish a competence for continuous further development in organizations. A distinction is made between organizational learning as the starting point and the learning organization as the target state. Hennemann (1997) defines the following criteria for moving from organizational learning to a learning organization:

- Building and maintaining collective skills through learning and practice fields (primary practice).
- Critical questioning of core competencies or organizational routines through specific forms of dialog (theoretical practice).
- Support of theory-based practice through comprehensive training of employees and application-oriented formulation of knowledge.
- Provision of selected instruments to manage the transitions between practices.
- Training of integrative competence through reflected experiences in dealing with the three practices.

The second point of the above list is particularly interesting for the current situation. Although these findings date back to 1997, their relevance in relation to the current challenges in the industry is more important than ever. The external changes require that the core competencies in the companies have to be scrutinized with regard to their importance and their future strategic relevance. Questions that management must ask itself include

- How important will the areas of research and development, innovation management, or product management be in the future? Do these departments know the requirements of customers and markets—or who has this information?
- How decisive will sales by means of sales staff still be in the future? Will sales of standard products in the future only be online and digital? Could not a Call and Service Center with corresponding new, integrated technological possibilities such as virtual ChatBot request agents, marketing automation platforms, Configure-Price-Rate (CPQ) solutions up to Dynamic Pricing systems ensure the entire process much better, cheaper and faster?
- How must the internal structures and interdependencies change to ensure that development engineers develop the right things in the future? Who controls whom? Is the product management in the leadership or the research and development team? How is innovation management integrated? How is the information from old orders, from customers and competitors, tenders and projects processed in the best possible, effective, and valid way?

1.14 Gyro Gearloose Is Not Steve Jobs

There are many questions that top managers have to ask themselves in the current environment in order not to miss any of the numerous opportunities that present themselves. Otherwise, there is a danger that the quote from John Wanamaker and the famous 50% will no longer refer to marketing, but will be used by sharply calculating CFOs to refer to the costs for development engineers in the areas of research and development, innovation or technology management, because all too often, development is simply carried out for an infinite period of time without consequences or even misses the market.

An impressive, recent example is the Simgate company, which has changed from a proverbial dinosaur to a lean and agile enterprise over the last 10 years:

It expresses the commitment to continuous improvement: to acknowledge that you can get better anywhere, to touch things and then not let go. By doing it all the time, you increase your distance from the competition.³⁶

Gyro Gearloose is not Steve Jobs, and invention does not equal innovation. Companies often claim to be “innovation leaders” and justify this with a large number of registered patents. However, patents are nothing more than proof that one was the first to come up with something and had it documented by a legal procedure. However, the usefulness of these inventions has not yet been proven, so that “inventions” are not always synonymous with “innovations.” There are many patents that have no benefit or have had no lasting influence on products or industries. Patents without a “benefit” do not constitute an innovation.

Invention creates an ability but innovation takes that ability and allows it to scale and create some kind of a market impact.³⁷

Not all inventors are actually innovators. Why is this rather rare? Because the priorities and skills required for invention and innovation are quite different. Inventors are interested in groundbreaking research. They are enthusiastic about these breakthroughs and tend not to focus their own research on everyday applicability and market development potential.

Did Steve Jobs land a great invention with the iPhone? From a technical point of view, there are no really groundbreaking inventions with the first iPhones. Was the iPhone a great innovation? Definitely. The iPhone created a whole new ecosystem

³⁶Retrieved April 21, 2020, from <https://www.unternehmeredition.de/unternehmerwelt/entscheider-im-gespraech-simgate/>

³⁷Retrieved April 23, 2020, from <https://www.forbes.com/sites/jacobmorgan/2015/09/10/whats-the-difference-between-invention-and-innovation>

for media content, telecommunications, licensing, application development, and brought it all together under one roof.³⁸

The decisive factor is the stringent striving for change, but not as an end in itself, but to continuously question everything and thus enable the necessary learning of the organization. Edmondson (2018) defines an appropriate environment for this in the sense of the “fearless organization,” which must be established by the management:

Cheating and covering up are natural by-products of a top-down culture that does not accept “no” or “it can’t be done” for an answer. But combining this culture with a belief that a brilliant strategy formulated in the past will hold indefinitely into the future becomes a certain recipe for failure.³⁹

Such a culture is by its very nature an ambitious goal, but it must be the vision for the industrial sector to be able to hold its own against the Amazons and Googles of the world in the long term. Who would have thought that 1 day you would be able to buy everything for everyday use at petrol stations? What would today’s Telekom landscape be without the discounters with their prepaid cards? Who would have thought that it would be possible to rent a Heidelberg printing press worth million Euros for a comparatively ridiculous monthly amount?

How do today’s top managers, or rather what feeds their confidence that Amazon will not 1 day be able to offer or even produce high-pressure pumps, filters or separators? After all, the proportion of books that are printed on site by Amazon immediately after they are ordered is increasing day by day. The publishing houses benefit because they no longer have to produce these books in stock at a high cost. This saves them time and money. The customer gets the desired book much faster, the publisher saves money and Amazon makes a profit. What prevents Amazon from producing filter plates, industrial pumps, or spare parts ordered in the near future immediately after they have been ordered using a 3D printer on site and sending them directly to the customer? Printing technology is developing rapidly and will soon be able to produce even large products with materials that are difficult to process.

1.15 Who Shapes the Transformation?

Looking around the global economy today, CEOs of industrial companies do not seem to be the drivers of change, but rather the driven ones. The world’s Amazons and Alibabas are conquering more and more areas of the economy and value chains, uncompromisingly exploiting their knowledge of customers and their needs. The customer is at the center of their activities—fortunately, the B2C customer is still the

³⁸Retrieved April 23, 2020, from <https://www.wired.com/insights/2015/01/innovation-vs-invention/>

³⁹Retrieved April 21, 2020, from https://www.goodreads.com/author/quotes/165743.Amy_C_Edmondson

focus of their attention. A very successful, current example from Germany is the Schüttflix⁴⁰ company, which was founded in 2018. Since then, the company has delivered more than 100,000 tons of material and now has more than 900 partner companies. The idea is simple: Whereas customers used to have to wait weeks for bulk material to be ordered, Schüttflix delivers directly to the customer within a few hours in parts of Germany—and at a lower price than the competition. The company's success factors are: vision-driven, customer-centric, agile, and trustworthy. The company is just one of many examples of a new type of business model in the B2C sector.

However, if you look at the developments of the past few years, the impact on B2B under the buzzword “Netflix industry”⁴¹ is getting closer and closer. Industrial goods are no longer bought but ordered as a service on subscription. This new business model offers enormous advantages for everyone involved:

- The buying company—i.e., the customer—can minimize its capital requirements, as the products are not purchased but only rented. As a result, production capacities can be expanded more quickly, and growth can be realized faster.
- Similar to the model used by telecom companies, the manufacturing company can plan and develop its own business better and more stable in the long term by selling the machines on a subscription basis with monthly payments.
- In addition, on the basis of the subscription model and by means of the Internet of Things (IoT), the manufacturer of the products can access the machines 24/7 in case of need or emergency and thus avert greater damage for all.
- In addition, by collecting production data from different machines of the same type, valuable information can be gathered regarding pattern recognition for faults and their probability of occurrence as well as for services to be performed.
- In addition to this risk minimization, the machine can also be continuously evaluated, analyzed, and optimized for the customer in terms of efficiency and effectiveness, which in turn has a positive effect on the customer's operating result.

Such models offer attractive advantages for all parties involved, as they enable new markets and additional earnings potential. However, as is so often the case, it appears that industrial companies are too cumbersome. The manufacturers of the machines are the only ones who would have the necessary knowledge about the machines and their life and service cycles to set up the corresponding calculation models and deposit them in the subscription models. What would be required is an uncompromising desire for change. This requires the topic to be prepared and developed by business professionals with appropriate proof points. But what happens in the companies? Managers with a technical background are commissioned to prepare the necessary feasibility studies, but without having the necessary basic

⁴⁰Retrieved April 26, 2020, from <https://www.schuetfflix.de/>

⁴¹Müller (2019).

knowledge of business models and the preparation of profitability studies. If, however, the basic work is not done competently, then a top management with responsibility toward the stakeholders cannot release funds for a pilot. However, the market continues to evolve, and the Netflix industry will find ways to conquer this multibillion dollar B2B segment.

1.16 The Question Is Not If, But When!

It will not be long before Amazon will enter the B2B sector. Industrial products, such as small household water pumps, which are sold close to B2C customers, will no longer be available only through Amazon, but will also be produced and shipped by Amazon in special logistics centers directly in 3D, if required. As soon as 3D printing technology is developed accordingly, Amazon will start selling spare parts for B2B machines and equipment, manufacturing them “on demand” and shipping them directly. Step by step, the components are getting bigger and bigger and eventually Amazon will also offer more complex machines in its B2B portal. Amazon will bring in the best engineers from the industry to develop and manufacture completely new generations of industrial machines and products in its development and innovation centers. These will not only be more cost-effective due to economies of scale but will also be available to customers worldwide within a short time due to the existing integrated processes along the entire value chain from ordering to delivery.

The industry of tomorrow looks different. It will have to deal with a completely new type of competitor, just as classic media companies such as Walt Disney or Warner Bros. have already been almost sidelined by the Netflix of this world in the media sector with TV series worth billions. The industry—at least in the western part of the world—is still in a deep sleep. It is busy with itself, loves details, and believes itself to be in difficult times at the moment because of the currently predicted COVID-19 related review. Viewed soberly, this review is only the vanguard of a tsunami that will overrun the entire conservative industry in the coming decades if the entire mindset of decision-makers does not change significantly.

1.17 Summary

The tsunami will come, and it will surprise and affect the industrial companies of the world. Nothing will be the way it was or is today. B2B marketing cannot prevent this tsunami, but it can and must apparently be a thought leader and pioneer to shake up a conservative and sometimes no less arrogant industry. The line of vision must change dramatically, away from internal construction sites to what is happening in the rest of the economy. After all, these are the things that will inevitably spill over into all other areas of the economy in the near future. Countless examples from history provide dramatic evidence of this. Today’s heads of state and top managers discuss Industry 4.0 and how to successfully meet this challenge. At the same time,

experts attest that industries and economies have already slept through digitization. There is a lack of courage and foresight, because according to the textbook, a machine is only brought to market when it is perfect and dead certain. But that means you are sure to be dead soon. The brave own the world and they own Industry 5.0—the Netflix industry!

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The B2B Marketing Ecosystem: Finding Your Way Through the World of Colorful B2B Terms!

2

Uwe G. Seebacher



2.1 Too Many Names and Terms

The field of marketing, just like the field of human resources management, is subject to the great error and fallacy that everyone feels obliged and also sufficiently competent to deliberately underestimate or even negate the complexity and *raison d'être* of these knowledge disciplines. Claudio A. Saavedra already put it in a nutshell in the introductory chapter of his book “The Marketing Challenge for Industrial Companies” (Saavedra 2016):

Not surprisingly, confusing customer behavior with customer purchasing behavior has discredited marketing, so that now many people see it as a social science purely dedicated to creating manipulative and cunning advertising. In the Garden of Eden, Eve could well have fallen victim to a snake that studied marketing.

For the area of end customer marketing—in the sense of business-to-consumer (B2C) marketing—this situation changed for the better in the late years of the

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twentieth century. Countless successful marketing and advertising campaigns can be cited as lasting witnesses of this upswing, for example, those of Apple or Coca Cola. However, B2B marketing was not able to participate or profit from this development, because even today, engineers and technical experts and developers in industrial companies are still of the opinion that their products are so brilliant and sell themselves as “self-runners.”

But times have changed dramatically. The times, in which the just described body of thought emerged, were characterized by true salespeople and the “good old times” still without internet, virtual shopping platforms and showrooms, digital meetings, and web chats. At that time, there was no transparency in terms of prices and conditions, but personal contact and above all trust in the respective seller or supplier were decisive. Fabac (2013) already puts it in a nutshell in his book “How technology changes everything for the industrial marketer”:

Many marketing, SEO, and social media books offer steps, solutions, strategies, and secrets – whatever the “expert” authors call them – but most marketing books *fail for our industry* because they *fail to take our industry into account*.

And I must confess that the same thing happened to me when I was hired as Global Director of Marketing and Communications at an industrial company in June 2017. During the familiarization phase, I was inclined to adopt findings from the marketing literature of the time and the innovative topics and trends derived from them directly for my new employer. However, it became clear to me at the time that everything I had read and worked on had been from and for the field of B2C marketing. It was only when I started to actively search for B2B marketing literature that I realized that there was nothing comparable—at least in the German-speaking world—and little else as innovative and progressive for the B2B marketing sector. Step by step I gained access to the scene of B2B marketing managers. From today’s point of view, it was lone fighters and isolated, institutionally driven germ cells that tried to bring the area of industrial goods marketing forward.

Stereotypically, the lone warriors were marketing managers who, based on their basic knowledge and experience, were able to hold their own in a primarily technically driven environment. De facto, they were change managers whose daily work consisted not only of doing their job, but above all of developing and advancing the real worlds surrounding them day by day in the sense of the organizations. This was only possible because these lone fighters had somehow managed to change from being driven to being the driving force in the companies. With authenticity, eloquence, competence, strategy, and intuition, they had built up a position in the companies, in which they were always looking for new approaches, concepts, and technologies, acting result-oriented in the sense of the company. As a result, they were able to increasingly change the perspective of the marketing department in the companies and to develop it in detail at least toward the positive.

2.2 Marketing Resource Management (MRM)

The marketing manager obviously succeeded in communicating the initially incomprehensible added value of marketing and communication activities to the engineers responsible for technology in a credible manner for the first time through transparent and tangible results. That this would be decisive for the development of B2B marketing was not new, but was already attested by Seebacher and Guepner (2021) in their book “Marketing Resource Management”:

For example, the Marketing Efficiency Survey 2009 shows that 94% of marketing managers see the greatest challenge in improving the information base in marketing. 90% of marketers consider the development of marketing performance measurement systems to be crucial in order to be able to create added value for their companies in the future. It is also striking that 88% of the leading marketing experts in the companies see potential for improving the marketing organization and at the same time for establishing an urgently needed process orientation in the departments. Marketing Resource Management (MRM) not only brings significant advantages for you as a marketer in the results dimension, but under the motto “the way is the goal” it also has a decisive influence on your future work and the success associated with it.

From a developmental point of view, Marketing Resource Management by Seebacher and Guepner can thus be classified as an intermediate stage from classic and conventional industrial goods marketing according to Backhausen and Voith (2015) to a state-of-the-art B2B marketing of the twenty-first century. For the first time, Marketing Resource Management focused on achieving the measurability of marketing and communication. The comparability of a print advertisement and a trade fair event was to be made possible by means of an index-based performance result measurement. Within the framework of the MRM approach of Seebacher and Guepner, the term “Marketing Intelligence” was also introduced and defined for the first time in the meaning as we know it today. Likewise, keywords such as “Marketing Process Optimization (MPO)” or “Marketing Operations Management (MOM)” were explained comprehensively for the first time and identified as essential components of sustainable B2B marketing.

Before we now enter the new world of B2B marketing, we would like to describe the big picture that marketing is currently driving as a knowledge discipline in the words of one of the great marketing thought leaders, Kotler (2017), in his book “Marketing 4.0 - Moving from Traditional to Digital”:

In “Marketing 3.0” we talked about the major shift from product-driven marketing (1.0) to customer-centric marketing (2.0), and ultimately to human-centric marketing (3.0). . . . Thus, we introduce “Marketing 4.0” as the natural outgrowth of Marketing 3.0. . . . The role of marketers is to guide customers throughout their journey from awareness and ultimately to advocacy.

For the B2C marketing sector, this change is already underway for the most part. In contrast to this, classic industrial goods marketing is faced with the challenge of learning and understanding the new technological and digital possibilities and their

use in order to take the internal, technically driven stakeholders from Marketing 3.0 to Marketing 4.0. This will only be possible if marketing managers proactively drive the process of knowledge transfer and transparency with regard to marketing measures and their direct results for turnover and profit toward the experts from the technological knowledge disciplines. This in turn can and will only be possible with the help of a generally valid, congruent B2B marketing terminology, which allows to continuously talk to internal customers and target groups about marketing relevant thoughts, ideas, concepts, and strategies.

2.3 B2B Marketing from A to Z

In the following, the currently most important and generally valid terms in the field of industrial goods marketing are listed in alphabetical order, described and interpreted for further use in this book.

2.3.1 A/B Test

The A/B test is also called the split test. The term does not originally come from the B2B sector but is generally used to describe a test method for evaluating two variants of a system, in which the original version is tested against a slightly modified version. The A/B test can also be used to compare prices, designs, and advertising measures. An example of an A/B test is, for example, a social media post once with a generic industry photo (variant A) and in parallel once with a picture of a smiling engineer on a system (variant B). It can be said in advance that variant B will win in this case. However, this test can also be extended, namely by testing two different text versions. In the second step, the more successful variant B can be used as a basis and then a corporate claim can be placed under the picture as new variant A and a statement by the employee concerned as variant B. Again, the results or the conversion can be compared. A/B Testing is a learning process, just as it applies to the entire field of B2B marketing and all related measures.

2.3.2 Account-Based Marketing (ABM)

Gartner defines account-based marketing, or ABM, as “a coordinated program to target a select group of potential customers through simultaneous inbound and outbound channels at each stage of the buying process. Specific customers—so-called ‘accounts’—are defined and processed through targeted, personalized campaigns”. Ideally, this should be done through close cooperation between marketing and sales. Other definitions, on the other hand, lean more towards the strategic dimension of marketing, referring to ABM as a “go-to-market strategy that coordinates personalized marketing and sales activities to acquire target customers and to develop existing customers in terms of sales”. What is decisive and common

to all definitions, however, is that ABM describes a proactive approach initiated by and from the company toward previously defined customers. In contrast to this, classic inbound marketing is to be considered, which will be discussed in later sections of the book.

2.3.3 Brand Management

Brand Management comprises complex methods and processes that are intended to shape and permanently influence the brand experience—i.e., the experience in terms of the perception of a brand. Brand Management aims to position companies as a brand in a market in a sustainable manner and to establish them as an attractive brand in the long term.

2.3.4 Business-to-Business (B2B) Marketing

In the context of this book, we refer to B2B marketing as the marketing that takes place between market participants who, due to their original business function in a defined market, are suppliers or subcontractors and buyers of raw materials and semi-finished products and are therefore not end customers or end consumers. This means that purchasing behavior tends to be institutionally driven and does not follow purely individually driven motivation. In this context, the reference to the elimination of the classic term B2B marketing is also being made more and more often, as the areas of B2C and B2B marketing are increasingly converging. Background of this hypothesis is recent studies which show that the buyer behavior in the industrial sector is becoming more and more similar to that of the end customer sector.

This development is justified by the increasingly digital procurement of information in conjunction with the rapidly increasing transparency and comparability of offers. Among other things, more and more studies prove that the majority of potential buyers have already been in contact with a potential supplier via one of the many information channels or platforms before making initial contact. For successful and sustainable B2B marketing, this in turn means that appropriate concepts and strategies have to be present at all these points of contact in the appropriate and adequate manner.

In the current literature, you can find many other abbreviations such as:

- Human-to-human (H2H)
- People-to-people (P2P)
- Business-to-Anonymous (B2A)
- Business-to-All (B2A)
- End-to-end (E2E)
- All-to-All (A2A)

At this point, these terms, which are used selectively, will not be discussed in detail. It is crucial that a future-oriented B2B marketing is aware of the fact that the industry and everything associated with it has to deal with a changing buyer landscape. In this context, sociodemographic aspects such as a dramatically rejuvenating B2B buyer community, but also situational and product-related aspects should be mentioned. These in turn are due to ever more optimized supply chains and processes, but also to ever greater transparency with regard to materials and their properties, delivery times, as well as price and payment conditions.

2.3.5 Buyer Journey

The Buyer Journey or also called Customer Journey is a process—a symbolic journey—that every customer goes through before and up to the purchase decision. The aim is to ensure that this journey is as fast and effective as possible in terms of a prompt purchase decision. This means that companies should use modern B2B marketing to define, evaluate, and therefore know this buyer journey ex antes in the best possible way. The Buyer Journey comprises three phases:

1. Awareness phase
2. Consideration phase
3. Decision phase

The Buyer Journey runs along with many different contact points—so-called touchpoints. The more optimally these contact points are aligned to the potential customer and his needs, the higher the so-called Buyer, Customer (CX), or User Experience (UX)—namely the perception and sensation of the customer, which in turn will have a positive effect on a possible purchase decision. With the help of a (Buyer) Persona, these expectations and needs can be defined and determined in relation to a potential, ideal buyer or customer group.

2.3.6 Buyer Persona

The term describes a typical representative of a potential customer or target group. With the help of the collected data, a fictitious person is created to describe the potential buyer in detail. Burgholz (2017) states that buyer persona is more than customer profiles and refers to Zambito (2013) and its most informative definition:

Buyer personas are research-based archetypal (modeled) representations of who buyers are, what they are trying to accomplish, what goals drive their behavior, how they think, how they buy, and why they make buying decisions.

2.3.7 Campaign Management (CamM)

This term covers the conception, planning, scheduling, playing out, and monitoring of campaigns. We understand campaigns in this context as a bundle of defined, different marketing and communication measures. Campaigns thus consist of actions, reactions and associated and applied content elements of various types, such as a social media post—with or without images, static or dynamic, a one pager, a white paper, a case study, a comprehensive article or a longer video.

Campaign management, in contrast to content management, therefore takes place on a higher, more aggregated level or downstream in the marketing value chain and has the goal of achieving the best possible effect in terms of the optimal marketing return on investment (MROI) by combining different content elements (Seebacher and Guepner 2021).

2.3.8 Content Management (ConM)

Content Management (ConM) as a term is referred to in the context of this publication as the conception, development, and placement or “playing out” of the situationally relevant content of any kind. The term “Asset Management”(AM) is often used in connection with relevant publications, which may be misleading for persons with a background in the financial sector. The use of the term AM in the context of B2B marketing is due to the fact that once content has been created, it can and may be regarded as a value, as these values are subsequently the essential components of any further action in terms of marketing actions or campaigns. Against this background, the use of this meaningful term “assets” can be derived.

2.3.9 Content Marketing (CoMk)

In contrast to content management and the management or administration of content elements, content marketing deals with the respective optimal, targeted use and application of content elements. Conceptually, the term is derived from content marketing, in the sense of marketing the content. The content marketer is thus the person who has perfect mastery of the repertoire of omni-channel marketing and, in close cooperation with the performance marketer, continuously evaluates the key performance indicators (KPI) of the various content marketing activities, interprets them and defines optimization measures.

Content marketing is a marketing method that does not revolve around advertising messages, but rather around content that is useful for the recipient of information. Content marketers who make useful content available along the buyer’s journey will be able to position their own company more successfully, thereby building trust and winning customers in the long term. Today, the Buyer’s Journey takes place primarily on digital platforms. With content marketing, companies can reach potential customers on this journey, get in contact with them, and turn interested parties

into customers. Of course, companies can also use advertising on digital platforms. But the advantage of content marketing is that with useful content better branding can be realized and trust can be built up sustainably through buyer-centric content.

The content marketer must therefore always know the entire portfolio of available content elements. He or she must advise the Campaign Manager on a situational basis and support him or her in the creation of campaigns and measures, regardless of whether they are outbound—i.e., to the outside world—or inbound measures.

2.3.10 Conversion Rate (CR)

The conversion rate is the ratio of the conversion of contacts to a higher level in the buyer or customer journey. The conversion rate is a KPI from Online Marketing. In this area, it shows the ratio of visitors to a website to conversions as a percentage value. The conversion does not necessarily have to be a purchase or a transaction. Any previously defined and achieved goal can be considered as a conversion. For example, the conversion rate can also represent and measure the ratio of website visits to resulting interactions such as downloads or newsletter subscriptions. The CR can also show how many leads have been converted into Marketing Qualified Leads (MQL) or how many of the MQL has become Sales Qualified Leads (SQL). The CR can thus be used for each step along the buyer or customer journey to measure performance in terms of the conversion and further development of a potential customer through the sales funnel to a buyer.

2.3.11 Conversion Rate Optimization (CRO)

For conversion rate optimization, measuring customers in relation to conversions is one of the most important key figures. The CRO is usually part of the search engine optimization. It can improve lead generation, turnover, and sales figures. Marketing experts generally assume an average CR of 1% in e-commerce, including B2C and B2B (Ryte Wiki 2020). Thus, on average, every 100th visitor to an e-commerce shop becomes a customer. The level of the conversion rate depends on many different factors and especially for B2B these values are often significantly below those of B2C.

2.3.12 Customer Experience (CX)

The customer experience describes the experience and perception of a customer in dealing with the various marketing and communication channels of a company at the various customer contact points—so-called touchpoints. The Buyer Experience (BX) basically means the same thing but focuses on an earlier stage of the buyer journey, namely the phases before a purchase decision is made. The User Experience

(UX) does not differentiate between the phases of the Buyer Journey and simply refers to the individual at the various contacts as a user.

2.3.13 Customer Life Cycle (CLC)

In contrast to many other B2B marketing terms, this term has existed for a long time. Since the first introductions of Customer Relationship Management (CRM) concepts and approaches, the term describes the individual steps a customer goes through until he makes a purchase and ends up loyal to a product or service. From today's perspective, this term can be equated with that of the Buyer Journey but extended with the so-called after sales stage, during which the customer can and also will create substantially added-value in the sense of order intake through service and spare-parts business.

2.3.14 Customer Relationship Management (CRM)

This term is one of the oldest in the field of marketing, which is why it will not be defined here. However, at this point, it should be explicitly noted or pointed out that the fact that the confusion or the clear demarcation of the two systemic levels IT and data or content with regard to the term CRM very often leads to major problems and discussions in companies. The systemic sovereignty over the CRM system as part of the IT infrastructure of an organization can only be exercised by the company's own IT department. The content sovereignty must be uncompromisingly located in the area of marketing. In this context, marketing must bundle the requirements of the various internal customers in the organization and have them implemented by the IT department. Neither units that deal with digital business processes nor sales can have sovereignty over CRM. Those B2B marketers who are aware of this fact and stringently pursue this strategy have laid the foundation for modern B2B marketing. With regard to the subject area CRM, the chapter on MarTech 8000 will go into more detail.

2.3.15 Date-Driven Marketing (DDM)

Data-driven marketing defines a way of thinking and acting to make all activities, campaigns, and measures measurable and thus tangible on the basis of facts and figures. DDM is not a project, but rather a process that must be established and implemented in a sustainable manner. DDM is an essential element of sustainably successful B2B marketing, because such a process requires stringent and transparent measurability of all activities. This is the only way to ensure cost awareness, which in turn is the basis for constant evaluation and optimization within marketing. Ultimately, this creates the basis for defining the exact MRoI or the turnover generated from it for each individual campaign, each individual trade fair or customer event, but also for each content asset. DDM is therefore the basis for

performance marketing, because only with the help of exact and 24/7 available data and figures, B2B marketing becomes measurable, optimizable, and transparent. What you do not measure, you cannot manage.

2.3.16 Demand Generation

Demand generation is an integrated and measurable process that is becoming increasingly important in the field of B2B marketing. It generates increased and long-term interest and must ultimately manifest itself in increased sales. Demand generation should not be confused with lead generation, as demand generation is more comprehensive and generically broader in scope, whereas lead generation is specifically aimed at direct enquiries—i.e., leads.

2.3.17 Evergreen Content

Evergreen Content refers to content that—for whatever reason—has proven over a long period of time to be true “gold mines” in terms of its appeal. Using data-driven marketing or performance marketing, the KPIs of all content elements used, such as click rates or other interactions, are tracked and evaluated. Evergreen Content can be identified by significantly higher performance values. For campaign managers, such content evergreens are essential components to optimize campaigns that are not running perfectly or to keep the community active.

2.3.18 Gated Content

Gated content refers to content that can be found behind “closed doors.” These closed doors in the figurative sense stand for content that requires the user to pay for the download or opening of certain data and information. Especially in B2B marketing, valuable information about the buyer can be gained in this way. The important thing here is that less is more, but in stages and step by step. If too much information has to be entered at once, many potential customers will jump off right from the start. Lead Nurturing plays a decisive role here, in order to keep the leads cautiously at the bar by constantly giving and taking information.

2.3.19 Growth Hacking

This term was coined by the start-up scene in the B2C sector. Growth Hacking describes measures and strategies to break through classical growth paths. In the classical marketing literature, the term guerrilla marketing (Levinson and Levinson 2011) is used for this, which aims to circumvent conventional forms of advertising with few means through free-riding measures, while at the same time achieving a

significantly stronger advertising effect. A widespread example is the possibility of registering for many web services simply by logging on to a social media platform such as LinkedIn or Facebook. Start-ups have an excellent command of virtual free riding with which the user base can be expanded comparatively quickly and extremely cost-effectively, because they have to try to use their own products for marketing purposes themselves due to limited resources.

2.3.20 Inbound Marketing

This term of “incoming” marketing describes all measures which are aimed at reaching potential customers and their contact data offline and online with contents which have been prepared and designed correctly for the specific situation, without previously existing knowledge about potential customers and their contact data. This is intended to generate new contacts, which in turn then approach the company to request brochures, information, product specifications, and, in the best case, direct offers. The opposite of inbound marketing is classic outbound marketing.

2.3.21 Influencer Journey

Just as for customers in the sense of the buyer journey, modern B2B marketing defines its own journeys for specific influencers and groups of influencers. However, these influencers’ journeys are not designed to move the identified influencers through the journey as quickly as possible, as is the case with the Buyer Journey, but to provide these multipliers with relevant content on an ongoing but not too intensive basis. The decisive factor here is to proceed with the appropriate sensitivity and to set the degree of interaction at a maximum of every 2–3 weeks. If communication and interaction with the influencers are carried out more often and more intensively by means of marketing automation, there would be a risk that the influencers would notice that they have been identified as such by a company. The influencer journey must be designed for a longer period of time. The KPIs for an Influencer Journey can be evaluated using a dedicated Influencer Dashboard. KPIs can be, for example, the growth of an influencer’s network or the number and rate of change of his or her comments, likes, and shares.

2.3.22 Influencer Marketing

The term influencer marketing is derived from the verb “to influence”, also called multiplier marketing. It is the discipline of online marketing and originated from classic B2C marketing, in the context of which companies specifically involve opinion leaders—so-called influencers—and thus people with prestige, influence,

and reach in their brand communication. Corporate Influencing¹ refers to marketing by means of multipliers based on the concept of Influencer Marketing, when a company-wide strategy is defined behind it and influencing is institutionalized, so to speak.

Influencers in the classic B2C area are people who, due to their reach, are so-called multipliers for the dissemination of information in their networks. On the other hand, influencers are persons who have a great influence on the opinions and consumption habits of the members of their network. This is especially crucial in the field of B2B marketing. B2B influencers can often be found in leading positions in interest groups, associations, but also in political offices, for example as president of the African sugar association or an international water association. However, this does not mean that, conversely, every high-ranking person who is in the public eye must also be an influencer. Good influencer marketers build up a long-term network of specially selected opinion leaders and multipliers, which is why it is not expedient to outsource this topic to external agencies.

This is also an important aspect in relation to this term, since influencer marketing is not a short-term measure, but a strategic and sustainable approach, which is why influencer marketing can therefore in no way contribute significantly to revenue generation and thus measurable results in the short term. Influencer marketing can and will only be successful if it is implemented subtly and sensitively. As soon as an influencer realizes that he or she has been defined as such by a company, he or she changes from an influencer to a brand ambassador, which in turn means that he or she is no longer perceived as brand neutral. This in turn means that whatever content is communicated will always be perceived in front of this no longer existing neutrality.

The term “influentials”, invented in the 1940s by the American consulting company “Roper Starch Worldwide”,² has since been replaced by *Influencer*, but still refers by definition to the totality of key persons relevant to a market, industry, or segment.

2.3.23 Lead Management (LM)

Lead Management refers to all activities and measures for processing, controlling, and managing leads. The term is derived from “to lead” and refers to measures that a company takes to turn potential buyers or interested parties into actual buyers or purchasers. When a prospect becomes a customer, the lead is converted to a customer, which in turn determines the conversion and conversion rate. The “conversion rate” has become an important performance indicator in B2B marketing in terms of MRoI.

¹Retrieved May 13, 2020, from <https://b2bmarketing.works/blog/whitepaper/b2b-influencer-marketing/>

²Retrieved May 13, 2020, from <http://www.starchresearch.com/roper.html>

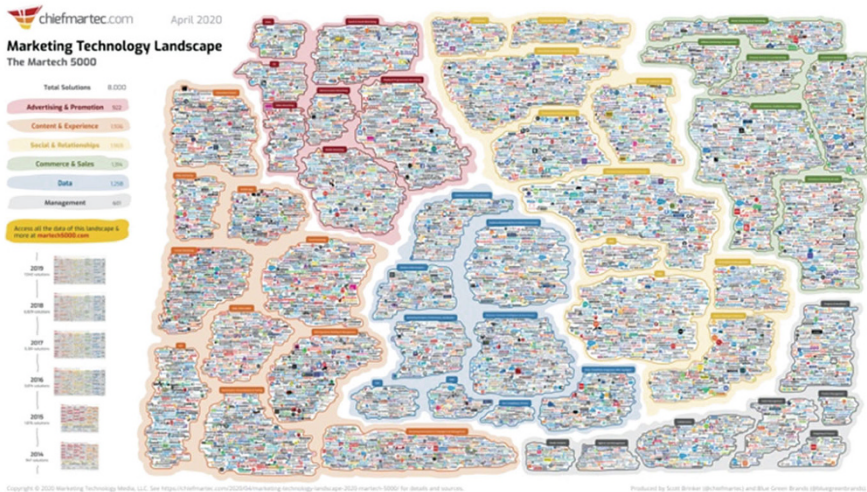


Fig. 2.1 MarTech Stack Landscape 2020. (Retrieved May 13, 2020, from <https://cdn.chiefmartec.com/wp-content/uploads/2020/04/martech-landscape-2020-martech5000-slide.jpg>)

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2.3.24 Lead Nurturing

Based on the aforementioned term, “lead nurturing” is aimed at “nurturing” leads, i.e., potential buyers. In contrast to *Lead Management*, which is concerned with controlling and managing leads through the buyer journey process, *Lead Nurturing* focuses on all activities from a content perspective in order to move a potential lead along the buyer journey as quickly and effectively as possible to the purchase decision. Against this background, lead nurturing has a significant influence on the time span and the costs to be invested during the buyer journey. If lead management looks more at the organizational process—namely the “how” lead nurturing focuses on the qualitative and content-related dimension of the process, i.e., the “what” and “with what”.

2.3.25 Marketing Automation

The term marketing in its broadest sense describes an organizational change process in which repetitive activities are automated with the help of IT in order to work more cost and time efficiently. The goal is to automate everything that is technically feasible and reasonable. Marketing automation in the broadest sense is represented by the MarTech map (Fig. 2.1). Marketing automation in the narrower sense refers to the creation of user profiles. These are developed and enhanced with information based on the user behavior of leads and customers to set up automated measures and campaigns for individual communication. Solutions in the field of marketing automation in the narrower sense combine functionalities from CRM systems, web

analysis, e-mail marketing, social media advertising, and retargeting. Marketing automation in the narrowest sense only refers to the process of lead nurturing starting with lead generation.

Against the background of these three conceptual levels, it is crucial to be aware of the resulting conflict potential. In many cases, there is no real understanding of this in the organizations due to a lack of knowledge, on the basis of which meetings and discussions can be misunderstood and decisions cannot be made properly. The task of marketing in this respect must be to provide information in order to establish a common, coordinated sense and understanding of the term as a starting point.

2.3.26 Marketing Orchestration

Scott Vaughan³ was one of the first to coin the term. The background for this was the following theses: Due to the fact that more and more companies are introducing and using marketing automation, a lot of things are becoming standardized, which has a negative effect on differentiation. The standardized approach involves creating or selecting a content asset so that customers or leads are directed to a form, an automatic e-mail is sent in response, and the MQL is scored and forwarded to sales. On the provider side, a massive absorption of small, flexible providers has led to consolidation, which in turn has a negative effect on the innovative power and further development of the corresponding solutions. In addition, the enormous increase in island products in the sense of unrelated systems and solutions has led to the fact that today an enormous effort must be made in order to establish marketing automation sustainably throughout the entire buyer journey. Vaughan demands more intelligence and connectivity:

Marketing Automation (MA) was the technology and capability that inspired a generation of B2B marketers to shift from brand marketers to revenue marketers. It's been a big leap forward for the profession previously known for creating logos, themed T-shirts, and fancy events. And, it built careers for many of us who won accolades for using tech + tools to replace woefully manual, outdated efforts and show Marketing's contribution to the business.

Marketing orchestration refers to the planning or coordination of all relevant aspects and elements of a contingency situation to achieve a desired effect. This means that marketing orchestration now institutionalizes the previously missing cross-departmental approach of an uncompromisingly customer-oriented interaction process. *Marketing Orchestration* aims at optimizing within channels and across channels and programs in order to realize programmatic, performance-based, predictive always-on marketing by integrating artificial intelligence and machine learning. The term is still relatively young, and it remains to be seen whether marketing orchestration is a real development or just another product of inventive B2B MarTech stack providers to place new IT solutions on the market.

³<https://marketingsweats.com>

2.3.27 Marketing Qualified Lead (MQL)

A *Marketing Qualified Lead* is a potential customer who meets certain criteria defined by Marketing. These criteria can vary between branding departments and thus between companies. It is important that such criteria in the sense of characteristics are not defined by marketing alone, but jointly by marketing and sales. This joint approach is decisive for the acceptance of all further measures. By default, the following criteria can be defined as a basis for an MQL:

- e-mail address
- First name and surname
- Company
- Function
- Place of work

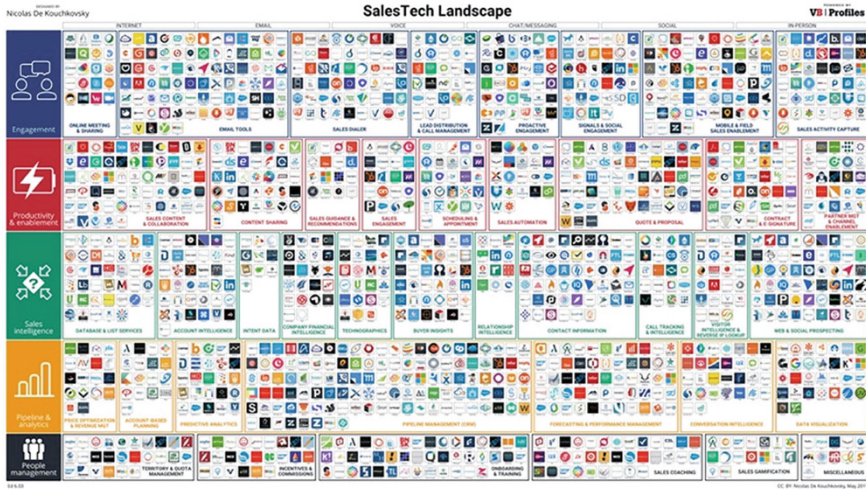
Through successful lead management and lead nurturing, a potential customer can be converted very quickly into a so-called *Sales Qualified Lead (SQL)*.

2.3.28 MarTech Stack

This term describes the entire field of marketing-oriented IT. “Martech” is the combination of the terms marketing and technology. The chapter “MarTech 8000” is dedicated to this important, complex subject area. After all, MarTech is now indispensable in the field of marketing, and everyone involved in digital marketing has to deal with MarTech. It is in the nature of things that digital marketing is technology-based. The word “MarTech” refers specifically to important projects, activities, and tools that use marketing-oriented technology to achieve marketing goals. The counterpart to MarTech in marketing is the “SalesTech” landscape (Fig. 2.2) in sales. The resulting challenge is that both IT worlds are vying for customers, new solutions and products are constantly being created, and the resulting, rapidly growing overlap of products and solutions makes the situation unmanageable. In addition to this IT-oriented interface problem, this results in great ambiguity and conflict potential with regard to the respective sovereign territories and areas of influence between sales and marketing. A credo that is therefore becoming ever louder is: marketing and sales must work much more closely and intensively together in order to be able to realize the enormous potential of sales and marketing automation in the long term.

2.3.29 Micro Content

The term refers to so-called micro moments. Micro moments and the short attention span of the human being have become decisive behavioral psychological elements for B2B marketing due to the information overflow. The big challenge in B2B



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Fig. 2.2 SalesTech Stack Landscape 2019. (Retrieved May 13, 2020, from <https://www.saleshacker.com/salestech-landscape-2019/>)

marketing today is to stand out from the crowd in order to attract the attention and interest of our target group.

The KISS principle is becoming more and more important for B2B marketing. “Keep it short and simple” is the perfect strategy to create content assets perfectly in terms of length and volume at the beginning of the buyer journey. More and more often, content is too extensive to be consumed in full when scrolling through the news feed, for example. Users do not take the time to read the content crosswise without recognizing the essential core message. The consequence is that the lead does not evolve in relation to our defined buyer or influencer journey. So-called micro content optimizes the chance to communicate the added value of our content to the leads or users at a glance and thus to motivate them to take action in the sense of a conversion.

2.3.30 Native Advertising (NA)

The concept of native advertising can be traced back to the classic advertorials (Siegler 2017). NA is a form of advertising that uses storytelling to prepare content in such a way that it is difficult to distinguish it from editorial articles and therefore attracts attention in the micro moment under the guise of editorial content.

2.3.31 Owned Media

Owned media are channels that a company “owns” and can fully dispose of. This is one of the fastest-growing areas of B2B marketing. More and more companies are relying on playing out their content via their own, different channels. Owned media include all types of offline and online channels. Owned media are to be distinguished from paid media and earned media. *Paid Media* refers to paid advertising and *Earned Media* focuses on supporting users in marketing, for example when content is shared, or video clips become viral. Earned Media means that the users of the content and their actions and interactions play a significant role.

2.3.32 Outbound Marketing

Outbound marketing is often referred to as traditional marketing. This is the classic and conventional type of marketing, in which advertising messages are spread and scattered over a wide area through various channels according to the principle of a watering can in order to reach potential customers. The difference between inbound and outbound lies in the direction of communication. In inbound marketing, the customer calls the support center “in” the company. In outbound marketing, on the other hand, the support center contacts the customer proactively in order to place a promotion or a new product. As a result, outbound marketing usually has a negative reputation, since attempts are often made to persuade the customer to buy and sell a product.

2.3.33 Performance Marketing

With regard to performance marketing, a distinction must be made in terms of definition:

- Performance marketing in the narrowest sense refers to the use of online marketing instruments with the aim of achieving a measurable reaction or transaction with the user; it is thus equivalent to direct marketing in interactive media.
- Performance marketing in the narrower sense describes marketing’s endeavor to measure all activities and measures of B2B marketing in a transparent, objective, and reliable way. For this purpose, a continuously expanding set of KPIs is used. Performance marketing in the narrow sense is thus a *Continuous Improvement Process* (CIP) based on Masing’s work on “Quality Management” (Masing 1999, p. 356).
- Performance marketing in the broadest sense is an organizational-strategic orientation of the entire B2B marketing of a company, not only the original marketing measures but also all directly and indirectly related actions to make them measurable and to monitor them continuously. Due to the enormous developments and technological possibilities in the field of *Business Intelligence* up to *Predictive*

Intelligence (Seebacher 2021) and the software tools offered in this area, MRoI of the entire spectrum of measures can not only be measured comprehensively, interactively and 24/7, but also evaluated comparatively. For this comprehensive measurability, the approach of indexation and the index-based measurement of all measures based on percentage values (Seebacher and Guepner 2021), which is derived from this approach, is to be applied.

The area of Performance Marketing (PM) will play an increasingly important role in the long term. PM, if used correctly, will also contribute sustainably to the repositioning of marketing in the field of B2B marketing. Through PM, the added value of marketing can be made transparent and measurable, both financially and economically, and thus tangible. This will be crucial in order to be able to realize the long-needed investments in modern marketing infrastructures. Successful marketing managers must have the ambition to do everything to become measurable. The same rules must apply to all departments. And so marketing must also do everything possible to make its own activities measurable via performance indicators. These bundles of performance indicators must in turn be translated into concrete values per time unit, which must then be adhered to in order to achieve the goals. Examples of such key performance indicators or KPIs can be

- Budget underspending in percent
- Sales volume generated through marketing
- Number of inbound leads generated
- Growth rate of inbound leads per year
- Number of leads generated per event
- Costs in Euro per lead per trade fair
- Number of MQL per year
- Number of SQL per year
- Duration in days for conversion from MQL to SQL

Performance management is a development and learning process. Not only for marketing, but also for sales and the entire organization. Today we are facing a paradigm shift in which no stone will remain upon another, as described and illustrated in the chapter by Kleinemass and Seebacher. In this context, the role of performance marketing should not be underestimated. This area can be an important driver for such important changes. But performance marketing can also finally be the redeeming factor for marketing managers, making it understandable and comprehensible to non-marketing experts how important and valuable marketing and communication can and will be for business success in the industry—namely, when performance marketing is used to clearly document the additional revenue generated by marketing. Then the cost driver marketing suddenly becomes the decisive sales driver of a successful industrial company, regardless of its size.

2.3.34 Sales Channel Marketing (SCM)

What is a sales channel? A *Sales Channel* defines a path of generating order intake. Sales channels can be internal and external sales representatives as well as an online shop. Sales channel marketing is derived from the area of sales channel management and defines measures that are specifically aimed at activating, supporting, but also evaluating the performance of the respective sales channel. A sales channel can be measured as a whole in terms of performance, but also as a disaggregated construct. This will be illustrated with an example:

For example, a sales channel is the agents and distributors of a company. Depending on the strategy, different agents can be used in a country or region. This means that the sales channel of the agents can be measured in its entirety in terms of the annual revenue generated. On a disaggregated level, all agents in a country or specific region can also be evaluated in terms of the revenue generated. On the other hand, if the agent network is based on an industry-specific approach, all agents per industry can also be evaluated in terms of their generated revenue.

Sales Channel Marketing therefore defines all measures that should lead to being able to activate, use, and measure the full potential of the various sales channels used in a company. Successful sales channel marketing, in the final analysis, generates leads for the members of the respective sales channels. In concrete terms, this means that customers' inquiries are generated for agents and forwarded to them. This means that a corresponding basis of trust between external sales units and the company must be developed or exist. On the other hand, generating leads for agents leads to a clear commitment to the agents, because active sales channel marketing requires resources and of course costs money.

From an organizational point of view, sales channel marketing also means a change, since up to now the management of and communication with the various sales channels has always been reserved for sales and in particular for the sales managers responsible for each channel.

2.3.35 Sales Qualified Lead (SQL)

A *Sales Qualified Lead* refers to a potential customer who "wants the product!" An SQL meets the criteria previously defined by the sales department, for example as a minimum requirement:

- Need to buy
- Defined budget owner
- Budget framework
- Time horizon

This list can be regarded as a basic requirement, which of course can and should be adapted or extended according to the situation in close coordination between sales

and marketing. In any case, an SQL has already made further progress in the process of initiating a business relationship with regard to the Buyer Journey, namely between the consideration phase and the decision phase.

2.3.36 Social Selling

Social selling refers to the distribution and sale via social media, i.e., platforms such as LinkedIn, WeChat, Twitter, Facebook, YouTube, etc. *Social Selling* comes, like so many other things, from the B2C area, which is why its use must also be evaluated for the B2B area. The many examples from China, where large machines and many other B2B products are already being sold via the WeChat platform, show that social selling also works well in the B2B sector. Social selling should not be confused with social media marketing. Modern B2B marketing should use and exploit both areas synergistically.

2.3.37 Story Telling

Story telling refers to the integration of content into a story. Core statements about products or services are incorporated into interesting case studies with customers, for example, so that classic “soft selling” (Vaas 1998) can be made. In the context of storytelling, information is thus conveyed through the use of stories. *Story Telling* originally comes from the fields of knowledge management, child and adult education, journalism, and psychotherapy. Since the 1980s, this concept has also been used increasingly in sales, marketing, PR, and advertising.

2.3.38 Touchpoint Management

Touchpoints are points of contact with potential and existing customers. At touchpoints customers interact with a company. The frame of reference for this is again the Buyer Journey, along which the many different contact points are located. The management of these touchpoints includes the entire spectrum of necessary measures, from identification, selection, and the content and technical use of these touchpoints, to the evaluation of the performance of the various contact points. The customer or user experience (CX or UX) results from this evaluation or the data generated from it.

2.3.39 User Experience

The term customer or user experience refers to the user experience in the sense of the experience or perception of the user. The term describes all aspects of a customer’s

impressions when interacting with a company, its points of contact and, in turn, its services, products, and services.

2.4 Summary

In this chapter, we have attempted to create a common basis of terms and related definitions for this book. We have tried to describe the B2B marketing ecosystem using these terms in an overview. In the many chapters that follow, the individual terms and related topics will be described and discussed in more detail by the various experts. With this B2B Marketing Ecosystem, we do not claim to be complete. Especially against the background of the enormous dynamics in this knowledge discipline, new technical terms and associated new definitions are created almost daily. In the context of this compilation, we have focused on the most essential and common terms in order to put them into context.

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Uwe Seebacher is internationally known as a methodologist and his work is also the basis for the Template-based Management (TBM) approach, which was first published in 2003 and continues to shape corporate practice today.

Seebacher is the editor of standard works in the field of management development, organizational development and marketing but also the world's first book on the subject of predictive intelligence.

The B2B Marketing Maturity Model: What the Route to the Goal Looks Like!

3

Uwe G. Seebacher



Success is no secret, but the result of many small steps. Success is defined differently for each of us. The younger generations in particular consider self-realization to be an important aspect of a successful and healthy life. While at the turn of the millennium, within the framework of the *New Economy*, it was the uncompromising pursuit of success that manifested itself in the many thousands of Internet start-ups and produced many 20–30 years old millionaires, today the signs of the times are pointing toward a rethinking toward deceleration and mental wellness (Seebacher and Auer 2003). The former status symbols such as a chic company car with a star or a cool company mobile phone are remnants of past years.

The company continues to develop. Values change. The entire being is exposed to an inherent dynamic. This dynamic is part of the environment and the current situation. In organizational research, the term contingency is used for this. Contingency theory can be divided into three basic orientations:

- Contingency theory in a broader sense with reference to evolution
- Contingency theory in the narrower sense with regard to management
- Contingency theory in the narrowest sense with focus on leadership theory

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Common to all currents is the thesis that any development is always related to a relevant regulatory framework. Conversely, this means that no development takes place completely autonomously and detached from an environment to be defined. The contingency theory of evolution is a macroevolutionary theory. It assumes that life on earth is predominantly dependent on coincidence in the sense of contingent events. The evolutionary contingency theory deals with the long-term geological forms of the origin of life and can be traced back to the New York paleontologist and evolutionary biologist Stephen Jay Gould.¹ The core message of his work is that any biological development in animals is always reactionary to a changing environment. The dynamics of the contingency situation thus led to the fact that evolutionary biology had to constantly come up with new things to keep the animals viable.

3.1 The Situational Approach

Contingency theory in the narrower sense is conducted as part of organizational research under the concept of the situational approach. The term situational approach was coined by the fourth generation of Astonians, Alfred Kieser, and Herbert Kubicek (Pugh 1988). Two basic theses (Schulte-Zurhausen 2005) characterize the contributions of the situational approach:

- Different organizational structures and different behavior of the members of the organization are based on different situations in which the companies find themselves.
- Organizational structures and behaviors vary depending on the situation in terms of their efficiency.

The situational approach thus defines that there is no stereotypical, ideal form for organizations. It was developed by British and American social scientists in the 1960s. The term contingency theory used in German is derived from the English term *contingency theory* (Singe 2011). Their investigations focused on the relationships between specific variables of the respective situational environment and the organizational structure and its efficiency. Each situation requires different forms of organization. The aim is to formulate design options and recommendations with regard to the ideal design of an organization in each case. This, in turn, is described by organizational and process structures, whereby

- Structural elements in common management practice are represented by organization charts and
- Process elements in modern organizational research can be mapped using processes and value chains

¹Retrieved April 22, 2020, from https://en.wikipedia.org/wiki/Stephen_Jay_Gould

These two structural dimensions mentioned above are to be regarded as the core elements when speaking of stringent, sustainable organizational development (Stahle 1994). Against this background, the situational approach attempts to justify different forms of organization with regard to their mode of operation in relation to their environment. The selection of the structural variant that best suits the situation of the company plays a decisive role here. The task of organizational research in this context is also to determine the situational variables that are considered relevant and to draw the right conclusions for organizational design. Stahle describes the topic as follows:

Organizations are constantly changing. If these processes of change are not intended, random and remain largely unnoticed, they are called unplanned change. Planned change, on the other hand, requires a conscious decision by the system to change its way of working or involves the decision to initiate a change process. The management tasks in such a change process are, however, extremely complex and can hardly be adequately described with a linear understanding of planning; rather, it is important that the management system also takes into account the fundamentally limited plannability of the social system organization.²

In the context of organizational development, a distinction is made between first-order and second-order change. First-order change describes change processes with only incremental modification. Only the way an organization works is modified without changing the existing frame of reference. This is the case, for example, when an organization grows purely quantitatively. The concept of organizational change to be applied is called *Organizational Development*. First-order change is defined as follows:

- Limited to individual dimensions or aspects
- Restricted to individual levels
- Change of a quantitative nature
- Change in content
- Continuity
- No change of direction
- Incremental change
- Logical and rational
- Without paradigm shift

One speaks of a second-order change when there is a radical, paradigmatic change in the way an organization as a whole works. In this case, the change in the frame of reference is also affected and the changes are qualitative. Second-order change does not refer to growth, but to development. Within the framework of second-order change, change occurs in the sense of the further development of an organization into a higher level of maturity. Organizational research in this respect does not only focus on the level of the organization as a holistic construct, but also on

²Stahle (1994), p. 849.

the level of the individual, the group, and also society. In an overview, second-order change can be described as follows:

- Multidimensional change
- Change affects all levels
- Change of a qualitative nature
- Change in context
- Discontinuity
- Establishment in a new direction
- Revolutionary changes
- Supposedly irrational through the perception of other rationality
- With paradigm shift

Argyris and Schön (1978) distinguish the following types of organizational learning for second-order change:

- Learning by error correction without changing the frame of reference (single-loop learning)
- Maturity-technical higher development of learning through modification or replacement of the frame of reference (double-loop learning)
- Meta-learning in the sense of learning how to optimize learning (deutero-learning) (Bateson 1972)

If one analyses the current geopolitical and sociopolitical situation on the basis of the models and theses described above, one comes to the conclusion that we are currently in a paradigmatic phase of change. Regardless of which model or theory is followed, a congruent picture always emerges. Thus Bell (1973) sees a postindustrial society and Toffler (1980) sees a third wave of change in society toward a dimension of virtuality that he could not yet grasp at the time and which did not exist at that time. Naisbitt (1982) was already right at that time with the ten megatrends, and Vester (1984) predicted a cybernetic age in the new territory of thinking, within the framework of which we are now rapidly migrating cybernetics into artificial intelligence (AI).³ From today's perspective, a fascinating retrospective leading to the validation of the hypotheses from the past twentieth century that has been cited. It seems as if one already knew everything back then and had already foreseen the approaching paradigm shift of a postmodern industrial society.

The term paradigm shift may seem generic. More appropriately, the current crisis of meaning in society can to a certain extent be used as a trigger for change. Topics such as climate change, CO₂ emissions, COVID-19, waves of refugees, brexite, conspiracy theories, and accusations against the World Health Organisation (WHO) by the USA states raise many questions and leave much unanswered. Crises have always been good change managers. Contradictions between observed empirical

³Retrieved April 22, 2020, from https://en.wikipedia.org/wiki/Artificial_intelligence

events and explanations offered by traditional knowledge and frames of reference have always been a solid foundation for reflection.

The trick is now, although the industry is in the midst of this paradigm shift, to identify the right models through an analytical view from a metaperspective in order to derive and define a future-oriented maturity model for B2B marketing. Such a model should not only be a frame of reference, but rather a pathfinder and companion to enable B2B marketing managers and their teams to best adapt to the changed requirements and to initiate and implement the necessary measures.

3.2 Organizational Etymology of Change

The etymology of organization is a new discipline in the field of research on organizational development. Similar to the field of language etymology, organizational etymology defines historical stages of development of organizations in order to explain their emergence. For this purpose, the developments in regard and relation to the following dimensions are examined and analyzed:

- The same specialist departments (organizational etymology in the strictest sense) in the companies
- The same specialist departments (organizational etymology in the narrower sense) in other companies and also in other economic sectors and
- Other departments (organizational etymology in the broadest sense) of all forms of organizations

This analysis of the developmental steps over time allows us to derive essential findings regarding organizational learning and its effects on the maturing process of an organizational unit. Various questions are examined, such as:

- What were the main impulses that led a department to develop into a higher level of a maturity model?
- What initiated different learning progresses?
- Were the learning progresses intrinsic or externally initiated?
- What are the different characteristics that distinguish individual degrees of maturity of the organizational etymology?
- What are the topic- or subject-specific characteristics of an organizational etymological maturity model?

In this organizational etymological examination, the structural variables of organizational development in the narrower sense (organizational and process structures) are to be supplemented by further characteristics of the content or subject dimension of the organizational unit to be examined. This is also the decisive difference between classical organizational development and organizational etymology. The latter enables the inclusion of subject-specific and situational developments in order to be able to consider the current state of research and development of relevant subject areas. Organizational development in the classical context does not take into

account the changing contingency situation. This leads to an only two-dimensional view—namely the organizational structures in the narrowest sense, the organizational and operational structure.

In order to do justice to the claim of the organizational etymology, the respective topic area—in this case, the area of B2B marketing—must be evaluated programmatically. The organizational etymological investigation in the broadest sense included the analysis of marketing structures of all economic sectors with special emphasis on the B2C sector as benchmark and best practice. This is again due to the findings of the previous organizational etymological work in the marketing sector, which made it clear to what extent and with what delay findings and models from the B2C sector would influence the B2B sector.

In the course of this work, the enormous West-East divide between the Anglo-American and the European economic area with regard to the level of development in the field of B2B marketing became clear. Analyses in the period 2017–2019 have shown that companies in the EU—with a few exceptions—have about 7–10 years to catch up with their industrial competitors in the field of industrial goods marketing.

3.3 The Five-Stage Marketing Maturity Model

Within the framework of organizational etymology, the focus is not only on current basic research, but also on the evaluation of current practice in terms of approaches, concepts, models, right through to instruments, products, and systems from relevant providers. With these findings, structures in the narrower sense can be consolidated with those in the broader sense (context structures) into a congruent frame of reference—the B2B marketing maturity model. This results in the following five development stages of the B2B Marketing Maturity Model (Fig. 3.1), which describes the development of a B2B Marketing organization:

- Stage 1: One-directional, reactive marketing (ORM)
- Stage 2: Bidirectional, reactive marketing (BRM)
- Stage 3: Interactive Marketing (IAM)
- Stage 4: Proactive Analytics Marketing (PAM)
- Stage 5: Predictive Profit Marketing (PPM)

In the following, these five phases are described and examined in terms of their characteristics. On the basis of these behavioral characteristics, a simple assignment of the respective marketing unit under consideration should be possible. In addition, the phase-specific challenges that need to be overcome in order to reach the next stage of development will be addressed.

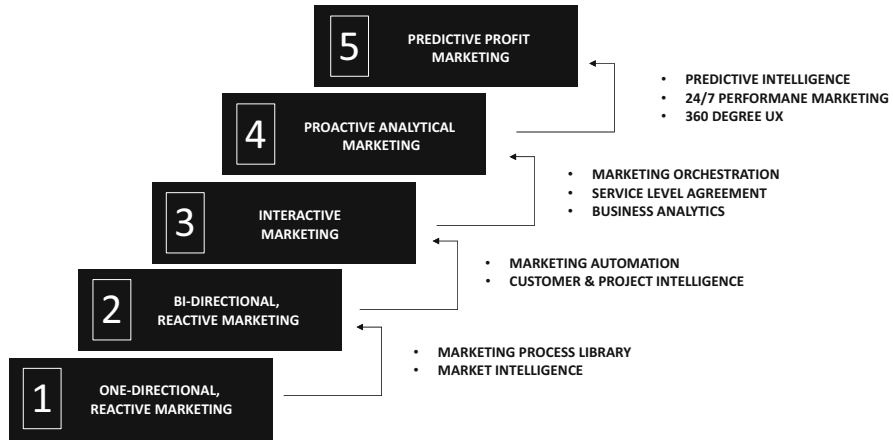


Fig. 3.1 Marketing maturity model by Seebacher

3.3.1 One-Directional, Reactive Marketing (ORM)

One-directional and reactive marketing can be defined as the stereotypical industrial goods marketing. The origin of this type can be found in the years when printing technologies modernized, and desktop publishing solutions established themselves in the market. Until then, corporate communications or public relations departments were charged with the technocratic presentation of product information in the form of sales brochures. Even today there are still a surprisingly large number of such relics from this time. For the new generation of millennials in the group of B2B buyers, these product catalogs are unattractive and incomprehensible. They contain every technical detail of a product from A to Z. The use of such documents in the sales process, which is still vehemently demanded by technical specialists, negates any knowledge of modern B2B marketing with regard to the changing information needs of potential buyers along the buyer journey.

However, the positioning of marketing departments, which are still in the first stage of development of the B2B maturity model, is not sufficiently developed. Marketing is therefore regarded as a workbench of sales. Against this background it is not surprising that marketing is not expected to place innovative, state-of-the-art findings of marketing research in the respective departments. At this point, it would be wrong to investigate the causes or look for culprits. From the point of view of organizational etymology, the first marketing departments were created during boom periods, and marketing was “done” as a sign that a company was doing well.

The tasks at that time consisted of organizing events in-house for the first time and thus ensuring that all sales-supporting documents and materials would be available in more or less appealing designs and always up-to-date. The aim was to relieve the sales department of administrative tasks. From this assignment, the corresponding classification from a structural point of view within the organization as an administration department, similar to the back office or sales assistance, was derived. This is

also evidenced by job advertisements from this period, if they are still available. Potential candidates at that time had to have either completed a commercial apprenticeship or a degree in journalism, graphics, or marketing. Prior experience was not required after graduation. Career starters were sought if not marketing positions were even filled internally with people in the administrative environment. In general, the decision-makers had little or no experience in dealing with this new field of activity for the industry. This was also the reason why the entire development of the marketing departments was always dependent on the respective manager. If the person in charge of the new position had a certain market or customer orientation, or a feeling for design and innovation, it could be assumed that the newly created marketing departments would develop positively in such an ecosystem.

These developments are congruent with the findings of the contingency theory described above in the narrowest sense with a focus on leadership theory. The decisive factor for the development of marketing in industrial companies was the respective manager and also the organizational integration of the department. Did the marketing department report to the CFO or the CEO? Reporting directly to the CFO inevitably led to very cost-conscious and economical marketing. In view of the CFO's financial goals, these were naturally also allocated to the marketing department assigned to him. If, on the other hand, marketing was attached to the CEO, it was certainly more strategic aspects that could be incorporated into the overall marketing. In addition, the power structure of the acting persons at board level also represented a factor not to be underestimated with regard to the development of marketing. A strong, long-serving CFO was able to release corresponding funds and resources more easily than a young financial manager or one who had only recently been appointed to the board. In any case, a CEO had more room for maneuver in his office to make investment decisions.

Ultimately, however, it was the person in charge of marketing who was largely responsible for how the department would develop. As in all areas of life, it depended on what was made of it. A marketing manager who acted stringently and competently was able to secure an appropriate position in the organization over time. Depending on whether he or she was reactive or proactive, whether the goal was to climb the career ladder or to secure a secure job while minimizing risk, marketing in the company also developed further or not.

3.3.1.1 One-Directional Marketing

One-directional marketing means that marketing responds to acclamation. In this context, *one-directional* as a term refers to the direction of the respective communication. Marketing is a recipient of information and is considered to be a pure recipient of orders. The various departments in the organizations only turn to marketing when there is a specific task to be performed. In addition to the task in terms of content, the organizational and qualitative aspects are also part of unidirectional communication. For example, the content details for brochures or the exact deadlines for the delivery of the commissioned product brochure or sales presentation by the internal client are communicated to Marketing. Marketing is informed and must react. Marketing is not expected to make suggestions for improvement on its part.

The organizational philosophy behind this model is the view that all knowledge is reflected from research and development to product management and sales, so that marketing as an internal workbench is only charged with the task of working in and out. The budgets for marketing are set by the other departments because that is where the money is earned.

3.3.1.2 Reactive Marketing

Based on the fact that marketing in the first stage of development is unidirectional, the logical consequence is that marketing can also only be reactive. Since marketing is only interpreted in an executive manner, it is not part of marketing to define concepts, campaigns, or strategies for a certain period of time. This forces B2B marketing into a functionally purely passive role. As a result, it becomes a dangerous cocktail and vicious circle for the marketing department.

The work of Nefiodow and Nefiodow (2014) on the Kondratieff cycles has shown that the deficits in methodological and structural competencies affect all parts of organizations. This means that, for example, areas such as product management or sales do not operate in a structurally stringent manner within the internal relationship. In operational terms, this means that inquiries and orders to marketing are incomplete, unstructured, and in most cases passed on very late or even too late. In most cases, this seemingly unorganized approach is of course not based on bad intentions, but it is the nature of sales to proceed intuitively and situationally. Successful sales must be flexible and agile in order to be able to adapt to constantly changing conditions or to respond to customer wishes. It only becomes critical when there is a need to work efficiently and effectively with other departments, as interfaces inevitably arise. Unclear tasks or incomplete information at these interfaces result in errors, inefficiencies, and redundancies.

In addition to these short-term organizational problems, such a situation leads to the fact that marketing is more and more in a figurative sense “on the back burner”. Marketing is only a passenger and more and more the driven one. Unclear development with deadlines that are too short, which are being approached by more and more departments in the organization, put marketing in a constant struggle for survival. A highly esteemed colleague from France describes the situation like this:

We just do more firefighting. We're just trying to keep all the balls in the air. This is very frustrating because it seems to our colleagues that we are not in control of our tasks and things. But the problem is that we get orders at too short notice, unclear orders but when we ask for clarification, we don't get any answers. Then there is radio silence, because it seems that the circumstances have changed again – but suddenly out of nowhere something ready is needed tomorrow!

From a systemic point of view, this is a vicious circle from which marketing cannot break free unless the system is fundamentally changed. The fallibility and inadequate organization of other departments are extrapolated to marketing, outsourced, so to speak. From today's perspective, this principle could be called the “Trump Principle,” which is based on covering up one's own incompetence by pinning others down. By redirecting the focus of the environment from one's own fallibility to any other focus, even with fake news, one can ideally distract from one's

own problems and shortcomings. Tasks that are unclear, imprecise, and commissioned too late within the company are de facto such a change of perspective, since ultimately the problem becomes latent when marketing does not deliver within the given time or delivers impure results.

3.3.1.3 The Way Out of the Trap

The question is how marketing can free itself from this “catch 22 situation.” This would mean, on the one hand, solving the internal inefficiencies and, on the other hand, building on that, developing toward the second development stage of B2B marketing. As most of life, the solution is more than simple. Marketing must start to structure and document its own homework. This means that all marketing activities must be written down in a precise documentation. So-called flow charts are recommended for the presentation,⁴ as they are also used in the field of engineering. This means that such flow charts for the marketing processes can be communicated very quickly and easily to engineering colleagues. The creation of such a marketing process library has many advantages:

- As part of the creation of a *Marketing Process Library* (MPL), the marketing department and all members of the team deal with their own processes in great detail. The knowledge of all activities running in the team but also and above all the structured thinking in processes is trained and deepened. This is the basis for methodological and structural competence. A first version of such an MPL has on average between 50 and 80 pages. Common practice has shown that MS PowerPoint is a very suitable format for such an MPL.
- These process descriptions must also contain exact time specifications and durations with regard to the introduction of work orders, their processing, and their delivery. This information is essential to provide internal customers with transparency regarding deadlines for submission and lead times. This information prevents ambitious colleagues from submitting work orders to marketing at short notice and too late in relation to the defined lead times. If this should happen, Marketing can refer to the Marketing Process Library and record any non-compliant work orders with the reference that they are trying to insert the order so that it can still be delivered on time—but without guarantee. It is crucial that the marketing manager, if necessary, uses the appropriate leadership authority to strengthen and protect the position of his or her team. A manager who does not perform this function will not be able to lead his or her team to the next level of development of the maturity model due to a lack of leadership skills.
- The creation of the MPL also creates enormous transparency. Very often it happens that ambiguities and redundancies are identified in the team by comparing activities. In this way, the various positions, roles, and activities are analyzed and defined in relation to colleagues or other fields of activity within the team. In this way, processes are optimized, and clean interfaces are defined.

⁴Retrieved April 23, 2020, from <https://en.wikipedia.org/wiki/Flowchart>

- The preceding activities are also a good starting point for optimizing and adapting the existing *Job Descriptions*, if any are available. If not, an essential next step is to write a set of job descriptions for all positions of the marketing team. The system for creating these job descriptions should follow the principle of the target pyramid, in which from top to bottom the departmental goals of the marketing manager are divided consistently and congruently between the operative and lower levels. This results in a consistent system of objectives, which in turn can be made measurable in terms of annual targets to be achieved using clear KPIs.

Such Marketing Process Libraries are already available in the market as pre-developed sample libraries that can be purchased by companies. This shortens the entire MPL development process as these MPL sample documents must only be revised and adopted to the specific organization. Even though these libraries are not cheap they are worth their money in regard to enabling a quick MPL release and also as they provide a good and sound foundation for successful B2B marketing departments (Fig. 3.2).

3.3.1.4 Structure Leads to Sovereignty

Once you have completed these steps, you can assume that the marketing manager himself, but also the entire team, knows your department very well. Conversely, this means that this inner clarity with regard to tasks, roles, and responsibilities in the external relationship allows a much more stringent and clearer approach in dealing with internal customers. This leads to an increasing sovereignty in dealing with unclear or late ordered activities by internal customers, as long as the person responsible for marketing is prepared to represent the department to the outside world in order to protect his own employees. Such a manager is indispensable to develop with the marketing department toward the second stage of the *Marketing Maturity Model*. With regard to the time horizon for this step, it is again necessary to analyze the maturity level of the entire organization. Based on the situational approach, two different scenarios can be assumed:

- Scenario 1 defines an early stage of maturity with regard to organizational structures: Such organizations can be recognized by the fact that organizational charts are available but inconsistent and not thought-through to the end, job descriptions are only used sporadically and not comprehensively, and competence and requirement profiles are almost never found in the organizations.
- Scenario 2 defines an already highly developed frame of reference of organizational structures and defines organizations that have established and actively use organizational charts, processes, job descriptions, and annual target agreements as well as competence models for target and actual requirements for positions in the company. The active use can be defined by the fact that such structural documents are continuously evaluated, developed, and used.

On the basis of current organizational research, the majority of industrial companies are found in scenario 1. However, it is interesting to note that in both scenarios, the establishment of the basic structures in the marketing department

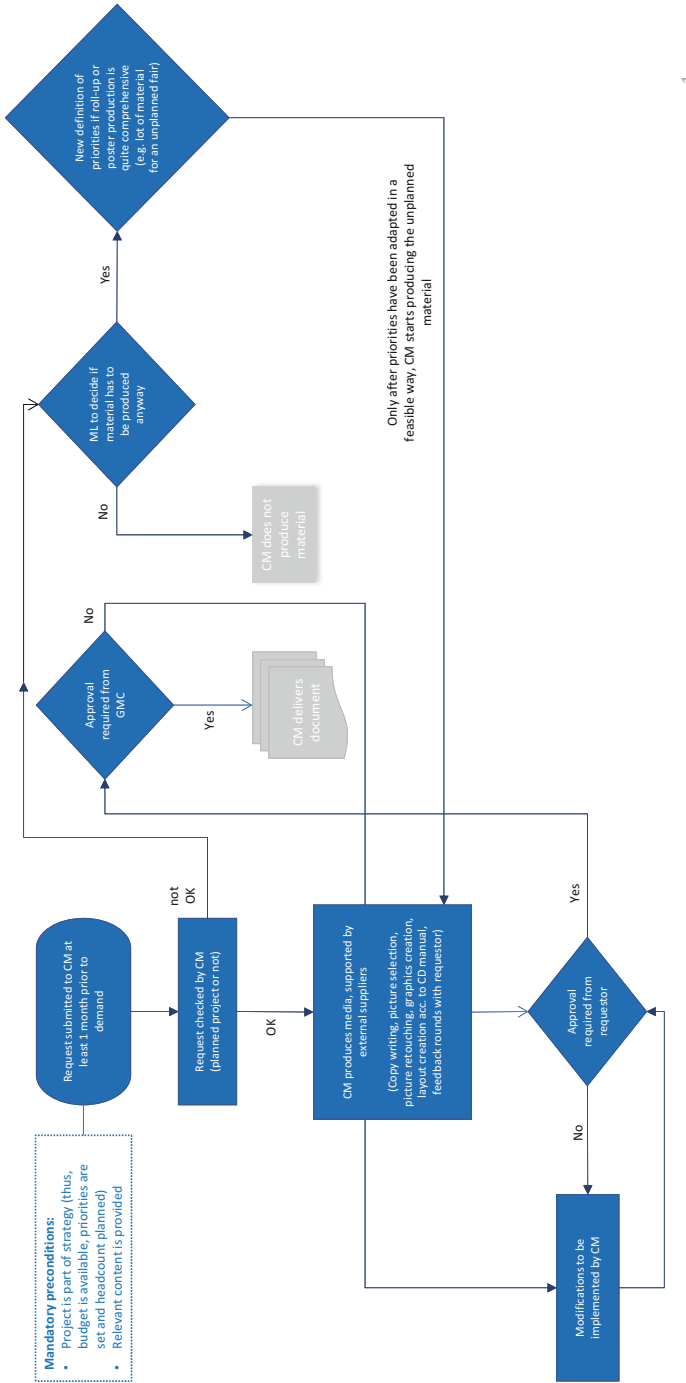


Fig. 3.2 Marketing process library sample page by Seebacher

described above will very quickly lead to or enable a development to the next level of the marketing maturity model. The reason for this is that in companies with a poorly developed structural frame of reference, the suddenly very clear, transparent, and developed organizational structure in the area of marketing represents an enormous advantage from a strategic point of view. Because the marketing structures make it clear that the departments of the internal customers of marketing have corresponding structural weaknesses, precisely in the sense of imprecise and short-term inquiries. It is therefore easy for marketing to confidently represent its own position and to show who causes complications. The driver for the development toward the next stage of marketing is thus the resulting structural gap that develops between marketing and the other internal areas or departments of an organization. This development theory is confirmed by consensus on the basis of international benchmarks from the Anglo-American area and the benchmarks in the EU, which can be counted on one hand.

3.3.1.5 Structures Are the Basis

At first glance, the situation is anticipated differently in the environment of companies that are very advanced in terms of their organizational structures. Researchers assume that the development of marketing-relevant structures in a highly developed structural environment does not lead to the desired changes in terms of reaching the next level of the marketing maturity model. The theories are based on the assumption that already highly developed structures are less permeable to newly developing frames of reference. This means that against the background of the comprehensive structural competence available in such companies, the new marketing structures would be scrutinized and evaluated very carefully. The suddenly emerging new frame of reference of marketing structures is perceived as competition and as a threat to established and traditional structures.

The practice is different in this respect. In the environment of companies with already pronounced structural and methodological competence, new, transparent structures of marketing departments lead in most cases to a positive perception and thus to an optimized positioning in the respective organizations. With the help of contingency theory, this can be explained by the increasing convergence of the structural maturity levels inherent in organizations. In a figurative sense, everyone in the organization begins to speak a common language, which in turn has a positive effect on the whole.

In summary, three essential elements are necessary to enable the development step toward phase 2 of the marketing maturity model.

- Marketing Process Library (MPL)
- Job descriptions (JD)
- Annual target agreements and employee development dialogs

These documents should become part of the day-to-day operations of the marketing departments. These documents must be the constant reference

(continued)

and regulatory framework for B2B marketing departments. The content must be communicated throughout the entire organization and stored in a transparent way so that it can be viewed by everyone. In addition to these important content elements, it will ultimately be the marketing manager who will decide whether or not to remain at level 1 of the B2B marketing maturity model. The internal customers will of course do their utmost to ensure that the new rules of the game do not take them out of their comfort zone. Several attempts will be made to break through and negate the new structures in the old manner. Here, the marketing manager has to counteract and confidently represent his own point of view and the new structures.

3.3.2 Bidirectional, Reactive Marketing (BRM)

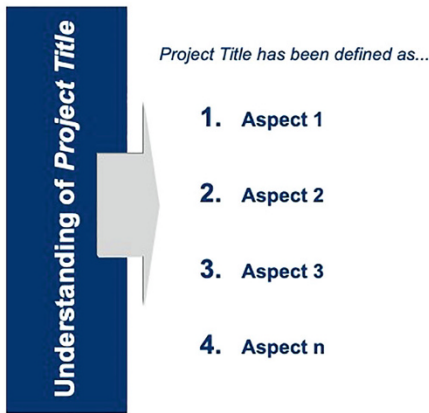
Without a doubt, the development from the first stage of maturity to the second is the biggest challenge. Because for all those involved, this means a paradigm shift. In addition, there is, of course, a lot of work to be done before the wage, to create the relevant documents cleanly and consistently in addition to the daily work and then to communicate them into the organization. Once this has been achieved, however, many positive things will automatically result if B2B marketing continues to act in a stringent and congruent manner.

3.3.2.1 Life Becomes Easier

With the structures now established, the perceived “supine position” and “firefighting” will decrease. This is because fewer and fewer orders that are insufficiently formulated or submitted too late will reach marketing. In terms of organizational psychology, this can be explained by the learning organization. This original form of the learning process in organizations happens on the basis that errors are recognized as such. Now, by making it clear to internal customers, based on their own structures, those inquiries are imprecise and unpunctual, these mistakes are made clear to other departments. Nobody likes to have their own mistakes brought to their attention. This circumstance is based on the psychology of the individual. As a result, internal customers are educated to always formulate orders to marketing in a precise and timely manner.

Marketing can support this learning process by itself. With reference to the knowledge of method consulting (Seebacher 2005) and template-driven management (Seebacher 2020), marketing can extend the defined processes with so-called templates in the second development stages. These templates pre-structure individual work steps for users so that they can document the required information step by step by filling the templates. The use of templates offers enormous advantages for all those involved. Because marketing defines exactly what kind of information is

Understanding of *Project Title*



1

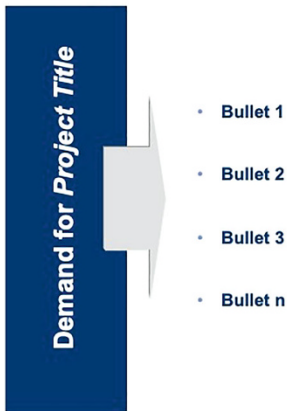
Fig. 3.3 Understanding template (Seebacher 2003)

required for certain activities, such as campaigns or branding measures, internal customers—even without being brand experts—can easily provide the relevant information in sufficient detail. This approach minimizes loops and ensures an efficient process. The use of templates helps internal customers enormously and thus contributes positively to the positioning of marketing as a proactive and empathetic service provider in the company. The highest premise must be that all departments interacting with marketing must be able to use the maximum possible amount of available time to fulfill their core tasks. Inefficient processes with regard to the preparation of sales-supporting marketing measures would be more than counterproductive in this respect and must be avoided and eliminated urgently.

The following series of templates is taken from my book “Template-based Consulting” (Seebacher 2003). Due to the increasing demand we will publish and edited, and updated version called “Template-based Management” in late 2020 or beginning of 2021. The series of templates shows how such templates as always follow the “keep it simple and stupid” (KISS) principle because they then can really great substantial added value. The series shows how new projects can be drafted for evaluation and approval (Figs. 3.3, 3.4, 3.5, 3.6, 3.7, and 3.8).

By applying templates for the pre-structuring of gathering the required information, the time for coordination, discussions, and meetings is also significantly reduced. Conversely, this means that more time is available for operative work. For all those involved, this can significantly increase process efficiency. For marketing, this means that the initially perceived “supine position” is gradually transformed into—metaphorically speaking—“upright” one with considered and thoughtful execution of the defined activities. For the first time, the entire marketing team will have

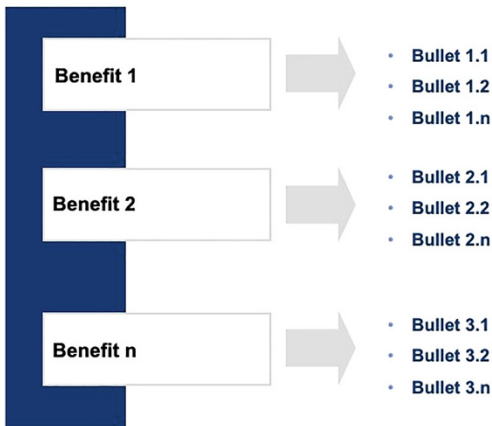
These Aspects Reflect The Ever More Growing Demand for *Project Title*



2

Fig. 3.4 Demand template (Seebacher 2003)

The Growing Demand Leads to the Following Benefits for the *Project Title* Initiative



3

Fig. 3.5 Benefits template (Seebacher 2003)

the feeling that they are not completely overwhelmed and are working at 200% capacity. Templates can be used for everything as some more specific samples such as for events preparation (cf. Fig. 3.9), persona mapping (cf. Fig. 3.10) or template-based marketing automation campaigning (cf. Fig. 3.11) illustrate below.

Project: *Project Title*

Sponsor/ Owner	NN
Project Manager	NN
Project Team	To be defined
Objective Summary	<ul style="list-style-type: none"> • Objective # 1 • Objective # 2 • Objective # n
Project Status	To be defined
Nature of relationship with other projects	• To be defined

4

Fig. 3.6 Project overview template (Seebacher 2003)

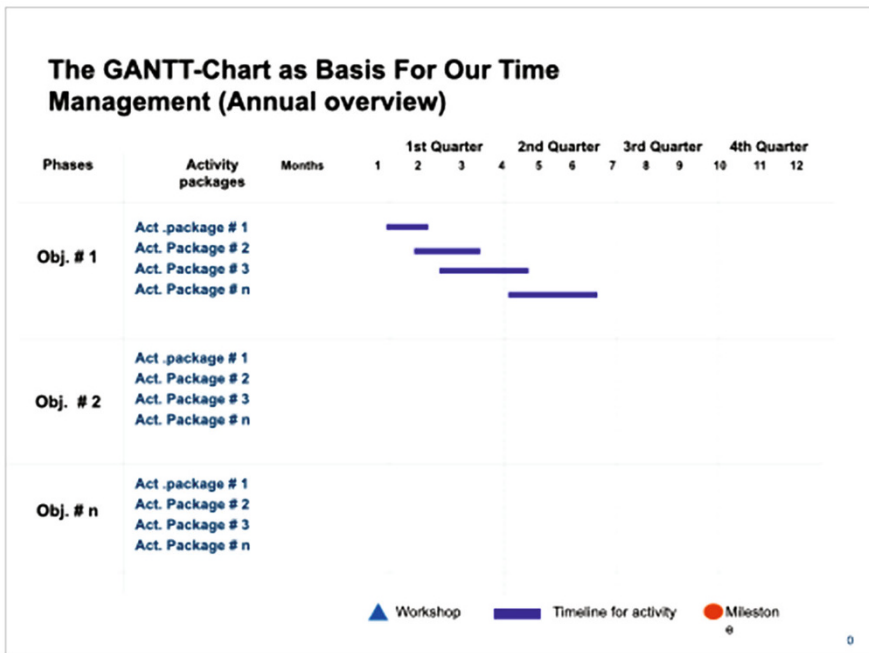


Fig. 3.7 Overview project Gantt chart template (Seebacher 2003)

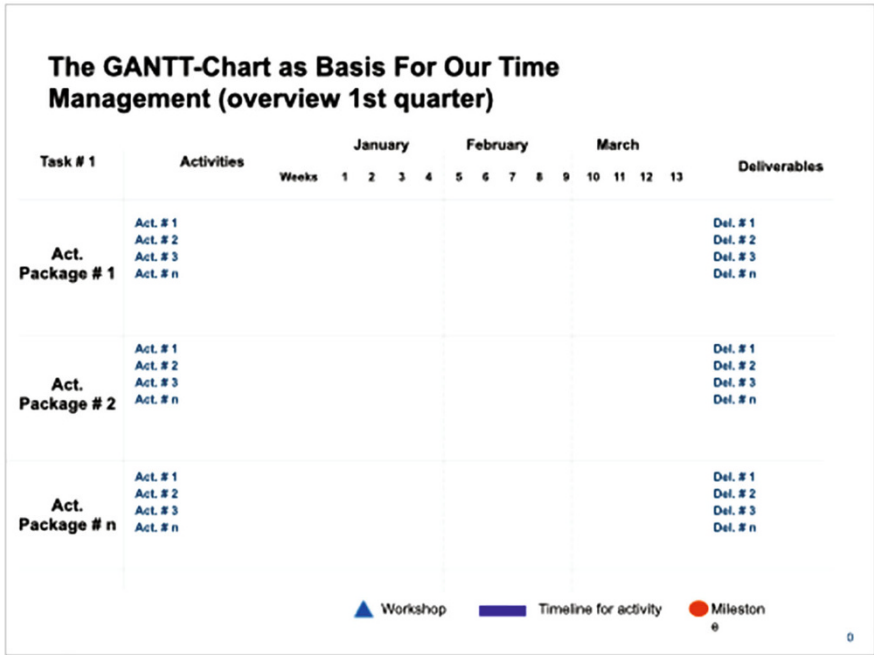


Fig. 3.8 Activity-level project Gantt chart template (Seebacher 2003)

EVENT PARTICIPATION

Request form

Name (requesting person):	Date of Event:
Event type: <input type="checkbox"/> Exhibition <input type="checkbox"/> Customer Day <input type="checkbox"/> Conference <input type="checkbox"/> Other _____	Allocated Budget:
Event Name:	Number of Visitors expected:
Industry:	Reason for Participating:
Location of Event:	Number of Visitors expected:
	Number of expected Lead Generation:

Fig. 3.9 Event preparation template

Persona Mapping Template

Overview of key contacts that play a role in the buying process:



*Influence grade from 1 to 5 (where 5 is the highest value).

1

Fig. 3.10 Persona mapping template

MARKETING AUTOMATION - CAMPAIGN TEMPLATE											
Requested by: Date of request: Goal: Why (Key Performance Indicators): Market(s): Priority: Targeted segment: Total of active business contacts (if applicable): Customer(s) since (if applicable): Value of opportunities: Value of win opportunities: Applicable CRM System: Sales Manager: Personnel: - call list - reference to purchase - Purchase history - previous purchase price - Business card time - Products or Services: - Selling points - References or additional info: Information requested from target audience: Sales Accepted Lead: Champions involved: Counterpart from Champions (if applicable):	FILLED-OUT BY SALES			FILLED-OUT BY MARKETING							
	Persona A	Persona B	Persona C	Market Campaign Manager: Potential Start/End date: Potential budget: MKS Number: Campaign timeframe: Program name: Existing program template: Channel: Quantity of marketing assets: Language: Description:	Channel	Website	Landing Page	LinkedIn	Webinar	Trade show	Media Partner
				Available marketing resources: - Selection: - Quantity of marketing assets: - Language: - Description: MPL: Marketing Qualified Lead:	Channel	Website	Landing Page	LinkedIn	Webinar	Trade show	Media Partner

Fig. 3.11 Marketing automation campaign template

3.3.2.2 Self-Pity Is Fatal

Time and again, you hear from esteemed marketing colleagues that your own marketing team is far too small for the constant number of activities to be completed. Often this circumstance is used as an excuse for the inability of the respective marketing executive to perform. From the point of view of this publication and the whole approach of modern B2B marketing, this tactic must be clearly rejected and negated. It is like blaming top management for the fact that too small budgets and resources are made available for marketing. From the point of view of top management, however, this is more than understandable, because no one would grant additional resources and budgets to a marketing department that is outwardly completely overburdened and not stringently organized. Because with the statement that one would have too few resources, marketing agrees with the general tenor of the entire organization after the unfounded and in most cases not even economically verifiable increased resource requirements and thus disqualifies itself.

To avoid this, marketing must do its own homework. In this way, it is possible to prove to top management that one is realigning oneself and is doing everything

possible to contribute to the company's success in a cost-optimized, sustainable manner. All this takes time. But constant dripping wears the stone. Gradually, the picture in terms of marketing will change within the organization. Marketing is perceived as an open, positive, and dynamic group of proven professionals. More and more often marketing is invited to meetings but also to projects in order to sit at the table and, if necessary, to contribute their expertise accordingly.

From a psychological point of view with regard to the marketing team, it is crucial for the responsible marketing manager to continuously communicate the stringent positioning of the entire marketing as an internal service provider. However, in order to perform this function professionally, it is necessary that the entire organization adheres to the defined processes and associated templates, as well as time limits and specifications, in the interest of the internal customers of marketing, and in accordance with the defined processes and associated templates agreed upon with the various departments. Only when all departments of an organization do their homework properly, only then can an organization as a whole begin to function efficiently and successfully. The organization is only as successful as the weakest link in the organizational value chain.

3.3.2.3 Bidirectional Marketing

If marketing was only the recipient of information at the first stage of maturity, the position changes in this phase to communication in both directions—toward marketing but also from marketing into the organization. This is done with the templates described above, which aim to facilitate the processes running across different departments by means of predefined content specifications in their handling. One example of such a template is a template created in Microsoft PowerPoint for the preparation of an event (cf. Fig. 3.9). With this template, the regional sales director is guided step by step through the process of answering and thus providing the information. Similar to a checklist, the marketing department asks for all necessary information, and a discussion or meeting can be avoided. Depending on urgency and availability, the sales representative can fill in the template on his own and forward it to Marketing.

This simple measure alone can save between 2 and 3 h per event. Another example of the use of such a template is the use of templates in the preparation of specific lead generation or general marketing automation campaigns (cf. Fig. 3.10). The sales staff can take advantage of corresponding templates from marketing and define the essential criteria of a campaign to be launched in a short time. Marketing evaluates this information and checks and optimizes it based on existing values and experiences from other similar campaigns. In this way, campaigns can be designed and prepared for payout within a short time. In this case, the time saved per campaign—based only on the process of conception—is between 40% to 60% or more.

Due to the increased perception and competence of marketing within the organization, a continuous exchange in the sense of dialog is gradually developing. B2B marketing is changing from a mere workbench to a sparring partner valued within the company. Marketing is heard in the company. The expertise of marketing is

taken into consideration by colleagues from other departments and for the first time accepted as valid feedback from marketing. In this phase, it is crucial for the marketing team to listen, understand and always communicate to the counterpart that marketing can only support you as well as it is provided with sufficient and consistent, timely requests and information from other departments. If inquiries are always made at too short notice, it is and will not be possible for marketing to provide well-elaborated concepts and content. Within the scope of the responsibility toward the entire company, it is therefore the task and obligation of all those involved to contribute to ensuring that everyone can complete the tasks assigned to them in the best possible way. This is only possible if each department does its own homework properly.

However, the big difference between the second stage of development and the third stage of development is that marketing still reacts. This means that there is no continuous bidirectional conspirational exchange. Interaction and communication always take place on a case-by-case basis in the context of executing orders transferred to marketing. Within the framework of this execution, feedback from marketing with regard to suggestions for improvement in execution or implementation is permitted and also evaluated. If necessary, these suggestions are accepted and taken into account in the course of further implementation. If marketing succeeds in documenting all activities in terms of both quantitative and qualitative dimensions, thus demonstrating that deliveries are always on time and within budget, this will have an additional positive effect on the development toward the third stage of the Marketing Maturity Model.

In addition, repeated good feedback from internal customers will lead to marketing being involved at an earlier stage in the various activities and processes. The background to this is simply that people are beginning to perceive marketing as a unit that adds value and, above all, to accept it. The step toward the next stage of development thus begins in the operational area. This is when more and more colleagues from other departments ask marketing to participate in planning and concept discussions. If these requests become more frequent, then B2B marketing is on the right track.

3.3.2.4 Business Intelligence and Analytics

This phase should also include the first steps toward professional data management at the latest. The relevant keywords or topics are:

- Market data
- Customer data
- Competition data
- Economic data
- Project data

Long-term successful B2B marketing also has to occupy and master the subject area of data per se but also its management. Modern marketers must be able to provide information on any question of corporate planning using up-to-date and

valid data from the various relevant sources. When it comes to economic developments or market potential, it is common practice that either very expensive external studies and analyses are commissioned, or many weeks pass until the relevant information and evaluations can be made available. In the second case, everything takes too long and in the first case, the delivered results do not meet the expectations of the client in most cases. Experiences and studies show again and again that today's industrial value chains are too diverse and complex to be analytically penetrated by sector-neutral or non-sector-specific analysts and consulting firms in a short time and to be implemented in a correspondingly reliable manner.

Therefore, the goal must be to build up this competence in the long term for the company in marketing. How this is possible without large investments is described in the corresponding article in this publication on the subject of "Central Business Intelligence" by Lukas Strohmeier. The first step is to identify the relevant industry-specific databases. With the help of these data, market-related data can be continuously evaluated and quickly played out in the event of internal inquiries. Crucial for long-term success is the right data structure in the form of an N-2-N link between country, industry, and application. By means of this data structure, additional databases with reference to economic data, competition data, and also project data can be integrated into the multidimensional data cube thus created. This data construct is called Market Intelligence Cube (MIC). Such a MIC is the key to moving from Business Intelligence (BI) and Business Analytics (BA), the evaluation and processing of data from the past, to Predictive Intelligence (PI) and Predictive Analytics (PA) (Seebacher 2021). PI and PA use data from the past and dynamically evaluate changes to it. From a mathematical point of view, this is done using the second mathematical derivation, which maps increases and decreases in values. This data, which is obtained by regression, and its changes are then extrapolated into the future. Put simply, based on the data from the past, corresponding trend lines are created for a defining point in time in the future. Combining the various data dimensions, such as economic developments, market developments, but also country-specific data on imports or exports, political indicators of stability or destabilization, the Ease-of-Doing Business Index, statements can be made on future developments for countries, regions, but also industry and its sub-sectors. This results in a forward-looking presentation of developments on the basis of which corporate strategic decisions can be made.

With this competence in the area of PI and PA, marketing will have to be involved in the long term in preparations for management decisions, whether short-term or long-term. B2B marketing will thus have the appropriate competence to map decisions by relevant data in the form of scenarios and thus be a pathfinder and supporter for valid, risk-minimizing strategic decisions for the business unit or the entire company.

The first success factor at this stage of the Marketing Maturity Model is the stringent work according to the defined structures. The marketing manager has to support his own team in order to defend these structures and the team in case of attempts to infiltrate these structures by colleagues from other departments. Another important element in this phase is so-called templates for pre-structuring content elements and information. These templates make it easier for internal customers to provide the necessary information and also significantly help to make work processes lean and efficient.

This topic area also includes the development of competence in the field of Business Intelligence. This process runs alongside and the speed will naturally depend on the general workload. The faster one moves from the “supine” position toward the “upright” position, the more time will be available for the development of BI.

The second success factor is the establishment of a monitoring system. In this phase, marketing must begin to establish the necessary structures to enable comprehensive monitoring of its own performance. This monitoring must prove that marketing is performing 100% in terms of both time and budget. Top performers among marketing managers enable their teams to continuously undercut the defined budget by 10–20%. In marketing, too, substantial part of the profit lies in purchasing.

The third success factor is “accessibility.” Inquiries of any kind must be answered by the entire team within the shortest possible time. The marketing team must always be one step ahead of all other departments. Marketing must be ready at all times. Invitations and requests for meetings have to be accepted urgently in this phase to show presence in the organization as a service provider.

3.3.3 Interactive Marketing (IAM)

In most cases, the step to the third level of the Marketing Maturity Model will be made unconsciously. In general, passing through the Marketing Maturity Model is a natural and incremental process anyway, because organizational learning and the learning of an organization are natural, evolutionary processes. These processes are not stringent and digital. In this context, it is important for B2B marketing staff to keep a critical eye on developments. It is a matter of evaluating one’s own position from a helicopter perspective—Seebacher in 2003 introduced the term *Dual-Level-Coaching* (DLC)—in terms of the positioning of marketing and its change over time as part of the organization. The questions that are asked must be:

- Are things developing correctly and is the appreciation of marketing increasing?
- How is the feedback and expertise of marketing received?
- Is marketing integrated into activities and processes at an ever earlier stage?
- Is marketing invited to regular management meetings?

- What is the interpersonal relationship with the marketing manager(s)?
- How often do the marketing manager and his or her supervisor meet?
- Does marketing have a slot in all management meetings to report on current developments and topics?
- Has the number of imprecise and too short-term requests been minimized or even eliminated completely?
- What is the general approach to marketing staff—respectful or disparaging?
- What and how is the marketing department discussed in informal talks?

These questions can be discussed again and again in internal marketing team meetings. In general, a good and collegial atmosphere within the marketing team is a decisive factor for success. Interactive marketing in the sense of the third stage of the *Marketing Maturity Model* is characterized by the integration of marketing in more and more operational areas of the company, which is now considered natural. Marketing has acquired the position of an important companion, who is involved in activities from the beginning in order to benefit from expertise. However, interactive marketing also means that new impulses are constantly being given by marketing with the aim of making the potential of modern B2B marketing available to the company step by step. In this respect, the art is to be aware of the paradigm shift in the sense of the enormous changes for the organization. It does not help if at the end of the day you have reached the summit of the Himalayas alone and your colleagues in other departments have fallen by the wayside. Coordination, information, and communication are the three pillars on which you must build your long-term triumph of successful B2B marketing.

Industrial goods marketing is currently undergoing an extremely rapid process of change. This dynamic represents an enormous challenge even for proven B2B brand experts. New terms, new products, and new systems are constantly being developed. In this context, it is crucial to be aware that colleagues with a technical background generally have little knowledge of marketing due to their education. This in turn means that B2B marketing will only be able to exploit the full potential in and for companies in the long term if the technicians and engineers in the research and development, product management, or sales and distribution departments are informed and trained in B2B marketing. Ignorance creates uncertainty and therefore it is necessary to make every effort in this phase of the maturity model to communicate and interact intensively with the organization.

Use every opportunity to exchange ideas with colleagues from the technical departments. Use the division-specific intranet to establish a B2B marketing database that is accessible to the entire organization. Post current interesting articles on a regular basis, which give your colleagues the opportunity to expand their own knowledge of the potential of B2B marketing. Transparency creates trust. Trust is necessary so that your internal customers are convinced that marketing is ultimately the highest premise of your own actions, with a stringent focus on business success. In this context, earning the trust of other departments also means always communicating the following core message: Marketing is aware of the responsibility and obligation to use the money earned through sales in a responsible and always

cost-optimized manner in the interest of the company's success. Communicating and positioning this and similar statements in the future is crucial for further development.

3.3.3.1 Marketing Automation

At the latest during this phase, marketing automation must be successfully introduced. Helpful are the various articles in this publication, which comprehensively describe different aspects of this topic area from preparation, selection to implementation of an appropriate solution. Depending on how quickly the initial work of stage 1 of the *Marketing Maturity Model* takes effect, it could also be that you already have free resources in stage 1 to start the preparatory activities for Marketing Automation "under the radar."

In any case, it is advisable to start actively using the relevant social media channels in order to slowly introduce terms such as focus campaign, buyer persona, demand generation, lead nurturing, marketing qualified lead or story telling in cooperation with the relevant sales colleagues and product managers. Findings of the organizational etymological work from 2017 to 2019 have shown that some companies have very actively used campaigns in B2B social media channels during the comprehensive selection phase of Marketing Automation solutions, as pioneers for the subsequent integrative use of such social media channels as part of Marketing Automation campaigns. In addition to providing knowledge and developing awareness of the new B2B terminology, the campaigns delivered impressive results in a short period of time. This in turn led to other sales colleagues launching similar campaigns in their regions, just as successfully.

Through these simple and extremely cost-effective measures, the sales department was quickly convinced of the usefulness of modern B2B marketing and thus also of marketing automation. Such quick wins have to be sought and realized again and again during the entire journey through the different stages of the maturity model. The secret lies in showing in detail how something can work, and building on this, rolling out the pilot model over a large area. An essential part of these successful social media campaigns were also the templates used, which enabled the sales department to provide the relevant information regarding the campaigns easily and quickly. It became clear to the sales department that marketing was no longer a burden, but on the contrary an enabler with the constant desire to make life easier for the colleagues in sales by providing appropriate, well thought-out assistance.

3.3.3.2 Change Management

The journey through the *Marketing Maturity Model* represents a change process for everyone involved. The entire marketing team, and especially the marketing manager, must always be aware of this, because within the framework of this process, the knowledge and experience gained from the corresponding change management

concepts also apply.⁵ The basic principle of change management divides the employees of an organization undergoing change into three groups:

- Twenty percent are open for change (the changer).
- Sixty percent are neutral to change (the Wait and See).
- Twenty percent are in principle against change (the blocker).

In a figurative sense, this means that 20% of the employees within a company are positive and open to change. They are open and interested. They are the people who need to be approached in order to introduce new things or renew traditional processes. This group of people also included the first sales employees who had implemented so-called focus campaigns in their sales regions. In terms of marketing, this means that it is crucial to put colleagues in other departments in the best possible order with regard to the subdivision described above. An ideal candidate for pilot measures is a colleague who is among the 20% who are generally positive about change, but who also has a corresponding standing within his colleagues, either because many years with the company or because of his competence or success.

If successful pilot tests are carried out with such colleagues, then these colleagues become ambassadors of change, because they carry the information about the successful marketing pilot test into the organization. One could also call these colleagues influencers, as they act as internal multipliers from now on. Later on, this group of colleagues will play a decisive role, because they will contribute significantly to the fact that the majority (60%) of the people who are neutral toward change will be positively influenced in terms of B2B marketing. The goal is to get the 60% of neutral people to the 20% of “changers” as quickly as possible in order to be able to go the way together toward modern B2B marketing with a substantial influence on the generation of turnover.

Against this background, however, it is also important to give the 20% of those who refuse a wide berth, because any attempts to persuade them to change will fail. With this group of persons, it behaves similarly as with vaccination opponents. Even if recognized experts argue with accordingly provable facts and refute the arguments of the vaccination opponents, strict vaccination opponents always pull new, obvious fake news and conspiracy theories from the hat, in order to insist on their opinion.

In order not to waste energy and power unnecessarily, it is therefore necessary to think very carefully about who in the company or organization is to start which pilot or project with whom. This not only makes marketing life much easier, but also increases the speed of change sustainably. “The Human Resource Challenge” (Seebacher 2002, p. 153ff) describes very precisely the underlying mechanisms of change management in relation to people and offers a model for proactive people and competence management as part of change management (Seebacher 2002, p. 101ff).

⁵Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/Change_management

The phase of interactive marketing is aimed at gradually expanding the sphere of influence of B2B marketing. The decisive factor is the consistent and confident appearance of the entire marketing team. Ongoing reflection on the situation in terms of changing the organization's perception of marketing is an important part of the maneuver critique.

A further important success factor in passing through this phase, but also especially with regard to achieving the next stage of the maturity model, is the focused further development of the Business Intelligence area, in the direction of *Predictive Intelligence*. In this respect, the number of inquiries from the organization must increase. The processing time of inquiries within the marketing team must be continuously shortened. At this stage of the maturity model, particularly successful B2B marketing teams have managed to set up an interactive, globally available 24/7 business intelligence dashboard via the company intranet.

3.3.4 Proactive Analytics Marketing (PAM)

With each further stage of the maturity model that you climb, the whole work becomes more and more exciting. We started with the “supine” position, then moved into the “upright position” and lastly, we now get into a “forward” position. Everything all of a sudden feels easy, interesting, and relaxed. B2B Marketing is in the driver seat and drives and facilitates organizational change. Being in a forward position means to be dynamic, always a step ahead of the others and to be moving faster than the others. The operative work takes less and less time. The entire marketing team can devote more and more time to conceptual, forward-looking marketing work. Suddenly, it is a matter of preparing profitability studies for new products or new regions or even a concept for short-term optimization of net working capital (NWC).⁶ The entire marketing work takes on a much more creative element. The relationship to the business is becoming ever closer, which in turn offers the opportunity in the context of performance marketing to document the results of the marketing work continuously and transparently in sales-oriented metrics.

Due to the extended scope of influence and the increasing integration in more and more different activities, the data volume also expands in terms of internal parameters, such as the success rate of focus campaigns, product management campaigns, or sales-supporting demand generation campaigns.

3.3.4.1 Proactive Marketing

With the growing pool of data and experience, marketing is also increasingly developing an understanding of things that work better and those that should be optimized. When *Business Intelligence* is established within the B2B marketing

⁶Retrieved April 24, 2020, from <https://www.accountingtools.com/articles/what-is-net-working-capital.html>

team in a way that is in line with the maturity model, marketing will soon develop *Organizational Intelligence* (OI)⁷ like no other department within the organization. Thus, the area of Business Intelligence will expand from initial market, economic and geopolitical data to competitive, project and customer information—also with regard to their behavior on the various channels based on their digital bread crumbs⁸ but also their buying behavior—up to the company’s own data with regard to all the aforementioned external data.

The result is a 360° view of the data, but also of the corresponding cause-and-effect relationships, which in turn can be used analytically for new activities to be carried out. This enables an *ex ante* optimization of new campaigns or sales measures, whereby time periods until results can be realized, but also costs for individual measures can be optimized significantly. All this leads to a continuous optimization of the MRoI or the Return on Sales (RoS).⁹ This is made possible by the forward-looking and planning optimization of measures by marketing, which can make increasingly accurate forecasts as the volume of data and data quality increases. Naturally, conceptual and strategic competence in B2B marketing must also develop in line with this. It would be ideal to bring an employee with previous experience in the field of management consulting into the team. In management consulting, this conceptual and strategic competence is learned within a very short time, which forms the basis for preparing corporate strategic decisions with the appropriate data. Instruments and models to be used in this context are, for example, the BCG-matrix, SWOT analyses,¹⁰ scenario analyses,¹¹ business plan, and investment calculation procedures, as well as project planning and management concepts. In this phase, marketing must realize the step toward a comprehensive understanding of the business.

Marketing has to become an internal consultant for the various internal customers and has to distinguish itself through analytical and methodological competence. It cannot and must not be the task of technicians and engineers to prepare corporate strategic decisions. Proactive analytical marketing must use the relevant data to develop position papers that validly analyze corporate policy and strategy issues, present them in the form of number-based analyses, illustrate them using various scenarios and thus map possible decisions, returns to be realized, but also necessary investments and associated risks on an appropriate timeline. Documents prepared in this way form the basis for the management team to discuss and evaluate an upcoming decision with the involvement of all departments and specialist areas. At this point, at the latest, the consistent and methodically clean working method of B2B marketing must once again become transparent.

⁷Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/Organizational_intelligence

⁸Retrieved April 24, 2020, from <https://www.socialmediatoday.com/content/digital-breadcrumbs-and-new-media-intelligence>

⁹Retrieved April 24, 2020, from <https://www.investopedia.com/terms/r/ros.asp>

¹⁰Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/SWOT_analysis

¹¹Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/Scenario_planning

3.3.4.2 Marketing: Home of Multidimensional Analytics

It may be that, against the background of the classical interpretation of industrial goods marketing, the activities described above are not considered to be located there. This is part of the paradigm shift. Especially against the background of the rapidly changing environment in B2B marketing, in the future only the marketing department alone will have a 360° view of the data. Through the convergence of internal and external data, corporate policy and strategic issues can be methodically and clearly prepared by the marketing department. In the past, companies used to have their own departments or staff units such as Corporate Development¹² or Corporate Strategy. These departments were commissioned to carry out market studies, market analyses, and comprehensive research and to prepare these as management board documents. This was necessary at that time because the data and information technology possibilities were not available to collect large amounts of data automatically, dynamically and interactively under the keyword *Big Data*¹³ or *Business Intelligence*, to evaluate it multi-dimensionally and to extrapolate from it. All this is possible today without large investments with a corresponding concept for *Predictive Intelligence*. However, the enormous potential of the collected data can only be realized if the various dimensions are combined in one data model. The department that is in charge of the most important data, with and from which everything begins, in terms of content—namely CRM—is marketing.

So what would be more obvious than to build on this to collect and process the remaining other dimensions from market to product, but also project and competition, and to use them in a meaningful way for entrepreneurial planning? In the further course of this publication, various articles will deal with the cost-saving and optimization potentials that can be realized in this way with regard to integrative divisional and corporate planning.

The fourth stage of the Marketing Maturity Model is characterized by a strict continuation of the activities initiated in the previous stages. In this process, marketing must consider each request and each activity as a learning opportunity in the sense of working and expanding its own knowledge horizon. The complexity of requests and work orders will increase. Here it is important to keep a clear head and always remember the beginnings: method and structure.

This means that in the context of work preparation, it is crucial to identify a basic analysis, thought, or action construct or model in order to solve the set task on this basis. It is essential that the starting point is valid. This is also

(continued)

¹²Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/Corporate_development

¹³Retrieved April 24, 2020, from https://en.wikipedia.org/wiki/Big_data

the basis of all scientific work. Similar to the field of architecture, the statics as the basis of a building must be solid. This must also be the highest premise for B2B marketing, that work results are always delivered at the highest level, both in terms of content and design.

3.3.5 Predictive Profit Marketing (PPM)

Reaching the final stage of maturity of the *Marketing Maturity Model* will be a triumphal procession, as you will contribute to the generation of revenue in a demonstrable way together with your marketing team. The performance marketing activities will enable the organization to define exactly who, where, how, and when has attracted which customer. You will be able to determine exactly how quickly the customer traveled through the Buyer Journey and when how much revenue was generated with this lead within the customer life cycle. You will be able to determine exactly how much money the company had to invest in order to generate this revenue accordingly. Everything is transparent. Marketing generates turnover. Marketing supports the targeted management of sales. Together with product management, marketing is able to forecast new sales potential in terms of new products or product diversification precisely in terms of time and volume. In coordination with innovation management, marketing can analyze disruptive technologies or new business models and derive recommendations for action for the relevant business unit or the entire company.

Marketing is able to present the future on the basis of scenarios. No department will question the information provided by Marketing in terms of its objectivity, reliability, and validity. Marketing is established as an important component of sustainable corporate development, because it functions according to clearly documented structures, is therefore transparent and measurable, and can point to an ever longer history of successful actions with operationally measurable results in terms of earnings and sales.

But B2B marketing has also changed the entire organization. Through its self-image as an internal service provider, Marketing has expanded existing competencies and acquired new ones along its own *Marketing Journey*. New things were tested in many small steps and, if successful, they were further developed and perfected in coordination with the other departments. In this way, a completely new understanding of the possibilities and appreciation of industrial goods marketing has been established. One such understanding is to be no longer a cost generator or the workbench of an organization for colorful catalogs and expensive events, but an active service provider who demonstrably contributes, develops, and realizes ever larger parts of the generated turnover.

Despite all these positive developments, B2B marketing has always kept its feet firmly on the ground in relation to itself, with the constant endeavor to identify and realize any potential for optimization in terms of joint profit. According to the motto that everyone is in the same boat, marketing does not shirk the responsibility of generating revenue and optimizing costs. This means that external service providers

can be selected, engaged, and evaluated much more precisely and specifically by B2B marketing. A large part of the added value will be generated by the new organizational approach and the new competences in the field of marketing within the companies themselves. In further consequence for this to an enormous reverse profitability.

Predictive Profit Marketing is characterized by many exciting tasks. The development of short-term concepts to optimize net working capital is as much a part of it as the preparation of business plans with regard to a planned market entry. In addition, however, ongoing management topics such as the annual strategic dialog or annual target planning through to the entire sales management and monitoring will also be realized from within marketing. Only marketing has the competence to aggregate, evaluate, and validate the many different dimensions and sources of data, in order to be able to prepare serious strategic decisions based on them.

Congratulations, we did it! Keep going. . .

3.4 Where Is B2B Marketing Right Now?

The *Marketing Maturity Model* according to Seebacher was used as a basis for a B2B Marketing Readiness Self-Assessment (MRA) tool. This 24/7 interactive instrument enables B2B marketing managers to immediately obtain a status on the maturity level of their own or the evaluated marketing organization within a few minutes by answering about 30 questions. This data is collected anonymously on an ongoing basis and thus provides an always up-to-date industry benchmark. The model defines four quadrants or areas on the basis of which B2B marketing organizations are evaluated and assessed. Based on these four areas, the current status of B2B marketing is presented below (Fig. 3.12).

In the spider graphic top left it can be seen that currently (status May 2020) B2B marketing fulfills only 33.58% of the requirements for state-of-the-art B2B marketing, i.e., just under a third. With regard to the B2B marketing maturity model according to Seebacher, this means that B2B marketing is currently between maturity level 1 and 2—i.e., at the lower end of the growth path that needs to be passed through in order to be able to realize the currently possible and thus the most optimal industrial goods marketing for companies. This confirms the widespread dissatisfaction of many B2B marketers, but also explains the dubious standing of marketing in industrial companies in many places. In the following sections we shall analyze the results in more details using the four quadrants of the B2B Marketing Maturity Model.

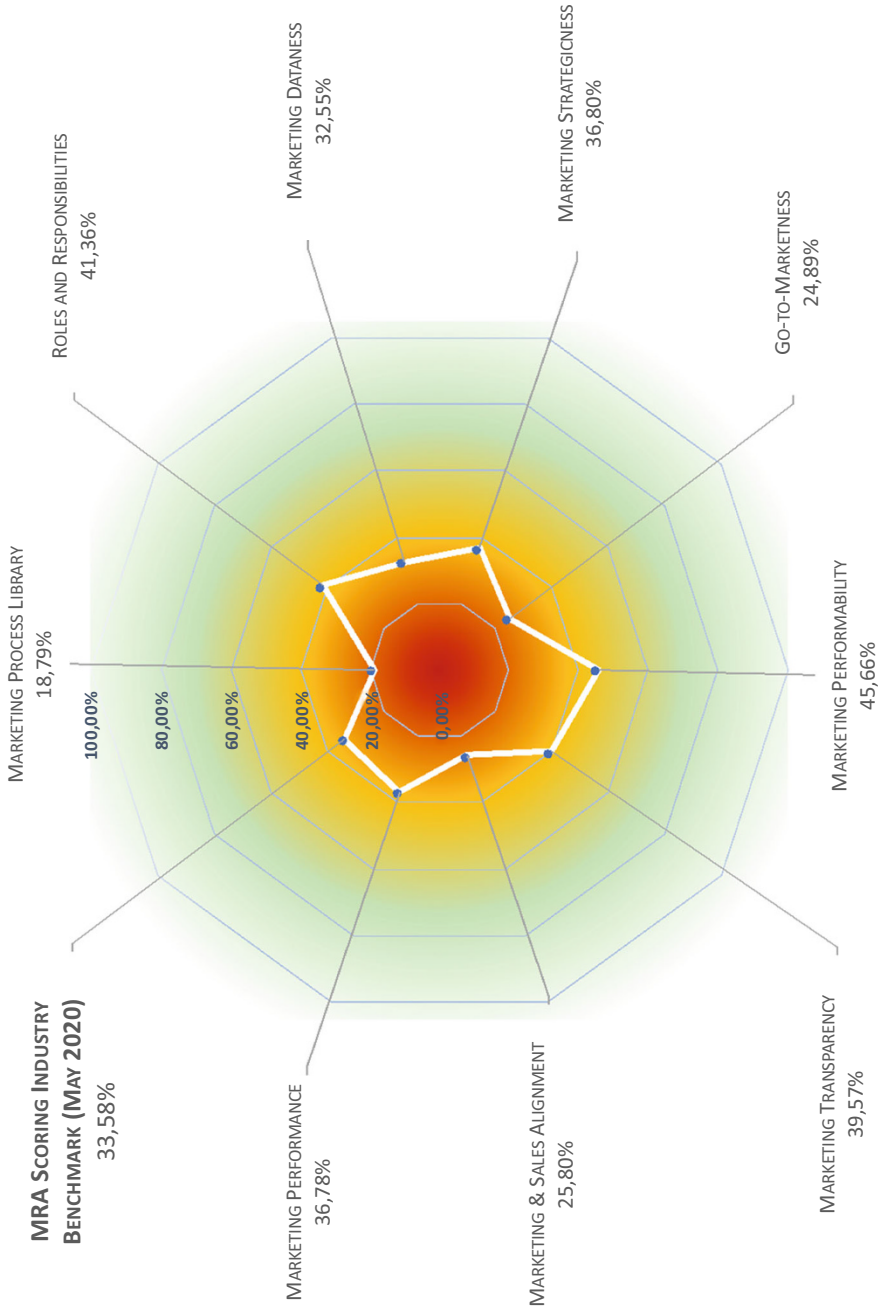


Fig. 3.12 B2B Marketing Industry maturity status, May 2020 (Seebacher)

3.4.1 Marketing Structure Index (MIS)

The Marketing Structure Index (MSI) on the general structure of B2B marketing organizations shows whether the essential foundations for successful development in marketing are in place. A low value indicates that essential structural elements such as processes, job descriptions, or target agreements are either not available at all or only insufficiently. Among other things, the index also examines the Marketing Process Library (MPL), i.e., the comprehensive, stringent, and consistent documentation of marketing process steps, and checks whether and how clearly “roles and responsibilities” are defined. The Marketing Structure Index also evaluates whether these structural elements are communicated to the organization outside of marketing, whether they are known and whether they are regularly updated and evaluated.

Only about 19% of all B2B marketers can already rely on a comprehensive and continuously updated Marketing Process Library as their marketing backbone. With regard to the structural characteristic of “roles and responsibilities,” the situation looks a little better, as the industry value is 41.36%. This value evaluates whether job descriptions are available, how often they are updated, whether they are known outside the marketing organization and whether regular employee and feedback meetings are held and target agreements for all employees are agreed and reviewed.

The marketing structure is the indispensable basis for the realization of a modern and adequate B2B marketing. Without this essential structure, it is and will not be possible to further develop the marketing maturity model as a marketing organization.

3.4.2 Marketing Relevance Index (MRI)

The Marketing Relevance Index (MRI) evaluates the importance of a B2B marketing organization in relation to its fields of activity within a company. Classic B2B marketing departments create brochures, support external agencies, and implement events. However, modern B2B marketing must develop three essential aspects in relation to its sphere of influence. These are data (Dataness), strategy in terms of applications, customers, markets, products, and regions (Strategicness) and how the content and products are communicated and marketed to the markets (Go-to-Marketness). This index thus reflects the reach and relevance of a B2B marketing organization within a company or a division. The higher the MRI is, the more strategic the work of marketing is and the more likely it is to move toward the next level of marketing maturity.

B2B marketing scores worst with about 25% in the area of implementation—the Go-To-Market (GTM). This means that industrial goods marketing managers have de facto only limited knowledge of their actual core competence as defined by marketing per se, namely how the company and its products must and should be marketed in the respective markets. B2B marketing currently scores only 7 percentage points better in the area of “Dataness” and 11 percentage points in regard to “Strategicness.” At present, around 50% of B2B marketing managers have no

responsibility for market and business intelligence (MI/BI) and a third of marketers do not even know in which department this important topic is located. Per se this would not be a bad thing, as it can be worked on proactively, but the fact that 75% of industrial goods marketing managers say that they are asked at least once a month by someone in the organization about MI/BI or data makes the situation dangerous and risky. In 28% MI/BI is in sales and in two-thirds neither in sales nor in marketing. However, 50% of B2B marketers state that they are responsible for strategy. About two-thirds (34%) of the marketers are asked about strategic topics once a month, 19.8% once a week and 12.6% even several times a week—and that without having control over MI/BI. This poses an enormous danger, since marketing departments work with external information and must blindly rely on its validity. Many B2B marketers become a pawn in the game by using MI/BI data for strategic analyses and evaluations relevant to the company and in half of all cases are not able to assess who and how prepares, checks, and provides this information.

The situation is similar in *Business Development* (BD). In two-thirds of the companies BD is not located in marketing. In 60% BD is not headed and managed by sales, but in another not further specified type department. Similar to MI/BI, 42% of the marketing managers are asked about BD at least once a month, 14.5% once a week and the same number several times a week—even though they are not responsible for the data (MI/BI), the strategy or BD.

A positive aspect is that B2B marketing is asked about the right topics or attempts are made to include marketing. This was not the case before last year. The problem or danger is that neither the responsibility for the necessary systems and processes nor at least the sovereignty over the content is anchored in the marketing organizations. Pessimists could interpret the current situation as a situation in which marketing is simply bombarded with work that no other department can or wants to do. Marketing can only be the loser in this case, if the sphere of influence of marketing is not proactively and reasonably extended.

3.4.3 Marketing Performance Index

The Marketing Performance Index (MPI) evaluates B2B marketing in terms of its performance, transparency, and focus on distribution and sales. The parameter “marketing performance” is defined by clear departmental goals and linked individual goals in the sense of performance indicators. The parameter “marketing transparency” provides information on how comprehensible and transparent marketing is for the entire organization. The parameter “marketing and sales orientation” focuses on the cooperation between sales and marketing. A close and trusting cooperation between sales and marketing also means that marketing defines and implements specific requirements for sales. A good example of this are so-called *Service Level Agreements* (SLA) between marketing and sales, or the explicit measurement and evaluation of concrete results in the area of generated leads qualified by marketing and sales, as well as the resulting sales and incoming orders.

Not even one fifth—only 17%—of B2B marketers have or use clearly defined key performance indicators (KPI). This means that 80% of marketers cannot prove

their own performance in terms of target fulfillment. Against this background, it is therefore surprising that 36.78% of the B2B marketers believe that they and their department are recognized as top performers. How is that determined? And how should or can marketing make a sustainable contribution to the company's success without concrete goals in line with the company's objectives? Or is marketing still given such little importance that the responsible top managers do not even take the time to define marketing goals?

23.7% of B2B marketers state that they achieve defined goals. 10% of all marketers have goals, but do not know whether they will achieve them! 54% of the B2B marketing departments are still in the sleepy country and still have no KPIs regarding order intake or sales. Only about one third already have turnover-oriented targets. A tenth (11.4%) do not know that either. This means that marketing must also work proactively on its own measurability. If there are no clear guidelines, then marketing must take action itself. On the basis of the job descriptions and the annual targets for the entire marketing team based on them, targets can also be proactively defined for the department and these can then be presented to the responsible top manager as a draft with a request for review and confirmation. If this is not done, you are and will always be the plaything of others, because you cannot prove that you have achieved the defined goals.

3.4.4 Marketing Positioning Index (MPI)

The fourth quadrant shows how well marketing is linked to top management. Involvement in top management activities and visibility at this level are crucial aspects in terms of sustainable positioning within one's own organization. Marketing must be positioned as a competent partner for the entire company in the area of top management and ultimately proactively initiate and help shape changes from there through decisive impulses.

B2B marketers seem to be in a good position in this respect, as 60% of B2B marketers are regularly represented at management meetings. This means that the appropriate access to top management would be available but is not used, as not even half of the marketing managers (44%) regularly report on their projects and work at management meetings. "Do good and talk about it" is an old saying. But that only works if marketing does more than brochures and trade fairs. The ball is in the court of the B2B marketers who could get out of their own situation. The environment was never better than it is now. Those who do not take advantage of this opportunity in B2B have not deserved it.

3.5 A Few Fall by the Wayside . . .

The aim must be to become increasingly measurable in terms of the sales figures achieved and realized. Conversely, this also means that one or the other marketing manager will fall by the wayside, namely if he or she is not a top performer in the

sense of a real performer. Yes, the Netflix industry and the associated Next Generation B2B Marketing of the twenty-first century will also claim victims. Those who will be affected will be those who in the area of top management will not recognize the necessary pressure for change, which is vital for companies to survive, and in the area of marketing will be those experts who continue to believe that marketing produces colorful brochures, designs costly events and finances external agencies.

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MarTech 8000: How to Survive in Jurassic Park of Dazzling Marketing Solutions

4

Uwe G. Seebacher



Information technology (IT) has become an indispensable part of the industry. IT has become a key driver of economic activity. Since ERP systems have entered business life, more and more functions of organizations have been gradually mapped by IT. In the last few years of the old millennium, IT caught up with the last two islands of the blessed—the functions of marketing and human resource management—as SAP and other vendors expanded their systems to include human resources management modules and desktop publishing and content management tools. Anything that could not be programmed in-house was simply purchased.

4.1 The Beginnings of Martech

In order to understand the multimillion dollar business, one must take a closer look at the origins of today's MarTech.¹ It is undisputed that the function of marketing also needs technology. In the age of eCommerce, social media, and People-2-People

¹Retrieved April 28, 2020, from <https://merlinone.com/what-is-martech/>

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Business (P2P)—even in the industrial goods sector—B2B marketers must constantly come up with new creative activities, campaigns, and strategies to reach their customers. All this is to create a digital presence that attracts customers. People change over time and so do their habits. In addition, the number of available communication and information channels is growing exponentially. Against this background, a separate ecosystem in the field of marketing technology—MarTech for short—has developed in recent years. However, the beginnings of MarTech are not to be found in the area of marketing, but in the area of sales. Among other things, this is proven by the fact that one of today’s leading systems in the field of marketing automation “Marketo”² was originally founded by former Salesforce³ managers. Salesforce still calls itself a CRM platform today. CRM systems were not always robust, stand-alone software solutions on which so many companies relied. CRM systems emerged from the sales department in order to maintain and keep customer data centrally and always up to date.

Out of necessity, a virtue arose with the goal of consistently managing the intangible knowledge of a company’s salespeople in a central database. Without such a database, the departure of a sales employee would mean the loss of the entire customer history. This was often an important reason why good salespeople were poached, because it was assumed that they would bring many customers to the new company. This was very simple, because all the knowledge was in the employee’s head and maybe even in one of his Excel sheets. To avoid this enormous danger, the salespeople were asked to enter all communication with the customers into this customer relationship database. This was the origin of today’s CRM solutions and thus the MarTech world.

Over the past 40 years, the first CRM solutions have evolved into a variety of other business programs. The CRM industry has changed fundamentally since then.

4.2 The Database Marketing

Robert and Kate Kestnbaum⁴ were the masterminds of database marketing. They began to collect and analyze all information related to customers. Statistical algorithms and models were used to evaluate this data and, based on this knowledge, to adapt communication with other potential customers. This led to the concept of direct marketing.⁵ Today one can distinguish between two types of databases: Customer databases and business databases. Customer databases were originally found more in the consumer goods industry, the B2C sector, because the focus was on sales to end customers. Business databases started to become more complex in order to manage and evaluate large amounts of data related to customer interaction.

²Retrieved April 28, 2020, from <https://www.marketo.com/>

³Retrieved April 28, 2020, from <https://www.salesforce.com/de/?ir=1>

⁴Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Database_marketing

⁵Retrieved August 28, 2020, from https://en.wikipedia.org/wiki/Direct_marketing

Kestnbaum was also the founder of Customer Lifetime Value (CLV),⁶ which is the consideration of the economic value of a customer throughout his entire life cycle as a customer for a company. His work also had a significant impact on the field of strategic marketing.⁷ In the 1980s, Kestnbaum developed various online marketing databases with Robert Shaw (Shaw 1988). Amongst others, the two databases realized for companies such as British Telecom with 20 million customers, for British Airways with 10 million and Barclays with 13 million customer data. Such dimensions were unique for that time. Shaw extended Kestnbaum's database approach to include aspects such as automating telephone acquisition, optimizing customer contact strategy, campaign management and coordination, and even marketing resource management and marketing analytics. He was thus the founder of the current term MarTech Stack. All developments go back to the work of Shaw. His designs were widely copied and integrated into new applications, systems, and tools in the field of CRM and MRM solutions until the 1990s and later (Shaw 1988). The definition of database marketing at that time was

Database Marketing is an interactive approach to marketing, which uses the individually addressable marketing media and channels (such as E mail, telephone and the sales force): to extend help to a company's target audience; to stimulate their demand; and to stay close to them by recording and keeping an electronic database memory of the customer, prospect and all commercial contacts, to help improve all future contacts and to ensure more realistic of all marketing.

Another important step was taken in 1986, when a CRM software solution was introduced to the market under the name ACT!⁸ that could store customer contact data multidimensionally in a single data set, but allowed many different users to access and use the database simultaneously for the first time. Another special feature was that ACT! could be easily linked to Microsoft Word, Excel, Outlook, Google Contacts, Gmail, and many other popular applications. With all these systems, aspects such as user-friendliness or mobile use were far from being issues. The challenge was to be able to collect and evaluate data.

4.3 PCs and Servers as Pioneers

In the course of the late 80s and 90s, personal computers (PC)⁹ entered the business world. And the advent of server/client architecture enabled explosive growth in software development in general. The early 1990s also saw the first major step toward CRM software as we know it today. Early innovators such as Brock Control

⁶Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Customer_lifetime_value

⁷Strategic marketing is defined here as the process of planning, developing, and implementing measures to achieve a competitive advantage in a defined niche.

⁸Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Act!_CRM

⁹Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Personal_computer

Systems¹⁰ helped drive the development of contact management software toward sales force automation.¹¹ Sales force automation took advantage of many different database marketing features, automated them, and combined them with contact management functionality. The convergence of these functionalities created a completely new spectrum of analysis possibilities. This provided companies with many new insights regarding their customers. Sales force automation also included business tasks like inventory control and sales tasks like tracking customer interaction. Everything suddenly became transparent and traceable. The salesperson became transparent and measurable. This phase represented a paradigm shift for sales because there was a shift of power away from the sales professionals to the companies and their management.

4.4 Tom Siebel Attacks

In 1993 Tom Siebel left the American software giant Oracle to found Siebel Systems. During his time at Oracle, Siebel unsuccessfully tried to persuade CEO Larry Ellison¹² to package and sell the internal sales application as a stand-alone product. But since Ellison was not convinced by the idea, Siebel decided to launch the innovative product under his name alone. Siebel Systems quickly became the leading supplier in the field of sales force automation. By 1995, sales force automation and contact management solutions had evolved to become very similar to modern CRM software. However, these up-and-coming products did not yet have a real name. A number of terms such as Enterprise Customer Management (ECM) and Customer Information System (CIS) were buzzing around the market. At the end of 1995, the term CRM became generally accepted. Some attribute this to the technology research enterprise Gartner,¹³ while Tom Siebel is also considered as a possible name giver. In any case, from then on the industry had a name, but shortly afterward it was plagued by major changes.

ERP providers such as Oracle and Baan entered the CRM market in the hope that their size and existing customer contacts would enable them to open up this new field of software and thus dominate it. In contrast to other software companies that switched to CRM, SAP entered the market to benefit exclusively from new applications. The competition prompted providers to develop a wider range of services. Against this backdrop, new marketing, sales, and service applications were created at an ever-increasing pace, and CRM systems were expanded to include these applications.

¹⁰Retrieved April 28, 2020, from <https://www.brocksolutions.com>

¹¹Sales Force Automation. Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Sales_force_management_system

¹²Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Larry_Ellison

¹³Retrieved April 28, 2020, from <https://en.wikipedia.org/wiki/Gartner>

At the turn of the millennium, everything began to become “e.” eCommerce, eProcurement, eBilling, and many other “e”s dominated the use of language. This trend did not stop at CRM either, and in addition to many remarkable acquisitions, up-and-coming¹⁴ eCRM providers began to fire up the competition. With the help of the new possibilities of intranet, extranet, and internet, eCRM providers suddenly offered a completely new model of collaboration between several users within a company. In addition, the first providers began to take into account the trend of mobilizing data and applications. With the introduction of Siebel Handheld, CRM systems also took the step toward the mobile phone market.

After “eCRM” and “mobileCRM,” “Software-as-a-Service”¹⁵ began to change the business model of the providers at the end of the 1990s. This made the solutions affordable for smaller companies as well. Salesforce, as the preferred solution for medium-sized businesses, also benefited from this trend. For a long time, Salesforce was not taken seriously by the big players, but founder Mark Benioff¹⁶ had a clear vision. His goal was to conquer the market of sales force automation, which he subsequently succeeded in doing. Over the years, Salesforce eventually rose to rival CRM companies like Siebel Systems.

4.5 The Dotcom Bubble Claims Victims

The bursting of the New Economy¹⁷ did not stop in the software industry. Many global players like Oracle reported license losses of more than 25%. In the environment of Cyber Commerce Reframing (Seebacher 2002), dotcom technologies no longer found buyers, and this also affected the providers of eCRM solutions. In the early years of the twenty-first century, Paul Greenberg presented for the first time in his book “CRM at the speed of light” (Greenberg 2003) the concept of a comprehensive, holistic CRM system that would map and manage all business relationships multidimensionally. The book caused a real CRM hype. Three years after the publication of Greenberg’s book—after only 15 years since the founding of his company—Tom Siebel sold his CRM company for nearly \$6 billion to his former boss and Oracle CEO Larry Ellison.¹⁸

The holistic CRM approach slowly established itself throughout the entire industry and became the decisive and shaping factor. The systems could be used more and more easily, even without previous IT knowledge. In the middle of the decade, interoperability with legacy systems¹⁹ also became increasingly important and the software giant Microsoft entered the CRM market with Dynamics CRM. In 2007,

¹⁴Retrieved April 28, 2020, from <https://en.wikipedia.org/wiki/ECRM>

¹⁵Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Software_as_a_service

¹⁶Retrieved April 28, 2020, from https://de.wikipedia.org/wiki/Marc_Benioff

¹⁷Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/New_economy

¹⁸Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Larry_Ellison

¹⁹Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Legacy_system

Salesforce initiated the next revolution in CRM solutions and launched cloud-based CRM. The background was the criticism of customers that conventional systems were not adaptable and therefore inflexible. Under the name “[Force.com](https://www.salesforce.com)” Salesforce launched a software development and operating platform that allowed developers to develop and operate applications themselves without having to sacrifice Salesforce’s infrastructure. Many different tools were integrated, including the Java-like programming language Apex, various developer tools such as VisualForce for developing a GUI, and methods such as user administration, data management, workflows, and reporting.

In addition to this opening of providers toward new forms of adaptation and further development of existing solutions in the sense of the open source²⁰ philosophy, the development of the media landscape in the area of CRM solutions has also had an impact. Many experts today speak of so-called Social CRM.²¹ Social CRM refers to the use of social networks such as Facebook, Twitter, or XING in order to optimize defined marketing but also corporate strategies with regard to customer relationship management with regard to the users of these networks. The use of business intelligence and predictive analytics is also associated with this, as will be described in detail in the rest of this publication. Paul Greenberg summarizes the task of Social CRM as follows:

Social CRM is a philosophy and a business strategy, supported by a technology platform, business rules, workflow, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It’s the company’s response to the customer’s ownership of the conversation.²²

This means that CRM is increasingly moving toward a 360° customer perspective in order to track and document customer-specific data not only “outbound” but also “inbound.” It was in this environment that the largest cable network operator Comcast launched its ComcastCares initiative,²³ which moved away from transaction to interaction with customers and the community. Most large companies quickly followed Comcast’s example and consolidated the place of social CRM. The trend continues to move clearly toward mobile and SaaS-based CRM. But what does this mean for MarTech today and in the future?

²⁰Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Open_source

²¹Social CRM uses social media services, techniques, and technologies to enable companies to connect with their customers.

²²Retrieved April 28, 2020, from <https://the56group.typepad.com/pgreenblog/2009/07/time-to-put-a-stake-in-the-ground-on-social-crm.html>

²³Retrieved April 28, 2020, from <https://corporate.comcast.com/caresday>

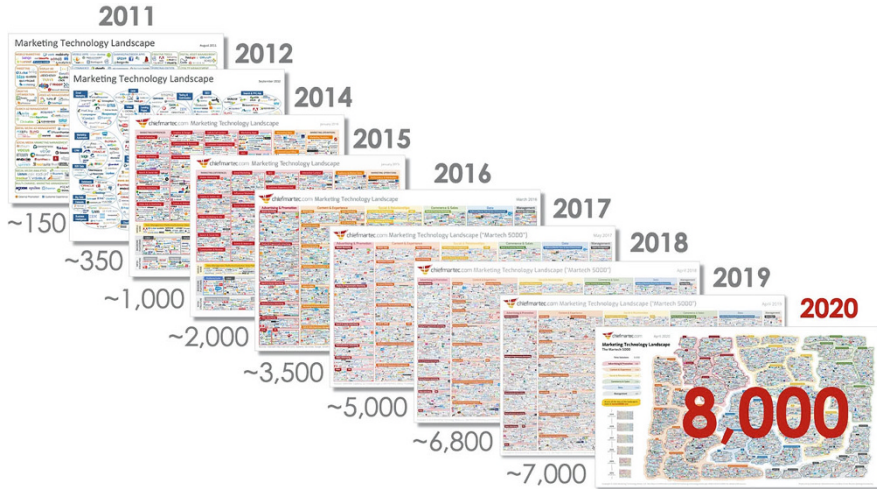


Fig. 4.1 MarTech Development 2011–2020. (Source: <https://cdn.chiefmartec.com/wp-content/uploads/2020/04/martech-landscape-2011-2020.jpg>. © Martech)

4.6 The MarTech Bubble Is Growing

MarTech is composed of “Marketing” and “Technology” and is the umbrella term for the ecosystem of all marketing specific technologies. Since 2011 this ecosystem has developed from around 150 products to over 8000 in 2020 (Fig. 4.1). This quantitative increase makes it clear what an enormous process of change this area is undergoing. If you take a closer look at the current structure of this MarTech landscape based on the recently published Marketing Technology Landscape,²⁴ the various products are divided into six categories:

- Advertising and promotion (922 products)
- Content and Experience (1936 Products)
- Social and Relationships (1969 Products)
- Commerce and sales (1314 products)
- Data (1258 products)
- Management (601 products)

The “Data” area has seen the strongest growth in available products since 2019, with a 25.5% increase. This is likely to go hand in hand with the emergence of the topic of Big Data, but also the Business Intelligence platforms. Due to automation in the area

²⁴Retrieved April 28, 2020, from <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>

of sales and marketing, ever-larger quantities of relevant data are available. But not only the quantity but even more the quality of available data changes. With new systems, information on customers' behavior and preferences can be monitored and tracked 24/7 and all relevant channels. With this Next Generation B2B marketing can get a 360° perspective on buyers. This enables the marketers to know exactly what kind of content, in which format, at what time, and via which channel and tool will have the best conversion. And in addition, all this can be adjusted always interactively in regard to region, target group, buyer persona, and any kind of other descriptive parameter. These data must be evaluated as quickly as possible and immediately incorporated into new measures with regard to their exploitation. The challenge now is to generate valuable information from ever-larger quantities of data. The "Management" area is interesting in terms of development. While this topic area was rather at the bottom of the ranking in terms of growth in recent years, it is now in second place in terms of growth compared to 2019, at 15.2%. The reason for this is that the entire environment in industrial goods marketing, both internally within the organizations and externally, is becoming an increasingly complex network in view of the rapidly increasing number of available channels. It is therefore crucial to be able to document and manage processes and procedures stringently. This makes the Marketing Process Library (MPL), as defined in the Marketing Maturity Model, all the more important as the foundation for the sustainable development of high-performance B2B marketing. The current overview of all listed providers can be downloaded at <https://martech5000.com/>. Three terms are closely related to the MarTech Stack. These are essential strategic aspects in relation to the scaling of an organization's MarTech infrastructure and the resulting large number of variations of provider strategies:

- Suite describes solutions in the sense of "everything in one box" from one supplier.
- Platform refers to a "marketing backbone" that allows the products of many companies to be combined and used together.
- Portfolio describes a MarTech stack as a flexible collection of loosely coupled products from different suppliers supported by one company.

As always in life, there are no advantages without disadvantages. If the MarTech Suite represents the seemingly perfect "One Stop Shopping" for the B2B marketer, one must also be aware of the disadvantages. If the suite does not have the specially requested functionalities or if it cannot be implemented or integrated accordingly, your hands are tied. Because within a suite strategy, in such a case, necessary "workarounds" are almost impossible to realize.

4.6.1 The Suite for SMEs: But Not for Enterprises

As appealing as it is to have everything in one box, you often have to exercise patience with a suite strategy in view of the enormous dynamics of the marketing

ecosystem. For example, when new LinkedIn or WeChat APIs are created, or a new channel like TikTok is created, it may take a while for the suite product vendor to provide updates or integrations. With a suite, you place all your bets on one card, similar to ERP systems. You will quickly find yourself in a “lock-in” syndrome (Shapiro and Varian 1999), and switching to another vendor will be expensive and time-consuming.

The biggest challenge for MarTech Suites is the own dynamic of the MarTech sector. A provider of such solutions must be up to date in all areas of the value chain of modern B2B marketing. A suite runs the risk of becoming the egg-laying, wool-producing, milk-yielding pig. Always new functionalities have to be added to meet the needs and wishes of all customers. This makes the suite more and more comprehensive and complex and the entropy works against the system itself and ultimately against the B2B marketer. From a strategic point of view, a Suite solution is recommended if the following two essential aspects are fulfilled:

- Need for essential core functions of a modern B2B marketing value chain with adequate stability.
- Existence of a relatively homogeneous and well-known target group.

This means that for small and medium-sized companies without comprehensive MarTech competence the Suite Strategy can be very useful. HubSpot,²⁵ a company with an agency background, can be mentioned as an example of such a suite. Hubspot is designed with regard to system structure and architecture for small and medium-sized companies. A major shortcoming for multinational corporations is the area of account-based marketing (ABM), which is not appropriately embedded and covered by this provider. Another solid provider of a MarTech Suite is Infusionsoft²⁶ from Keap. When large companies think of a Suite solution, only the global players Adobe and Aprimo²⁷ are actually considered for the enterprise class. In 2019, Adobe had bought itself into the Suite Enterprise market for around 4.75 billion dollars culminating with the acquisition of Marketo²⁸ and has since then been able to perfectly serve global corporations and organizations.²⁹

For global companies, however, the risks and benefits of a suite are more difficult to assess, and the question arises whether a suite fits their own processes, structure, and organization in the long term? Because the paradigm of IT in general also applies to the area of MarTech infrastructure, that everything that has to be made suitable costs a lot of time and money. How many billions were swallowed at the time to go through the so-called industry prints with the customers in the context of SAP implementations with regard to the required customizing. The strategy must be

²⁵Retrieved May 5, 2020, from <https://www.hubspot.com/>

²⁶Retrieved May 5, 2020, from <https://keap.com/infusionsoft>

²⁷Retrieved May 5, 2020, from <https://www.aprimo.com/>

²⁸Retrieved May 5, 2020, from <https://www.marketo.com/>

²⁹Retrieved May 5, 2020, from <https://t3n.de/news/fuer-4-75-milliarden-dollar-uebernimmt-adobe-die-marketing-plattform-marketo-1112334/>

to find the MarTech solutions that are most similar to the own processes and structures and then not to adapt the software to the own structures, but vice versa. This saves money, nerves, and time.

4.6.2 The Platform for the B2B Professionals

Salesforce.com is one of the dinosaurs in the market and can be described as the epitome of a platform whose success is based on having always been open to products from other providers in the sense of an “open source” philosophy. Conversely, it has been very easy for third-party vendors to integrate into the Salesforce environment and share data. Organizations can also choose the plug-ins that best meet their specific requirements-or create their own if they need something else.

In contrast to an IT-technically “closed” suite, a platform is open in terms of system technology. This means that it is very easy to exchange or optimize functions with other products and solutions from other providers or user-defined components. At first glance, a platform can very easily be mistaken for a suite, as the platform also contains a wide range of ready-to-use functions. The Marketo platform is a strong contender. In recent years, more and more large corporations, especially in the Anglo-American sector, have decided to use the current Adobe product. One of the USPs is certainly the account-based marketing (ABM) feature and the good integration possibilities. Such a platform must fulfill a main purpose as a basic service or master data repository that other services, components, and software solutions can use. Thus, a platform does not attempt to unite everything in itself and thus become too complex, but rather to provide a basis on which many other specialized products can be built or linked via them.

If you are a B2B marketer thinking about moving toward a platform strategy, the following aspects need to be considered:

- How well does the core function of the respective platform meet the defined specifications? Salesforce is a stable platform but that does not mean it is also suitable as a basis in terms of CRM for your company?
- How large is the vendor’s ecosystem in terms of partners and developers? Is it stable and growing? How large are the choices in terms of extensions and additions?
- How easy is it to work with each vendor’s APIs to access the data and program your own specific enhancements? How stable are these APIs?

Suppliers such as Eloqua³⁰ (now Oracle Marketing Cloud), Marketo (now Adobe Marketing Cloud), Neolane³¹ or Pardot³² (now Salesforce) document, and

³⁰Retrieved May 5, 2020, from <https://www.oracle.com/marketingcloud/products/marketing-automation/>

³¹Retrieved May 5, 2020, from <http://www.neolane.com/>

³²Retrieved May 5, 2020, from <https://www.pardot.com/>

supplement customer profiles and interactions with customers as marketing automation solutions in comparison to conventional CRM systems. As platforms, this offers easier and more stable access to the entire data, even in the environment of larger and more complex IT ecosystems of large, global companies. Due to the system setting and global presence, these providers can also provide perfect support with regard to global and local requirements. In the long term, the platform strategy for globally active B2B companies certainly offers the most promising and risk-reducing variant with a stable basic structure and sufficient flexibility with regard to additions and extensions. This is also confirmed by the fact that Hubspot is doing everything to get rid of the suite image and establish that of a platform provider in the market. As part of this, a very attractive Go-to-market strategy is applied and Hubspot now gives away a CRM platform for free.

As a B2B marketer, a platform strategy means more work and effort. Other, additional products must be connected in terms of process and information technology and own extensions must be designed and implemented. Over time, an own solution is created, which is tailored to the own organization. It is possible to react quickly and flexibly to developments and innovations. This also means that if such a platform is purchased as the core of a B2B MarTech Stack, it must be seen as a solid starting point for a sustainable solution and B2B marketing strategy. Just like switching from one Suite solution to another, switching to another platform is time and cost intensive.

4.6.3 The Portfolio Strategy as the Jungle Book of Unimagined Opportunities

The third MarTech strategy offers pure flexibility. However, this also means being aware of the lurking dangers at all times. Suppliers in this category offer a range of different MarTech products. The portfolio is not subject to any specific requirements in terms of content or information technology. What is offered is what is sold. Whether social media or mobile marketing, the providers will have an app for everything. This “openness” means that there is no fixed connection or integration between the various products in the portfolio. Portfolio strategy means general store. Everything fits together, can exchange data, but can also exist alone. This flexibility not only applies to products in the respective portfolios, but also to components from other, external third-party vendors. If necessary, entire portfolios can be exchanged, making this approach a very flexible, malleable technology strategy. A portfolio strategy offers many other advantages:

- Complete flexibility with regard to new developments and innovations, as these new products are acquired or developed independently.
- Heterogeneity within the portfolios allows Cherry Picking to find the best solutions for a topic area or functionality.

- Suppliers always develop with reference to the market, the requirements and thus the relevant quota situation, which is why the products can always develop quickly or slowly, independently.

Large agencies as well as large IT consulting companies such as Accenture, Deloitte, IBM or Sapient are active in this area. The portfolios are intended to serve as support for consulting services and expand the spectrum of potential revenue sources. After all, Software-as-a-Service (SaaS) offers the enormous advantage that revenue streams can be planned over the long term, whereas consulting and service orders can be subject to enormous fluctuations. For B2B marketers, external support can significantly accelerate and simplify the implementation and the entire setup of a MarTech stack. In this context, it is important to be clear for which service an external consultant should be purchased. Is it primarily about conceptual support or mainly about support in the area of IT with regard to interfaces, adaptations, or programming or integration into an internal system environment?

B2B marketing managers often lack the experience and competence in reading consulting offers. However, this knowledge is crucial in order to be able to separate the wheat from the chaff right from the start. This in turn means not wasting time unnecessarily with incompetent providers and instead of dealing intensively and critically with the real key players. With sufficient expertise, you can cross-read, analyze, and immediately know the answer to any consulting offer of between 20 and 30 pages within 5 min.

Do not let them fob you off. Question everything carefully. There are no stupid questions. If someone does not take the time to patiently answer your questions and deal with you, then he or she is not the right advisor in the sense of a companion for you. Once again, it is all about methodological and structural competence (Seebacher 2003). If you do not have the necessary experience in dealing with consultants and external providers, then get a colleague with the appropriate background in the consulting industry to help you. He or she will help you to effectively analyze the consulting offerings.

Or contact your purchasing department. They will be just as competent at your side when it comes to purchasing services or IT products. Especially with MarTech products, it is important to understand the cost drivers behind the pricing strategies of the suppliers in order not to fall into a cost trap.

If you, as a B2B marketer, are considering moving toward a portfolio strategy, you should consider the following:

- Will or can the supplier integrate into your MarTech stack?
- What is the user-friendliness of the provider or his products? Is your B2B marketing team able to quickly use the technology on their own to manage their own marketing initiatives without support from the external vendor?

- What happens if you no longer work with the service provider? Can you continue to use the products or are you then forced to change?
- What about sustainable maintenance and service?
- Do you have access to your data at any time? Can you extract them quickly and easily and save them locally? What happens in the worst case of the insolvency of the provider or if you want to switch to another provider?

On the other hand, the enormous flexibility of this strategy costs money and time. Above all, however, as a B2B marketing manager, it is necessary to actively deal with the entire MarTech stack at all times. This strategy can be compared in a figurative sense with the construction of a house, in which you as a B2B Marketing Manager draw the plan for the house yourself, calculate the statics with the help of an expert, and then tender each individual trade yourself, select the supplier and then manage and control it. In comparison, the platform provider offers you the master plan for a house type of your choice and delivers the entire building more or less ready for covering. Your task is then to fill the house with life and complete it. As in real life, this strategy is based on the fact that, when choosing the type of house, you must take into account the current development plan in the form of the IT strategy, so that the house can and will fit perfectly into its surroundings. The platform strategy tends to be suitable for larger houses and villas or even multi-party houses, whereas the Suite model is more suitable for smaller units. You are more or less a complete passenger in the “Prefabricated house” model, which is delivered completely prefabricated and you then only have to or are allowed to move into the house. Big changes are not possible, but the small, fine house is clean and solid in front of you in its full glory—and that after a relatively short time. With the Suite model, you buy the all-round carefree package off the peg.

4.7 Where Are CRM and MA in Jurassic Park?

The question arises, where are CRM and marketing automation, because in Jurassic Parc of the MarTech 8000 these terms per se are not found. As a B2B marketing manager, the question arises, what solutions do I really need? Which products actually fit the IT infrastructure available in your company and your own IT strategy? Is MarTech my subject area at all or should IT not take care of it? In the following, we will take a look at the historical development, which puts different terms into an overall context and represents a structural “MarTech Journey” to find your way around the Jurassic Park of B2B marketing even as a non-IT-affine marketing manager.

Marketing Automation (MA) is the technology that optimizes marketing across channels and automates recurring tasks. It is about automation and optimization of repetitive processes. CRM as a technology documents and manages the interactions between companies and prospects as well as customers. Together and complementing each other, marketing automation and CRM form the basis of the MarTech stack, the modern technological basis for B2B marketing. While MA helps

B2B marketing managers to reach a defined target group as effectively and efficiently as possible via all channels, CRM enables sales to document, manage, and maintain relationships in terms of interaction and communication with existing and new customers. Up to now, CRM systems have been used mainly by the sales department to understand the overall picture of the customers and to close deals more effectively. In recent years, this has been the case in companies, as IT, sales, and marketing have claimed sovereignty over CRM. The historical introduction has shown that although CRM originated in sales, over the years new additional functionalities have been developed that fall into the area of B2B marketing. In the next few years, CRM solutions will evolve from a typical instrument for entering and managing data and information to a system that is more reminiscent of social networks in terms of usability. Morgan Norman, CMO of Copper, comments on the development of CRM in an interview with MTA as follows:

Some CRM improvements will include recommending next actions, native integration with modern work tools. . . , and conversational-based behavior which will change marketing automation. The next evolution of CRM will get simpler, will focus exactly on what the user needs to manage relationships, and will take minutes to implement instead of years. As CRM platforms keep evolving, they'll become more personalized and more able to cater to the needs of teams and organizations of all types and sizes.³³

This means that CRM systems will continue to establish themselves as an essential and integral part of MarTech environments in organizations that are managed by IT departments, in which B2B Sales enters information and communication data in a mobile and interactive way, and which B2B Marketing uses to analyze, evaluate, and reuse data for the ongoing optimization of activities and campaigns.

4.7.1 Sales Benefits from Marketing Automation

With regard to the MA solution, however, the understanding of roles must be adapted. After all, it cannot and should not be the task of sales to set up campaigns in the MA solution, to control them, and to optimize them. On the contrary, sales must work together with B2B marketing to conceive measures that are then operatively entered into the respective marketing automation solution by marketing and played out via it. The sales department should work with the CRM system, but if possible, should not have any operational contact with the Marketing Automation system. Against this background, B2B Marketing must ensure that the internal MarTech is integrated and structured in the best possible way. The function of the IT department in this context is to implement the business requirements of B2B Marketing accordingly. The content sovereignty with regard to the MA is thus in the area of B2B Marketing, the technical sovereignty is with IT.

³³Retrieved April 28, 2020, from <https://www.martechadvisor.com/articles/marketing-automation-2/marketing-automation-crm-relationship-evolution/>

With the help of the MA, salespeople should carry out lead-nurturing programs and identify cross-selling and up-selling opportunities. The conception is carried out in close cooperation between marketing and sales. The operative implementation with the help of the MA solution, on the other hand, is carried out by B2B marketing, so that sales can concentrate on selling. Once the leads have reached the status of Marketing Qualified Leads (MQL) on the basis of the Service Level Agreement (SLA) to be defined between B2B Marketing and Sales, Marketing passes this on to Sales, which must then close the leads and build a sales pipeline. How this is done technically in the background is and can be regulated differently from company to company and depends on the integration of the MarTech systems in use. In order to establish the best possible technical system structure in the sense of a MarTech Blueprint, a corresponding procedure is described in the further course of this chapter. Mike Dickerson, CEO of Click Dimensions, explains how MA solutions³⁴ can support the sales department:

Marketing automation can support sales with web intelligence, allowing sales teams to understand prospect behavior and what interests them most. Armed with better prospect intelligence, the sales team can begin nurturing potential relationships quicker, more effectively serve potential customers the information they want and attract more customers for the organization.

However, the full potential of CRM and MA can only be realized by developing and establishing Business Intelligence. Because through a modern MarTech infrastructure enormous amounts of valuable data are collected over time. It is important to evaluate this data automatically in order to be able to anticipate and identify future sales potentials on this basis in the best possible way with regard to application, product, region but also time. Regarding MarTech it is unfortunately the same as with lawyers and tax consultants. MarTech will only be successful in the long run if it is set up, fed, and cared for with intelligence. If you do not give your tax consultant the appropriate suggestions and tips yourself, the corresponding tax refund will be sparse.

4.7.2 MarTech Suppliers Are the Always Best

If not they, then who! MarTech suppliers know exactly how to market themselves perfectly, because it is their business. It is probably the biggest challenge for B2B marketing managers to find their way around the colorful Jurassic Park of the now 8000 products and solutions in the MarTech stack. One thing right from the start: many solutions are brilliantly prepared and marketed but will never be able to provide the corresponding added value for industrial companies or will have gone as quickly as they came. It is therefore crucial to be able to identify the really good

³⁴Retrieved April 28, 2020, from <https://www.martechadvisor.com/articles/marketing-automation-2/marketing-automation-crm-relationship-evolution/>

and suitable products in a short time with structure and method in the ever-denser jungle of the constantly increasing number of available solutions and products. This makes it all the more important, as a B2B Marketing Manager, to be aware of MarTech's role as an enabler right from the start and to have a plan for building the MarTech stack.

The customer experience is becoming more and more important as the number of formats, communication channels, and also media continues to grow. The goal must therefore be to stand out from the crowd. This can only be achieved with good stories, smart customer-specific content preparation, and a perfect customer experience. As the customer experience must be given ever-greater priority, MarTech can play a decisive role by providing important customer data across departments. B2B marketers can use customer data to send targeted information and deliver it in the right form at the right time through the customer's preferred channel. B2B marketers can also use algorithms and regression analysis using business intelligence to track customer buying patterns and use predictive analytics to anticipate future customer needs and buying behavior. This information can then be used to design very targeted, situation-specific demand generation or lead-nurturing campaigns, which can be played out via MA.

4.7.3 No Provider Can Offer Customer Intelligence

All intelligence can and must be built up internally in the companies. Neither a system nor an external agency can help them in the long term. In all aspects of intelligence, B2B marketing must be the proverbial mastermind. In short, with the help of a correctly set up and grown MarTech stack, B2B marketing can gradually develop not only market intelligence but also customer intelligence, which in turn is the basis for a 360° customer experience (CX). From formerly single, unconnected isolated applications with redundant data, a data pool with enormous potential for short-, medium-, and long-term revenue generation and optimization is created, as some case studies in the third part of this publication illustrate.

Sherri Kolomayz, Senior Product Marketing Manager at Infor, describes very clearly the potential that the company-wide use of CRM alone can have in terms of customer centricity:

When utilized across organizational silos, a seamless CRM system can create richer and more relevant customer experiences. An integrated CRM solution gives virtually any employee the information needed to address a customer's need at the point of origin, rather than bouncing the customer from person to person across the company—resulting in disconnected customer experience.³⁵

Such company-wide use of a common CRM solution is a management issue, not an IT issue. Many globally active industrial companies are now dealing with many

³⁵Retrieved April 28, 2020, from <https://www.martechadvisor.com/articles/marketing-automation-2/marketing-automation-crm-relationship-evolution/>

different CRM systems as a result of many company acquisitions in recent years. This inevitably leads to duplicates in the sense of multiple entries of a single customer in the different systems. For a B2B marketing manager, this is more or less the worst scenario. Before the conception and establishment of a modern MarTech infrastructure can even be considered, a strategy for the standardization of the CRM systems in use must be defined and launched in close cooperation with the IT department of the company. Only then it will be possible and reasonable to initiate activities for data cleansing and to evaluate, integrate, or connect further elements of a modern B2B MarTech structure to the CRM or the CRM environment.

The concept of the integration platform as a service (iPaaS)³⁶ represents a variant for merging several systems. Using iPaaS, companies can integrate various cloud-based and local applications to build a coherent MarTech stack. iPaaS is, however, again only a technical construct, which will not be successful in the absence of a solid and well-thought-out concept. The role of IT and related technical concepts has changed significantly over the last 50 years. While IT was the driver of developments in the early days of automation, today CIOs and their departments see themselves as the interface between IT and business. In addition to defining and implementing the IT strategy, the main task at the operational level is to translate and implement the requirements from the operational areas. This means that more than ever before, IT staff must act as interface managers between business and technology. Of course, this all happens within the IT strategy of the company as defined by the CIO and his IT department.

4.8 The MarTech Journey

Against this background, the following describes a process that has been tested in practice and is designed to help you as a B2B Marketing Manager to find your way through the MarTech jungle. The different phases or steps can of course flow into each other but should support as a generic guideline with regard to a stringent procedure. Do not expect miracles, because once again success is a journey of many small steps on your very personal MarTech Journey.

4.8.1 Step 1: The CRM System

It's like architecture and science. If you do not have a solid foundation, your building or hypothesis will blow up in your face. Once again, it is about doing your homework. You need to get an overview of the relevant IT infrastructure in your area or company. You should discuss and discuss the following questions either alone, with research or together with someone from IT:

³⁶Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Cloud-based_integration

- Is there a CRM solution?
- When was the CRM system purchased or is it a self-programmed solution?
- If so, is it used extensively by the sales department or not?
- If not, why?
- How is the data quality in CRM?
- Is CRM available throughout the company and does the entire sales department have access to it?
- Who in marketing has access to the CRM system?
- Is the CRM system also available for mobile use?
- Is there an own CRM strategy and what does it look like?
- What is the management's opinion of the CRM system?
- Who in management has access to the system and how often is it used?
- Is the data from the CRM used by the management for reporting?

If you can answer these questions, you have defined the starting point of your MarTech Journey. On the basis of the previously asked questions and the corresponding answers, you can already derive important insights. You know how high the acceptance of the CRM system is in the company or in the sales department, whether the management uses the CRM as a single point of truth and how long it will continue to use this system. And you should also be aware of the direction in which CRM will develop. After all, if the system has only recently been acquired, there is still hope that you can use marketing to take timely and relevant measures in the right direction with regard to data quality and use of the system. If, as in many cases, the system has already been established for many years but is used unsuccessfully in the company more as an alibi, it is crucial to recognize what the reason for this may be. The following main causes can be decisive:

- No commitment from top management.
- Poorly set up system in terms of data entry, automatic filling of fields or no mobile availability.
- No added value for management and/or sales in terms of meaningful reporting or as a rolling forecast.

These are the main reasons that lead to a CRM system not being used successfully by organizations. It will be crucial to recognize what is really behind it. No matter what is brought into play, if you ask more closely you will always come up with one of the three points or perhaps a mixture of them as the main causes.

You do not define an IT strategy. As B2B Marketing Manager it is your task to handle the IT tools provided in the company in the best possible way. If the CRM system does not deliver the defined benefits, it is your task to identify the reasons for this through a thorough analysis. As a B2B marketer, CRM is

(continued)

the key to success in developing a stringent customer centricity in the sense of a 360° customer view. To achieve this, you need to define measures together with the relevant internal stakeholders in order to optimize the existing CRM system in terms of usage.

On the sales side, there will always be reasons why the CRM system currently in use is not working. The sales department is not interested in a functioning CRM system, because it creates transparency and shows who in sales is doing their homework and who is not. In addition, the CRM system means a considerable amount of extra work for the sales staff to store all customer interaction and communication in the system. And the worst thing about it is that if sales does this work properly, this work could be the basis for the fact that if the goals are not achieved, it would become very clear why. The consequence of this is that if the CRM system is only used inadequately, sales will be less transparent and therefore less measurable.

As a consequence, this means that a CRM is only used successfully if top management defines the CRM as a single point of truth and only uses the information stored in the CRM for reporting purposes. Conclusion: Everything that is not stored in the CRM system is not valid and does not exist for the management.

But if you come to the conclusion in the course of your research in the various discussions with your sales colleagues that the CRM is not properly set up, then you have to get to the bottom of the matter. In many cases, an IT system is purchased, but during implementation, the system is not customized or thought through to the end. As a result, data fields have to be filled with text manually, although automatic filling from an ERP system would be possible and save valuable time for the sales department. Similarly, data entries could be simplified and optimized by using logically resulting drop-down lists. So if you come to the conclusion that the sales department is justifiably against such unnecessary manual data entry, you can, for example, initiate these optimizations or automations together with the sales department within the framework of a CRM relaunch. As always in life, everything consists of give and take. On the marketing side, it is required that the sales department properly stores data and information in the CRM. But in order to get this concession from the sales department, marketing must get the sales department on its side. By taking the side of marketing and getting the CRM relaunch project off the ground, marketing becomes an ally of sales. Even if these measures are time-consuming and exhausting at the beginning of the MarTech Journey, you are investing in the right values in the long run, namely.

- Credibility in terms of the best use of company resources, as you do everything possible to get the best out of the existing CRM system.
- Building trust in management in terms of responsible use of company resources.

- Approaching and coordinating with the so important sales force that you will need as you continue your B2B MarTech Journey but also the achievement of the higher levels of the Marketing Maturity model will certainly be on your side.

Within the framework of the CRM relaunch, you should actively participate in either yourself or through an employee. The project must be successfully completed. It is important that you do not stumble over definitional traps. The CRM system is system-technically the responsibility of IT, but in terms of content, the CRM system must be located in B2B Marketing. In order to be able to implement B2B marketing successfully in the long term, the CRM system must not be under the control of the sales department. As described above, the hidden agenda of sales is understandably oriented in most cases in companies to keep the level of transparency and the additional administrative tasks as low as possible.

4.8.2 Step 2: The IT Strategy as Reference Framework

Once you have “conquered” the CRM in terms of content, you have already successfully overcome a major hurdle. The next step is to understand the company’s defined strategy in terms of information technology. The IT strategy is for you the decisive, incontrovertible frame of reference for any further trade with regard to your MarTech Journey. An IT strategy is in most cases available on the intranet or via available documentation. The goal must be to find out everything under the radar in relation to the IT frame of reference and what is relevant for you.

Do not make an all-round effort to find out about the IT strategy. As a B2B marketer, it is not your job to take care of the IT strategy. In all your activities as a B2B marketer, it is always crucial to be aware of your own position and positioning in the company. This does not mean that you always have to give in. But in the context of your research on IT strategy, you should not unnecessarily create resistance and friction.

In this context, it is more a matter of understanding the big picture. An already established Enterprise Resource Planning System³⁷ provides a first indication of the IT strategy of the company. ERP is complex applications or a bundle of communicating application software or IT systems that are used to support the resource planning of an organization. Complex ERP systems are divided into modules that can be combined as required. Against this background, such systems today represent the incontrovertible framework of corporate action. Everything that flows into the systems, but also is transferred from them to other systems, must be strictly checked and validated. Interfaces to ERP systems and their programming is comparable to

³⁷Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Enterprise_resource_planning

open-heart surgery in a company. Against this background, such an ERP system of a company is also a strategic directional decision with regard to the system environments that are based on it. This means that a decision in favor of SAP, Microsoft, Oracle or ABAS, for example, always simultaneously sets the course with regard to other downstream IT systems. This requires the compatibility of the various systems in terms of how and with which programming languages they are created. For you as a B2B marketing manager, an established ERP system is the appropriate frame of reference for the validation of newly acquired MarTech products.

With regard to ERP systems, companies are subject to the phenomenon of lock-in syndrome defined by Shapiro and Varian (1999). The two authors recognized even then that it is almost impossible for companies to switch from one supplier to another or their ERP system. In addition, such a change would be associated with enormous costs, which makes it almost impossible to reverse a decision made for a specific ERP system or to replace it with a new one. Due to their strategic position for companies, these ERP systems have shaped the entire IT industry in such a way that compatible ecosystems have developed around these systems. This means for the B2B MarTech stack that the currently 8000 products are basically different ecosystems, in terms of their compatibility—even if they are cloud-based.

This is another dangerous stumbling block for B2B marketers, as every vendor claims to have relevant Application Programming Interfaces (API)³⁸ for every possible solution. This sounds good, but in most cases it means nothing. Customizing in the sense of adapting software or an interface always costs a lot of money and time, even if no one would ever tell you that.

Against this background, it is crucial to ask the potential provider for references regarding different ERP ecosystems right from the start. Do not forget to explicitly ask for references from the industrial sector in the sense of business-to-business. It can happen that B2C references are sold as B2B references and that one or the other sales manager of a vendor is still not aware of the significant difference. This may sound strange now, but it is nothing unusual. You can use the following stereotypes as standards to place the right questions from the beginning:

- Can you give me corresponding references from the B2B sector?
- Please send me reference projects of customers who work with our ERP system and have integrated your solution accordingly.
- How deep is the integration with the ERP system?
- Will you send me references that work with our CRM system?

³⁸Retrieved April 28, 2020, from https://en.wikipedia.org/wiki/Application_programming_interface

- For a more in-depth analysis, I would need generic blueprints from reference customers showing how your product is integrated there with interfaces to which systems.
- For which ERP and which CRM systems do you already have standard interfaces?

With these questions, you can get a feel for potential suppliers from the outset with regard to their actually realized reference projects. Of course, you can also have such discussions with a colleague from the IT department. But IT has enough other things to do, which means that you are forced to acquire a certain amount of IT-related knowledge and thus to conduct such conversations on your own or to make such calls competently right from the start.

With regard to an early pre-selection of providers with regard to compatibility with the company's own IT ecosystems, a look at their homepage can always be helpful, especially at their references. As a B2B marketer, you will quickly recognize from the customer logos listed there whether it is a provider that primarily serves B2C or B2B companies. You will also be able to see very quickly from the information provided whether a provider is mainly active in the area of small and medium-sized companies or in the area of international corporations. Also, in this respect, you should make sure that you find yourself in the customer spectrum of the potential provider in relation to your own company size. The background to this is that a provider for medium-sized companies generally has different system stability and security compared to a provider that has already established itself in the industrial environment. Again, the decisive factor here is the fact that large companies with the corresponding requirements in terms of security and stability would never have chosen a provider who could not meet the corporate requirements.

When it comes to your MarTech Journey, you do not want to be a guinea pig under any circumstances, because that can cost you your job and set marketing back light years. On the contrary, you have to prepare and prepare a potential purchase decision in a structured way with the highest standards. If you get feedback from the IT department that IT has seldom received such neatly prepared profitability analyses and functionality comparisons as from marketing, then you have done your job right.

4.8.3 Step 3: Marketing Automation in the Focus

On the basis of the findings of the previous steps, the next step should now make it possible to venture into the future heart of your B2B marketing. As described in the section "CRM and Marketing Automation," the duo of CRM and Marketing Automation is the basis for modern B2B marketing. CRM is the initial database and MA is the enabler to automate and replicate processes. Conversely, this means that the triad of ERP, CRM, and MA must be present and function. Those who do not do

their homework properly at this stage will pay dearly for it. In summary, the following factors must therefore be taken into account:

- Compatibility with ERP system
- B2B experience of the suppliers
- Congruence of the references of the providers in relation to the size of the company

With these factors, you will definitely be able to make a first trend-setting pre-selection. Important and not to be underestimated, however, is also the gut feeling that develops in the course of the work of preparing the decision with regard to the quality of the provider. Quality in this context refers to the speed of answers, the quality of the content provided, but also and above all the self-conception of the respective sales employee. In most cases, this self-image can be applied to the entire company of the seller. In this context, you should pay attention to whether the respective sales employee behaves more as a companion and supporter or as a tough, sales-oriented salesperson. A companion does not dictate the speed and allows the necessary time to familiarize himself with the subject matter and develop the appropriate competence. He accepts that a marketing manager must have the appropriate competence to prepare a responsible decision. He will be available to answer questions, discuss concerns, and provide requested documentation. During the time of working together, you will intuitively get the feeling of being in good hands. A supporter will do everything to earn your trust by simply being there to help you with words and deeds.

A tough salesman has no time. He or she has a sales goal in mind. It is not about supporting you and enabling you to make an informed decision. The self-image of this type of salesman is that his or her product fits every company. He will therefore always try to hold the scepter in his hand and set the pace. A tendency to act impatiently should help the salesperson to make as much turnover as possible in a short time. With a certain amount of empathy, B2B marketing managers will develop an uneasiness toward such sellers anyway.

It is undisputed that female managers are more successful than their male colleagues. Countless studies attribute this to the fact that women firstly do not take themselves so seriously and secondly listen to their intuition and gut feeling. In addition to the clean preparation of the facts, as described above, you should never forget your intuition when it comes to making good and sustainable decisions. As the saying goes, “A farmer sleeps three nights before selling a cow!” Take time and use your intuition to prepare a purchase decision for a Marketing Automation solution. Buying an MA solution is not a quick shot, because it is a long-term relationship with a supplier or with their product. Together with the ERP and CRM system, the MA solution is the backbone of your future B2B marketing.

How you can operatively and in detail prepare the purchase decision for an MA solution, you can read in the corresponding article in the further course of this publication on the basis of a case study from the mechanical and plant engineering industry. It is important to prepare this decision together with the internal stakeholders. However, you must also always be aware that it is a marketing tool, not a sales or IT tool. It is therefore advisable that you and your team get a broad picture in marketing beforehand, in the sense of a long list, and gradually reduce it to a short list through a clearly structured and comprehensible process. This list should not contain more than three to five providers.

On the basis of this list, you should then involve IT so that you can go through the further selection process together with the IT department. With regard to the previously mentioned structured and comprehensible process, reference should be made at this point to the Marketing Maturity Model in this publication and in particular to the point of methodological and structural competence. The use of appropriate templates in the context of provider selection and the comparative presentation of functionalities but also the different pricing models can contribute significantly to a clean documentation and a valid process (Seebacher 2003).

4.8.4 Step 4: Full Speed Ahead into the Jungle

If step three in the sense of acquiring an MA solution is underway, the time should be used to make the appropriate preparations for using it. In addition to information technology aspects, these preparations include, above all, the transfer of knowledge to other departments in the organization, such as product management, innovation management, but also and above all, of course, sales.

As already mentioned, several times at various points in this publication, we are in a phase of paradigm shift. Change means fear and uncertainty. Put yourself in the position of a long-serving sales representative to whom you now explain that in the future you will process his leads and customers automatically by a software solution. Without the necessary basic knowledge, the sales representative will not be able to understand what this means. In most cases, he will be suspicious of this new approach and dig out the old image of marketing that this new software solution only costs money anyway and, like marketing in general, will bring nothing. Modern B2B marketing, MarTech Stack, and all the new terms associated with it represent a black box for non-marketers.

It is your task to initiate and ensure the transfer of knowledge into the organization. Within the framework of internal communication, you must enable internal customers to understand modern B2B marketing and the enormous potential it offers. Only when the sales department recognizes the enormous advantages of modern B2B marketing will it be willing to actively deal with it or to go the way together with marketing.

Modern, next generation B2B marketing will only be successful if marketing and sales pull together. The task of marketing is to enable the entire organization to understand marketing automation and all related terms and topics. It is crucial to explain the many advantages for the respective internal stakeholder in order to ensure the attention and support of the respective department via this proverbial carrot. Marketing can thus position itself as the savior that makes life much easier for sales and the entire back office through innovative, IT-supported marketing.

Create transparency and regularly communicate openly about new opportunities and developments in marketing. Take the time to talk to your internal customers about innovative marketing and its many advantages. Give your internal customers the feeling of being heard. Respond to criticism or improvements and allow a critical review of your measures, ideas, and suggestions. Always be aware of your position as an internal service provider. But make it clear that you can only provide a perfect service if you can use the appropriate tools, such as Marketing Automation.

With this in mind, you can now begin the gradual digitalization of the entire marketing value chain. With regard to a risk-minimizing and value-added-maximizing approach, you should never ignore two keywords:

- Step by step
- Value-added oriented

You and your marketing team cannot save the entire world in 1 day and thus cannot automate the entire marketing process at once. On the one hand, this is not possible in terms of resources in addition to daily business and on the other hand, the development of modern B2B marketing is a huge learning process. In the corresponding introductory section of this book, we have already dealt with the enormous process of change and the accompanying necessary development process of organizations in terms of their ability to learn. The imperative of the hour is not to overburden your own team and the entire organization, otherwise you will be alone at the end of the day on your way to the summit.

So, you should constantly move in small but clean and precise steps toward modern innovative B2B marketing. You should not take on too many topics at the same time but follow a once chosen procedure model with stringency. This process model should be aligned with the value chain. This means that you should start where you can generate added value for sales most quickly. Analyze the customer journey and identify where the shoe pinches the most at the moment and thus quick wins for sales could be realized with possible automation.

A prime example is the automated scanning and digital processing of leads at trade fairs and events. When hundreds of new contacts have to be recorded by the system at large trade fairs, this means an enormous manual and time-consuming effort for the entire sales department. If, for example, you use a lead scanning app to

automate the entire process of recording all leads during the event, and then build on this to implement an automated lead-nurturing campaign and even generate Marketing Qualified Leads (MQL), then you will have realized enormous added value for the entire sales department in a very short time. The acquisition of such a lead scanning app is not a strategic decision per se and can be reconsidered after a reasonable period of time. There are also no exorbitant costs associated with such an acquisition. This means that for you as a manager the risk is also manageable. The only thing that is important in this context is that you define the relevant interfaces promptly and get them under control. Otherwise, you can only win with such an initiative and thus gain enormous confidence for all further measures in connection with your MarTech Journey.

The value chain-based approach is defined as a process model based on the development of a lead through the entire customer journey up to order creation and after sales and service. The approach must be to successively automate or digitize each individual section of this customer journey. In terms of resources, this approach ensures that the activities can be managed alongside the daily workload, that the organization grows step by step into the new generation and that the individual components gradually merge into a complete, coherent, and integrated MarTech stack.

This approach also offers the enormous advantage for you as a marketing expert that you continuously expand your knowledge of the rapidly growing MarTech landscape, which product suits you and which does not. You will be surprised in what a short time you will be able to have substantial discussions with your valued colleagues from the IT sector regarding possible new solutions. Another important advantage of such an approach is that you will be able to realize more and more quick wins and tangible results in the sense of added value for your internal customers and document them transparently. Conversely, this in turn will lead to a further increase in confidence in the entire marketing process, which will automatically result in an ever-greater scope for action. This room for maneuver could be used to evaluate the integration of the different MarTech components by means of an integration platform. Rico Andrade, Vice President of Marketing at Celigo, explains how this will allow marketing automation to be extended to various tools:

iPaaS is like a system of pipes that allows information to flow within an organization, and for companies to succeed in 2019, the concept of marketing automation cannot be limited to stand-alone applications such as Marketo and Hubspot. Growing organizations need to take a more holistic approach for automating that data across many applications. To do that effectively and efficiently, marketing leaders should adopt integration strategies that center around the iPaaS tech stack to make their businesses more agile and competitive.³⁹

³⁹Retrieved April 28, 2020, from <https://www.martechadvisor.com/articles/marketing-automation-2/marketing-automation-crm-relationship-evolution/>

The integration via such a platform is certainly a valid possibility to align the company's own MarTech infrastructure in a stable way in the long run. If one looks at comparative periods of other industrial companies with regard to their development along the MarTech Journey, one can define an average of between 1 and 3 years for the first two phases. Depending on whether the preparations for phase 3 have already been started during this period, one should again plan for 3–5 years. This means like everywhere else “Good things take time!”

4.9 The S-Curve Model

Based on the development process described above, it is clear that the road for B2B marketers to achieve Industrial Marketing Excellence is a long and complex one. The organizational maturation process is stringently accompanied by that of the MarTech development of a marketing department. The internationally recognized IT industry veteran Peter O'Neill⁴⁰ has—similar to the Marketing Maturity Model—used his experience to illustrate the IT development of an organization in relation to its MarTech stack. According to O'Neill, this results in a five-step process along which the various systems and solutions are arranged in an S-shaped curve. These five phases are congruent with the Marketing Maturity Model, on which this book is based in terms of the overall structure of the sections. O'Neill's presentation makes it very easy to assess one's own MarTech maturity level and can also be directly transferred to the organizational maturity model. With the help of these models, it should be possible to orientate oneself in relation to relevant meaningful MarTech considerations and organizational measures in order to be able to successfully and effectively design one's own B2B marketing journey to marketing excellence (Fig. 4.2).

4.10 Summary

Modern B2B marketing has to deal more and more with IT in order to be able to use the potential of existing products and solutions in the market for their own companies. B2B marketing managers who are not aware of this fact, or who will not keep up with this development, will fall by the wayside. In the long term, they will not be able to stand out from the crowd in the ensemble of automated and optimized B2B marketing. They will not succeed in being virally where they have to be in order to attract the attention of potential customers to their products or the company. As a result, the cost per lead will continue to rise, the return on sales will decrease and you will be left behind.

Soberly considered, there is no way around this paradigm shift. The situation is not new. While almost 40 years ago it was the ERP systems that led to resistance in

⁴⁰Retrieved May 11, 2020, from <http://marchnata.eu/>

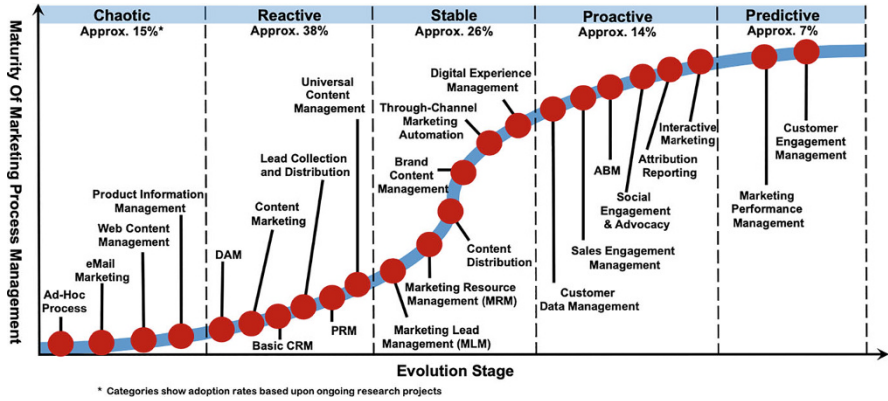


Fig. 4.2 S-model of the maturity level to MarTech according to O'Neill. (© <http://marchnata.eu/>—Peter O'Neill)

companies because the employee would become completely transparent, two decades later it was the CRM systems that provoked a similar reaction. Today, it is feared that the Internet of Things and digitalization would cost many thousands of jobs. However, the situation is much more dramatic when it comes to marketing automation, as in many companies this topic of the MarTech stack is not even on the agenda, at most possibly on that of the B2B marketing managers, who are not sufficiently present in top management to be heard there.

The dilemma now is that it is the task of marketing, with regard to its responsibility toward the companies, to inform the top management about the developments and the resulting enormous potential with regard to not only cost optimization but also sales expansion and optimization. Due to the history of industrial goods marketing, however, the responsible manager in most cases does not find the ear of top management to be able to perform this task. Against this background, the way out of this situation will be the strategy of small steps. Applying the four-step approach described above, marketing must deliver immediately tangible results in small steps, not only financially but also in terms of workload reduction and time savings for the sales department. Based on this, further measures toward the development of a modern B2B MarTech Stack can be realized.

Marketing Automation and CRM are the all-important basis of the B2B MarTech Stack, whose potential will be reflected in the future in ever-larger shares of sales generated and realized through marketing. B2B marketing has to become a digital, high-performance, and transparent turnover guarantor by means of marketing engineering, which is only possible with the help of a precisely functioning MarTech Stack. In order to be able to set up this decisive B2B marketing IT infrastructure properly, marketing must drive this process significantly and must not be a co-driver of IT or sales. This means that B2B marketing is more and more IT driven, which is why B2B marketing managers need to acquire product competence with regard to MarTech solutions and interface competence with regard to general information

technology as soon as possible. For B2B Marketing Managers this means that their job description will change completely and that they will have to rely on new skills and a new generation of B2B Marketing employees in their marketing teams. Welcome to MarTech Jurassic Parc of colorful and dazzling marketing solutions.

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Part II

Practical Concepts and Models: Applied Science from the Experts

B2B Marketing Strategy: Finding the Needle in the Haystack

5

Alex Cairns



5.1 Introduction: The Strategy Model and Why We Need a Framework for Strategic Marketing Planning

In B2B, people are not so much buying for pleasure as they are buying to reduce pain, meaning that a completely different approach is required to that of consumer products and services. A recent study from marketing research firm Gartner found that despite the proliferation of digital access, 77% of B2B buyers still feel that making a purchase is time-consuming—and even painful.¹ Item values can be much higher, the typical sales cycle is much longer (in certain cases up to 18+ months) and there are more decision makers working through a far more complex buying process that demands more information and looped steps to reach a final purchasing decision. Consequently, B2B planning needs an almost ruthless approach in terms of focus, data, analysis and, most critically of all, strategy.

¹Retrieved May 6, 2020, from <https://cmo.adobe.com/articles/2018/11/3-ways-to-fix-your-b2b-content-marketing-strategy-gartner.html#gs.7q9n80>

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The key challenge in B2B is to influence complete businesses with potentially dozens of stakeholders rather than just a single person. These relationships must typically be nurtured across a long buying cycle, maintaining subtle visibility at all times. The modern B2B buyers do their own research, frequently online. On average, B2B buyers now make 12 online searches before interacting with a vendor's website, and they are already 57% of the way through the buying process before they want to speak with a sales representative.² Even in industrial and manufacturing industries, 67% of purchases are influenced by digital channels.³

The methodologies used in putting the following strategy model together have been rigorously tested, applied, adapted and enhanced over the course of more than 200 marketing audit and planning processes for SME manufacturers, industrial, B2B service/technology and science-based companies. The main sectors in which these companies operated include highly technical B2B businesses, such as heavy engineering, manufacturing, construction products, medical products, oil and gas, science, aerospace, B2B technologies and B2B services. To give an idea of scale, company turnover at these organisations was typically (80%+ of all reports) in the £10–30 million bracket, however, the methodology is equally applicable for companies with a turnover outside this range.

It is an ideal framework if you are operating within a small marketing team of one to four within that turnover bracket or within a product or service division at a larger company focused on B2B markets. It also sets the baseline and foundation from which you can consequently bolt-on individual campaign plans that may be developed for a specific product group, geographic region or business unit. To use a sporting analogy, think of the overall strategy as the team's overall playing style, philosophy and approach while the bolt-on campaigns are the more granular tactics employed on a game-by-game basis according to the specific opposition and state of play in the season. The model focuses on providing a framework and guidance to an in-depth analysis of a company, followed by tools to help identify the best methods in which to move forward with your marketing strategy and tactics (Fig. 5.1).

Although some elements remain, this model moves beyond classic marketing theory to provide a more practical and useable structure with which to define, benchmark and implement your B2B marketing plan. Most marketing methodologies were never defined or developed with B2B in mind—as such they fall short when it comes to the critical implementation phase as they were never appropriately aligned with the specific complexities and challenges of the typical B2B marketplace. This model aims to provide an agile platform on which B2B challenges can be evaluated and both digital and classic marketing methodologies, techniques and tools can be harmonised. The output of this process should be a

²Retrieved May 6, 2020, from <https://www.thinkwithgoogle.com/consumer-insights/the-changing-face-b2b-marketing/>

³Retrieved May 6, 2020, from <https://www.thinkwithgoogle.com/advertising-channels/b2b-buyers-online-and-offline/>



Fig. 5.1 B2B marketing strategy model. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

document of anywhere from 20 to 60 pages, the more concise the better though as it will be easier to reference at a later date.

There will be companies that are selling different ranges of products into B2B and B2C marketplaces or that sell the same product but into both marketplaces. At the point where the lines between B2B and B2C intersect it becomes even more important to develop carefully defined strategies for each segment—segmentation and developing buyer personas will help with this process and are explored in more detail at Step 1.

B2B Marketers understand that strategy is needed but, according to Hubspot research 63% of them cite “generating traffic and leads” as their company’s top marketing challenge with “proving the ROI of our marketing activities” being the second most common challenge.⁴ Working through the eight steps of this B2B marketing strategy model will help ensure that you are generating the right type of traffic and leads for your B2B organisation and that you have a methodology for converting these leads into sales.

5.2 STEP 1: Marketing Landscape

5.2.1 How Can We Define a Situation Analysis Template for Profiling the Company’s Current Offering?

It is vital that the beginning of any strategic marketing plan sets the scene and the context in which the strategy has been developed. Without context, it would be impossible for someone not involved in the process, such as a new marketing hire for example, to pick up the document at a later date and take action on it in a meaningful way. This is important even in larger matrixed organisations. In some ways it is even more important, as the relationship between product lines, departments and geographically split business units is even more complex.

The context can be quickly compiled based on answering a series of internal marketing audit questions and should profile some or all of the following, depending on industry sector and specifics:

- Age/brief history of the company including any M&A activity?
- Products manufactured and/or services supplied?
- Market sectors and applications for the products or service?
- Maturity of these market sectors?
- Sales figures and splits across divisions—turnover and profitability?
- Make up of the internal sales and product support teams?
- Reseller/Distribution network overview?
- Recent (last 1–2 years) historical marketing activity overview?

⁴Retrieved May 6, 2020, from <https://www.hubspot.com/state-of-marketing>

As this section is for top-level context, it does not need to go into masses of detail on each point. It should be a concise executive summary of no more than two pages. Anything with a critical impact on the marketing function can be explored in more detail in later stages of the strategy process.

5.2.2 Segmentation and Routes to Market

In B2B, marketing segments are typically defined by job titles in similar industries and drivers/motivators revolve around company objectives. Many B2B markets deal with two core groups when it comes to routes to market: resellers and end users. A number of sectors, e.g. construction products, also interact with two additional groups: installers/system integrators and influencers. Companies selling services can sometimes have a more complex structure of sales channels but should still be able to categorise within a maximum of four to six key groupings. Categories should always be kept as broad as possible when defining these routes to market, as this will enable the development of top-level messaging for each group at later stages of the planning process.

Effective segmentation increases the effectiveness of your marketing strategy in a number of ways: a niche focus can be used as a basis for competitive differentiation; products can be matched to or developed for the specific needs of each segment; marketing messages can be tailored to resonate with that segment and more accurate data lists can be compiled. Segments should be meaningful, distinct, sizeable and identifiable in order to help define a targeted approach.

Running through the segmentation process is a prerequisite in order to get yourself into a position from which you can focus on key targets. Use the following as a quick checklist for comparing different segments:

- Who could be a potential buyer of your products?
- Why do they buy products or services like yours?
- What kind of problems or tasks do they want to solve?
- Competition level
- Expanse of the market
- Segment growth or decline
- Your company's past experience within the segment
- Pricepoint
- Proportion of your range that would be applicable

A few years ago, I undertook a strategic planning process using this framework for one of the United Kingdom's leading catering equipment providers, a B2B operation selling into commercial kitchens across a range of sectors including restaurants, leisure, care facilities and hotels. The company, turning over about £17 million at that time, was well established but was looking to move away from its engineering roots and achieve more value for its consultancy, expertise and ancillary services offering, including a proprietary database which tracked over

30,000 assets. The sales cycle was long, with a typical 12–18-month period required to move from design to installation and a regular refurbishment cycle. Having worked through the intricacies of the segmentation analysis we established that the fast-growing Casual Dining sector represented the fastest route to success, as this group was the most critically driven by flexibility of operation. This issue was directly solved by the company's integrated focus on design, uptime and asset management and so marketing positioning, content and budget was completely pushed towards this one key segment for a nine-month period, resulting in an 82% uplift in the company's annual sales in Casual Dining.

“Routes to market” is a more useful description than “sales channels” at this stage of the planning process, as many groups may not be physically “sold” to but still have a critical influence on the specification of a certain product or suite of products. After defining target groups, the next layer of analysis should build in key job title groupings, e.g. Technical, Purchasing, Executive etc. and then specific job titles for each of those groupings, e.g. Production Engineer, Purchasing Manager or Company Director. Once target groups and key job titles have been defined the broad market drivers and expectations for each vertical channel should be summarised. This is a crucial phase in the process as it will play a pivotal role in advising and guiding targeted content once it comes to the implementation phase (Fig. 5.2).

Certain companies or industrial sector crossovers require several subsidiary charts to establish the full picture of a company's route to market. In 2015, I used the strategy model to reposition the industrial marketing effort of a leading global manufacturer of specialist building products for a wide range of leisure construction and manufacturing applications. They had four completely different product ranges, all targeting different groups and applications: structural vibration isolation products aimed at structural engineers and steelwork contractors, thermal isolation products aimed at architects and environmental consultants, machine mounts aimed at manufacturers and industrial distributors and acoustic isolation products geared predominantly towards developers and contractors. As a result, we framed up the offering through four separate routes to market charts, highlighting any crossover for potential cross-selling messages and promotions to be picked up later in the planning process.

5.2.3 Creating Buyer Personas

A buyer persona is effectively a representation of your ideal customer. It's based on a combination of market research and actual data about your existing customers. By conducting a comprehensive analysis of the trends, behaviours, similarities and patterns amongst your target audience, you can then create a marketing strategy built around their key objectives and challenges. Buyer personas are invaluable for B2B marketers as they enable the creation of prospect-orientated marketing campaigns and content, showing target audiences that you understand their business pains and problems intimately, encouraging them to engage further with your business.

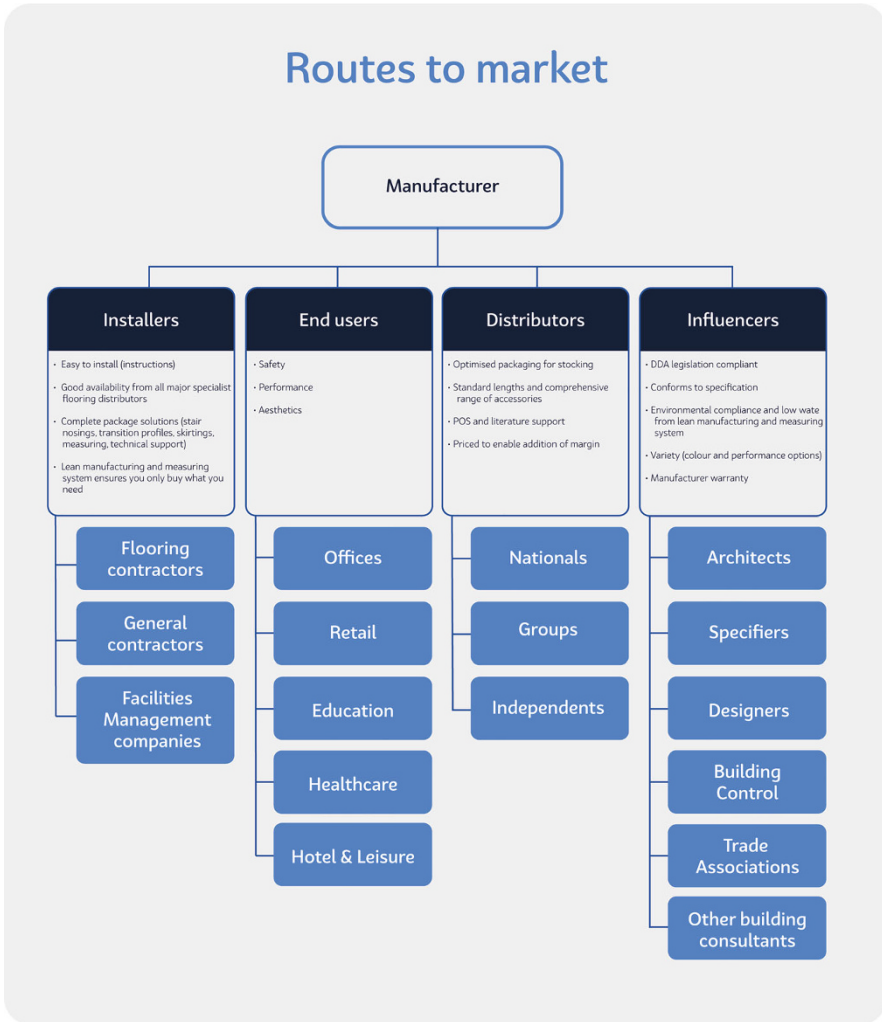


Fig. 5.2 Example routes to market. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

Although buyer personas can be constructed using in-house knowledge, the most effective way of building buyer personas is to choose a market segment, select a range of customers from this segment and then survey those customers to create a series of data points. The following is a list of key questions that should be asked in any survey:

- What leads you to buy products or services like ours?
- What are your current challenges?
- What are the problems our product or service solves for you?

- What might happen if these problems were not solved?
- Where did you hear about us?
- What do you value most about our product or service?
- Are you satisfied with everything (quality, service, support, results etc.) or is there anything that could be improved?
- What features would you like to see in our product or service?
- Would you recommend our company?
- Which industry blogs, websites or influencers do you access for knowledge building?
- Who are the key stakeholders in your company?

5.2.4 Researching Macro Environment Detail for Bespoke B2B Sectors

“Macro environment” is the marketing term for all those external factors that impact on an organisation’s decision-making, performance and strategies, which cannot be directly influenced or controlled by the organisation itself. This is opposed to micro-environmental factors, which are more closely influenced by the company. These are the six headings around the outside of the diagram in Fig. 5.3—also sometimes referred to as PESTEL analysis.

The key imperative in terms of macro environment analysis is that you have to put the hard yards in. Remember that there are not any shortcuts when it comes to good B2B marketing strategy. How can you possibly plan a marketing or brand awareness campaign for a given sector if you do not have a handle of what the parameters are within that tightly defined sector? Why would you knowingly pour the company’s money into a campaign which you had not quantified and validated through rigorous research?

Consequently, when it comes to the research—which is usually desk-based research—do not rely on just the top few search results in Google. Instead dig deeper below the surface by using the following techniques:

- Look specifically at news results.
- Look up industry trade association reports for market stats.
- Review market report summaries to establish some baseline top-level market stats.
- Think about different perspectives of where the product sits in the wider market, e.g. for a manufacturer of commercial computer monitors the relevant search term should be “IT hardware” or “IT market sector” trends rather than purely “computer monitors”.
- Sift through digital trade publication content and feature lists to get an overview of what the key subjects and trends are.
- Look at trade show content, defined zones and seminar topics to get a feel for key industry issues.
- Interview internal staff across different departments.

Macro environment

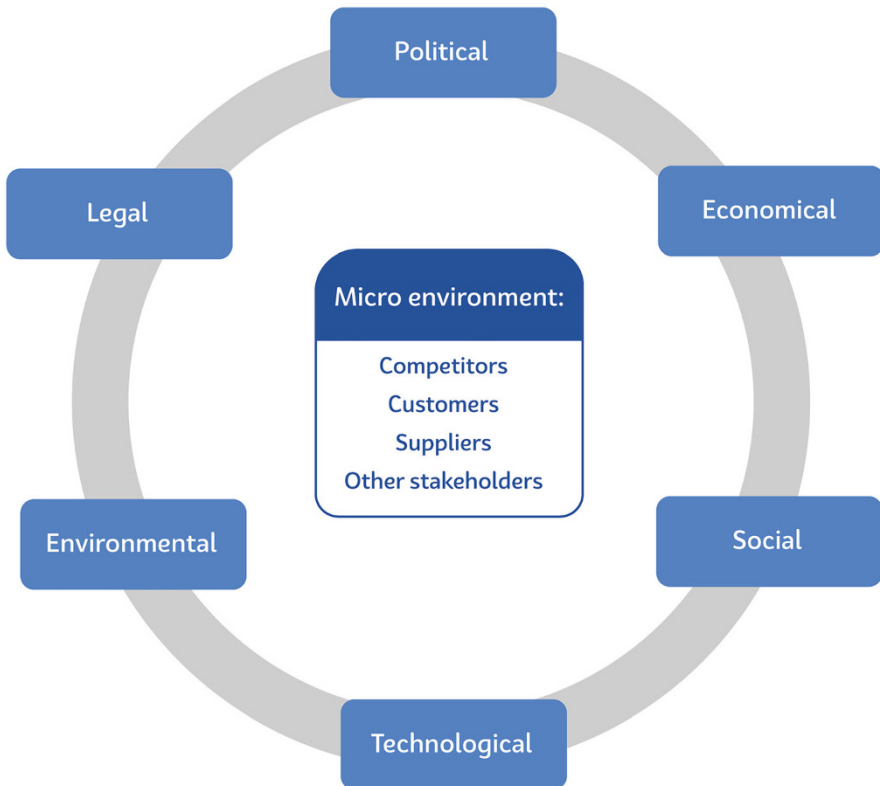


Fig. 5.3 Macro environment. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

Fine tune and filter all of this analysis, then use the key summary information to give context to what you are trying to achieve. This is the landscape your company is operating in—taking the time to understand and evaluate it will put you in a far stronger position from which to refine and launch your ultimate strategy.

Back in 2016, I carried out a marketing audit for one of the global leaders in the manufacture of valves and fittings for the tank container, road tanker and rail industries. The company, already turning over around £96 million at the time, was highly reactive in its marketing approach (with a marketing team of just two) and had achieved its market position largely through heritage contracts and word of mouth. Despite there being clearly defined groups in the segmentation process, ranging from OEMs (original equipment manufacturers) through terminals and service providers to end users, there was no differentiation in the messages for these groups. The

company was also hugely dependent on its core tank container market and had failed to address major areas of opportunity across General Industrial segments, ranging from Food Production to Pharmaceuticals. Macro environment analysis helped define the size and key drivers of these markets and this flowed through into positioning, thought leadership and content considerations later in the planning process.

5.2.5 Marketing SWOT Analysis

SWOT (strengths, weaknesses, opportunities and threats) analysis is a simple but useful tool that marketers use to better evaluate the business environment. SWOT findings help companies to effectively penetrate the marketplace and quickly capitalise on opportunities. Marketing, particularly in a B2B context, is all too often overlooked as the one department that cuts across all facets of the business. In the context of carrying out your B2B marketing, in SWOT analysis there will inevitably be some crossover with other departments—but be sure to keep marketing impact at the heart of any analysis (Fig. 5.4).

Keep things simple on your marketing SWOT by leaning on the work that has already been done through the strategic planning process. The situation/company



Fig. 5.4 SWOT template. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

profile analysis undertaken at the earlier stage of this model (see Sect. 5.2.1) combined with segmentation and buyer persona analysis (Sects. 5.2.2 and 5.2.3) should form the basis of the strengths and weaknesses boxes. Key macro environment observations (Sect. 5.2.4) should also be inputted into this marketing SWOT analysis—they essentially form the basis of the opportunities and threats boxes. Key observations from the competitor analysis completed at the next stage (Sect. 5.3) should also be analysed as part of the opportunities and threats section.

Within the B2B space, there are some common elements that you should be looking for across these four areas. From a Strengths and Weaknesses perspective, finance, marketing, management and production are the recurring categories. Opportunities and Threats typically centre around the political, economic, social, technological, environmental and legal changes going on in the marketplace as well as competitor activity in terms of M&A (mergers and acquisitions) or new entrants/product developments.

5.3 STEP 2: Competitor Analysis

5.3.1 What Are the Comparable Characteristics of the Modern Competitor Marketing Approach?

In his seminal book “The Art of War” Tzu (2014) said that:

If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat. If you know neither the enemy nor yourself, you will succumb in every battle.

Understanding competitor marketing positioning, strategy and tactics is an absolutely vital weapon in the B2B marketer’s armoury. In the modern age, most of this is laid bare on the Internet and so can be analysed, cross-checked, compared and evaluated in a myriad of different ways. MarTech tools enable deep level digital comparisons of, for example brand mentions, organic website performance and social engagement as a few quick examples—straight off the bat that will help inform your own website, digital PR (public relations), rich content and social approaches.

At the top level, there are some key fundamentals that should be analysed when comparing competitor B2B marketing approaches. The first two of these aspects revolve around qualitative analysis where you will need to make a judgement and interpretation of how they are positioning themselves. The third aspect analyses their mix of marketing channels. The fourth and final area uses MarTech tools to benchmark them against your own performance:

1. The first key area is brand and positioning—ignorance is bliss and even though you may not personally agree with every statement you find, remember that your

prospective customer has no reason to question what they see on your competitor's site.

- (a) What are the key aspects of a competitor's value proposition that come across on their website? You do not even need to look too far to find this as it is usually plastered across the About Us page of their website or the early pages of a PDF corporate brochure.
 - (b) Go beyond this though—dig deep into the sub-pages on the website for more detail.
 - (c) Review their electronic literature.
 - (d) Look at messaging on trade show photos and social posts.
 - (e) What else do they stand for?
 - (f) What else rises to the top in terms of consistent messaging?
 - (g) How are they trying to be perceived in the market?
2. The second is size and segmentation to provide context.
- (a) Are they a smaller division of a much bigger company with many more product lines?
 - (b) How do they segment the market?
 - (c) What bracket do they sit in from a market share perspective?
 - (d) What are their strengths and weaknesses in terms of channel, R&D, innovation etc.?
3. The third is the sophistication of their range of marketing techniques and frequency of updates—gather the information, cross-check against other key competitors—it will give you a benchmark from which you can pinpoint weaknesses in your own marketing set up.
- (a) Key features or areas of their website
 - (b) Corporate and technical brochure downloads
 - (c) Seminars or webinars
 - (d) Rich content such as blog posts
 - (e) Technical data sheets and documentation
 - (f) Credibility building via case studies or media relations and PR activity
 - (g) Social channels
 - (h) Video and web explainers
 - (i) Regularity of news content
 - (j) E-newsletter subscription links
 - (k) List of “where you've heard of us” channels on their Contact Us form
 - (l) Livechat functionality
 - (m) Login or bespoke functionality for either resellers or customers
 - (n) List of trade shows at which they are exhibiting
4. How do they stack up against your company on a digital basis? The influx of MarTech tools in recent years has transformed the level of detail with which you can now benchmark your competitors' digital presence and performance:
- (a) Domain authority of website
 - (b) Estimated traffic on website
 - (c) Backlinks to website
 - (d) Website keywords

- (e) Wider SEO performance of website
- (f) Digital brand mentions can be used, in part, to benchmark PR efforts
- (g) Channel engagement rates will provide a benchmark on social performance

Competitors can often show the way and provide a “lighthouse” for the marketing channels, messages and tactics that should be considered in developing your own strategy. A few years ago, I worked through the strategic planning process with a manufacturer of contract carpets for the global leisure and hospitality sectors that was looking to grow its export share of sales. During the competitor research phase, we delved into the extensive marketing techniques being used by ten competitors in total, focusing on two particular competitors in greater detail. The sophistication of their international content was considerable, with dedicated microsites for different countries, translated PDF download content for all product ranges and localised case studies and regularly updated content. However, “sophisticated” does not necessarily mean expensive (particularly when it comes to digital and MarTech, which have broken down many of the traditional budgetary barriers) and we were able to pinpoint and implement cost-effective ways of quickly establishing an international digital baseline which could compete.

5.4 STEP 3: Message, Brand and Positioning

5.4.1 The Core Elements That Influence Any B2B Marketing Value Proposition

Brand needs to be at the core of your B2B marketing strategy—this is not just an area that should be reserved for separate, big ticket rebrand projects but rather a fundamental and central consideration that should be constantly re-evaluated in the context of any strategic development processes. The value proposition represents the central pillar of the five key elements that make up a brand’s kinetics or living/energised values:

- Brand essence: The defining idea—a shorthand way of explaining what the brand is all about.
- Brand purpose: Why is what your brand does useful and why is it valuable?
- Brand value proposition: The value and benefit your brand brings to its customers.
- Brand personality: What your brand is like to work with and its style of delivery?
- Brand principles: What are the company values and what drives the culture?

There are three core elements that should be used to benchmark and refine your company’s value proposition as part of the strategic planning model:

1. Your own company strengths and USPs—rank these according to importance.

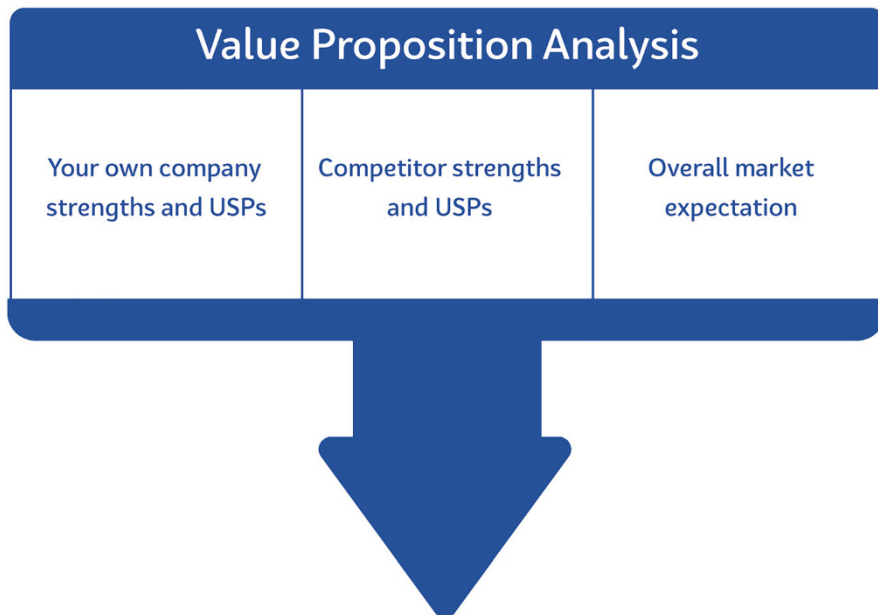


Fig. 5.5 Value proposition analysis. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

2. The strengths and USPs of your competitors—compare key product and service features.
3. The overall market expectation—gather market and customer intelligence.

The output of analysing these three areas is the clear identification of the key variables which mark out one company’s product and service offering as “better” or “different” than another in the market and the standard to which your brand should aspire. This same process can also be repeated for more specific markets or product groups.

The information for the first two of those categories will already have been collated in earlier sections of this model. In terms of benchmarking against competitors, you should also list out key areas in a comparison chart. The third can most easily be benchmarked through a simple digital survey process. In B2B, there are typically three core stakeholder groups when it comes to brand evaluation; internal staff, resellers and end users. I am constantly amazed at how few industrial and B2B companies take advantage of widely available free and easy to use software, usually leaning back on the excuse that their resellers or end users either “won’t have the time to respond” or “won’t tell us anything we don’t already know”. The average time to complete a ten-question survey (a combination of open and closed questions) is typically just two and a half minutes! (Fig. 5.5).

As a footnote on this value proposition development process, if you are struggling to build and define your company's value proposition, there are also a number of tools out there to help with this process, such as Susanne Trautmann's "Marketing Canvas",⁵ Strategyzer's "Value Proposition Canvas"⁶ or Futurecurve's "Value Proposition Builder"⁷ amongst others.

5.4.2 Other Positioning Considerations

Once your value proposition has been clearly defined, the next key step is to establish what the key underlying messages are, both from a perspective of different shades/accents of the core proposition for defined target groups or sub-brands, and in terms of building a longer-term value-based thought leadership position. The latter objective is an absolutely central challenge for any modern B2B marketer—essentially how do you achieve a premium on a product which has many similar characteristics and features as the other products available, but is being pitched at a higher price-point? Navigating this hurdle will not only define the level of success of your marketing plan implementation but will also enable you to align more closely with the sales team and empower them to achieve their concurrent objectives.

Thought leadership has been an emerging topic for a while now in B2B marketing. At the start of the 2010s, 56% of [B2B marketing](#) executives stated "positioning our company as a thought leader" as their top objective in an Economics Intelligence Unit [study](#).⁸ The importance of thought leadership in the B2B marketplace is geared primarily around an increasing desire for information from B2B buyers, the explosion of company owned (rather than publisher owned) digital channels with which to share relevant content and a raised level of interest from B2B buyers in the "how" a company's solution goes about overcoming their pain point as opposed to the traditional requirement to simply know the basic "what" they do that overcomes it.

Many B2B marketers in the modern era, blinded by choice, rush too quickly towards choosing the media before figuring out the message though. The component parts of your MarTech stack and the precise channels that you choose to use are all useless if the substance and depth of your content and message are not of an adequate level that it will provide knowledge and education to your target customer. As such, the key stages of preparation for developing campaign content schedules should be built into this positioning step accordingly.

Use a content development model such as the "Hero/Hub/Help" model⁹ to define and schedule your annual content marketing programme. This three-tiered model

⁵Retrieved May 6, 2020, from <http://marketing-canvas.de/>

⁶Retrieved May 6, 2020, from <https://www.strategyzer.com/canvas/value-proposition-canvas>

⁷Retrieved May 6, 2020, from <https://www.futurecurve.com/value-proposition-builder>

⁸Retrieved May 6, 2020, from <https://blog.marketo.com/2010/06/b2b-thought-leadership.html>

⁹Retrieved May 6, 2020, from <https://www.thinkwithgoogle.com/marketing-resources/youtube/schedule-your-content/>

originally pioneered by Google is increasingly being seen by marketers as a powerful way of segmenting any type of marketing content and the foundation of a rounded and effective digital marketing strategy. It helps companies to build loyal online communities through a consistent and regular output of varied content across channels.

The Help/Hub/Hero model is a way of segmenting these pieces of content so they are created with the right objectives in mind and thus distributed through the right channels. Objectives are based around where, when, how and to whom you are distributing your content and the position in the marketing funnel of the intended audience. Hero content sits at the top of the marketing funnel and is characterised by large-scale efforts designed to raise overall brand awareness. Hub content is focused on “push” content, designed as a source of information for your existing customers and prime prospects and heavily reliant on your networks or followers and subscribers. Help content is “pull” content, designed for your core target and geared around increasing audience engagement by answering questions and providing quick-fire information sources. With Help content, you may even use popular search engine questions to form topics focused on aiding your SEO (search engine optimisation) efforts.

Back in 2010, I engaged with an SME manufacturer of specialist building products for the Education, Healthcare, Office and Leisure sectors. The company employed around 80 people, had a marketing department of two and a sales turnover of around £11 million, as well as a large reseller network. Their sales had largely flat-lined over the preceding 5-year period and they were looking to achieve a step change of 10% per year over the next 3-year period. The strategic framework process identified many areas for improvement in what had been a fairly reactive approach to marketing, but the most surprising one was geared around the development of modular CPD (Continuing Professional Development, a UK training framework for architect and specification professionals within the construction sector) content for key specification groups. The company had traditionally geared all its efforts around supporting resellers with marketing collateral and signage etc., but some detailed analysis pinpointed three competitors who were making excellent use of CPD positioning as well as the fact that architects, specifiers and designers were key influencers in the buying process. The strategy model established that by directing marketing budget, thought leadership content and attention towards these groups the company would be able to pull more sales back through the channel by increasing its proportion of market specification. Reflecting the maxim that “spending different can often be more effective than spending more”, this subtle change in tack supported average yearly sales growth of 18% over each of the next 3 years, with only a 5% uplift in annual (re-allocated) marketing spend.

5.5 STEP 4: Media and Marketing Channel Selection Criteria

5.5.1 What Does the Spectrum of Typical Marketing Channels Look Like in B2B?

Back when I started my marketing career in the aircraft tyre sector 20 years ago, the range of channels available was a fraction of what it has evolved into today. Exhibitions were a major force, print trade publications represented the key communications channel and the digital landscape was still in its infancy, with no more than basic websites having been developed at that stage, even for industrial superbrands such as Michelin. As a result, building a communications or product launch campaign was quite restrictive in terms of the techniques and tools available.

Although on the one hand, this was a negative there is no question that it did encourage creative, out of the box thinking. On one occasion while leading a divisional EMEA (Europe, Middle East and Africa) marketing team at Ingersoll Rand in 2005, I visited the US headquarters with the rest of my team for a distributor conference which included live demos of a brand-new innovation in Oil Free Air Compressors. The product in question was essentially a huge, beige box about the size of a garden shed with thousands of intricate component parts within it. With a market value of more than six figures, it would be a hugely profitable product line for the company. In the United States, the sales team could easily invite all its nationwide distributors to a central location to showcase the technology in action. In Europe that would not be quite so straightforward. On returning from the conference we came up with a concept of housing the product in a 40-foot shipping container hooked up to all the associated peripherals. We then linked it up to a couple of screens which we used to show pressure variation in the system and mimicked air leakage scenarios to show the potential for energy savings. Over a 12-month period, we proceeded to use a flatbed truck to drive this simulation unit to all corners of Europe in order to give demonstrations to local distributors, direct salespeople and potential customers. We cancelled around half of that year's exhibition activity to pay for the production and logistics needed to enable this targeted solution. The result was that we outperformed the year 1 sales target by more than 300%.

Fast forward to 2020 and the huge expanse of marketing channels available—we are now living in an era of marketing channel saturation; a point to which anyone having seen the famous “Martech 8000” marketing technology landscape chart¹⁰ will happily testify. B2B brands that still rely only on the outdated techniques of the late 2000s and think that a few exhibitions a year plus several trade press adverts at regular intervals and the odd print brochure run will suffice are inevitably getting left behind in this new era.

In terms of an overall understanding of the new channels available it is important not to confuse key category types, especially when it comes to the most popular

¹⁰Retrieved May 13, 2020, from <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>

modern approaches. Although content marketing and inbound marketing, in particular, have a lot in common, there are some key differences. Content marketing focuses on the creation and distribution of content across multiple channels—for example writing a guide, sharing it on social media and ensuring that it is read and shared by those who will find it applicable. Inbound marketing, meanwhile, focuses on methodologies—e.g. making a website, and the content on it, attractive enough to compel some kind of action by the visitor, whether that is via a purchase, the completion of a form, or just a follow-on social media. While content marketing is focused on building relationships through content, it sits under the umbrella of inbound marketing which is a “bigger picture” activity that uses many activities and methods to eventually inspire a customer to take action. Digital marketing, by contrast, represents the core platforms or marketing channels used to connect (Fig. 5.6).

When assessing the marketing channels available you should always keep the core drivers of a B2B buyer at the heart of any plan. They are fundamentally driven by; the product’s lifetime value or ROI and how the business will benefit; technical characteristics and tangible benefits; a desire to be educated; detailed technical content; numerous decision makers in the buying process; and a longer buying cycle and contract period. All of these aspects lend themselves to more of a lead nurturing and drip feed approach, which coaxes the prospect in and then reinforces the message through a carefully orchestrated multichannel approach.

While at Knauf Insulation in the late 2000s, the spectrum of channels was beginning to increase and there was a healthy and flexible enough annual budget (over £1 million) to experiment. As a team, we tried out a number of different approaches, from cutting edge interactive features on our trade show stands through to testing out new digital approaches that were beginning to emerge. The most successful piece of marketing that we produced though was geared around thought leadership and effective implementation of something similar to the “Hero/Hub/Help” approach outlined in the previous step, albeit several years before that method rose to prominence in 2014. Over a 6-month period, we produced a detailed comparison guide to every available insulation material, covering both Knauf and competitor material solutions, which we then disseminated in both digital and print form. The content was broken up into smaller chunks for editorial features and press releases as well as videos, infographics and social posts. As a piece of thought leadership positioning, it caught our competitors off guard and gave us a huge advantage in the highly competitive insulation marketplace.

5.5.2 Building a Modern B2B Channel Mix

A look around at the state of the current marketing landscape gives an indication of the scale of the challenge when it comes to selecting the right mix of marketing channels. As of January 2020, there were 1.74 billion websites in the world—that is a fair bit of competition for attention. It is also a 700% increase in 2010, so we have

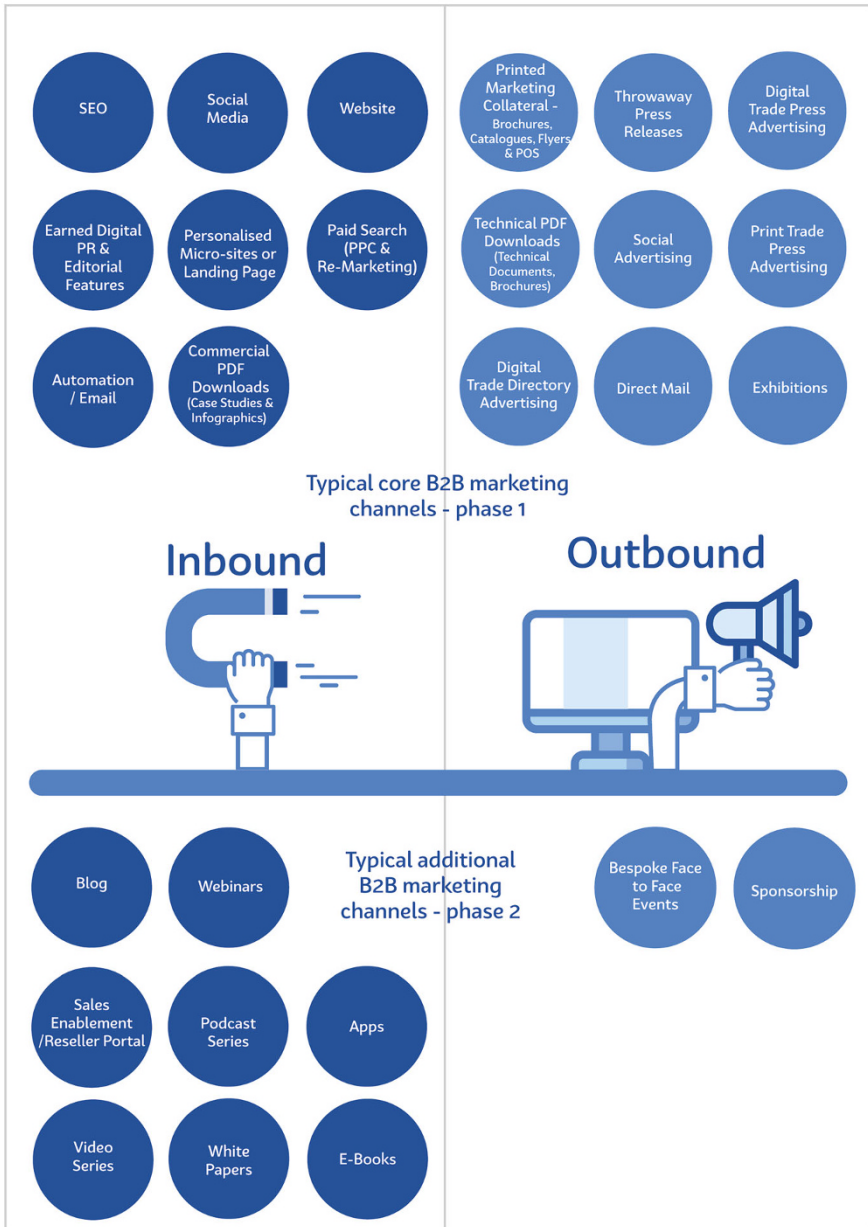


Fig. 5.6 B2B Media Channel Selection. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

come a long way in the last 10 years.¹¹ The global content marketing industry has doubled in the last 5 years alone to more than £300 billion.¹² What does that look like in real time? Every day, over 4.4 million blog posts are published online along with over 700 million tweets, 4 million hours of video content¹³ and there are also 5 billion worldwide Internet searches every day.¹⁴ Even before you get to the segmentation and persona focused targeting approaches of the B2B marketplace, that is a lot of needles in one almighty haystack!

The B2B buyer's journey has also been completely transformed in recent years: there are more people involved in the B2B purchase decision; the modern B2B buyer does their own research and its usually online; and most B2B buyers now twist and turn through the marketing funnel, looping back and repeating at least one or more tasks in the journey of Awareness-Consideration-Decision-Experience. Research carried out by Gartner in March 2020 suggests that B2B marketing leaders now allocate the highest proportion (11.6%) of their overall budgets to the company website and a total of 73% of the budget goes on digital activity.¹⁵

There are over a hundred categorised top level, broad channel marketing types, i.e. general grouping such as "Social Media" rather than individual channel such as "LinkedIn". This presents a complex challenge to B2B Marketers when it comes to attempting to define the mix of channel types to be used. A few key areas should be addressed in this respect:

- What is the cost profile/barrier to entry of a particular channel? "Very high/high/medium/low/very low".
- Review relative performance of channels currently used and rank according to "very high/high/medium/low/very low"—there are numerous free of charge MarTech tools that can guide you to benchmark stats for a particular industry sector.
- Rank what proportion of competitors already use the channel.
- Assess whether there are any new channels that competitors are using that may add value to the mix by effectively targeting key buyer personas.
- Score potential channels from 1 to 10 for market fit and potential returns.
- Is the channel mainly used for drip feed, one off material or both? Also, consider how this fits with the approach defined in Step 3 of the model.
- Apply weightings to each category above and select new mix of channels.

¹¹ Retrieved May 13, 2020, from <https://www.websitehostingrating.com/internet-statistics-facts/>

¹² Retrieved May 13, 2020, from <https://www.technavio.com/>

¹³ Retrieved May 13, 2020, from <https://blog.microfocus.com/how-much-data-is-created-on-the-internet-each-day/>

¹⁴ Retrieved May 13, 2020, from <https://seotribunal.com/blog/google-stats-and-facts/>

¹⁵ Retrieved May 13, 2020, from https://blogs.gartner.com/anna-maria-virzi/2020/03/25/give-b2b-website-love/?_ga=2.170346214.73262108.1590654217-1589085449.1589981298

When selecting the optimal mix of channels, it is also useful to align the mix with the different stages of a modern B2B buyer's journey, which broadly maps out as follows:

- Awareness stage
- Consideration stage
- Decision stage
- Experience stage

In the modern B2B journey, research and advisory company Gartner has suggested an expanded version of this process with customers engaging in a series of loops around, back and through the different stages: Problem identification/Solution exploration/Requirements building/Supplier selection/Validation/Consensus creation.¹⁶ Using either structure our fundamental challenge as B2B marketers is therefore to develop, refine and place content that will respond to each of the different steps accordingly.

5.6 STEP 5: MarTech Stack

In recent years, we have witnessed the proliferation of a new generation of tools for producing, delivering and evaluating the engagement and success levels of marketing content. At its most basic level, a Marketing Technology (MarTech) Stack is a collection of technology-based tools used by marketers to help them effectively automate, perform and report on various multichannel marketing activities across the customer lifecycle. The combination of tools can vary depending on type and size of business, budget and the company's strategic goals and priorities. At its most advanced level, it can be a major source of competitive marketing advantage.

The Internet has levelled the playing field for industrial and B2B SMEs in recent years and the media landscape is certainly changing as a result of this. In the present day, access to audiences has been ceded to platforms. Publishers' old value proposition to brands—which was essentially access to the audiences—is now beginning to dissipate with the advent of social platforms with massive user bases, not to mention a raft of popular digital publishers sprawled across the Internet and thousands of MarTech Stack platforms. These emerging forces have begun to disrupt legacy publishers' control over audiences.

Despite that, it is worth remembering that the Internet and MarTech as a whole are ultimately still just tools, they are not necessarily the answer on their own. A tool is not a strategy. There are no silver bullet solutions. Think of MarTech more as an enabler for executing strategy. The Internet age and the associated flood of information and data that comes with it has actually served to increase the importance of good strategic planning. A clearly defined strategy now represents the best way to

¹⁶Retrieved May 13, 2020, from <https://www.gartner.com/en/sales/insights/b2b-buying-journey>

cut through the noise of the thousands of different channel and platform options and data points available and hone in on the optimal channel mix. Consequently, whatever tools you choose for your MarTech stack, just remember that the technology you choose must also connect into your strategy, not the other way around.

The latest Gartner Marketing Technology Survey findings reveal that marketing leaders report utilizing only 58% of their MarTech stack's potential. That is despite now spending 26% of their marketing budgets on MarTech.¹⁷ The average marketing stack consists of as many as 17 or more tools.¹⁸ However, most modern marketers are more concerned with finding integrations to cross-reference existing data points than they are with adding more to the stack. The tools are out there but the challenge of how best to construct an appropriate B2B MarTech stack for your organisation has become one of the most critical in the modern strategic planning equation.

5.6.1 Steps to Consider in Building the Optimal B2B Martech Stack

Many will already be familiar with the Marketing Technology Landscape graphic (MarTech 8000) produced by Scott Brinker of chiefmartec.com on an annual basis. It is said to be one of the most frequently shared slides of all time. See the following link for the latest version:

<https://cdn.chiefmartec.com/wp-content/uploads/2020/04/martech-landscape-2020-martech5000-slide.jpg>¹⁹

This chart is pretty intimidating for a B2C marketer, let alone a B2B marketer! But by breaking down the overall marketing stack into chunks it is possible to arrive at a more manageable process for building your own B2B marketing tech stack. There are a few key imperatives in this respect; (a) there are six core groupings (advertising and promotion, content and experience, social and relationships, commerce and sales, data and management) split down into 49 subcategories—many will not be required at all so refine the list down to those areas that you are sure will be applicable; (b) do not be afraid of a trial and error process to your evolving tech stack. Once you have defined a suite of, say, 10 or 15 tools do not just assume that the project is complete and move on to something else. Revisit, re-evaluate and consistently test (most tools have free trials or demos) and swap new tools in and out to refine your suite of tools into the most agile, smart, connected and efficient tech stack possible; (c) consider how your tech stack can be angled and tailored in a way that provides better personalised content for your prospects and customers.

¹⁷Retrieved May 13, 2020, from <https://www.gartner.com/en/newsroom/press-releases/2019-11-18-gartner-says-marketers-utilize-only-58%2D%2Dof-their-mart>

¹⁸Retrieved May 13, 2020, from <https://www.signal.co/resources/optimize-marketing-technology-stack/>

¹⁹Retrieved May 13, 2020, from <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>

I recently undertook the strategic planning process for the European division of a major global manufacturer of IT equipment for specialist applications including healthcare, business enterprise, operating theatres and industrial. Brand evaluation was the key driver for the project as the company was competing against household names amongst other brands and one of the primary conclusions was that, by using MarTech in a smart way, we could achieve much better results in terms of brand consistency and reinforcement going forwards. For example, the brand had been sending a series of disjointed and mixed messages to the market, partly as a result of salespeople and distributors hashing together their own marketing presentations and support packs. At the front end, we helped implement a sales enablement tool that has since acted as a brand platform to control brand exposure and, at the same time, at the back end we installed a defined set of monitoring tools to track digital brand mentions, social engagement and SEO performance.

According to the State of Marketing Technology 2018 report, 69% of respondents believed “the perfect marketing stack does not exist yet”.²⁰ This is unsurprising as the “perfect stack” will never exist. With an expanded range of more than 8000 tools, there is no one size fits all approach when it comes to B2B MarTech. Every company must construct a solution that fits the specific needs of its business.

It is best to keep things as straightforward as possible at the outset of defining your MarTech stack, whether this is a first look at this or evaluation of an existing baseline. As such I have developed a stripped back framework for B2B SMEs, which focuses on just three wider core areas (Content Production and Collaboration, Distribution and Analytics). The chart below shows an example of what a limited suite of tools across each category would look like. With the exception of Hubspot, Seismic and Vuelio (these each represent bigger ticket subscriptions in excess of £500 per month) which are perhaps more aspirational, this represents a fairly comprehensive MarTech stack for a forward-thinking SME B2B company in the £10–£30 million turnover bracket. This particular example comprises a balanced mix of 21 tools, four above the industry average. A typical MarTech stack takes a CRM solution or Automation platform (Hubspot in this example) as the base component and then bolts on a number of component tools within the broader categories shown in Fig. 5.7.

Rather than obsessing too much over specific branded tools though, it is better to approach your MarTech stack framework with some more straightforward questions:

- What does my company’s current MarTech stack look like?
- Are these technologies internal or external facing?
- What am I trying to achieve in terms of content production?
- What collaboration will be needed to fulfil these requirements?
- How will I disseminate this content to the key target groups?
- How can I measure content engagement and impact?

²⁰Retrieved May 13, 2020, from <https://www.walkersands.com/resources/state-of-martech-2018/>

Example B2B MarTech Stack

Content Production & Collaboration (Attract)	Distribution (Engage)	Analytics (Analyse & Optimise)
Adobe	Hubspot	Google Analytics
Wordpress	Seismic	SEMRush
Canva	Google Ads	Sprout Social
Contently	LinkedIn	Vuelio
Asana	Twitter	Ghostery
Slack	Neverbounce	SurveyMonkey
Zoom	LiveChat	Hotjar

Fig. 5.7 Example B2B MarTech stack. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

- Where are the priorities in terms of evolving the stack?
- Can I connect, integrate and share data between the different tools?
- Does the newly defined tech stack align with the strategy and meet marketing goals?

The strategic planning process for another client of mine operating in the heavy engineering sector needed a long-term vision and dashboard on an array of drip-feed content activities. We drew together a suite of MarTech monitoring tools across digital PR, social, automated e-mail, organic web traffic and paid search to help track key benchmarks and identify areas for tactical improvements. Essentially, this helped align the strategy and tactics with measured/quantifiable benchmarks and ultimate effectiveness.

5.7 STEP 6: Objectives

5.7.1 How to Build SMART B2B Objectives?

Smart objectives must be aligned with commercial benchmarks and company sales and profitability objectives. A modern B2B marketer must wear a number of different hats when it comes to setting objectives, with blurred lines between sales and marketing targets often acting as a common divide. On an anecdotal level, having spoken to marketers at many hundreds of B2B organisations over the years, there are a few commonly cited objectives in day to day usage revolving around the ongoing requirement to increase web traffic, sales leads, brand awareness and conversion of leads to customers.

At the top-level B2B marketing objectives subsequently fall under three fundamental categories at the primary level with an associated wider list of secondary objectives—this checklist provides a useful yardstick as you should constantly ensure that any detailed objectives are serving one of these ten purposes (Fig. 5.8).

Setting out clear objectives is vital in terms of benchmarking the success of your strategy and also ensuring that there is a validation of any tactical adjustments made along the way. Using the SMART objectives methodology pioneered by George Doran in the 1980s (Doran 1981) provides a solid baseline from which to construct your B2B marketing objectives. SMART is the acronym that covers the five key criteria in the setting of objectives. It stands for:

- Specific—Exactly what should be achieved? (such as growing website traffic)
- Measurable—How will the goal be measured? (such as website visitors)
- Achievable—Is the goal to hit a target or a percentage increase?
- Relevant—What will be the change or result? (such as +20%)
- Time-bound—What is the deadline by which the goal must be achieved? (such as 12 months from now)

For each SMART objective, there are a number of key areas that need to be considered:

- What is the driving force behind what you want to achieve and why must a particular problem be solved?
- How does the end vision solve that problem and what does success look like?
- What steps must be taken for that aspirational objective to be achieved?
- What are the industry benchmarks according to each channel?
- What is the company's current performance across these same channels?
- What are the tactics identified in this strategic framework that will be used going forward?
- What is the desired performance level across each channel and is it achievable in the context of industry benchmarks? (Fig. 5.9).

Fig. 5.8 B2B Marketing top-level objectives. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd



Marketing and sales objectives should be aligned, i.e. state what you expect the sales impact to be of specific marketing objectives such as increasing website traffic, automation conversions and social engagement. A few years back, I started working with a well-established, 40-year old, SME distributor of lab equipment who had stalled somewhat in terms of sales growth and were looking to improve their digital presence and achieve greater brand credibility. After working through the strategic model, we established a clearer value proposition and also that a brand refresh would enable them to position themselves more visibly in the marketplace. Functionality and user experience were also lacking on their website and so a complete overhaul of their e-commerce website was undertaken on the back of the planning process. As well as a series of six core marketing objectives, we also undertook to support an increase of 18% in overall sales and 35% in e-commerce sales. Within the first 6 months of the new brand and website being launched, they were already up 50% on overall sales and 100% on e-commerce sales and they put this down entirely to the

SMART B2B marketing objectives template

Channel	Specific	Measurable	Achievable	Relevant	Time-Bound
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Fig. 5.9 Example of SMART B2B marketing objectives. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

implementation of the strategy established through the course of this framework process.

One of the most important considerations when building out your objectives should be a clear division between benchmark vanity objectives and quantifiable ROI metrics. It may not be possible to attribute ROI to every channel activity and, as such, there is no problem in incorporating a secondary list of what are typically known as vanity objectives but the primary objectives should link back to engagement, conversion and ROI. With that in mind, the following five questions should be carefully considered as a barometer of ongoing B2B marketing performance:

- How much in revenue or contract value resulted from marketing sources?
- What percentage of new customers were sourced by marketing initiatives?
- For every pound spent on marketing, how many sales leads were generated?
- How much does it cost you to acquire a customer?
- What percentage of acquired customers interacted with your marketing activity?

Generic B2B marketing objective examples would be areas like increasing revenue or brand awareness, growing market share, launching new products or entering new markets. Generic channel objectives would be areas like increasing organic web traffic, increasing the proportion of web leads converting to customers, increasing social engagement or increasing the number of digital brand mentions. Specific B2B objectives would be examples such as a website traffic increase of 35% in 1 year or a 200% increase in digital brand mentions in 6 months.

In 2019, I undertook the strategic planning process for a mid-range provider of wealth management software to the investment community. Their primary product

focus was a consumer-focused product, however, the bulk of the company's profit came from the secondary B2B product. Analysis highlighted a couple of major blue-chip competitor products that had the bulk of market share. In this case a short, sharp multichannel 3-month campaign was developed geared specifically around driving free trials on the back of a demonstration. We knew that 80% of demonstrations converted to free trials and that 80% of those converted to customer seats. On the basis of a data set of 1000, we targeted a 20% active engagement rate which would convert through to 128 new customer seats. Once a customer seat was achieved, the chances of that seat then influencing fellow wealth managers at the same company to try out the software increased massively. The company achieved 163 new customer seats over the 3-month period.

5.8 STEP 7: Marketing Action Plan Budget and Timeline

5.8.1 How Should We Build and Visualise a Framework for Budget and Timescales for Implementation?

So many marketers, particularly in the B2B space, simply do not get a say in their marketing budget. They will typically just wait to hear how much marketing budget they have got and then try to use it in the best way possible. I have lost count of the number of times over the years that Non-Marketing Executives (including CEOs) at SME manufacturing, science-based and industrial client companies have asked me outright at the start of a planning process what the company should be spending on marketing, before an audit has even taken place or a single piece of data has been analysed. If you find yourself in that conversation internally, do not commit to an answer before seeing through the strategic planning process. This will avoid setting unrealistic expectations or creating an unhelpful artificial target.

While with Michelin tyres in my first role back in the early 2000s the budgets involved were actually relatively modest for such an industrial powerhouse brand. That is due to the intricacies of a brand that crosses both the B2C and the B2B spectrums. The company was divided into nine core product lines—I headed up the marketing for the highest technology (and yet smallest in terms of sale turnover) of those divisions, the entirely B2B-focused Aircraft tyre business unit. This particular product line was at the cutting edge of tyre research, development and innovation with an even higher R&D spend than for Formula 1 motorsport racing tyres. The company had also made a conscious decision to position itself at the premium/top end of the price scale. It is a little known fact outside the aerospace sector that aircraft tyres are retreaded—the sales/pricing model is essential to lease “pools” of tyres geared around an estimated number of landings per tread and an estimated number of times that the carcass can be retreaded. There was a marketing team of two people and the budget in place for this division was around £200,000 of which 60% was quickly soaked up by exhibition space and fulfilment.

While at Knauf Insulation in my final client-side role, we had a marketing team of 12 and an annual budget of well over seven figures. This in spite of the fact that the

entire, wider Knauf Group of companies has a sales turnover of less than 10% of that of Michelin. Marketing budgets are very much relative and dependent on the specific sales and profitability challenges of the particular target market combined with cyclical and macro environmental forces on that same market.

Fast forward 15 years to one of my SME clients in the Science sector—trade publication print ad space represented more than 40% of their entire global budget and yet this was fundamentally an area on which no statistics were available except circulation stats. One of the key areas we looked at during the planning process was the identification of a more efficient and traceable way of spending that money on alternative digital channels.

There is a reason that this step comes after having defined Media, MarTech Stack and Objectives. Budget can only be defined according to the specifics of what you are trying to achieve and the component parts of how you are trying to achieve those goals. Remember also that any B2B organisation already has the innate capabilities to track its own leads back to source. This can either be done using MarTech tools or in a more manual way by involving your Sales team, but either way, it is vital to get a feel for what has worked historically.

Cost per lead (CPL) has historically been one way of approaching the budgetary question. Although this can be helpful in providing a rough benchmark assigning an average cost per channel, it can also be a highly inaccurate method, as it fails to take into account the specifics of the overall approach. For example, content marketing can tend to be seen as a high-cost approach, but the main investment for things like white papers and case studies is actually time and technical input. Social, by contrast, can be seen as a low-cost approach but, in B2B in particular, it will typically need to be backed up by paid social advertising to target the message in a more intricate manner further and wider to new prospects.

Percentage of revenue or profits has been another traditional yardstick-type approach towards B2B marketing budgeting. However, the averages vary wildly by sub-sector and take no account of marketing landscape or macro environmental factors. In reality, though the answer to this one will often revolve more around a number of pragmatic factors including target audience, product margins and optimal types of channel.

From my experience working with more than 200 SME B2B companies in a vast array of industrial markets ranging from Aerospace and Medical Products right through to Science, General Manufacturing and Heavy Engineering, in the SME arena typical budgets can generally be segmented into five broad categories, which are characterised as follows:

- Level 1: £0–£25,000 per annum—very low level of marketing maturity, narrow channel outlook, maximum 1-year vision.
- Level 2: £25,000–£75,000 per annum—low level of marketing maturity, 1–2-year vision.
- Level 3: £75,000–£250,000 per annum—medium level of marketing maturity, next few year vision.
- Level 4: £250,000–£1,000,000 per annum—advanced level of marketing maturity, minimum 5-year vision.

Sample - Draft 12 month Marketing Action Plan (Oct 2020 - Sep 2021)

Task	Cost	Category	Primary metrics	2020			2021										
				October	November	December	January	February	March	April	May	June	July	August	September		
Brand development and research																	
Brand guidelines	£500	Brand awareness	Survey results														
External surveys of end users	£500	Brand awareness	Survey results														
Content																	
Research and reports for key sectors	£100	Customer acquisition	Web analytics														
SEO improvements (including backlinks to main website)	0	Brand awareness	Web analytics														
SEO improvements to main site	0	Brand awareness	Web analytics														
Thought leadership driven conversational whatsapp survey	£500	Brand awareness	Web analytics														
Blog	0	Customer acquisition	Web analytics														
Development of web applications for key sectors	0	Customer acquisition	Online sales														
Initiatives for web applications	£1000	Brand awareness	Online sales														
Development of rich content - infographics	0	Brand awareness	Online sales														
Social content - creation	0	Brand awareness	Social analytics														
Social rich content - caption/visual creation - string animation & video trailer sequences, illustration	0	Brand awareness	Social analytics														
Automated campaign design and build	0	Sales return	Email analytics														
Automated campaign distribution	£1000	Brand awareness	Social analytics														
Establishment and upkeep of bespoke trade publication database	0	Brand awareness	Monitoring reports														
Cooperating printing, distribution, trading and up location of a regular series of press releases	0	Brand awareness	Monitoring reports														
Case study/capability focussed copy design and production	0	Brand awareness	Online sales														
Templates	£1000	Brand awareness	Web analytics														
Digital advertising																	
Social ad budget	£500	Brand awareness	Social analytics														
Social ad campaign management	0	Brand awareness	Social analytics														
PPC ad budget	£500	Customer acquisition	Web analytics														
PPC ad campaign management	0	Customer acquisition	Web analytics														
Re-marketing ad budget	£500	Customer acquisition	Web analytics														
Re-marketing ad campaign management	0	Customer acquisition	Web analytics														
Digital tech stack to support implementation of brand suite recommendations																	
Rebuild tech stack options for analytics	£100	Brand awareness	Web analytics														
Strategy, positioning, technical account management and reporting																	
Ongoing strategy development of key campaign messages	0	Brand awareness	Quarterly review														
Tech stack analysis, management and set up/updates	0	Brand awareness	Quarterly review														
Media monitoring (searching reports on key progress, insight and actions from all channels x 2)	£100	Brand awareness	Monitoring reports														
Exhibitors & Shows																	
Exhibition stand space	£100	Customer acquisition	Barcode scans														
Exhibition stand design and build	£100	Customer acquisition	Barcode scans														
Exhibition stand logistics	£100	Customer acquisition	Barcode scans														
Total	£500																

Fig. 5.10 Example action plan. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

- Level 5: £1,000,000+ per annum—highly advanced level of marketing maturity, full range of channels, 5–10-year vision.

A higher budget bracket does not automatically equate to more channels—often it is the intricacy, depth of research or visualisation of technical content that will validate a higher level of expenditure. Ultimately the target is engagement, and this can sometimes be achieved just as effectively through one or two channels as it can through three or four. In the vast majority of cases though, the best way of optimising B2B marketing budgets as an SME is to implement a multichannel approach that squeezes value out of every last marketing penny.

The marketing rule of 7 is a marketing maxim developed by the movie industry in the 1930s that still holds true today. Studio bosses discovered that a certain amount of advertising and promotion was required to compel someone to see one of their movies.²¹ The rule of 7 suggests that it takes an average of seven interactions with your brand before a purchase will take place. With that in mind, you need to ensure that you have a mix of channels that can adequately expose your campaign to the target audience.

A one-page action plan framework example shows how this can be quickly and effectively visualised in terms of cross referencing cost, channel and timescales in one core chart (Fig. 5.10).

Typically, in the modern B2B era it is not uncommon to see forward-thinking companies even at levels 1 and 2 using at least 5–10 different individual channels and ensuring that traceable digital channels (remember there are many different

²¹Retrieved May 13, 2020, from <https://www.digitaldealer.com/latest-news/rule-7-social-media-crushes-old-school-marketing/>

channel types within this category alone) represent at least 75% of the overall spend. Ensuring seven interactions and a steady flow of drip feed, thought leadership content across multiple quarters lends itself to a minimum 12-month timescale. Specific campaigns can have much tighter time frames (months rather than quarters or years) but a 1–3-year cycle is the optimal time frame for implementation of the typical B2B SME marketing strategy.

Back in 2017, I was approached by a manufacturer of heavy engineering equipment for civil engineering and industry. The company had developed a pioneering piece of technology with a unit value of more than million pounds and a highly complex sales cycle of more than 2 years. Their targets? The ultimate needle in the haystack—Welding Engineers, Purchasing Directors and Technical Managers at a range of Pressure Vessel manufacturers, Nuclear and Civil Engineering organisations spread right across the globe. Having worked through the strategic framework process, we established that there would need to be a twin speed approach with an intensive six-month multichannel marketing campaign backed up by a wider drip-feed marketing effort. The campaign delivered 60 leads over the six-month period in early 2018, which was a huge success for such a high value and complex piece of equipment. Almost as importantly it generated double that amount of leads for the company's other existing product lines through raised awareness of CVE's technical proficiency.

Another of my clients was a mid-range player in the global market for clean air solutions for operating theatres, aseptic suites and containment laboratories in the healthcare, research and manufacturing sectors. They approached me in 2013 about undertaking a complete audit and evaluation of their marketing function. The company's sales had stagnated in recent years—they turned over £8 million per year and yet had never spent more than £25,000 per year on marketing and had a marketing department of zero. After working through the strategic framework with them, we came to a few key conclusions on budget and timescales—an extended view of 2–3 years was required to meet their objectives; initial budget would need to be increased to £47,000 in year one, as there was an inadequate library of content; a wider range of channels would be needed to influence the several different job titles/functions that had a say in the specification process.

5.9 STEP 8: Reporting Template for Optimisation

5.9.1 Frequency, Areas to Consider and Reporting Template for B2B Marketing Monitoring

Data and reporting on campaign and marketing progress remain a constant challenge for all companies. One of the most famous quotes in marketing is attributed to nineteenth-century Philadelphia retailer John Wanamaker who said that:

Half the money I spend on advertising is wasted; the trouble is I don't know which half.²²

²²Retrieved May 13, 2020, from https://en.wikipedia.org/wiki/John_Wanamaker

Whilst that premise may be challenged by the new digital and MarTech era, it still contains more than a grain of truth even today. In fact, the tighter budgets and more niche target audiences in B2B make knowing the answer to that question even more of an imperative than in B2C. As such, reporting templates need to be flexible enough to track all channel types whilst also providing a route map for ongoing tactical adjustments. Such a template helps close the loop on the strategic model.

Monitoring the relative success of your marketing plan is even more vital for the modern B2B marketer than for counterparts in the B2C arena. It is important that you have a template that is both easily updated and yet agile and comprehensive enough to cover every channel within your marketing mix. In the modern era, B2B marketers within both industrial and service-driven brands are under an increasing amount of pressure to report to C-Suite/Board level executives on overall marketing progress and effectiveness. Having a template that you can lean back on in terms of quantifiable data will put you in good shape to confidently deliver such a report. There is even a stack of MarTech tools that can help automate large chunks of this process. However, it is the interpretation of that data that is the tricky bit, even more so in B2B where, because the volumes are inevitably lower, even the slightest variations in traffic and engagement can sometimes hint at a broader shift in behaviour.

With the above in mind, I have developed a three-phase approach with my team at Move Marketing Ltd. over the last few years. Phase 1 outlines the objectives tracking dashboard. Phase 2 uses MarTech to gather and collate all the channel data. Phase 3 relies on analysis and interpretation to glean the insights from that data and translate it into tangible tactical adjustments or recommendations. The reporting template can be expanded or reduced to include more or few channels if required and is summarised below (Fig. 5.11).

Focus on one to two slides of data charts and then one slide of summary analysis for each of the channels. This approach can be modified where one particular channel has a disproportionately high share of budget, but in most cases this ensures a balanced and concise analysis of all channels. The summary analysis slide should be split into three columns covering (a) particular stat, (b) interpretation of what this means for your company and (c) what the response to that should be. Avoid the temptation to write up several slides of interpretation or to include several slides worth of charts relating to each channel. It is information overload and does nothing to aid the coherency of your communication to C-Suite executives on how the marketing function is performing.

In terms of frequency, it is better to report on a quarterly basis rather than a weekly or monthly basis. This fundamentally connects back to the lower volumes of traffic and engagement typical of B2B markets—it is much harder to pick out variations and trends in the data on short timescales whereas a quarterly comparison will give a more accurate picture from which to provide interpretation and make informed tactical decisions.

In 2017, I applied the strategic planning framework to a client of ours selling research materials into the Science and Industrial markets and operating within the £10–£30 million turnover bracket. The company had actually spent fairly

Example Reporting Template

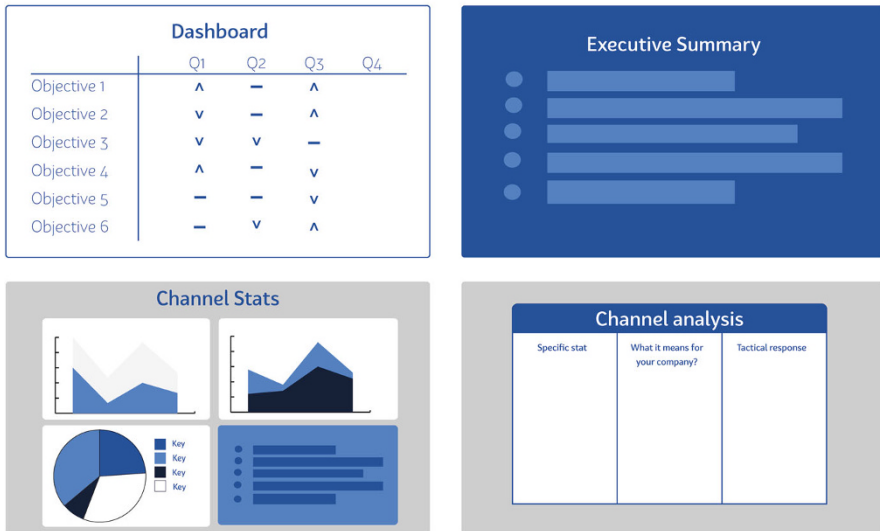


Fig. 5.11 Example reporting template. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

consistently and heavily on marketing over the years with six-figure budgets but was not seeing any return from its efforts in terms of sales and margin growth. Having worked through the process we pinpointed a number of areas of opportunity in terms of drawing better value from the marketing spend at an equivalent or reduced level—a more rigorous reporting template was central to this as, historically the company was not even tracking or assessing any of the data on its channel activity. Over the last few years, we have forensically tracked these data points across around 20 individual channels on a quarterly basis, using the template model shown above. This has enabled a raft of ongoing tactical adjustments and refinements which have seen the company’s sales grow at an average of 21% per year and its margin grows at an average of 32% per year.

5.10 Conclusion

Applying this strategy model to your specific B2B company environment will enable you to tackle your marketing challenges in a more confident and coherent manner. The structure and order of the eight steps should always remain the same. Use Fig. 5.12 as your quick reference roadmap of steps towards a relevant, actionable and measurable B2B marketing strategy.



Fig. 5.12 Summary of steps and tools. Source: Alex Cairns & Move Marketing Ltd. © Alex Cairns & Move Marketing Ltd

In the modern era where both channel ownership and extensive data have moved into the hands of the B2B brands themselves, you now have the tools, data and potential to be a powerful force in shaping your company's destiny. Use the strategy model to underpin this approach by providing structure, guidance and support on your journey towards achieving that ambition.

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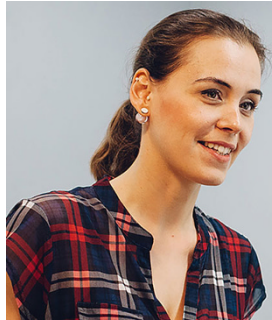
Wikipedia. (n.d.). Retrieved May 13, 2020, from https://en.wikipedia.org/wiki/John_Wanamaker

Alex Cairns has spent more than 20 years in industrial B2B marketing. Historically, he ran six-figure B2B international marketing budgets for blue-chip industrials Michelin, Ingersoll Rand, and Knauf Insulation. His first steps into the agency arena were as the cofounder of a generalist agency before more recently setting up integrated B2B agency Move Marketing Ltd. in 2017. With offices in Manchester and Cambridge, UK, Move operates on a global basis and has a range of B2B clients as far afield as Canada, Germany, and China. Alex and his team now apply industrial marketing excellence to enable SME manufacturers, science-based, technology, and B2B service companies as well as product divisions of larger multinationals to extract maximum value from their marketing budget, punch above their weight, and play on a level playing field with bigger competitors. He has distilled this strategy-based approach, based on marketing audit and planning processes carried out for more than 200 B2B companies over the years, into an eight-step strategy model for industrial and B2B marketers. It is an approach that clearly works—in 2019 Alex and Move won multiple prestigious awards as well as achieving a major global impact with their client work.

The Marketing Canvas: A Template for Powerful Go to Market Strategies

6

Susanne Trautmann



6.1 B2B Marketing Is Complicated

In B2B, innovation is the motor for commercial success. Digitalization and the opportunities offered by the exponential evolution of technologies are not only changing the markets we serve to, but also our future. All B2B companies today are under a high “*pressure to innovate*” and develop new products in increasingly shortened timeframes. In turn, the growing complexity of a company’s technology and product portfolio poses significant challenges for marketers. This creates a flood of internal information, threatening to drown out the overall objective and lose sight of the target audience. The danger of failing is growing: Without the ability to recognize the big picture and develop the ideal go-to-market strategy, successful market entry is as unrealistic as winning the lottery.

A current Content Marketing Trend Study, which examines the core challenges B2B marketers face, illustrates the tense situation: The constant *deadline pressure* is the highest burden on B2B marketers, with 58% of those surveyed wanting *more time* to implement their projects. About 52% of the participants feel restricted by

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insufficient marketing budgets; and 44% demand *more continuity*, more transparent structures and comprehensible processes to work more effectively.¹

In the highly volatile B2B environment, which is characterized by ever-shorter innovation cycles, fragmented markets, and sophisticated products, marketing specialists are thus struggling with several factors that further increase the degree of complexity. They are looking for orientation and effective methods to master their daily work in the VUCA world.

6.1.1 Why Traditional Information Gathering Is No Longer Working

Is the following scenario familiar to you? Your company is about to launch a new product, and you have been asked to develop a communication strategy. You gather information as you gradually familiarize yourself with the project:

- You talk to your colleagues and external experts.
- You examine internal documents and presentations.
- You research online, working your way through technical literature, podcasts, and much more information.

You will come across various documents, infographics, diagrams, and facts. Some of the sources you will save digitally on your computer or smartphone, some you will print out to read later and add written notes. The more information you collect, the more confusing the facts appear to you. At some point, you lose the original overview and can no longer think clearly.

What went wrong? You have forgotten a vital step in your exploration process and have not clustered your newly gained knowledge. During your research, you did not categorize the data neatly by subject area and missed countless interesting relationships between the information.

6.1.2 Understanding the Big Picture

Implementing a differentiated brand positioning requires both a deep understanding of the technology, products, and services being marketed and the application of efficient tools that aid in identifying key messages. With the Marketing Canvas Method, you will visualize relevant information that belongs to a certain subject and structure it clearly without losing orientation. The term “Canvas” underlines the creative character of this working process. It stands for the surface, which can be a blank sheet of paper, a poster, or a whiteboard, divided into fields according to the requirements of the project. The fields stand for different aspects where the information is filtered. Since space is limited in this modular system, all information must be

¹Retrieved May 14, 2020, from <https://de.statista.com/page/content-marketing-trendstudie-2020-de>

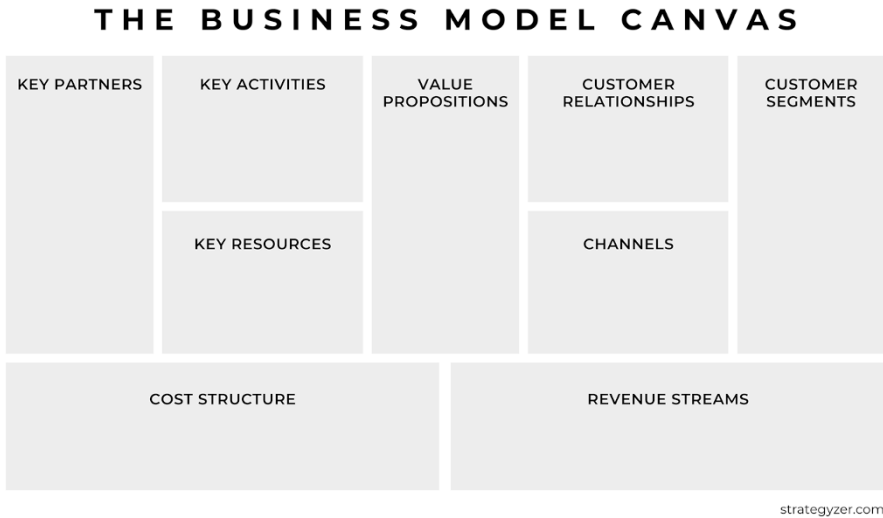


Fig. 6.1 The Business Model Canvas by Alexander Osterwalder

simplified and summarized to necessities. Thinking through and simultaneously visualizing the facts creates clarity and allows numerous lightbulb moments, as dependencies and connections are now easily recognizable. The fields can also have additional properties, such as sequence, size, or color to provide additional orientation.

The first Canvas model was invented by Alexander Osterwalder who published the *Business Model Canvas* (BMC) in his book “Business Model Canvas Generation” (Osterwalder and Pigneur 2010). The BMC is an exciting method to test whether a business idea makes sense from an entrepreneurial point of view. Conventional business plans are extensive documents that are difficult to read. The BMC enables key aspects of the business model to be presented and communicated in a comprehensible way.

All essential information of the business plan is summarized in a total of nine fields. At the center is the value proposition, on the right side are the elements that generate value and on the left side are the tools needed for implementation (Fig. 6.1).

This method is especially popular with start-up companies as they utilize this framework to:

- *Make course corrections to their business idea:* They now have a clear view of the essential levers and can identify weaknesses more easily.
- *Develop a viable framework for the final business plan:* Just like a recipe, a successful Business Model Canvas requires selected ingredients that are used in a certain order. As the fields are processed one after the other, it is easier to see whether relevant factors or possible weaknesses have been overlooked.

THE VALUE PROPOSITION CANVAS

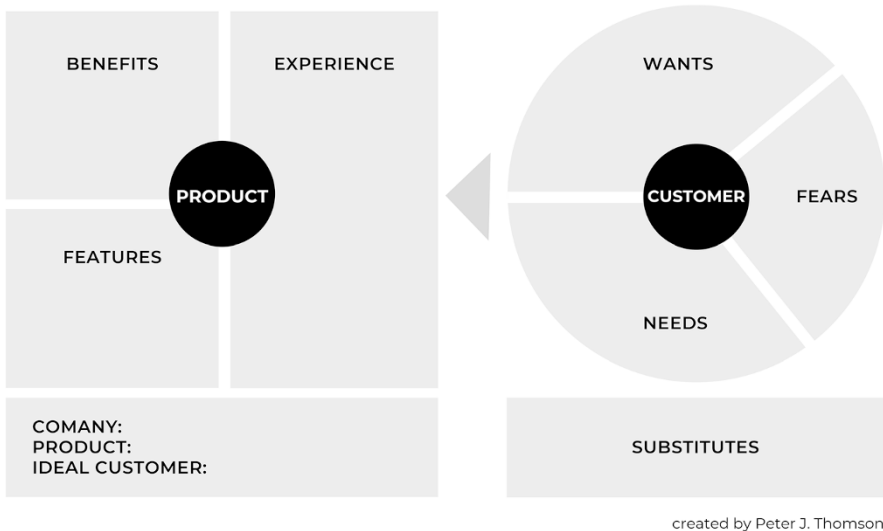


Fig. 6.2 The value proposition canvas by Peter J. Thomson

- *Summarize the business plan in a transparent and comprehensible way:* Both team members and an external audience can understand the business idea.

6.1.3 Effective Knowledge Management with Canvas Methods

There are numerous Canvas models for different fields of expertise because this method of visual thinking is easily applicable to all imaginable problem areas.

Peter J. Thomson's *Value Proposition Canvas* (VPC) analyzes the target audience and the product to provide the basis for an optimized value proposition (Fig. 6.2).²

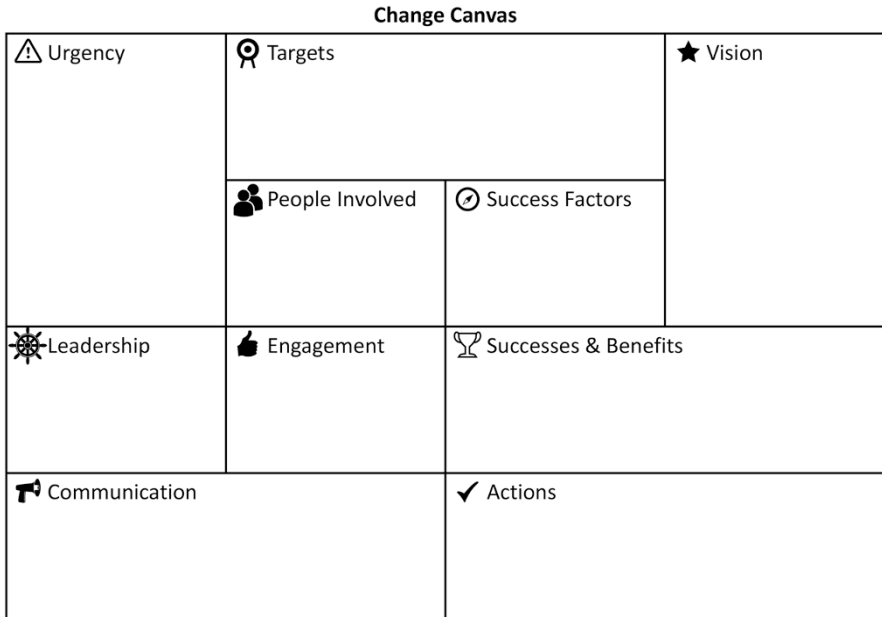
The *Change Canvas* by Frank Bertagnolli, Susanne Bohn, and Frank Waible visualizes success factors in change processes in companies to better regulate and control them (Bertagnolli et al. 2018) (Fig. 6.3).

The *Project Canvas* by James Kalbach is a visual project management tool that comprises all the building blocks for the successful implementation of a project and supports the participants in achieving a common understanding (Fig. 6.4).³

Working with these or other Canvas models is a simple process for us because it is in line with our way of thinking. Canvas models are always laid out in landscape

²Retrieved April 28, 2020, from <https://www.peterjthomson.com/2013/11/value-proposition-canvas/>

³Retrieved April 28, 2020, from <https://uxtogo.wordpress.com/2012/05/25/the-project-canvas-defining-your-project-visually/>



Bertagnolli, Bohn, Waible: Change Canvas | www.bertagnolli.de/buch/canvas | 2019 V1.1 eng-sw

Fig. 6.3 The change canvas by Frank Bertagnolli, Susanne Bohn and Frank Waible

THE PROJECT CANVAS



created by James Kalbach

Fig. 6.4 The project canvas by James Kalbach

format because this corresponds to the classical field of vision of the human eye and the brain is best at mastering associative thinking processes. Our thoughts do not run in a static line, but rather jump back and forth and combine new information with known impressions in an unpredictable way to form new associations.

Information is usually transmitted in linear form: Whether we are reading a newspaper, having a conversation, or watching a video, we can only access the content piece by piece and not perceive it holistically all at once. Linear information bores our brain; it is monotonous and difficult to process. When we give a lecture, for example, we first have to put our radial thinking into a linear form and put our thoughts into words, which the recipient in the audience can absorb, process radially, and in the worst-case convert into linear notes (Grüning 2013, pp. 61–63). Brain-oriented thought structures, such as Canvas models or mind maps, bridge this mental detour, and help us present knowledge according to our radial thought patterns. Because in this format, all linear information is summarized and categorized to the maximum. Within this process, our brain is programmed to think laterally; it recognizes new connections and develops independent ideas. This brain-friendly procedure creates a crystal-clear picture of the facts, which we can easily digest and comprehend.

6.2 The B2B Marketing Canvas by Susanne Trautmann

Just like Alexander Osterwalder's BMC, the Marketing Canvas is divided into nine subject areas, but here the product idea is summarized rather than the business idea. The emphasis is on "*summarizing*" because, as B2B marketers, we depend on the technical input of the experts with whom we work. Marketers that are no engineers or that are not equipped with the deep, specific expertise themselves, inevitably rely on their colleagues with a technical background to provide the crucial information that is important for their work. Unfortunately, reality often looks like this: They receive too many references because every expert takes a different perspective. This selective perception results in the sales department setting different priorities in terms of content than those of R&D or production. Marketers in this case stand between the chairs, want to consider all information, and overwhelm and confuse the target audience with diluted messages. The Marketing Canvas helps B2B marketers to master the plethora of information and to recognize the relevant facts themselves (Fig. 6.5).

Fields one to three examine the target audience, and fields four to seven reflect on all relevant aspects of the product. Fields eight and nine are used for strategic planning and enabling the successful implementation of the content marketing strategy. Once all fields have been filled in, you can see at a glance whether the solution fits the challenge of the target audience. After dealing intensively with our potential customers in the first three boxes, we are able to better understand how they think and create a better system for specifically addressing possible reservations and concerns. The more logical connections there are between the fields, the more likely a product-market fit becomes.



Fig. 6.5 The B2B marketing canvas according to Susanne Trautmann

A workshop with the product and sales experts from your company is an ideal starting point to fill the Marketing Canvas with the right content. In new projects, sales, marketing, and engineering usually do not immediately enter into a close dialogue and jointly discuss the projects' pain points. Collective knowledge makes it easier to develop a solution together. The Marketing Canvas is a type of shared knowledge database and creates a "home" for the projects' relevant information.

6.2.1 Why the Problem Must Be the Starting Point

A problem rarely appears out of nowhere. Virtually every issue is a subcategory of an even bigger problem. Our challenge is to identify all factors that influence the problem and put them into a meaningful context. The more we understand the root cause and its interaction with the problem, the easier it will be for us to make potential customers aware of our solution.

How can companies that launch new products, services, or technologies increase their chances of success? Failure is not unrealistic: 55% of the approximately 2000 start-ups surveyed by the German Startup Monitor 2019 rated customer acquisition as their greatest challenge.⁴ The US market intelligence platform CB Insights researched the reasons for the failure of start-ups and confirmed this figure. For

⁴Retrieved April 29, 2020, from https://deutscherstartupmonitor.de/fileadmin/dsm/dsm-19/files/Deutscher_Start-Monitor_2019.pdf

42% of the start-ups investigated by CB Insights, the main reason for failure was a lack of demand in the market.⁵ *Product ideas are doomed to failure if they are not developed in line with the market.* However, companies can drastically increase their chances of success if they solve a real problem for their customers and help them to overcome challenges that they cannot overcome on their own.

It is easy to verify if you solve a real problem for your target audience with your product or service. Check whether the problem has the following three characteristics:

1. *The problem is relevant to your target audience.* Your potential customers are facing a severe challenge that causes intense pain. In the best case, the problem is even related to their business objectives.
2. *The problem has great potential.* The rule is: The more pain the problem causes, the more valuable the solution will appear. Ideally, the problem has a 10× improvement potential.
3. *Solving the problem is crucial to you personally.* You are aware that the problem will not disappear on its own soon. In the best case, the problem will be solved by you for the very first time.

In the B2B environment, we tend to think in a solution-oriented and product-related way. Our passion for the product makes it more difficult for us to adopt the perspective of our customers. But it is not about the product; it is about our customers' goals and how we help to achieve them. To better understand their way of thinking, we need to think in a more problem-oriented way.

The following questions will help you to understand the challenge of your target audience:

- What is the challenge your customer is facing?
- Is the challenge a problem or a need?
- Why does the problem or need occur?
- What are the causes of the problem/need?
- Which factors influence the problem/need?
- Are there several problems/needs? If so, what are the top three? (Several problems are the first indication that your target audience consists of several personas).

6.2.2 How to Influence Purchasing Decisions with Emotions and Win New Customers

We only move into action when the pain is severe. Because of that tough, decision-making processes in B2B should not be driven by logic, but by emotions. To attract the attention of your target customers, you have to talk openly about the pain points and put your finger right on the sore spot.

⁵Retrieved April 29, 2020, from <https://www.cbinsights.com/research/startup-failure-reasons-top/>

We do not like to give up things that we subconsciously take for granted. Unfortunately, we often only realize the actual value of something when there is a danger of losing it forever. Then it suddenly becomes precious for us. The higher the significance is for us, the more intensely its loss will hurt us. We take losses very seriously—emotionally, they weigh twice as much as comparable gains. *The fear of losing something motivates people more than the thought of gaining something of equal value.* This is an error in thinking which is known as *loss aversion*.⁶

As soon as we consciously integrate loss aversion into our communication strategy, we are able to trigger our customers emotionally and navigate their subconscious decision-making processes. If we want to motivate others to take a particular action, we should not reason with the possible gain, but with the avoidance of the highest possible loss. To motivate your target customers into action, you must first identify their emotional triggers based on their worst-case scenario.

The following questions help you to understand the worst-case scenario of your target audience:

- What is the worst-case scenario for your customer if they ignore the problem and do not look for a solution?
- What losses can they expect?
- What will it cost them (financially and emotionally) if they continue to do business as usual?
- What disadvantages will they suffer as a result?
- What feelings will this cause?

Fear, anxiety, doubt, and uncertainty—the range of unpleasant feelings is vast. Once you have identified the worst-case scenario of your target audience, you will be in a position to link it to the corresponding emotions. Now confront your potential customers specifically with what is at stake—the consequence and use this to accelerate their decision-making process.

You can use loss aversion as a trigger in various phases of the customer journey. For example:

- It is possible that your target audience is not yet aware of the problem. Loss aversion supports you in making them more conscious of the problem so that they finally start to look at solutions in the *awareness phase*.
- In the *consideration phase*, you explain the specific differences of your solution in direct comparison to the solutions of your competitors. If you describe how your target audience will succeed, because of your solution and avoid any negative consequences, you also accelerate the decision-making process with loss aversion.

⁶Retrieved April 25, 2020, from <https://www.forschung-und-wissen.de/nachrichten/psychologie/verlustaversion-warum-empfindet-man-verluste-staerker-als-gewinne-13373689>

6.2.3 The Target Customer: Limit Your Target Audience

If your solution is meant for everyone, it is a solution intended for no one. Today, an average B2B purchasing decision process can involve up to ten decision-makers from different areas of a company. Together, this covers between 60% and 90% of the buyers' journey until they get in touch with a sales representative. During this time, they mainly research online and form an opinion by comparing your solution with that of your competitors. Each of the decision makers consumes up to five different content elements.⁷

With the amount of investment, the need for information increases for complex products. The purchase decision is only made when all questions have been clarified. Ask yourself: What information and data do these decision-makers need to decide in your favour? What kind of content is best suited to influence the purchase decision positively?

Products fail if they are not developed in line with the market. To address your target audience optimally, you should carefully limit the market you position your solution to. Customer-centered thinking, i.e., the ability to take the perspective of your target customers, is the prerequisite for this. The fields "The challenge" and "The consequence" have given you an insight into the emotional world of your target customers. These insights serve as a basis for the structured analysis and segmentation of your target audience.

All the information you have about your potential customer is only an assumption until you test your solution in the market for the first time. Although the needs and interests of the target audience are taken into account in product development, you can only research their actual behavior once they interact with your solution.

6.2.3.1 A Fictional Description of the Ideal Customer

Create a checklist of conditions that companies are likely to meet that will benefit most from your product or service. These criteria work like a funnel, narrowing down a large heterogeneous mass of potential target customers until one or more main target audiences are identified. The more filter factors you can define, the more precisely the segmentation will work.

These conditions are suitable as a filter for the checklist:

- *Geographical location:* Do you want to address regional, national, or international customers with your solution? How large is the radius where you wish to be active?
- *Sector affiliation:* Would you rather work with companies from industry, trade, commerce, or service sectors? Are there several industries that you consider relevant?
- *Company phase:* Are your target customers start-ups or established, traditional companies with a history going back many years?
- *The Number of employees:* How many employees does your preferred customer employ? From your perspective, what size staff makes a company too large or too small to be regarded as preferred customers?

⁷Retrieved April 25, 2020, from <https://www.gartner.com/en/sales-service/insights/b2b-buying-journey>

- *Starting points:* What is special about the starting point, that your target customers share? Are you able to identify some characteristics?
- *Targets:* What are your target customer's goals?
- *Contact person:* Who do you think could be the key contacts on the customers' side? What sociodemographic characteristics (gender, age, education, professional situation) describe these contacts? The identification of suitable contacts is the starting point for the personas that will be defined later in the process.
- *Additional conditions:* Try to identify three to five further filter factors based on the fields "The challenge" and "The consequence."

As soon as you have implemented the first communication measures, you will gain more and more sensitivity for your target audience due to the positive or negative feedback and get to know the market more closely. Collect all the findings in the Marketing Canvas and continuously check whether your assumptions have proven to be accurate or whether you need to readjust the checklist. This approach makes it easier to evaluate the quality and priority of new leads more precisely.

Often there are several target audiences for one product. As already mentioned, the findings from field one "The Challenge" can be the first indication, when you have identified several problems that can be solved by your product. The filter category "Contact person" on the checklist can help to confirm this assumption if you have identified several possible contact points. In this case, first concentrate on the target audience you already know best and create an ideal user profile or a Buyer Persona based on your experience with the key contact.

Deepen your knowledge by answering the following questions:

- Who is currently experiencing the most significant pain that you want to relieve with your product, technology or service?
- What prevents your target customers from being successful at the moment?
- Are they even aware of their problem?
- What do they need a solution for?
- What goals do they want to achieve with this solution?
- What expectations do they have about the solution?

The decision-making processes of your target customers link closely to their communication behavior. What habits can you identify based on your experience with the target audience and the customers' contact person?

Use the following questions:

- What channels do your target customers use? What touchpoints do their customer journeys consist of?
- Is there a typical decision-making process? What exactly does the decision-making process look like and who is involved? Who is the initiator who influences the process, and who finally makes the purchase decisions? Which decision makers do you have to convince during the sales process?
- What criteria are evaluated by decision makers to compare existing solutions?

- What information and data do your target customers need to be able to decide in your favor? What types of content positively influence purchase decisions?
- Who has gained the external trust of your target customers? Whom do they listen to? Who has the power to influence their opinion? If you can identify these influencers and make them a part of your communication strategy, you can increase your competitive edge in terms of trust.

You can also gradually create additional Buyer Personas. However, it would be best if you had a separate Marketing Canvas for each Buyer Persona, since the contents of the other fields will also change. When the buyer personas are clearly defined, can you control your messages effectively and distribute them across the right channels at the right time. Never stop observing the behavior of your target customers: Continually add new insights and assumptions to the Marketing Canvas to further optimize your messages.

6.2.4 The Solution: A Master Plan to Make Your Customers Happy

“If you can’t explain it easily, you haven’t understood it well enough.” If this quote from Albert Einstein were reformulated according to the Marketing Canvas principle, it would read: *“If you can’t explain your solution simply, you haven’t understood your customer well enough.”*

In the fourth field of the Marketing Canvas, you are now describing your solution or solution process. The simpler and more recipient-oriented your approach is, the higher the chance that you will spark the interest of your customers. In the Marketing Canvas, field number four is directly next to the field “The Consequence” and both fields form a direct line to the field “The Problem.” This arrangement is no coincidence as it should help you to see that all three boxes are directly related to each other (Fig. 6.6).

You now understand the challenge your target audience is facing, as well as the consequences if they continue to ignore their problem. With that in mind, you are now able to explain how you will solve the problem and protect them from the

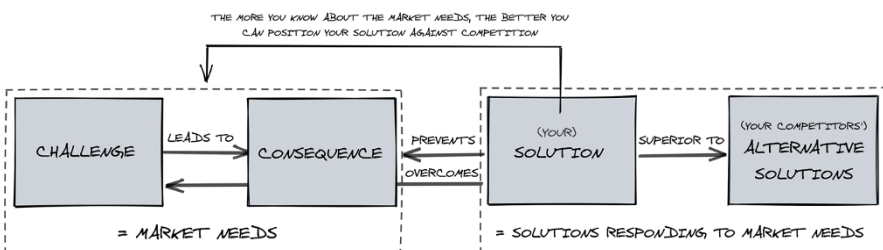


Fig. 6.6 These fields in the marketing canvas are directly related to each other

negative consequences. It does not matter if your solution is a service, a product, a technology, or a combination of these elements: *It is always a process that you go through with your target customers.*

Now identify the specific step-by-step process that your customers have to go through and explain to them what information and activities are necessary to achieve the desired result. Your target customers should be able to comprehend exactly how you both will work together. Try to find appropriate descriptions that make your target audience understand that each step is both effortless and important because there are no redundant steps. Ideally, you will be able to overcome all reservations at a very early stage, because your target audience will perceive the path ahead as clear, realistic, and desirable.

Attention: Do not get lost in detail in the Marketing Canvas when describing the process. You only need to explain the steps that are relevant for your target audience. The transfer of knowledge will only succeed if you reformulate essential aspects of each process step into easily understandable, short core messages. After all, our attention span is continuously decreasing, while the number of advertising messages we consume every day is increasing. Experts estimate that between 10,000 and 13,000 advertising messages reach us every day.⁸ So you only have a few seconds to convince your target audience that they won't take any risks if they give your solution a chance. If you waste these valuable seconds with pointless information, the minds of your target audience will start to wander elsewhere.

Describe your solution process:

- How many steps are necessary to explain how your solution works?
- What unique benefits are there in each phase?
- Are there partners that you work closely with? Now is the time to mention them. What added value do the partners contribute to which process steps?
- What is the crucial aspect of your product or service that will allow you to generate a maximum response? Describe as precisely as possible how your target customer will benefit from your solution and use this to formulate the *title* of your solution process.

Then check your solution process carefully:

- Are all the terms you have used understandable? You can use technical terms, but only if you are sure that your target audience will understand them effortlessly.
- Does the solution process answer the most critical questions of your target customers?
- Have you described the process from your customer's perspective? Or does it still contain information that has no connection to their needs?
- What can you and your team do to exceed the expectations of your target customers even further?

⁸Retrieved May 14, 2020, from <https://www.wiwo.de/unternehmen/dienstleister/werbesprech-nie-war-die-botschaft-so-wertlos-wie-heute/23163046.html>

6.2.5 The Alternative Solution: What Additional Options are Available to Solve the Problem?

A problem always comes before a solution. This means that your target customers have already developed a successful strategy to meet their challenge or are using an available solution from one of your competitors. But you do not have to accept that.

After you have analyzed your target audience in detail and specified the solution, you can now take a closer look at all the alternative solutions that the preferred customers are already using to solve their problem. This also includes self-developed workarounds and solutions offered by your competitors. Do not compare your solution with the existing alternative solutions, instead figure out how your solution differs from the others. Try to understand what typical experiences your target customers have had with the alternative solutions so far.

Identify the success or frustration factors that determine whether the alternative solutions are considered attractive or irrelevant from the customer's perspective:

- Which relevant competitive solutions can you locate within your activity radius that you defined in field three “The target customer”?
- What alternative solutions are the most important and influential?
- What alternative solution is most widespread overall?
- What do your preferred customers dislike when it comes to the solutions they currently use? What would they change if they could?
- What can you achieve with your solution for your target audience that your competitors are unable to do?

If you know the criteria that determine customer satisfaction and external perception, you will succeed in positioning your solution optimally. As part of your communication strategy, you can objectively compare your solution with the alternative solutions and use arguments to help your target customers directly understand how your solution will help them achieve a better result.

6.2.6 The Promise: Activate the Imagination of Your Target Customers with Your Version of a Better Future

There are numerous mental barriers in the minds of your target audience, and each can affect the buying interest. Classic fears such as “Is changing to this new solution too costly and even worth the effort?” or “Is the solution compatible with our internal processes?” can slow down even motivated customers. Your task is to persistently strengthen the motivation of your target customers and spark their enthusiasm.

While in the field “The Consequence,” you have identified the scenarios that can occur if your target customers ignore your problem, here you develop the counter proposition in the field “The Promise.” Again, you look to the future, but this time you describe realistically how the life of your target audience will change as soon as

they start working with your solution. Let vivid pictures of the future emerge in your customer's minds and describe the amazing things that will happen when they no longer leave their fate to chance. The more realistic and credible you describe the future scenario, the more impetus your target customers will draw from it and trust that you will succeed in bringing the promised to reality.

Prepare three to five promises, but do not exceed this mark. If you use too many arguments, the danger increases that you will highlight product features that are of no interest to the target customer. With each promise, you want to touch your target audience emotionally and be able to create amazement or enthusiasm. Also, make sure that you do not repeat the value promises of your competitors.

Develop a compelling and convincing argumentation that will motivate your target customers to test your solution:

Added value: Describe as precisely as possible how your target customers will benefit from your solution. Here, you should deliberately limit yourself to those points that you know will generate enthusiasm among your customers.

- What do they want and need?
- What added value can they expect when they choose your solution?

The added value must meet the needs of the customer and is directly related to the field “The target customer.” It also builds directly upon the findings of “alternative solutions,” because here we must also refer to the features that distinguish our product from those of our competitors. The better we know our customers and their needs, the more precisely we can define the added value.

- Why will your target customers be happier and more satisfied with your solution?
- Can you provide credible data to prove that your solution works and has already helped other customers to succeed? Is the information correct and verifiable? Do not use facts you cannot verify or you risk your credibility.

Emotion: Make a direct link to the losses that customers will avoid, because of your solution.

- How will they feel when you have solved the problem with your solution?
- What emotional benefits are associated with your solution?

Vision: Activate the imagination of your target customers and show them new ways you could help them in future which they have not yet considered.

- What other positive effects, realistic chances and possibilities are possible when your target customers start using your solution?

6.2.7 The Unfair Advantage: Building Value Through Thought-Leadership

A large part of the Customer Journey takes place online today. Personal contact points are declining, as is our attention span, which is strained by countless advertising messages every day. We have developed a type of advertising blindness and the best price is no longer a motivator that moves us into action. This is why strong brands are so valuable: they break through advertising blindness, arouse emotions, and outshine their competition.

If your target customers were able to solve their problem themselves, they would do so without hesitation. But because they lack the experience, resources, or skills, they are looking for a solution. Your target audience is now informed about your solution and understands how easy it is and why it is better than existing alternatives. But it is still unclear to them why you are the right partner. Are you someone they can trust? Can you share the avenue to success?

Your unfair advantage is the missing piece of the puzzle in this chain of arguments because your individual experience and expertise are unique and *cannot be copied* by your competitors. If the unfair advantage is missing, all marketing and communication measures are more or less ineffective. Without a substantial differentiation of your brand, your target audience will find it difficult to distinguish your messages from those of your competitors.

These questions will help you identify your unfair advantage:

- Why can you help your target customers in a better way than your competitors? How do you differ from your main competitor?
- What is unique about your personal story? What values do you stand for? What is important to you?
- Where does your experience come from and how exactly do you leverage that experience? Can you achieve extra added value or an exclusive benefit for your target customers?
- Why are you an expert in your field? What extraordinary talents does your team have?
- What does your network look like? Do you create a special synergy with your partners?

Strong brands possess unique positioning attributes that cannot be claimed by competitors because they would not be able to communicate them as credibly. Once you can identify who you are, how you acquired specific skills and what mission you are on, your customers will perceive you as their problem solver. Your unfair advantage breathes a real soul into your brand.

6.2.8 The Status Quo: Inventory and Risk Analysis Before the Commencement Start

Give me six hours to chop down a tree, and I'll spend the first four sharpening the ax.—
Abraham Lincoln

We always break new ground with a product launch. We cannot be successful if the necessary resources are not available to us or if unmanageable, unexpected problems arise. With a comprehensive situation analysis prior to the start of the project, we gain a complete overview and ensure a solid start.

In fields one to seven, you have collected all the essential information you need to create an effective communication strategy. Before the implementation starts, we will now look at the actual project planning. This is the time to construct a

comprehensive overview of your situation to identify possible roadblocks early on. From this, you can derive how to equip your toolbox so that you can be truly successful. Three steps are necessary for this:

1. *Assess your situation accurately and record all means and resources available to you.*
 - What does your initial position look like?
 - What skills have you already acquired? (Knowledge, experience, certificates, and whatever comes to your mind).
 - What resources or assets are available that will help you create content?
2. *Identify all possible difficulties that you expect later in the process.*
 - What problems do you have to take into account?
 - What decisions do you still have to make?
 - What hurdles can you identify?
 - Which technical or economic trends influence your target customers or your competitors?
 - Which legal regulations could impact your solution in the future?
 - Are there other uncertain factors that could play a role in the future?
3. *Minimize the potential risks by filling the most critical gaps that you have identified.*
 - What is still missing on the way to the goal?
 - Do you need additional resources?
 - Which tasks have to be completed before a further step is possible?

6.2.9 The Goal: How Do You Define a Measurable Goal That Everyone in the Team Can Work Toward with Enthusiasm?

Nothing beats well-formulated goals. Reasonable goals have the power to send a team on a shared journey. They give a very detailed direction and sharpen the collective awareness of the path that lies ahead. Without a precisely formulated goal, every team is drifting blind and disoriented. And this creates the risks of getting lost or not achieving a satisfactory result. Only once we set the goal, can we measure its success and monitor the project with meaningful KPIs.

Have you ever attended a poorly organized, undisciplined meeting and were angry about wasting time because the meeting got out of hand? Were the participants not prepared, got lost in rambling discussions, and got off the point? Or have you ever been part of a meeting where people talk intensively, but none of the participants visualizes the debate? At the end of the session, everyone leaves and secretly knows: From now on, nothing productive will happen; the topic has officially fizzled out because there are no specific next steps.

Not only in our meetings culture but in all areas of life and especially in project planning, we make the most significant progress when we know exactly where we want to go. Precise goal planning is like using a navigation device that manoeuvres us safely through unknown terrain and ensures that we don't blow off course. The prospect of success and the quality of the defined destination are directly related. Because only when all team members are clear about what they want to achieve, they can plan and control the next steps with a meaningful structure.

When people from different areas of a company work together, there are some risks involved: Confusion can arise when different expectations, experience horizons, and knowledge levels collide. Misunderstandings can lead to a waste of valuable time because tasks are carried out in parallel. However, if every team member is involved in the goal-setting process, there is no room for misunderstandings. Everyone then works together on the implementation plan and knows what contribution each individual has to make to achieve the goal and takes responsibility for their participation. *In the best case, an optimally drafted goal will also help to break down silo thinking and create the basis for interdisciplinary cooperation.*

The last field in the Marketing Canvas marks the transition from the planning phase to the implementation phase. Formulate this goal in such a way that it describes the specific state that you want to achieve together with your team after you have completed the project. Describe why this result is desirable and then define the procedure you want to use to accomplish the goal.

Questions about the result:

- What would you like to achieve or create by the end of the project? Formulate the result as clearly, simply, and figuratively as possible and schedule a timeframe for achieving the goal.
- Why do you want to achieve this result? A strong why is a motivator that will give you the strength to carry on even when you have setbacks.

Questions about the procedure:

- How will you achieve the result? Think about which specific milestones and sub-goals are necessary to achieve the goal.
- What are your priorities? In what order should the steps be completed? Always start with the steps that promise the most considerable progress.
- What do you want to achieve by when? How much time do you need for each milestone? Allow time for the unpredictable and stay flexible.
- Who should be involved in the project? What tasks and responsibilities must be handled by each team member?
- What went well, and what can be improved? What key factors can you measure to determine if you have reached the individual milestones or the goal?

Projects rarely progress according to the plan, and once you start implementing them, you will probably have to make frequent course corrections. Since long-term project planning allows little flexibility and room for the unpredictable, it is advisable to limit the planning horizon to a manageable period.

Precisely formulated goals will give you orientation in unclear situations. Whenever you make decisions, ask yourself these two questions and your goal will provide you with the answer:

- Does this decision bring me closer to my goal?
- Does this decision put my goal in jeopardy?

6.3 The Marketing Canvas Process in Practice

You now possess the necessary theoretical knowledge required to use the Marketing Canvas to develop tailored strategies for bringing sophisticated products, services, and technologies to the market. You are familiar with the questions that will help you identify the specific product benefits, simplify a complex context for your target audience and communicate it effectively. But what does a Marketing Canvas look like in its tangible state? What insights can you derive from it?

The Marketing Canvas process involves more steps than just completing the template. You must also be able to plan, conduct, and follow up a Marketing Canvas Workshop. In the following section you will learn how this works correctly and which complications you have to expect.

6.3.1 The Preparation

Who are the experts in your company who have the broadest expertise around your core topic (a product, service, or technology you want to successfully market)? Who knows the target audience and has already gained valuable practical experience? Think carefully about who should attend the Marketing Canvas Workshop and invite those who are actively involved in your project and can provide valuable input. Employees from departments with direct customer contact, like sales, engineering, or customer service are ideal discussion partners, as well as colleagues from research and development.

6.3.2 The Implementation

How you conduct the workshop is left to your personal preferences. A face-to-face meeting, whether it takes place as an in-person meeting or web conference, is always a good starting point. A pure telephone conference will not lead to the desired result, as all participants should see the Marketing Canvas continuously during the workshop.

After you have sent out the invitation, you can—depending on the type of meeting—prepare a PowerPoint slide with the Marketing Canvas to either beam onto a wall with a projector or share it on your screen online. During the Marketing Canvas Workshop, you have three main tasks as a moderator:

- You steer the conversation of your colleagues and ask them questions related to each of the fields. Keep the discussion going and follow up if you cannot understand a statement. The Marketing Canvas Workshop is designed to help you identify relevant information, so you need to fix any comprehension problem immediately.
- During the workshop, your colleagues will have the opportunity to discuss the topic for the first time in this round and get to know it from a new perspective.

There is a risk that your colleagues will stray from the subject. Take action as soon as your questions are no longer the focus of the discussion.

- During the interview, you will fill in the fields of the Marketing Canvas with information and summarize briefly what you have heard. Before moving on to a new box, you should review the notes together with your team.

6.3.3 The Follow-Up

Immediately after the workshop, you should send out the Marketing Canvas in an editable form to all participants and ask for feedback: Has all information been noted correctly? Are there new insights, or is an important fact still missing? Continue to collect all available data in the Marketing Canvas until all participants agree with the interim status. In a second iteration loop, you will simplify the text in each of the fields as much as possible. Remove superfluous words, summarize essential information, and prioritize the facts so that the most important points come first. Recheck the quality of the data with your team and make further updates if necessary.

6.3.4 The Optimal Number of People for the Marketing Canvas Workshop

I have had excellent personal experience with workshops where three to five people, including myself, have participated. I recommend that you invite at least two and at most seven experts. As a reminder, you can also think of Jeff Bezos' Two-Pizza-Rule:

If you can't feed a team with two pizzas, the size of the team is too large.⁹

The Amazon founder observed that the productivity of teams decreases with increasing size. The magic limit for the total number of people, which has proven itself in practice, is seven people.

6.3.5 Avoiding Resistance

If you are using the Marketing Canvas for the first time, it is essential that you briefly introduce the tool and how it works in your invitation. Some of your colleagues will be skeptical because they find it difficult to leave the beaten track. Present the Marketing Canvas Workshop in your invitation as what it is: An experiment. Explain your motivation for testing the tool and why all colleagues who have received the invitation can make a valuable contribution to the experiment.

⁹Retrieved May 14, 2020, from <https://neilpatel.com/blog/lessons-from-jeff-bezos/>

6.3.6 Duration of the Marketing Canvas Workshop

The complexity of the topic and the number of team members determine the length of the workshop. Try to limit the duration of the meeting to 60–90 min. It is easier to arrange a follow-up appointment if the workshop has to end on time and enthusiastic discussions are only reluctantly interrupted. Depending on the size of the team, you should schedule between one and three workshop appointments in total. If your team agrees, you can also organize a one-day workshop straight away.

6.3.7 Flipchart, Whiteboard, and Equipment

For the Marketing Canvas Workshop, I prefer a digital template over a static one because I can gather relevant information from the discussion more quickly. During the course of the debate, the data is often edited further or put into a new order. Writing by hand will inevitably be more restrictive. As the marketing canvas continues to evolve, a digital version allows you to keep a closer eye on the iteration loops.

6.3.8 Empty Fields in the Marketing Canvas

If your team cannot answer a question immediately, put the topic aside and move on to the next field. Not every question needs to be answered. You can ask it again at a suitable moment in the course of the conversation. Try to find a new wording for the question. If your team still does not have an answer, you may have come across a gap in your knowledge. Knowledge gaps are not a problem if you actively work with your team to fill them in at the next step.

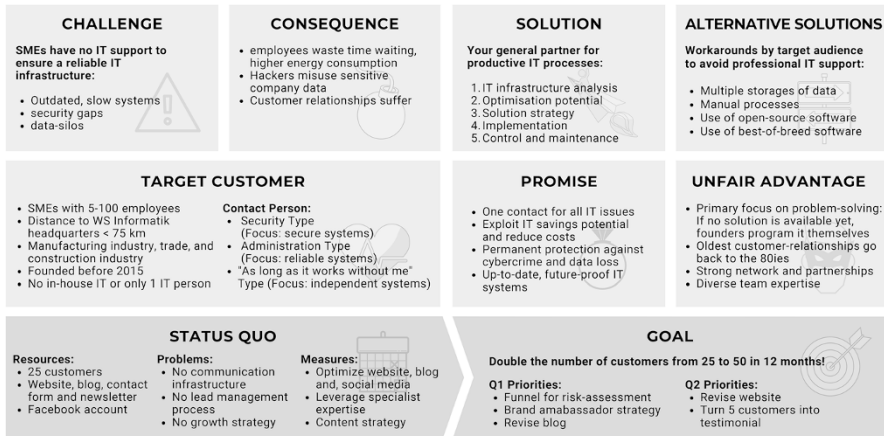
6.3.9 Iteration Loops

The Marketing Canvas process is never really finished for as long as your project is active. Think of the tool as your knowledge base: A place where you organize critical information by subject area. Use the canvas to document the progress of your project and add any new insights and experiences. Assign a new version number whenever you make changes.

6.4 Practical Application of the Marketing Canvas

With the Marketing Canvas, you can quickly tap into complex, new issues. The pre-structured template, where only key terms and essential guiding ideas are captured, makes it possible to consistently and systematically summarize all

MARKETING CANVAS: WS INFORMATIK



MARKETING
CANVAS

www.marketing-canvas.de

created by Susanne Trautmann

Fig. 6.7 The Final Marketing Canvas of WS Informatik

available information. You should formulate all these facts in a separate document to form a *narrative* so that no thought processes are lost. Further background information, ideas, and comments also belong to this document, as it is the counterpart to the Marketing Canvas. If the Marketing Canvas were to be compared to a cinema trailer, the accompanying narrative would be the actual movie. With the Marketing Canvas, you develop the relevant messages that position your brand, while the fully formulated story serves as a valuable resource for the creation of all content formats.

The following chart shows the Marketing Canvas of the company “WS-Informatik.” The German IT system solutions provider from Wolfhagen in Northern Hesse wants to double its customer base within the next 12 months and is working with the Marketing Canvas to develop a tailor-made strategy. This is followed by the fully formulated narrative resulting from the Marketing Canvas (Fig. 6.7).

6.4.1 The Challenge and the Consequence

Many small and medium-sized companies suffer from the consequences of confusing IT landscapes they have grown over the years. The professional development of their own IT infrastructure requires not only technical expertise but also a great deal of time and consistent professional training. The majority of SMEs do not have the human resources to ensure consistently smooth IT processes. At the same time, they also lack risk awareness. The SMEs are divided into two camps:

- Companies that would like to hire an internal IT specialist, but cannot find a suitable candidate internally or externally.
- Companies that want to start the search for an appropriate external IT partner, but repeatedly postpone the project.

Companies that do not have a reliable technical infrastructure face the following problems:

- *Outdated and slow IT infrastructure:* Outdated server hardware and poorly configured systems reduce the performance of networks and thus the efficiency of employees. Valuable working time is wasted waiting in front of the PC. This leads to slower business processes and increased employee dissatisfaction. Outdated server hardware becomes a cost factor when it has to meet the growing demands of companies. The high energy consumption caused by inefficient cooling and ventilation, for example, burdens the IT budgets of companies with unnecessary electricity costs.
- *Undetected security vulnerabilities:* Cyberattacks by hackers infiltrating corporate networks pose major challenges to data protection and data security. The theft and misuse of highly sensitive company data, trade secrets, and confidential customer data lead not only to financial losses but also to irreparable loss of trust on the customer's side. But also, the employees themselves can become a security risk if they open phishing emails or install malware unnoticed.
- *Data silos between departments:* Poor data management leads to tedious data searches. Many specialist departments have a specific order for storing customer data. Often these are not stored centrally, they are usually stored in different systems, databases or, in the worst case, only locally on their computer. If employees fall ill or leave the company, important data is lost. The time that affected companies spend searching for necessary data reduces their efficiency and profitability. Ultimately, customer relationships suffer the most if the information is not provided on time.

Since the two fields of “The Challenge” and “The Consequence” are directly linked, they should always be examined in context. Small and medium-sized enterprises lack the human resources to ensure a reliable technical infrastructure. This is the root cause of the challenge, which results in several subproblems: An outdated and slow IT infrastructure, undetected security gaps and data silos between departments lead to consequences that are serious and painful in different ways. The next step is to conduct intensive research for statistical data and suitable studies that show, for example, how much time small and medium-sized companies actually waste searching for data or how often they fall victim to cybercrime. Real data emphasizes urgency and activates the target audience's awareness of the problem. The consequences now appear far less abstract.

6.4.2 The Target Customer

WS Informatik wants to address a specific target audience and has created a checklist with all the characteristics that apply to these customers. The criteria support WS Informatik not only in the conception of new content but also in the initial contact with a potential customer. The more of the following conditions a company meets, the more time should be devoted to acquisition:

- *Number of employees:* SMEs with 5–100 employees.
- *Geographic location:* Distance to WS Informatik headquarters <75 km.
- *Branch of industry:* Manufacturing industry, trade, and construction industry.
- *Company phase:* Established companies, founded before 2015.
- *Initial situation:* No in-house IT department or only one contact person who takes care of everything.

Contact person: WS Informatik has identified three interesting contact points that could be key people in the decision-making process. The contacts are typically business owners of small companies or internal IT contacts at medium-sized companies. In the next step, all assumptions should be tested with suitable content formats to develop detailed buyer personas based on the feedback.

1. *The security type:* For this type, IT security is the top priority because internal company data must never fall into the wrong hands under any circumstances. The security type is informed about the risks that can arise from cybercrime. However, he has neither the time nor the expertise to identify security gaps and close them himself.
2. *The administration type:* This type wants all processes in the company to run smoothly. Planning reliability is the highest priority for him. The administration type is technically versed and feels responsible for IT issues. He has a realistic idea of how much a reliable infrastructure can save time and money. This is also the reason for his frustration because he knows very well that he cannot implement smooth processes without outside help.
3. *The “As long as it works without me” type:* This type is the owner of an SME and wants to focus fully on his core business and have as little contact with IT as possible. He does not have the necessary practical IT knowledge and would like to have long-term IT support. Ultimately, this type wants to give up as many tasks as possible to have more time for family and hobbies.

Additional conditions:

- The target customers are Microsoft users.
- They work with many manual processes and have a low degree of digitization.
- They do not take IT security seriously (e.g., have already lost data in the past or have been the victim of a hacker attack).
- They have not yet realized the benefits that can be achieved with cloud services.
- Currently, they do not yet use external IT services.

6.4.3 The Solution

WS Informatik advises on setting up a secure and efficient IT infrastructure that is seamlessly integrated into the existing process landscape to customers, suppliers, and service providers. The company has developed a tailor-made solution proposal and wants to offer its services as a general partner who analyses the IT processes of its customers holistically, optimizes them individually, and provides long-term support. In this way, customers can draw the maximum potential from their IT infrastructure, be more efficient and productive, and concentrate on their core business again.

The solution in this specific case is a service in which WS Informatik positions itself as “*your general partner for productive IT processes.*” The solution process consists of five steps, which help their target customers to understand how WS Informatik will solve all their severe problems.

1. *IT infrastructure analysis*: First of all, we would like to get to know you and understand your work processes. For this purpose, we comprehensively analyze the current state of your IT infrastructure. To do this, we will take stock of your hardware and software and check how everything is connected. All resources, such as systems, processes, and security measures, are part of this “health check.”
2. *Consulting on optimization potential*: Based on the strengths and weaknesses of your IT infrastructure, we identify your optimization potential. In doing so, we take into account your ideas and wishes, as well as the specific technical requirements and your planned budget.
 - (a) We track down cost-saving potentials.
 - (b) We identify all critical vulnerabilities in your security concept.
 - (c) We uncover your data silos and find unnecessary software duplicates or missing interfaces between your systems.
3. *Offering a solution strategy*: We provide an offer around hardware, software, and security solutions that are needed for your company. In our recommendations for action, we show you how you can save costs, become more productive, and close security gaps. You decide which elements of our proposed solution will be implemented. Our areas of expertise are built up from the following modules:
 - (a) Hardware, software, and cloud solutions from a single source.
 - (b) Managed Service Services, where we take permanent responsibility for the security and up-to-date status of your systems or sub-systems, tailor-made, and flexibly adapted to your current challenges.
4. *Implementation*: We implement the solution strategy, renew your systems, and optimize your interfaces to customers and suppliers. Together we set new standards for a secure, reliable, and resource-saving IT landscape that will make your company fit for the future. Throughout the entire project, you will be supported by one main contact person, who will also carry out most of the work. Only partial tasks are handed over to the specialists in our team. If you have booked “Managed Services” for this purpose, the project manager will remain your primary contact person at your request.

5. *Control and maintenance*: We now take responsibility for your IT and ensure that the revised infrastructure functions smoothly, by controlling and maintaining all processes and systems. In case of emergencies, we are quickly on-site to fix faults and reduce any downtime to a minimum.

6.4.4 The Alternative Solution

In describing the target customer, WS Informatik has set a clear focus on companies that do not have an in-house IT department or only an internal IT contact person. Since these target customers do not yet work with an external IT service provider, competitors from their industry are not relevant to WS Informatik. The alternative solutions that have found their way into the Marketing Canvas are exclusively workarounds that target customers use to solve their problems themselves to avoid professional support.

These alternative solutions are the most common among the target audience. *It is noticeable that each workaround, which only solves parts of the problem, comes with unrecognizable disadvantages:*

- *Multiple storages of data*: If companies define no clear rules for document management, employees develop individual folder structures and filing habits to find their data faster. At multiple storage locations, the number of different versions of a file that exists in parallel continues to grow. Users create Data silos and lose the overview.
- *Manual processes*: If processes are not sufficiently automated, humans must intervene, and transfer information by hand. The susceptibility to errors is high because this type of monotonous routine task requires little attention.
- *Use of Open Source Software (OSS)*: To save costs for license fees, many SMEs turn to Open Source applications. Long-term support cannot be guaranteed with OSS, because further development and bug-fixing depend on the community that actively drives it. Direct contact persons for technical questions are sought in vain. Help is found after painstaking research on the Internet. OSS is also more susceptible to security holes that are caused by programming errors.
- *Use of special software*: The so-called best-of-breed solutions are applications that have been optimized with a view to a specific business area or process and offer a wide range of functions. Often employees of individual company divisions dictate which software is used without checking how it can be integrated into existing processes. Financial software for accounting, a CRM for sales, a payroll program for the human resources department: Individual software solutions, that are not linked to each other, require multiple laborious data maintenance tasks and encourage the creation of data silos.

6.4.5 The Promise

WS Informatik's value proposition precisely describes the 360° view of how the desired customers will benefit from IT support. To be as convincing as possible, the arguments should be supported by data that proves WS Informatik's expertise.

- *One contact for all IT issues:* Leave your IT problems to us, because we want to help you! We have the right specialist in our team for every area of expertise. We keep an eye on your IT processes day and night and are available whenever you need us—either through remote maintenance or live on site. If a maintenance contract is concluded, we guarantee a response time of maximum of xx hours.
- *IT savings potentials to reduce your costs:* We optimize the cost–benefit ratio of your entire IT landscape. We carefully check and update hardware and software where it makes sense, and we consolidate your service providers. In the past, we increased our customers' productivity by an average of xx%.
- *Permanent protection against cybercrime and data loss:* After we have identified all potential security gaps, we make sure that they are closed forever. Since we founded our company in 2006, we have not registered a critical security incident with any of our customers.
- *Current IT systems secure your future:* We bring your IT up to date and look after all updates, maintenance work, and documentation. We take care of your IT while you take care of your core business to ensure your company remains competitive.

6.4.6 The Unfair Advantage

The company name “WS Informatik” is composed of the initials of the founders Werner and Steinhardt, who founded the company in 2006. Stephan Werner, who holds a doctorate in physics, is used to continually facing new problems. Strong analytical skills help him to look at things from different perspectives. He developed his first software at the age of 17 and has been working in the IT sector since 1987. Jan Steinhardt is a computer scientist, and his areas of expertise are software development, computer networks, and databases. Thanks to his broad knowledge, which he is continuously expanding, he can develop solution strategies for complex problems.

WS Informatik tailors every solution to the unique needs of its clients. The company invests as much time as necessary to provide all customers with a solution that is 100% suitable and future-proof. If there is no standard solution to a customer problem, the founders program it themselves. They are happy to go that “extra mile” because issues that seem unsolvable at first glance are what inspire them the most. Werner and Steinhardt strive for continuity and building long-term and trusting customer relationships. The founders have served their oldest customers since the end of the 1980s.

The founders are convinced that we should deal with problems instead of taking a shorter and more comfortable route. With this mindset, they shape the corporate culture of WS Informatik; to expect everyone in their team to be involved in finding

solutions. WS Informatik's 10-person team consists of specialists with expertise in Telecommunications, Exchange, Backup & Storage, Data Queries & Data Analysis, and Hardware Solutions.

Since 2006, WS Informatik is an official Swyx partner, one of the leading providers of VoIP telephone systems on the German market. As experts in automation and programming, they can solve problems or tasks on a network level quickly. This puts them far ahead of other IT systems and classic telephone system providers.

WS Informatik is a member of a network of system providers. From this network, many synergy effects can be generated for their customers. If there is something that the company itself cannot do, there is someone with the right expertise in their network who can.

6.4.7 The Status Quo

Before implementing communication measures, a situation analysis was carried out by WS Informatik. It revealed that communication infrastructure and lead management were critical weaknesses. The company has extensive practical knowledge and decades of experience but does not actively use its expertise to win customers.

Three success factors can lead to more growth in the long term: a holistic revision of existing touchpoints, or the addition of missing touchpoints, the cultivation of expertise to build trusting relationships with new customers and an appropriate content strategy for all sales channels.

Means and resources that are available:

- 25 clients
- Company website with blog and contact form
- Newsletter with 250 subscribers, an opening rate of 40% and a click-through rate of 8%
- Company Facebook account

Potential problems:

- All existing customer relationships are the result of personal acquaintances or recommendations. A sustainable growth strategy in connection with suitable sales and marketing measures is not available. Leads are very rarely generated through the contact form or via partner networks.
- The images on the website are outdated, and the navigation is confusing. The blog is not recognizable on the website; you can only find it under "News" in the menu bar. There are no recommendations and quotes from current customers.
- A registration for the newsletter is neither on the website nor on the blog.
- Apart from Facebook, WS Informatik does not use any other social media channels.
- There is no content (brochures, white papers, e-books, fact sheets) available as a basis for a holistic content strategy.

Necessary measures:

Optimizing website, blog, and social media channels:

- Definition of essential functions and goals of the site, so that visitors carry out the desired actions and, for example, use the contact form more intensively.
- Keyword research to identify keywords with relevance that help to increase organic traffic.
- Revise landing page and link to blog, prominent blog posts, and the newsletter.
- Hire UX experts to improve the usability.
- Optimize blog: Enable contact form, newsletter subscription, comment, and share function.
- Check which social media channels (LinkedIn or XING) are used more intensively by the target audience (via online research of current customer base).

Leverage specialist expertise:

- Utilize Stephan Werner and Jan Steinhardt brand ambassadors and position them as experts in the market.
- Attract customers as brand ambassadors to spread testimonials across all relevant channels.
- Develop risk analysis as a tool for lead generation.

Content strategy:

- Conduct topic and keyword research based on the identified customer problems, consequences, and workarounds.
- Creation of editorial calendar to plan the publication of content across all channels and the appropriate content (e-mail newsletters, blog posts, social media posts, and more).
- Work with a professional photographer to get access to top new imagery for all content formats (especially website).

6.4.8 The Goal

WS Informatik's ultimate goal is to double its number of customers from 25 to 50 within 12 months. All new customers are to receive "Managed Service" benefits so that WS Informatik takes responsibility for the ongoing monitoring and maintenance of selected IT systems and processes. In the long term, the company will thus benefit from the monthly billing of continuous services.

For all relevant success factors (see "Status Quo"), WS Informatik created individual milestones and defined priorities and KPIs to make it measurable whether they have achieved their goal. To maintain maximum flexibility, they set up the

milestones for a limited period of 6 months. Course corrections are made during the project.

Milestones Q1:

- *Priority:* Implementation of a funnel solution for risk assessment, e.g., in the form of a free analysis carried out live on-site by WS Informatik. For this purpose, a landing page will be created, which will be cross-media promoted within a budget to be defined (Target: *xx* new leads and *xx* new newsletter subscribers per month).
- *Priority:* Create a new social media profile for Jan Steinhardt and Stephan Werner on LinkedIn or Xing and revise the Facebook profile of WS Informatik (goal: publish fresh content on each of the three accounts every *xx* days to gain *xx* new followers per month).
- *Priority:* Revision of the blog section on the website (goal: *xx* new leads and *xx* new newsletter subscribers per month).
- Create a 3-month editorial calendar and publish relevant content across all channels (target: *xx* new leads and *xx* new newsletter subscribers per month).
- Implement a reward program for the current customer base to create incentives to recommend WS Informatik to others (target: *xx* new leads and per month).

Q2 milestones:

- *Priority:* Revision of the website (goals, navigation, content, UX, etc.) (target: *xx* new leads per month).
- *Priority:* Create testimonials in cooperation with five active customers (goal: *xx* new leads and *xx* new newsletter subscribers per month).
- Double the click-through rate of the newsletter (target: CTR of *xx%* after *xx* months).
- Create a 3-month editorial calendar and publish relevant content across all channels (target: *xx* new leads and *xx* new newsletter subscribers per month).

6.5 Summary

In B2B marketing, being first is the formula for success. The more quickly and comprehensively we understand the concrete benefits of a product, service, or technical process for the target audience, the better we can communicate the concept ourselves. Speed becomes a competitive advantage when we succeed in developing content marketing strategies that allow us to quickly test whether our idea will create an echo in the market. It seems ironic, but especially when we are facing a tight deadline, we should allow ourselves enough time to analyze our situation thoroughly.

In this quote, Einstein provides the perfect perspective: “Once you have fully explored a topic in your mind, the solution will be almost palpable. If we skip this step, we no longer recognize what is essential and we’ll develop messages that do

not succeed in penetrating the market because they do not differ from the ones of our competitors.”

Every additional hour that you and your team spend working on the marketing canvas will bring you one step closer to a holistic communication strategy. If you are facing a new challenge in the future and don't know how to get started, seize the opportunity and test the capabilities of Marketing Canvas. The more complex your project is, the more orientation this tool will provide and help to determine your next strategic steps.

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Susanne Trautmann is a strategic-thinking enthusiast and communication expert with a passion for growing complex and elusive products and technologies. After completing her Master's degree in media and art, she started her career in 2007 in the automotive engineering and metal processing industry.

As a B2B marketer, Susanne has specialized in creating brand and digital communication strategies based on Inbound Marketing and strategic storytelling. She is on a mission to build soulful brands people feel drawn to, by designing compelling stories and discovering unique value propositions. Sorting through the clutter of available information and finding trends and patterns or a core concept that leads to real understanding fascinates her. Fueled by her creative mind, she thrives in ideation phases and whenever there is room for visual thinking, mind-mapping, or drawing contextual models.

Today, Susanne is creating brand and communication strategies in the fast-paced 3D printing environment and knows that speed is crucial to test ideas in the market. That is why she developed the Marketing Canvas, a visual framework that B2B marketers can use to establish effective go-to-market strategies for products with a high explanatory effort. Susanne enjoys sharing her expertise and welcomes opportunities to exchange thoughts and ideas with other like-minded thinkers. Reach out to her if you need a partner to brainstorm or a guide to deploying the Marketing Canvas.

To Brand or Not to Brand: An Introduction to B2B Branding

7

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7.1 Introduction

In 1972, Richard Branson and his team set the foundation of today's Virgin Group with Virgin Records. Following a rather simple approach, they build the company around their personal values. According to him, the reasons for the ultimate success of the corporation are manifold, but he sees this initial action of establishing a brand reputation as the basis for the continuing existence as well as the growth of Virgin Records in the past almost 50 years.¹

Since the early 1970s, the marketing in B2C as well as B2B—Virgin Group comprises companies in both fields—has, of course, changed, especially in the B2B environment. With new areas of marketing such as content marketing, marketing automation, performance marketing, lead development, or generation, marketing is even stronger influencing the B2B customer journey today. In this regard, content and content-based marketing programs are seen as the key to generating leads and eventually, selling the product (cf. Gagnon 2014).

Against this backdrop of modern B2B marketing being primarily dominated by content and content-based activities, is there still a place and need for branding?

To get to the bottom of this issue, this chapter revisits this issue and attempts to re-justify its importance and presence in modern B2B marketing. Beginning with a closer look at the term “brand” and its history, the first chapter examines its relevance in a B2B environment. Following this introductory part, there will be a 360° illustration of branding from brand development to brand strategy and management. Complementary, the chapter concludes with the effects and benefits of B2B branding as well as general findings and remarks.

7.2 Branding in B2B Marketing

7.2.1 Branding Then and Now: What Is a Brand?

These days the word “brand” has become a rather ubiquitous term to mean anything from a logo or a name, to products, services, or companies that in some way stand out. Increasingly, cities and regions around the world are trying to turn themselves into destination brands. Countries are no longer simply countries, but nation brands. The Olympic Games, the Queen, even the Pope are often described as brands. Yet simply doing something in the world, giving it a name and a logo and communicating it does not necessarily qualify you as a brand. So when can you be classed as having reached that status?

While branding began in Ancient Egypt as a way of marking livestock with a sign of ownership, the use of a brand mark to denote the make of non-generic goods can already be traced back to the eighteenth century (cf. Wheeler 1946). With the

¹Retrieved May 5, 2020, from <https://www.virgin.com/richard-branson/my-top-10-quotes-branding>

development of mass media in the twentieth century, branding became a mainstream way of identifying the make of a product. Initially this aided recognizability. As similar offerings entered the market, consumers were faced with an increasing amount of choice. For vendors trying to appeal to the public, differentiation on the basis of price or product quality alone was no longer enough. Marketers recognized that, in addition to their functional face-value, products could also offer emotional value, for example in terms of prestige, fun, reassurance, or as symbols of upward mobility. In fact, in many consumer goods sectors, the emotional and symbolic value became more important than the functional arguments for buying something. People bought the emotional idea and what it meant to them first and the product second.

With this in mind companies began using advertising to tell stories around their products. The idea was that the stories would connect with people, even if the products did not. As a result of this approach, products began to represent more in people's minds than what they were functionally used for, which is where we can start talking about brands in the modern sense.

Fast-forward to 2020, the transparency that consumers now have as the result of the internet, social media, and global journalism means that it is no longer enough for brands to make bold emotional claims of how good they are. They now have to walk the talk. Consumers have new ways of evaluating not only products, but how they are made and the ethics and practices of the companies behind them. Today customers make far more informed choices. Any brand claiming to be “the most friendly . . .” or “the purest . . .” has to live up to their promise and any transgressions will be called out, usually in an embarrassingly viral manner.

Brands have arrived in the age of meaning, authenticity, and social conscience. They have evolved from being communicators of functional and emotional value to trying to play an important role in people's lives by being meaningful to their aims, desires, and life-concepts. Increasingly, brands are adopting social causes and being helpful to society in the process, ostensibly at least. In terms of Maslow's Hierarchy of Needs (cf. Maslow 1943), which orders human needs into a hierarchy from the most basic to the most sophisticated, brands are increasingly aiming at the top, by helping people fulfil personal goals and have a social impact.

Now, marketing practitioners in the realm of B2B may well be bemused by the evolution of branding in B2C, because in B2B it has always been about walking the talk. The reality of their products and services has always had to match up to their promises. Too much emotional spin around technical products can seem contrived and unnecessary, which, in addition to the expense, is part of the reason why this approach never took off. However, the sophistication that branding has reached today is a different matter. It is high time for sceptical B2B marketers to rethink their attitudes to branding. Brands as a vehicle for being meaningful to customers, simplifying highly complex topics, giving a sense of direction, and raising the bar in terms of business practices is highly relevant in industrial markets, especially in the age of climate change, digital disruption, and information overload.

In a world of choice and abundance, brands are those entities—companies, products, personalities, places, etc.—that manage to stand for something distinctive, different, and emotionally relevant in the minds of a significant number of people

over time. Brands differentiate themselves from other players in their field by focusing their activities and their communications on why what they do is meaningful to people rather than on the purely functional, however, innovative and brilliant the functional may be. Brands work by having a consistent tone of voice, a consistent message and style, and above all a consistent attitude, not only towards their markets and customers, but also towards the world around them, including their staff.

7.2.2 Why Is Branding Relevant in B2B Markets?

7.2.2.1 B2B Is Not Just B2B

In general, we talk about B2B markets when the buyer is not purchasing goods or services for his or her own private benefit, but in order to contribute to achieving the aims of the organisation in which he or she is involved. This sounds straight forward enough, though in actual fact there are many different types of relationships, transactions, and products that fall within this definition. Here are just some examples:

- Consumer products that are purchased by resellers who then act as the sales channel in a local market.
- Raw or base materials used in the production process.
- Components and subsystems that are purchased to be integrated into more complex systems along the supply chain (the most common definition).
- Equipment or technologies purchased to enable a process, such as machine tools or testing equipment.
- Consultancy and many other business services.

The typical assumption in B2B marketing has been that, because it is not a private purchase, it is not an emotional one and is, therefore, not susceptible to the emotional type of communication associated with consumer goods marketing. Indeed, in many industries, compliance regulations, obligation to tender, and the rise in power of purchasing departments are aimed at reducing the human susceptibility to emotional decision-making by putting the emphasis on comparable criteria such as features, delivery times, and price.

Yet, as any good salesperson will tell you, B2B clients almost always decide emotionally. That is because we are never just buying the product. We are always buying something more. We are buying, for example the reputation of the seller, their long-term financial stability, their ability to problem-solve, their influence in the branch, the chemistry we have with them, their predictability as well as their ability to surprise. The way they think about the future and are planning for it and on design and aesthetics. Strong B2B brands understand the power of these so-called “soft-factors” and know how to channel them into a coherent brand story that resonates with the emotional needs of customers, as well as being a source of pride and motivation for employees.

At this point, it helps to put the discipline of branding into the context of marketing and sales. Branding can be understood as the framework or backdrop to the other disciplines, or in fact to any other activity within an organization. Branding defines the attitude from which they take place, the innate style in which they are executed, the values they represent—with the aim of creating a unique and recognizable whole package. Brand-building has a long-term perspective, a large scope of influence, and aims to build trust, liking, and intuitive preference as well as setting expectations—for products, solutions and services, and for the organization as a whole.

7.2.2.2 Three Good Reasons for B2B Branding

The aim of B2B branding is to help a company stand out in its market by supporting it to stand for something that is important and/or appealing to its clients, employees, and other stakeholders and that the organization can authentically represent. Here is why that is important:

1. Companies are in a battle for their customers' attention

The number of advertising messages and content pieces we receive every day, along with all other information input from innumerable social media and digital channels, continues to grow exponentially and is far more than we can consciously process. B2B buyers, users, and decision-makers are in the same situation. So it is worth remembering: Before you compete for their orders, you have to compete for their attention.

When an organization is trying to gain someone's attention it is not just competing with its competitors, but with everything else going on in that person's life. It is imperative to have a compelling message that is clear and quick to digest, is memorable, and provides an answer to the question, "why should I care?". All the more so in those markets where there is high buyer inertia. A clearly designed and well-executed brand that taps into relevant customer needs in a new way will help a company to get noticed.

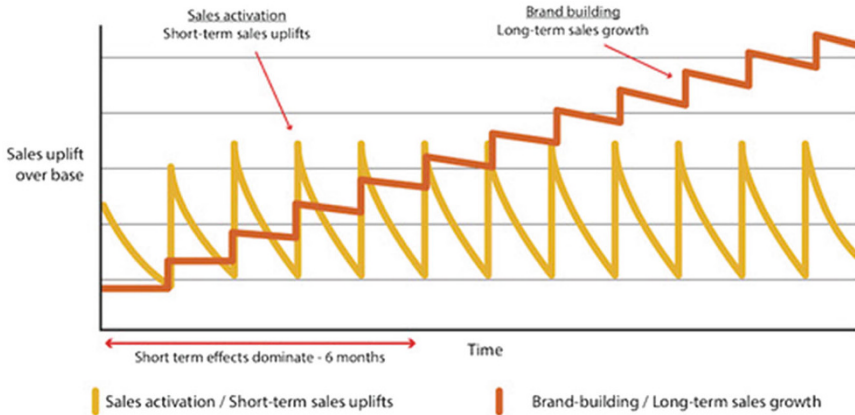
2. Building trust, reducing vulnerability

Branding needs time on its side. Perceptions are not built overnight. They take time and carefully curated, consistent steps to form. Creating, cultivating, and communicating a brand need to start long before the sales process and continue long after. But it is an investment in trust-building. As people perceive the brand, start to identify with a company's standpoint and like its ideas and the way it does things, they begin to form a relationship with the brand on a broader basis, which does not hinge on an individual salesperson or a single project. A strong authentic image makes an organization more robust when unexpected problems arise, and less vulnerable when key staff leave (Fig. 7.1).

3. Great brands are magnets for talent

A brand that displays coolness and attitude and conveys a sense of relevant purpose will be well-set to win the war on talent, next to undifferentiated counterparts. That is because the jobs people do and where they do them are expressions of their identities. They help define who we are in the world.

Brand-building and sales activation work over different timescales



Source: Les Binet and Peter Field, *Media in Focus: Marketing Effectiveness in the Digital Era*, IPA, (Figure 02)

Fig. 7.1 What is a brand?

Many great B2B companies are hidden champions: absolutely world-class in their niche and otherwise unknown. However, this is a problem when it comes to recruiting, because no-one knows how great they are. High-technology on its own is not a compelling story. A good brand knows how to tell the bigger story of “why” it does what it does, and not just “what”.²

We all want to do something useful that we can be proud of. When companies understand their role as an extension of their employees’ lives, they can begin to find ways of being more meaningful to them. As the sociologist Blumer (1969) formulated, we live in a world of “symbolic interactionism” where we give everything a subjective meaning, depending on our social interactions and ongoing experiences. B2B brands can use this human process of creating meaning for their benefit by clearly positioning their company in the minds of their customers and stakeholders and, on an on-going basis, by always aiming to be the most interesting brand in the room.

7.3 From Development to Management: 360° B2B Branding

7.3.1 Brand Development

7.3.1.1 The Groundwork

If a B2B company concludes that developing and establishing a brand is, indeed, a meaningful and beneficial action for its business, this comprehensive task can be divided roughly into five process steps (cf. Kotler and Pfoertsch 2006):

²Retrieved May 18, 2020, from https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action/transcript

1. The planning phase concerns the groundwork necessary to start the internal brand development project such as informing and involving of the entire company or defining relevant processes.
2. The analysis phase involves the examination of the company, its competition, and clients to determine the brand values in alignment with the corporate mission and brand personality.
3. Based on the outcomes of the previous two, the brand strategy becomes the underlying plan for the tactical usage and establishment of the brand.
4. In alignment with the brand strategy, the brand-building phase is dedicated towards the actual rollout and all activities dedicated towards the introduction and continuous set up of the brand.
5. The audit phase comprises the monitoring and managing of the brand by determining its strengths and weaknesses for further improvement and development.

B2B branding, however, is neither done nor completed after concluding the audit phase. While step three, the brand strategy, might be occasionally reviewed and if necessary adjusted, the building and management of a brand remain a continuous task. The lead for this project certainly resigns within the marketing department, but the original execution of the brand development process should not be restricted to a single or certain department. On the contrary, it concerns the entire organization. From the planning phase onwards, employees and managers alike are to be informed why this step is taken and have to be encouraged to assist in creating and later executing the brand itself by handing-in ideas or participating in relevant workshops or activities. This does not only make the development process easier, but also ensures acceptance across the corporation and inclusion of all customer touchpoints.³

To make the brand continuously recognizable along a customer journey, the more the merrier is the right approach. However, focus and balance are key. Involving employees from various departments, divisions, or business units along the branding process is certainly beneficial. In addition to these internal resources, external helpers such as long-term customers, new clients, partners, or suppliers can equally be useful to gather the necessary information to fill gaps or to get a different and fresh perspective on the company as a whole. To compile a critical and objective group the following factors for employees might be worthwhile to consider: duration of employment, previous employment with a competitor, age, cultural and professional background, department, operative region, and industry. For partners, suppliers, and customers, the following categories can be taken into account to create a balanced mixture: region, operative industry/market, duration of partnership/being a customer with the company, order history, cultural background, and involvement with competition.

³Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

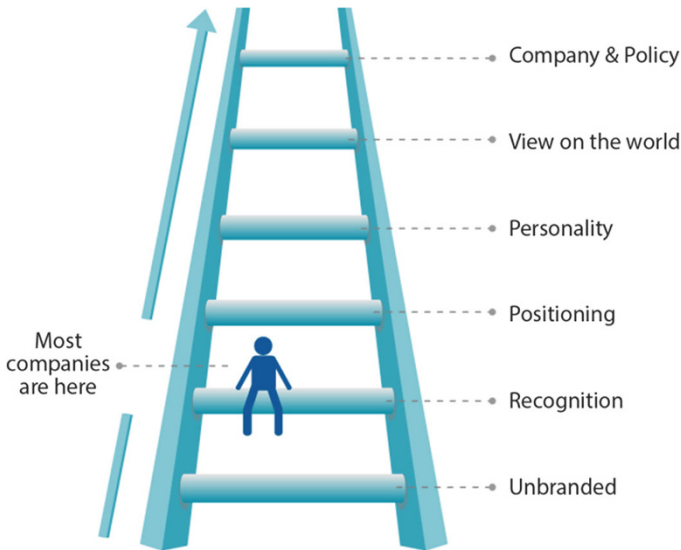


Fig. 7.2 B2B branding ladder

7.3.1.2 The Status Quo on the Branding Ladder

Once the relevant preparation has been completed, the actual development of a brand begins with an analysis of the status quo. This should include questions to determine what does the company represents, what is its most significant value, and what is the statement or move that safes it in difficult discussions or negotiations with clients.⁴

Subsequently, it is useful to review if these values detected are present and recognizable throughout the customer journey from, for example the first contact with a sales representative to the wording used in external or internal communication. In the majority of cases, companies discover that their values are represented in some form or another internally as well as externally. Thus, they are already have passed the rung of unbranding on the branding ladder and find themselves on the one of recognition (Fig. 7.2).⁵

To reach the rung of positioning, it is important to explore the foundation or origin of the company. Maybe there is a founding myth or a certain reason why the company has been established. The identification of this original spring helps to find and create the necessary continuity or DNA of the brand as it is often called, which in turn is critical to build an authentic brand.⁶

⁴Retrieved May 5, 2020, from <https://www.b2binternational.com/publications/b2b-branding/>

⁵Retrieved May 5, 2020, from <https://www.b2binternational.com/publications/b2b-branding/>

⁶Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

7.3.1.3 Adopting a Position

From the examination of the past, the following analyses consider the present and the future of the business. The results create the foundation for positioning a company in more detail. This place is determined by three main factors: the competition, the customers, and the differentiators.^{7,8}

In the investigation of the competition, the company itself functions as a comparing value. Firstly, a SWOT analysis is conducted to clear the questions what is the company today, where does it want to be in the foreseeable future and what needs to be done to achieve this desired future position. This is followed by a situation analysis. It includes a review of the competition, investigation of the changing business landscape, the customers' awareness as well as wider macro trends that can have an impact on the business. The thorough study of relevant competitors targets to uncover and understand their brands' appeal as well as their strengths and weaknesses. As a result of this examination, an organization might be able to find certain possibilities to distinguish itself from the competing mass.^{9,10}

Before the factor of differentiation comes into play, the equally important role of the customers should not be overlooked in positioning a company. Creating detailed profiles of the average clients including their preferences, dislikes, behaviour, and problems, gives a business a valuable guideline on how to appeal to them.¹¹ In this regard, it is enlightening to conduct specific interviews with a carefully selected group of clients comprising a balanced mixture of long-term and fairly new ones.

For any analysis of the customers, it is necessary to perceive them as the actual human beings that they are. It has already been demonstrated that the customers in B2B and B2C are similar. Hence, a division according to different degrees of engagement and emotion of these two types has become obsolete. In fact, B2B buyers tend to show an even greater emotional commitment than B2C ones as they are about to make a higher investment and thus, carry a greater responsibility as a mistake is likely to end in a disaster.^{12,13}

Concerning the branding, this means to charge the brand with emotions too as rationality on its own is not sufficient.¹⁴ Thereby, it makes sense to pay attention to

⁷Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

⁸Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

⁹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

¹⁰Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

¹¹Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

¹²Retrieved May 5, 2020, from <https://www.marketingweek.com/b2b-brands-invest-brand-marketing/>

¹³Retrieved May 5, 2020, from https://blog.marketo.com/2007/03/b2b_branding_wh.html

¹⁴Retrieved May 5, 2020, from https://blog.marketo.com/2007/03/b2b_branding_wh.html

the purpose of the company since it illustrates the meaningful reasons for its continuous existence. Thus, it should be noted what are the exact services offered and provided by the organization and how these are of actual help to its clients. Additionally, it is necessary to try to identify the emotions triggered in the customers when the services deliver the promised help.¹⁵

Tapping into the impact that [it] may have on their lives (even if just for a fleeting moment) and your brand purpose becomes not about how much profit your business can turn but how many people it can impact.¹⁶

To underline this important step, take the example of the production and sale of pumps. For such a business, the focus is simply on manufacturing them according to the norms and requirements of the customer or project and delivering them on time. From the customers' perspective, however, it might be more than just a hydraulic machine pumping water or any other liquid. Having bought this pump, the clients can avoid, for instance, another water scarcity or flooding and thus, might feel emotions such as satisfaction or carefreeness having mastered these problems successfully.

Finally, in addition to competition and customers, the differentiation forms the third part of the cornerstone of a company's positioning. It states the reason or reasons why the customers remember a corporation and buy its products. In other words, the differentiation is something that appeals to the clients and distinguishes the organization from its competition.¹⁷ This differentiator needs to generate a certain interest or attraction to convince people to return if they need more or require the services and products again. Therefore, a company has to determine its niche or specialty. This can be, for example a new service or expansion of an existing one.¹⁸ Once identified, this differentiation becomes not only the basis of the company's brand promise or core message, but also part of all kinds of communication. Consisting of a maximum of two sentences, it is precise enough to be remembered and long enough to convey the unique position of the company.^{19,20}

¹⁵Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

¹⁶Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

¹⁷Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

¹⁸Retrieved May 5, 2020, from <https://www.forbes.com/sites/forbesagencycouncil/2018/03/29/when-it-comes-to-b2b-branding-different-beats-better/#3ac3d05719c2>

¹⁹Retrieved May 5, 2020, from <https://www.forbes.com/sites/forbesagencycouncil/2018/03/29/when-it-comes-to-b2b-branding-different-beats-better/#3ac3d05719c2>

²⁰Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

7.3.1.4 Mission, Vision, and Values

Complementary to the brand promise, two other important statements for a B2B brand are required: the vision and mission. Although sometimes confused, these two elements in branding are quite different. The vision expresses a future achievement of the business, whereas the mission communicates its purpose in combination with its vision. In order to identify and define a vision, the corporation needs to look at their long-term planning to answer questions such as where is the future business, are there any expansion plans, where will the organization be in 10 years from now and how will the brand look like then. Similar to SMART targets, the vision should be realistic, but motivating at the same time. Microsoft, for example once defined its vision as “A computer on every desktop in every home”.²¹

Based on the vision and purpose of the company, the mission is defined. It reflects the dedication to have an impact on the customers’ lives and to fulfil the brand promise. Similar to the vision, it conveys a sense of achievement as well, but more in terms of the corporate culture. It gives employees the feeling that their job has not only a purpose, but can actually make a difference. Starbucks employees, for instance, work along the mission “to inspire and nurture the human spirit—one person, one cup, and one neighbourhood at a time”.²²

In alignment with the purpose, vision, and mission, the values are another internal aspect of a brand. Although they are the guidelines defining the way business is executed, they are neither stated nor directly communicated to the customers. For them, however, the brand values of a company need to be detectable in the behaviour of the employees. In order to achieve this, repeated, internal communication of these values is key to ensure that every employee understands them and lives them.²³

7.3.1.5 The Personality of the Brand

A crucial step in the development process and a quintessence of any brand is its personality. It gives the brand human characteristic features by illustrating its speech, behaviour, and resonance with the customers. Due to this abstract person representing the unique difference of a company, the clients are attracted and usually keep on returning.²⁴

A brand and its personality can be compared to Siamese twins. They are inseparable. As mentioned in the previous chapter, every B2B company usually already has a brand.²⁵ The difference is whether they take control of it in having it professionally developed and defined or not. It is likewise with the brand personality.

²¹Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

²²Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

²³Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

²⁴Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

²⁵Retrieved May 5, 2020, from <https://www.b2binternational.com/publications/b2b-branding/>

As soon as some kind of brand exists, it will have a specific personality accompanying it. Thus, an organization should not only identify its brand, but also its personality to control its influence. Otherwise, someone else will do it and this is not a desirable state.²⁶

A brand personality, however, is not only in mere alignment with the brand itself, but equally is a representation of the customers regarding their preferences, their desired experiences, and the target markets of the company. The brand personality of the energy drink Red Bull, for example, is not drawing on quenching the thirst of an athlete, despite it originating in the beverage industry. On the contrary, in order to attract a predominately young audience full of energy and seeking the next adventure, the brand personality reflects this appeal in Red Bull sponsoring and being involved in various kinds of sports and extreme sports.²⁷

There is a wide range of methods to identify and define such a brand personality. Therefore, the following ones are solely a selection of the more common techniques. The first one, the classic method, is dedicated to illustrating the current state of a company as a person. In other words, the organization is endowed with a human profile including age, gender, relationship status, and hobbies. The last category can even be extended going into the more personal aspects by defining the favourite books, films, holiday destinations, or even the car he or she drives. There are no limits. The findings of these exercises, of course, have to be assessed and aligned with any kind of resolutions or plans the company has set for the foreseeable future.²⁸

The second method is equally simple in structure and execution. On a piece of paper, numerous statements with a blank space are listed. These could, for example include comparisons such as “my company reminds me of...”, “our company is like...”, “If our company was animal it would be...”, or “if our company was another animal, it would be...”. There can also be declarations on the paper directed towards wishful thinking such as “if only our company was more...” or “if only our company was less...”. With the help of metaphors and similes, both qualitative and quantitative, a business cannot only detect its personality, but at the same time, the given answers can contain internal feedback on its performance in services, differences in products, or differentiation from the competition. This, in turn, can provide helpful insights into the direction the organization has taken and its vitality in the future.²⁹

In contrast to these more creative approaches, the third method relies on two techniques to identify the type of consumer and company: consumer psychographic

²⁶Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

²⁷Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

²⁸Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

²⁹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

types or customer archetypes. The first one draws on the seven consumer psychographic types, which have been confirmed on a global scale. These types are the explorer, the aspirer, the succeder, the reformer, the mainstream, the struggler, and the resigned. A corporation can compare itself and its clients to this range and determine the most suitable ones based on goals, motivations, and values.^{30,31}

In contrast to this, the second one uses customer archetypes. Based on the book *The Hero and the Outlaw* by Carol S. Pearson, there are 12 basic profiles a brand and its customers can assume. These are the following: the magician, the sage, the innocent, the outlaw, the jester, the lover, the explorer, the ruler, the caregiver, the hero, the regular guy/girl, and the creator. Similar to the consumer psychographic types, each of them has its set of unique personality features, goals, motivations, and values. At first glance, the majority of companies tend to categorize themselves as the regular guy/girl. Following a thorough analysis, however, only a very small percentage can actually still identify itself with this profile.³² Moreover, it is not unusual or wrong when a corporation associates itself or its customers with more than one archetype.

The fourth method is an imagery exercise requiring four to five picture heavy magazines from, for example the fields of lifestyle, automotive, or travel. Based on them, a group of employees is asked to create collages representing the present and future state of the company. It is noteworthy that the exact same issues of the selected magazines have to be used across this exercise. Similar looking or even exactly the same collages indicate a specific personality of the company.³³

A combination of various of these techniques can ultimately not only help to identify and define a precise brand personality, but also give directions towards the creative aspect of branding regarding visuals, tone, and voice. Only an existing logo is not sufficient to neither represent a brand nor a business. The so-called brand identity comprises a collection of suitable imagery and visuals to create the relevant look and feel of the entire brand. The basic elements are the primary logo, a secondary logo, and relevant variations of these two, a colour palette, typography, and guidelines for images as well as a library of graphics. All of them should form a complete brand style guide in written form. In this respect, flexible guidelines for internal and external communication are to be defined to set the right tone and voice of the brand to keep it authentic and aligned to its personality.^{34,35}

³⁰Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

³¹Retrieved May 5, 2020, from <https://issuu.com/youngandrubicam/docs/4cs>

³²Retrieved May 5, 2020, from <https://customerthink.com/the-12-brand-archetypes-which-one-are-you/>

³³Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/importance-brand-personality-b2b-and-how-find-yours>

³⁴Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

³⁵Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

7.3.2 The Brand Strategy

Following the development of the brand and its personality, the research and subsequently compiled findings need to be put into a working frame—a B2B brand strategy.

So, in short, B2B brand strategy is a long-term plan that outlines who you are as a company, what your brand stands for in the market, what you do, who you serve, where you're going in the future, and – most importantly – how you'll get there.³⁶

In other words, the brand strategy comprises the outcome of the planning and analysis phase. Taking these valuables as a basis, it is, however, not a mere summary of the aforementioned process steps. On the contrary, it is an underlying plan for the establishment and management of the brand (cf. Kotler and Pfoertsch 2006).

Beginning with a business model definition, it documents “the value proposition, channels, customer segments, customer relationships, key activities, key partnerships, and revenue streams”.³⁷ Thereby, a brand strategy requires a deeper analysis of the target customer section in order to detect the long-term profit potential. In this regard, it is important to not have a rigid focus on traditionally defining characteristics, for example age, gender, income, ethnicity, social and educational background of this group, or even groups. To take the long-term aspect into account, possible and relevant shifts in these categories and the target groups, in general, have to be considered when developing a brand strategy.³⁸

The reasons for these shifts can be manifold. It can be a short-lived, but influential trend or a transformation with a more significant and long-lasting impact such as a pandemic. Regardless of the type of change and what caused it, they need to be identified, embraced, and not ignored. Additionally, trends and transformations have to be categorized in terms of their relevance. If they are considered crucial, they subsequently require a specific action. Thereby, it is necessary to identify what kind of impact they can have on the customer segment and its profitability.³⁹ From there on, a strategic plan is derived consisting of a 10-year target, a 3-year picture, and a 1-year plan. It also includes the “target market, three uniques, a proven process and an industry guarantee”.⁴⁰ In this overall strategic approach, an analysis of relevant customer touchpoints rounds off the picture.⁴¹

³⁶Retrieved May 5, 2020, from <https://www.industrialmarketer.com/what-b2b-brand-strategy/>

³⁷Retrieved May 5, 2020, from <https://www.industrialmarketer.com/what-b2b-brand-strategy/>

³⁸Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/better-branding>

³⁹Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/better-branding>

⁴⁰Retrieved May 5, 2020, from <https://www.industrialmarketer.com/what-b2b-brand-strategy/>

⁴¹Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/better-branding>

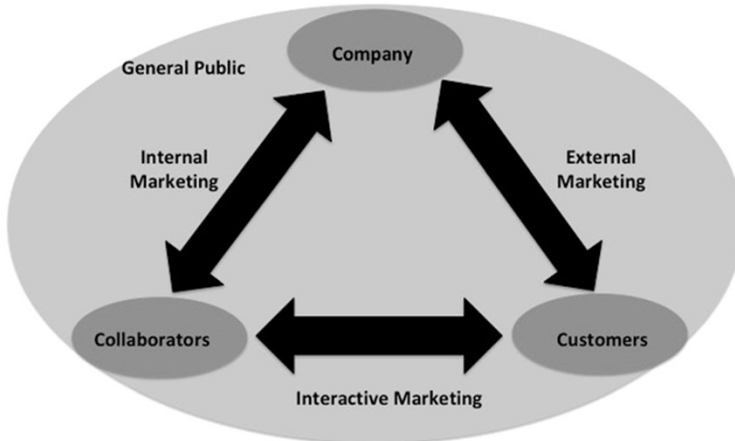


Fig. 7.3 Branding triangle

7.3.2.1 Holistic Branding

Based on the brand strategy, a marketing and communication plan underlines the brand-building phase. It includes all kinds of activities dedicated to the rollout and introduction of the brand to implement the essential associations in the customers' minds. In order to keep an overview of all relevant activities, a holistic branding approach using the branding triangle is beneficial. It categorizes actions and tasks according to external, internal, and interactive marketing (cf. Kotler and Pfoertsch 2006) (Fig. 7.3).

The external marketing refers to all activities where the company approaches the existing and potential clients with products, services, and other offers (cf. Kotler and Pfoertsch 2006). In this regard, careful research is required to find meaningful opportunities to introduce and present the company's brand.

To be noticed, a brand needs to actively seek out exposure opportunities. Without staying on the radar of your audience, you have no chance of cementing your brand in their minds – so the key is to be noticed as often as possible, and for the right reasons.⁴²

Taking this statement by Atkinson⁴³ further, brand-related campaigns and activities have priority, especially in the phase of introduction to the market. Thereby, an analysis and comparison with already well-established brands from either the competition or another B2B section can be a source of inspiration.

In addition to setting possible findings from researching other brands into a new context, the right mixture of media channels is fundamental. Social media, especially

⁴²Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

⁴³Retrieved May 5, 2020, from <https://www.brandingstrategyinsider.com/the-why-and-how-of-building-b2b-brands/#.XrLCIhMzau5>

LinkedIn, has become a standard communication channel in B2B marketing and thus, for branding. A professional social media profile of a B2B company is dedicated to producing and sharing useful content charged with the defined brand personality. Thereby, regular, but qualitative posts are crucial to create a platform for engagement with the audience.^{44,45}

“By regularly offering commentary about news, trends and complementary businesses, you will grow your credibility while growing visibility.”⁴⁶ Although Wren made this statement with regards to the use of social media, it is, nevertheless, applicable for positioning branding campaigns in traditional media as well. The so-called earned media such as industry magazines and classic public relations remain a fixture in a well-defined media plan for branding.⁴⁷ The same applies to other offline communication channels, whereby events ranging from participations and exhibitions at fairs, trade shows, or customer days are prime examples for introducing and continuing branding in the form of brochures, banners, and entire booths.

The above-mentioned touchpoints with clients are only a small selection. In all of them content is king. “The most sophisticated marketing campaigns are the ones that really convey a sense of the brand ethos and don’t prioritise aggressive sales spiel over a personal touch.”⁴⁸ In other words, customers typically prefer businesses with which they can establish a relationship. Here the brand personality comes in. Networking opportunities, for example, are ideal to expose the brand with vitality and authenticity. Conveying the personality of a brand instead of having an upfront sales attempt is more likely to create a solid basis for a good relationship with an existing or potential customer.⁴⁹

In addition to authenticity and vitality, trust is another main factor positively influencing the buying process. There are two common ways to generate this trust with clients. Firstly, taking advantage of other good brands, for example any cooperation partners or suppliers. By working with them, their positive brand reputation can rub off to the company’s own brand. Secondly, pursuing the perception as a trustworthy industry expert. Blogs are a communication channel for presenting a brand as an authority in a range of issues, while webinars support the

⁴⁴Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

⁴⁵Retrieved May 5, 2020, from <https://www.brandingstrategyinsider.com/the-why-and-how-of-building-b2b-brands/#.XrLCIhMzau5>

⁴⁶Retrieved May 5, 2020, from <https://www.brandingstrategyinsider.com/the-why-and-how-of-building-b2b-brands/#.XrLCIhMzau5>

⁴⁷Retrieved May 5, 2020, from <https://www.brandingstrategyinsider.com/the-why-and-how-of-building-b2b-brands/#.XrLCIhMzau5>

⁴⁸Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

⁴⁹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

engagement. This approach ultimately paves the way to thought leadership. This status, highly aspired by usually all companies in their operative industry, can be beneficial in establishing the necessary trust. Thereby, communicating a positive track record or customer experience is always more effective than a straightforward and bluntly done sales pitch. Moreover, identifying, addressing, and solving a taboo, enigma, or well-established problem relevant to the market and communicating this action well across the relevant touchpoints will not only earn the company respect and trust from their customers, but also make their brand easier memorized by the community.^{50,51}

Marketing and communication plans for branding are, however, only complete with a policy for crisis communication. In the process of establishing as well as nurturing a brand, mistakes can happen. A company should be brave enough to admit them and offer apologies to reduce the damage. Similarly, in case of misunderstandings or false comments about the brand, a clarifying statement is better than sheer ignorance. Especially in times of social media, quick reactions to any critical postings are essential. In this regard, it is worthwhile to proactively investigate if there are any unpleasant stories about the past of the organization or other material that can be turned into bad news. If such potentials are detected, watertight statements can be prepared in advance to prevent or limit the harm. Again ignorance and declarations along the line of “no comment” are not advisable as these actions tend to be interpreted as “we don’t care”.⁵²

In contrast to the external marketing of the branding triangle, the internal one includes a plan summarizing all activities to educate all employees about the brand and the brand promise (cf. Kotler and Pfoertsch 2006). This aspect of the brand-building phase requires primarily the HR and marketing departments to develop pieces of training and other materials to ensure each employee does not only fully understand the brand, but also lives the brand promise as part of their daily work.⁵³

This action plan, however, should not only target the corporate culture internally, meaning the employees’ dealing with each other on a daily basis, but also their intercourse with the customers. Complimenting the branding triangle is namely the interactive marketing. It is an interface between the external and the internal activities comprising all kinds of interactions between employees and the company’s clients or partners (cf. Kotler and Pfoertsch 2006). Since all employees act as brand ambassadors, the marketing and HR department have to set measures for various brand touchpoints and plans to train the employees respectively to live the mission,

⁵⁰Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

⁵¹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand-reputation>

⁵²Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand-reputation>

⁵³Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

vision, and brand values and to deliver the brand as desired to anyone outside the company, may this be a client or a potential future employee.⁵⁴

In summary, in the process of working on a holistic branding approach and its rollout, preparation and clear directions in the form of plans are everything to ensure that all people involved actively or passively understand and convey the brand.⁵⁵ Thereby, two key factors are often overlooked: budget and resources for execution. Lindsay-Smith⁵⁶ notes that a lack of budget for the execution of the branding itself as well as engagement and training activities for the employees is the main point why branding programmes ultimately fail.

7.3.3 Brand Management

The management of a brand and its reputation is probably as demanding as developing and positioning one in the first place. It is, however, one of the significant goods in the world of business. Any activity or action that is notably not in alignment with the brand can result in damage. Thus, alignment with the brand strategy as well as consistency across all customer touchpoints is of utter importance.⁵⁷

As a brand evolves, usually the number of content assets such as graphics, images, audio or video files, documents, and even style guidelines continuously grows. In following and executing the strategy and marketing plans for branding, it can become increasingly difficult to keep an overview of all the materials developed and created for various brand campaigns and activities. An asset management system cannot only help to eliminate the loss and costly replacement of brand assets, but also prevent the risk of branding failures. It is an online accessible instruction manual comprising the guidelines for using a brand. In addition to the usage instruction of brand assets, it can include the variations of a logo, graphics, images, and other branding and communication material such as press releases in various languages for download or reference. Hence, these systems help to ensure the consistency of the branding, protecting its integrity, and improve the overall performance and productivity of the marketing department.⁵⁸

Brand management, however, is more than the mere administration of brand assets. Its most important part is the monitoring of the brand in terms of its strengths and weaknesses. For this audit phase, there are different ways to review a brand to

⁵⁴Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

⁵⁵Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand-reputation>

⁵⁶Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-develop-powerful-b2b-brand>

⁵⁷Retrieved May 5, 2020, from <https://blog.marketo.com/2017/09/10-pillars-successful-branding.html>

⁵⁸Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/features/technology-brand-management-keeping-appearances>

detect its potentials for further development and improvement (cf. Kotler and Pfoertsch 2006). Similar to any other kind of project, a brand should be equipped with targets and respective KPIs in the strategy phase. Hence, there are quantitative and qualitative indicators to measure its success.⁵⁹

A more substantial role is usually ascribed to the quantitative indicators since they are based on pure facts and figures. Therefore, the success of the brand is measured against the set of achievements in the brand strategy. These could be, for example, an increase in the margins by raising the price of a certain product to a level that is still acceptable for customers. The relevant results of the audit are visualized in respective statistics and dashboards. It is noteworthy, to always have an eye on the competition as well. Even if the brand targets are achieved, an inspection of the performance of the competition could reveal other or even better ways to reach the next goals or even surpass them.⁶⁰

Complimentary to the quantitative measurements, the qualitative monitoring is essential too, but trickier. It relies exclusively on brand experience, association, and preference and thus, focuses on the customer. In order to collect information on how the customers experience interactions with the organization, what they associate with the company's brand, and what are the reasons for choosing another brand, a survey is inevitable.⁶¹ Therefore, a business can either conduct an extensive customer survey, also touching upon the issue of branding in a special section, or include respective feedback questions at relevant touchpoints along the customer journey such as when the product or service has been delivered.

Another option to assess the performance of a brand in terms of quality is auditing its reputation online. Comments made about the products, services, or performance of a corporation, either positive or negative, are not only easily detectable online, but usually also remain in this space for numerous years. A simple and efficient tool to make use of these remarks for brand management is Google Alerts. Once a number of relevant keywords describing the brand, the company, its products, or services have been entered an alert will be given every time content containing them is published online.⁶²

Regardless of which variation or combination of the tools is used to audit the performance of a brand, its monitoring is essential. Whether this task is performed in-house with own resources or handed over to a research agency depends on the time and budget available. Nevertheless, it requires a specific budget for brand management.⁶³

⁵⁹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand>

⁶⁰Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand>

⁶¹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand>

⁶²Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand>

⁶³Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand>

7.4 Reap the Rewards: Effects and Benefits of B2B Branding

Although it is essential in marketing to have “the right product in the right place at the right price”,⁶⁴ a well-established brand can positively influence this procedure. Usually, when asked in consumer or market-related surveys, why participants prefer and buy a certain product over another one, they answer with hard facts such as availability, guarantee, performance, price, and others. These are conscious reasons, but there are also subconscious ones such as inertia and convenience that can determine the loyalty of consumers to a certain brand. Another one is in fact even detectable in the given factor of guarantee: trust.⁶⁵

While a guarantee is a hard fact, trust is an emotion. Here the influence of branding becomes noticeable. This impact on the decision-making in the buying process was even examined in detail by McKinsey. In 2013, the management-consulting firm published the results of a survey demonstrating that in the year 2012 companies with strong brands surpassed those with weak ones by 20%. This corresponds to an increase of 7% compared to the previous year 2011.⁶⁶ In the course of this survey, it was further detected that costumers opt more for products from a powerful brand since “they make their lives easier, primarily by aggregating information and reducing risk”.⁶⁷ Moreover, B2B customers tend to choose companies based on their specialized expertise and perceived honesty rather than corporate social responsibility, global reach, or sustainability.⁶⁸ In other words, positioning a brand by presenting the company as an authentic industry expert as it is usually suggested within the brand development process can, indeed, influence customers towards a positive purchase decision.^{69,70}

Taking this further, once customers perceive a company based on its branding as an authentic industry expert and thus, trustworthy, it simultaneously reduces the stress and anxiety B2B buyers are usually exposed to since their buying decision involves greater responsibility. A relationship between a business and its customers build on this foundation of trust can even develop towards a real partnership where the clients do not solely get in contact when they want to buy something, but also when they need help to solve a product-related or industry-related issue.⁷¹

⁶⁴Retrieved May 5, 2020, from <https://www.b2binternational.com/publications/b2b-branding/>

⁶⁵Retrieved May 5, 2020, from <https://www.b2binternational.com/publications/b2b-branding/>

⁶⁶Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/b2b-business-branding>

⁶⁷Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/b2b-business-branding>

⁶⁸Retrieved May 5, 2020, from <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/b2b-business-branding>

⁶⁹Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-approach-brand-strategy>

⁷⁰Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/how/how-manage-your-brand-reputation>

⁷¹Retrieved May 5, 2020, from <https://www.prophet.com/2018/06/b2b-branding-why-you-need-it-more-than-ever/>

The effects and benefits of branding, however, are not only tangible on the customer and business side, but also inside the company. A thoroughly planned and executed brand strategy can become the vital basis of every activity and action from the marketing and sales departments to finance and HR.⁷² Clever branding helps not only to save time in various internal discussions and decision-making processes across different departments, but also ensures that the tasks and projects are executed with the essential focus on the customer.⁷³ In product development, for example, the brand can be supportive in determining the next functions or unique selling points of a single product or series. Similarly, in general business strategy planning, the brand can be trendsetting. In HR, a strong and attractive brand can be a game changer. On the one hand, it can ease the recruitment process as human resources like customers are attracted by an authentic and trustworthy brand. On the other hand, the brand assures that future employees are compatible with the company's internal culture.^{74,75}

To summarize, a B2B brand can have a universal impact across a company influencing its internal as well as external activities and business. Fleming summarizes this effect similarly:

How strong your brand can make the difference between negotiating price reductions and capturing price premiums, and between merely holding onto core volume and finding the next opportunity. These strengthened brands will have the extra edge, providing an intangible value that goes one step further than price and function.⁷⁶

7.5 Conclusion

The recognizable similarity of the paper's title "to brand or not to brand" to Shakespeare's famous opening phrase "to be or not to be" of a soliloquy by the drama's hero, Prince Hamlet, is not a coincidence. In contrast to Hamlet, in this case the answer is short and to the point: to brand.

Due to new fields of marketing such as lead generation, marketing automation, or performance marketing and the associated rise of content marketing, the task of branding and brand management tends to have been regarded as more obsolete. It seems as if it has been somehow replaced by these content-driven activities and moved to the background (cf. Gagnon 2014). A closer look at its meaning, role, and

⁷²Retrieved May 5, 2020, from <https://www.industrialmarketer.com/what-b2b-brand-strategy/>

⁷³Retrieved May 5, 2020, from <https://www.prophet.com/2018/06/b2b-branding-why-you-need-it-more-than-ever/>

⁷⁴Retrieved May 5, 2020, from <https://www.prophet.com/2018/06/b2b-branding-why-you-need-it-more-than-ever/>

⁷⁵Retrieved May 5, 2020, from <https://www.b2bmarketing.net/en-gb/resources/blog/branding-we-dont-need-no-stinking-branding>

⁷⁶Retrieved May 5, 2020, from <https://www.prophet.com/2018/06/b2b-branding-why-you-need-it-more-than-ever/>

benefits for B2B markets, however, demonstrates the opposite. In fact, in modern B2B marketing, the need for branding and brand management is perhaps bigger than ever to align all the recently evolved new fields in marketing.

A professionally prepared and executed brand acts as the red line for not only all marketing activities, but in fact for various other departments such as sales, HR, R&D, or product development as well.⁷⁷ In a faced-paced and ever-evolving business world, a brand can become the essential solid rock or point of reference. It sets the tune and tone and, thereby directs all internal as well as external activities of a company. This does not only saves time and money, but also gives clarity and ultimately, ensures continuous consistency.

This consistency is key. It lies in the nature of humans and thus, customers to value stability and reject change. In addition to consistency, trust, authenticity, and the establishment as an industry expert and thought leader due to smart and dedicated branding can support an organization to build loyal and long-term partnerships with its clients, which significantly and notably influences people in their B2B buying process.

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⁷⁷Retrieved May 5, 2020, from <https://www.industrialmarketer.com/what-b2b-brand-strategy/>

Marketing Automation: Defining the Organizational Framework

8

Alexander Mrohs



8.1 Why Marketing Automation Is Disruptive

8.1.1 Change in B2B Customer Relationships

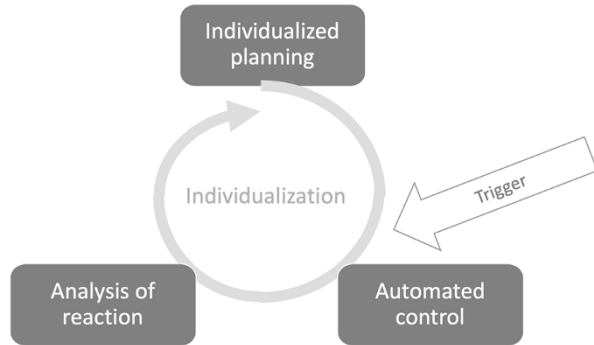
Often the greatest value of B2B companies lies in the personal network of sales employees and managing directors who have extensive contacts in their respective industries. In these companies, sales traditionally has the leading role in the go-to-market strategy.¹ An outbound approach² therefore predominates, especially in niche markets and for capital goods. In these companies, marketing is more in a communicative than a sales-supporting role.

¹Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Go_to_market

²Retrieved May 18, 2020, from <https://blog.thecenterforsalesstrategy.com/the-difference-between-inbound-and-outbound-sales-strategies>

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Fig. 8.1 Concept of Marketing Automation



However, an incipient change can be seen: More and more B2B companies are adopting inbound strategies³ when it comes to marketing and sales.⁴ One reason for this is tougher competition and, due to diversification or expansion, so far unknown target groups. In such cases, customers are no longer so easy to identify, and personal networks are not available. Another reason is a change in purchasing behavior, also due to new, younger contact persons on the customer side.⁵ For many of these new customers, personal contact plays a less important role and communication is being transferred to the digital world: This reaches from research and presentation to the preparation of offers and ordering. The change to inbound is not abrupt but gradual. In a global research, HubSpot has already determined in 2017 that 71% of the companies (B2B and B2C) prioritize inbound strategies (An 2017). External influences, such as the global corona crisis in 2020, will further accelerate such developments.⁶

This development results in the fact that marketing is moving into a more strategically important function and is taking on more sales responsibility. According to a study by Sagefrog (2019), 67% of the B2B marketers surveyed name lead generation as their primary goal. This also has an impact on the way customer interactions are designed. While in the past, sales staff was often the only voice to the customer, companies today use a variety of channels to create customer contact points. To ensure that this multichannel communication is consistent and aligned to individual customer needs is a challenge, especially in light of the constant requirement to increase efficiency.

Marketing Automation is a key factor in this context. It is a concept in which marketing activities are individually planned, automatically controlled, and analyzed to create growth (Cheshire 2020) (Fig. 8.1). The responses to these activities are

³Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Inbound_marketing

⁴Retrieved May 18, 2020, from <https://blog.hubspot.com/marketing/us-european-inbound-marketing>

⁵Retrieved May 18, 2020, from <https://www.adobe.com/content/dam/acom/uk/aboutadobe/newsroom/pdfs/150519EpicCustomerExperiences.pdf>

⁶Retrieved May 18, 2020, from <https://www.internetworld.de/online-marketing/corona-krise/post-corona-werbebranche-aendern-2524465.html>

analyzed, which in turn increases the degree of individualization and influences the further course of marketing activities. Marketing Automation is strongly data-based and uses software to create comprehensive marketing profiles of target customers, which form the basis of Marketing Automation.

More and more B2B companies already use Marketing Automation or plan to do so. Markets and Markets (2019) expects the marketing automation software market to grow at an average annual rate of 14% through 2024. The study shows that marketing automation is more widespread in North American companies. However, Europe and especially Asia are catching up with higher growth rates. A study in the DACH region showed that 42% of the B2B companies surveyed plan to introduce Marketing Automation in the next 24 months (Hannig et al. 2019).

This chapter considers the impact of Marketing Automation on B2B companies from two perspectives:

1. Influence on customer interaction along the customer life cycle
2. Influence on the organization

In this understanding Marketing Automation is more than a marketing concept or a software. It is an organizational framework and elementary part of the go-to-market strategy. Therefore, the term Marketing Automation Framework is used. The technical implementation of Marketing Automation is only discussed marginally in this chapter. Then the term marketing automation software is used.

8.1.2 The New Way to Plan Campaigns

The Marketing Automation Framework is designed to individualize and automatically control marketing activities within campaigns. It thus breaks with the classic marketing approach, in which campaigns for the entire target group (or individual segments) consist of the same activities and are started at the same time with the same content. Marketing automation, on the other hand, is neither linear nor synchronous. Instead, it rather starts individualized activities to contacts at the right time (Mass Customization⁷). This means that campaigns run differently for each customer.

The course of the campaigns and the selection of the respective activities as well as their timing depend on a variety of influencing factors. These include both characteristics of the company, such as company size, industry or location, and characteristics of the customer, such as his seniority. The previous interaction with the customer, historical ordering behavior, and the reaction to previous marketing and sales activities are also analyzed and taken into account. All these factors ultimately result in marketing profiles at contact level. These marketing profiles form the basis for individualized campaigns, which are controlled via if-then functions (Fig. 8.2).⁸

⁷Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Mass_customization

⁸Retrieved May 18, 2020, from <https://www.dummies.com/software/crm-software/basics-of-if-then-statements-for-advanced-segmentation-in-marketing-automation/>

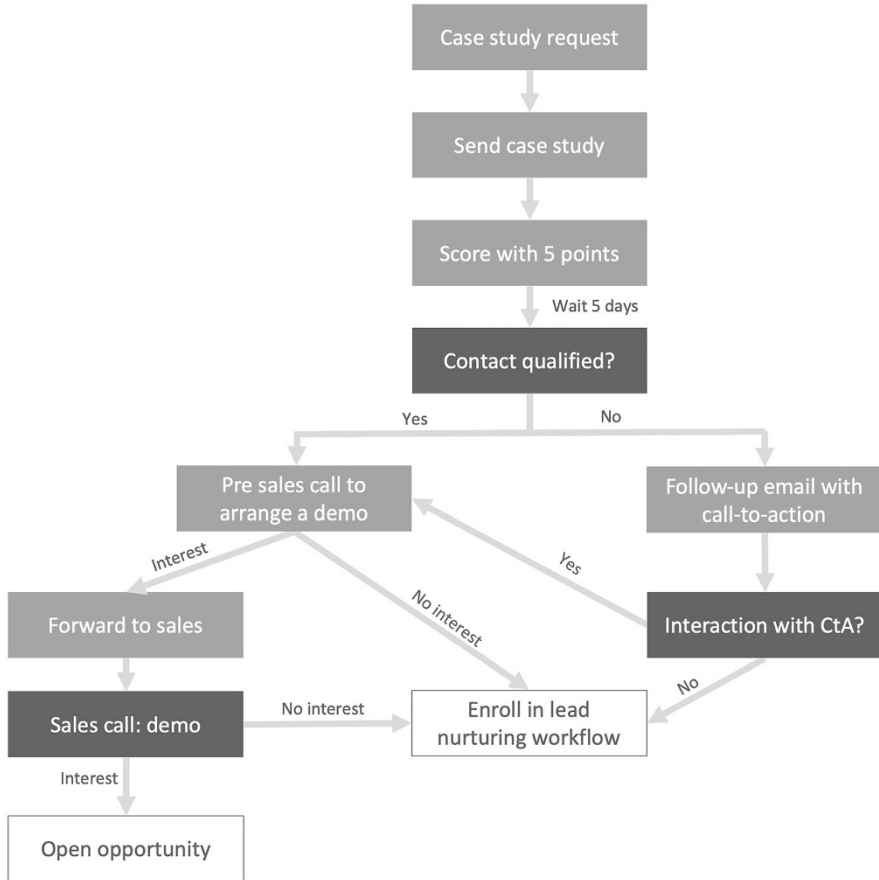


Fig. 8.2 Exemplary campaign flow with if-then functions

Typical marketing activities controlled by Marketing Automation are:

- E-mail campaigns
- Invitations to events and webinars
- Appointment arrangements
- Distribution of content such as white papers, case studies or blog articles
- Follow-up emails on previous activities
- Individual special offers and discounts

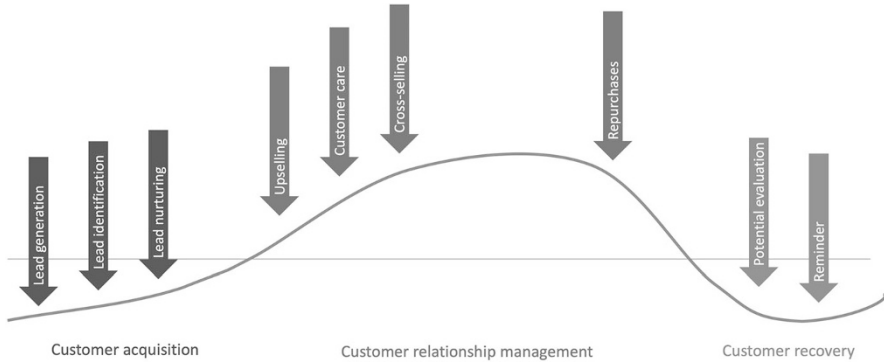


Fig. 8.3 Marketing Automation along the customer life cycle

8.2 How Marketing Automation Changes Customer Interaction Along the Customer Life Cycle

Most B2B companies use Marketing Automation only for customer acquisition. According to a ThreeDeep study (2016), the generation (68%) and development (60%) of sales opportunities are the primary goals of Marketing Automation. Only 31% of the participants use marketing in customer care. But as the next chapters will show, the Marketing Automation Framework can basically be used along the entire customer life cycle (Fig. 8.3).

8.2.1 More Leads in Customer Acquisition

Marketing Automation has its greatest value in the phase of customer acquisition. This is where the number of contacts is highest, the data quality is still poor due to a lack of history, and brand awareness is low. Accordingly, a constant interaction is necessary in this phase to generate awareness and to identify those customers with a high probability to buy.

The need for an efficient control of activities in the phase of customer acquisition is also evident with regard to the classic marketing funnel.⁹ Its output is essentially dependent on the number of contacts that enter the funnel and conversion rates in the individual phases. Marketing Automation enables both: efficient management of a large number of contacts and higher conversion rates thanks to individualized communication. In the end, a larger number of potential customers can be brought through the funnel in shorter time (Fig. 8.4).

⁹Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Purchase_funnel

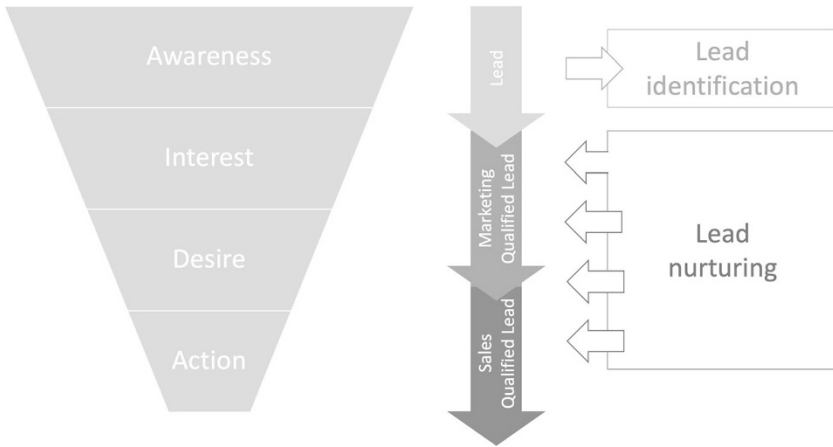


Fig. 8.4 Influence of Marketing Automation on the marketing funnel

When contacts enter the funnel, for example, via the website, social media, or through performance marketing,¹⁰ they are mostly anonymous. The first and crucial step is to identify and de-anonymize interested customers at an early stage. To de-anonymize, measures must be implemented to identify the contact. All elements for where data can be collected are suitable for this, for example, white paper downloads, newsletter registrations, webinars and events, or classic contact forms. Thanks to its analysis and tracking functions, the marketing automation software is able to link these measures and to create profiles. Even if the contact does not yet enter any data and remains anonymous, shadow profiles can be created.

If a contact shows an initial reaction that indicates a basic product interest, he or she becomes a “Marketing Qualified Lead (MQL).” The contact is then considered to be qualified for further marketing activities to proceed in the buying process. Typically, companies offer more in-depth content and product information at this stage to increase interest and create a real demand (desire). This process is also referred to as “lead nurturing.”¹¹

The marketing profiles become more extensive with each activity and even better assumptions can be made about the probability to buy. At a certain point, this is considered so high that a concrete sales opportunity is assumed. The contact is then considered a “Sales Qualified Lead (SQL).” Since in most B2B businesses, proposals are prepared personally, a sales representative enters the process at this point. The particular challenge here is to determine the best time for the transition from MQL to SQL in order to make the best possible use of limited sales resources on the one hand, but not to miss any sales opportunities on the other.

¹⁰Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Performance-based_advertising

¹¹Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Lead_generation#Lead_Nurturing

Original source		Characteristics	
Organic search	+5	Located in core market	+5
Direct traffic	+3	Company >50 employees	+5
Interaction		Is on C-level	+10
White paper download	+3	Is on senior level	+3
Case study download	+5	Is on junior level	-10
Webinar registration	+5	Is a competitor	*
Filled a contact form	+10	Used a freemailer	-20
Requested a demo	+20		
Visted product page more than 2 times	+10		
Visited careers section more than 2 times	-20		

Scale
 Scoring > 5 = MQL
 Scoring > 20 = SQL
 *Unqualified

Fig. 8.5 Exemplary scoring of a software provider

In practice, it is recommended to use scoring¹² to evaluate customer attractiveness and the probability to buy. First of all, all reactions to marketing activities are scored. However, basic characteristics of the customer, such as company size, seniority, or industry affiliation can also be included in the scoring, if an influence on the probability to buy can be assumed. The score can then be used to measure customer attractiveness and buying probability and to define at what point direct sales enters into the interaction (Fig. 8.5).

8.2.2 Identifying Potential in Customer Relationship Management

Typically, in B2B businesses, the customer relationship management (CRM) is in the responsibility of sales. However, it would be negligent to not use the possibilities of Marketing Automation here. It is therefore all the more surprising that only 31% of the companies in the ThreeDeep study (2016) state that they use Marketing Automation in customer relationship management.

However, the Marketing Automation Framework has a different function in CRM. While Marketing Automation is—as described above—leading in customer acquisition, its role in customer relationship management is more of a supporting one. But the limitations of personal communication also apply to CRM: the larger the number of customers, the faster personal relationship management reaches its capacity limits. Therefore, Marketing Automation takes over relationship management in phases in which personal communication is not efficient. In business models

¹²Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Lead_scoring

with a low turnover level per customer, Marketing Automation can sometimes replace personal CRM completely.

The high degree of individualization of marketing activities combined with efficient control is also in the CRM the greatest value of Marketing Automation. For example, instead of sending a newsletter to all customers at the same time with the same content, now email with individualized content can be sent—automatically at the best time in the customer relationship. Here too, profiles are the basis of all activities. The information from the marketing profiles is also an important source of information for the sales team to identify interests, potentials, but also problems in the customer relationship.

In addition to customer care, Marketing Automation can also actively influence the buying behavior of existing customers. Here there are three possible areas of application:

1. Upselling

Upselling potentials can be determined based on the customer profile and initiated by individualized marketing activities. These then are directly linked to the initial purchase. For example, product additions or further developments can be presented. The response to the activities provides information on the upselling probability, so that a process—via sales or completely automated—can be started.

2. Cross-selling

The probability of sales opportunities in other areas can also be queried or even increased by automated marketing activities. For this purpose, content marketing is a good way to evaluate interest in other areas. The reaction to these activities shows whether there is any basis for cross-selling potential at all.

3. Repurchases

In business models that depend on high repurchase rates (such as retail), automation helps to initiate these repurchases efficiently. For this purpose, the demand is derived based on previous purchasing behavior and typical repurchase times are determined. These points in time can be initiated by marketing so that customers are encouraged to buy again at an early stage. In the best case, a shortening of repurchase cycles can be achieved. Especially in business models with recurring products and services and low order values, a completely automated control is advisable to increase margins.

8.2.3 Last Chance in Recovery Management

With the end of a customer relationship, customer recovery begins. However, former customers should not simply be treated as new customers. After all, a customer history with extensive data is available. This data must be taken into account in efforts to win customers back. In this phase, Marketing Automation can help to identify recovery potential and allocate sales resources accordingly.

Typical marketing measures in the recovery phase are:

- Newsletter or product updates to stay in the memory of the customers
- Invitations to events in order to (re)establish a personal contact
- Promotions and discounts to create incentives to buy

In practice, these measures are often the last attempt to win the customer back. The reaction to this shows whether there is a possibility of recovering the customer and where to allocate resources. But if after a certain period of time no reaction can be seen at all, the probability of winning back is so low that further investments by marketing and sales are no longer worthwhile.

8.3 How Marketing Automation Changes the Organization

As seen, Marketing Automation determines the way in which customer interactions are designed along the entire customer life cycle. At that point, the Marketing Automation Framework redefines how marketing and sales work together. But other departments are—sometimes indirectly—also involved. This has an immense impact on the organization as a whole.

8.3.1 Marketing Automation as a Management Topic

As a consequence, Marketing Automation should not be understood as a pure marketing topic and certainly not as an IT project. As it is an organizational framework that shapes the go-to-market strategy, Marketing Automation is a management topic and central part of the business model. Therefore, a decision for Marketing Automation can only be made “top-down” in the management (Fig. 8.6).

However, Marketing Automation is not unconditionally suitable for every B2B business. Numerous aspects play a role, some of the most important ones are:

- **Size of the target group:**
The larger and more heterogeneous the target group is, the more Marketing Automation plays out its strengths in terms of efficiency. On the other hand, for very small target groups, automation is usually neither necessary nor efficient due to the high implementation costs.
- **Influence on the brand:**
Despite all technical support, the degree of individualization of Marketing Automation is limited and does not reach the level of personal customer communication. This aspect has to be considered against the background of the brand strategy. Examples are confidential services, where a personal and discreet communication is part of the brand.
- **Scalability:**
Marketing Automation generates its added value primarily through economies of scale. This requires a certain scalability of products and, consequently, of marketing activities. Especially products and services with low margins can be

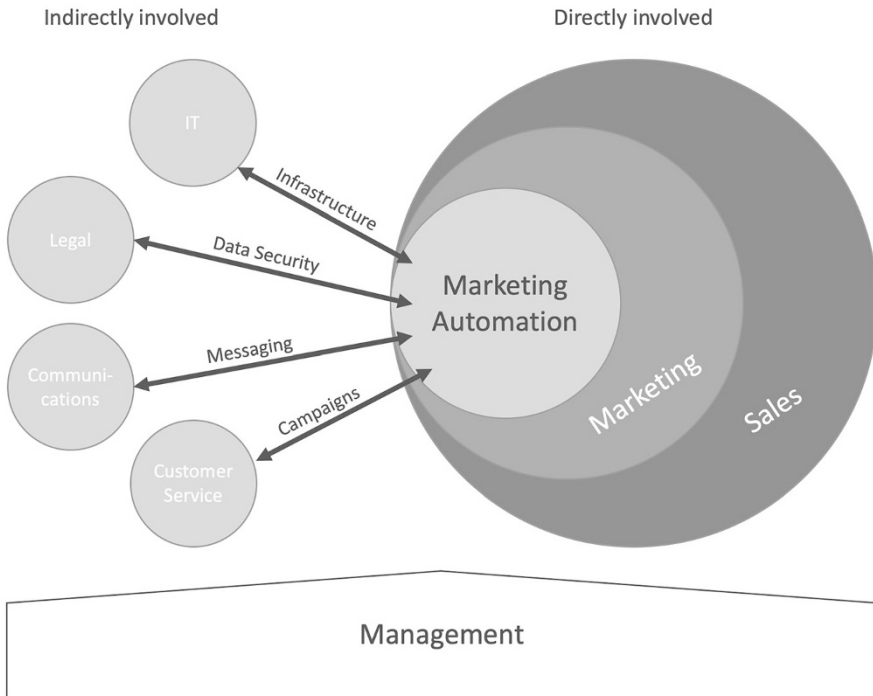


Fig. 8.6 Departments directly and indirectly involved in Marketing Automation

marketed more effectively. On the other hand, automation is less necessary for capital goods with very high contribution margins, both in terms of content and financially.

- **Financial and human resources:**

Even though Marketing Automation stands for efficiency, it is initially associated with financial expenses. At first glance, license costs for the marketing automation software are significant. In practice, however, experience has shown that it is the staff costs associated with the management of Marketing Automation that are even higher. An amortization period of several months to several years should therefore be taken into account.

8.3.2 Professionalization of Marketing

Marketing Automation changes the work in marketing in two ways:

1. Strategically: Marketing automation as conceptual framework for customer interaction.
2. Operationally: Marketing Automation as technical tool for controlling and measuring marketing activities.

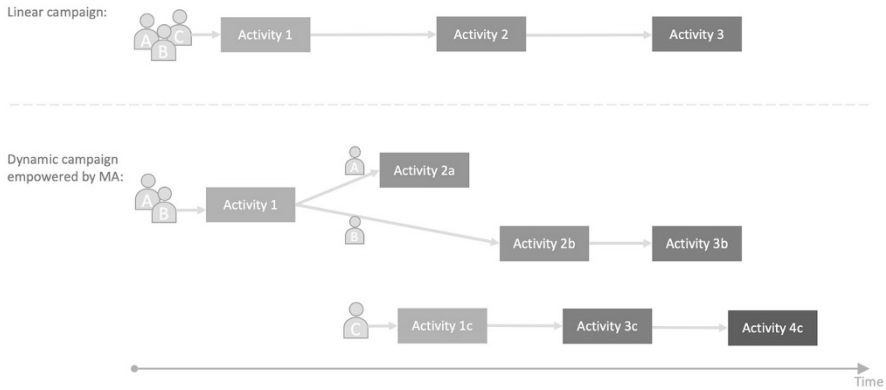


Fig. 8.7 Linear vs. dynamic campaign flow

From a strategic point of view, Marketing Automation requires a rethinking the way marketing is planned. Whereas in the past, campaigns were planned with fixed and synchronized starting points, these are now aligned with the individual customer journey.¹³ In addition, Marketing Automation allows significantly more flexibility and individuality in planning marketing activities within a campaign. Whereas in the past, the course of campaigns was linear and static for whole segments, these now run individually on contact level and are dynamically depending on previous interactions. However, the changed planning horizon and the higher degree of flexibility also mean that marketing departments have to plan much more comprehensively and complexly (Fig. 8.7).

If Marketing Automation is understood as a framework, it also becomes clear that it only works in harmony with other marketing disciplines. The success of Marketing Automation especially bases on a clear brand communication and good content marketing. Thus, Marketing Automation affects the entire department. It is therefore important that the concept of Marketing Automation and its influence on marketing planning is clear for the whole marketing team.

In operational terms, marketing automation software becomes the most important tool of all marketing instruments. If possible, all marketing activities are tracked in the software and assigned to the contacts. The more data is collected, the more accurate profiles are built, and the better activities can be carried out individually at the right time.

Large software providers try to include as many functionalities as possible in the marketing automation software and to keep the management as simple as possible. Nevertheless, it requires technical understanding to map that many interactions—whether within the software or through appropriate interfaces. Appropriately experienced specialists should be hired to manage the software. The personnel resources required to control the software depend on the scope of the implementation but can

¹³Retrieved May 18, 2020, from https://en.wikipedia.org/wiki/Customer_journey

quickly justify full-time jobs. In addition, the high degree of individualization of content also requires additional effort. Because content such as e-mails, advertisements, information materials, or graphics must now be produced and prepared in different versions.

8.3.3 Focus on Core Sales Activities

Marketing automation is a controlling part for sales. Most important Marketing Automation defines the time at which sales gets involved in customer interaction. This point in time should be optimized so that the customer receives the right offer at the right time. In practice, this usually means shifting sales activities to later phases in the sales process. Especially preparatory processes such as research, determination and creation of demand, customer evaluation, as well as an initial pre-qualification are controlled automatically by Marketing Automation. Instead of working through long, unqualified lists, sales teams now focus on contacting pre-qualified contacts with an increased probability to buy, creating proposals and closing opportunities. As a result, closing rates and the efficiency of the sales staff increase.

But Marketing automation also has a supporting function for sales with several advantages for daily sales work:

- Extensive data on the customer is already available. The research effort for the sales employee is minimized.
- Marketing profiles can be used to determine the extent to which the customer is familiar with the brand and the product. The effort required to build trust can be adjusted accordingly.
- Based on the reactions to previous activities, interests can be identified, which enable the sales employee to set the priorities. Thus, the closing rate further increases.

But not only the marketing information provides the sales department with valuable data. Marketing Automation is also dependent on the feedback of the sales staff and can include this feedback in the profiling. Especially the determination of the perfect time for handing over contacts to the sales department as well as the quality of the qualified contacts must be constantly questioned and optimized (Fig. 8.8).

8.3.3.1 Better Interaction Between Marketing and Sales

As a result, the Marketing Automation Framework requires constant interaction between marketing and sales. This communication is necessary on two levels:

- Technical communication between marketing automation software and CRM software.
- Exchange of knowledge between the departments.

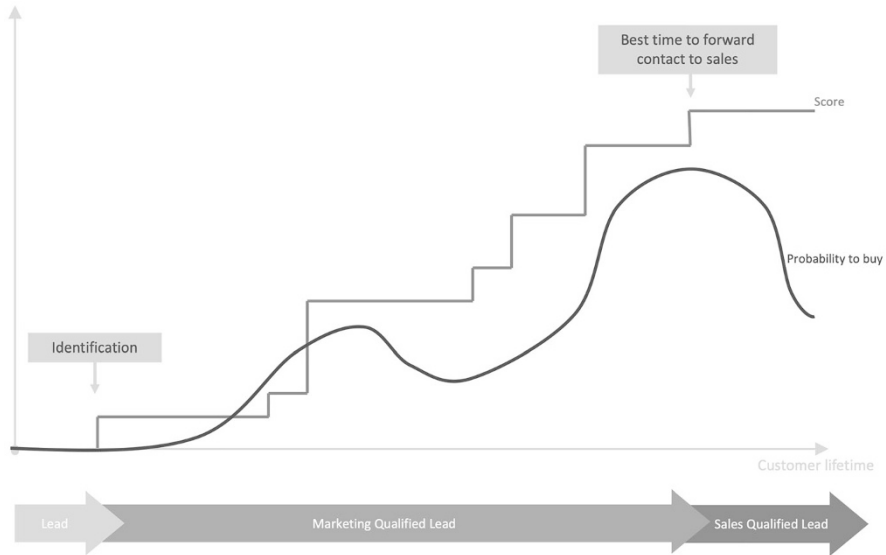


Fig. 8.8 Best timing for the transition from MQL to SQL

On the system side, it is important that the marketing automation software and the CRM software have a technical interface. After all, both systems record relevant customer data. This data must be kept synchronous. This increases data quality, which in turn allows more accurate conclusions to be drawn and creates a high degree of consistency in marketing and sales work.

Even more important than technical communication, however, is the exchange of expertise between both departments. This requires an agreement on content, transparency about the measures taken, and mutual trust. That demands organizational attention, especially at the management level. After all, marketing and sales are often said to have a difficult relationship with each other.¹⁴ However, the success of Marketing Automation is highly dependent on the interaction between the two departments. According to a study, 34% of the companies surveyed see the cooperation between marketing and sales as one of the greatest challenges of Marketing Automation (Nutley and Greogiradis 2019).

In practice, the following measures have proven to be successful for successful cooperation in the field of Marketing Automation:

- Joint decision for Marketing Automation
- Joint conception of buyer's journey and Customer Life Cycle
- Agreement on targets for KPIs, like the number of SQLs
- Development of a scoring to measure buying probabilities
- Regular feedback on the quality of leads

¹⁴Retrieved May 18, 2020, from <https://hbr.org/2013/11/why-sales-and-marketing-dont-get-along>

- Transparency of marketing profiles and contact history
- Celebrating successes together

At this point, companies must also abandon the idea of a “contact ownership,” in which departments or even individual employees are solely responsible for customers and often equate this with the power to make decisions and sovereignty on interpretations. In contrast, the great value of Marketing Automation lies in the fact that marketing and sales work together on customers and “feed each other lines.” Thus, there are always phases in the customer life cycle in which direct sales is the best option and phases in which a more marketing-controlled customer handling is appropriate. This ultimately results in joint customer responsibility.

8.3.4 Over- or Underestimating the Technology

The concept of Marketing Automation is only possible because modern technology enables the detailed analysis of marketing activities. This is the only way to create individual marketing profiles as basis for Marketing Automation. Marketing Automation therefore only works software supported. Therefore, Marketing Automation also needs to be considered from a technological point of view. However, Marketing Automation is not a pure IT topic and should never be initiated and coordinated by the IT department. The technical implementation should only be considered secondarily, because the conceptual approach is more important.

Nevertheless, it is important to involve the IT department at an early stage, at the latest when selecting software solutions. After all, the marketing automation software must be well integrated into the existing IT landscape (Fig. 8.9). Even if the large software solutions already cover many areas, there will always be a need for adjustments due to individual circumstances. The main challenge is to establish interfaces to other systems in order to provide the marketing automation software with additional data on the customer relationship. For example, the connection to existing CRM systems is extremely important to ensure consistent communication between marketing and sales. But interfaces to other systems, such as ERP, may also be necessary. However, only relevant data should be exchanged, because each interface generates effort in implementation and ongoing maintenance. For Marketing Automation, only information that allows actual conclusions to be drawn about customer behavior is useful (Fig. 8.9).

8.4 Conclusion: How Marketing Automation Becomes a Success

The chapter has shown how strongly the Marketing Automation Framework influences customer interactions in B2B. Marketing Automation brings a more systematic approach to marketing departments, similar to the use of CRM in sales. This approach also forces marketing teams to consistently align all activities with the

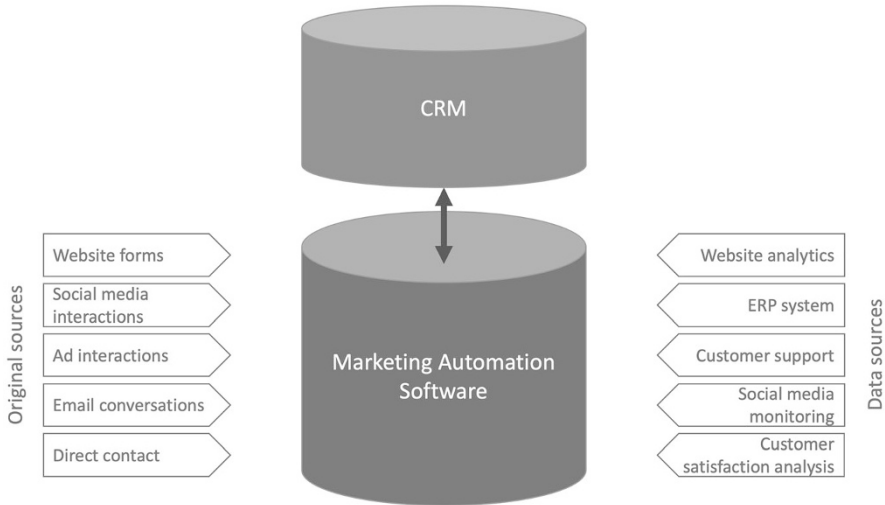


Fig. 8.9 Typical interfaces of the marketing automation software

customer life cycle and, above all, the buyer's journey. Personal experience in consulting projects has shown that this is sometimes done for the first time in such a depth when Marketing Automation is introduced. The Marketing Automation Framework thus contributes to a professionalization and systematization of B2B marketing.

The realization that a high degree of individualization increases the effectiveness of customer interactions is of course nothing new. Until now, however, in B2B this task was largely the responsibility of the sales department, which built up personal relationships with individual customers. It is also well known that this approach is very complex and highly dependent on individual personalities. Marketing Automation now enables a comprehensive and thus more efficient individualization in addressing customers, while at the same time significantly reducing dependence on the network of individual employees. The Marketing Automation Framework thus contributes to better customer relations.

At this point, however, it must be stressed that there is a difference between individualized and individual customer interaction. At a certain point Marketing Automation reaches its limits in regard to individualization. At that point, a personal communication is needed and can play to its strengths. In combination with Marketing Automation, however, sales benefits from better prepared contacts and thus becomes more efficient. This is also shown by case studies in the personal consulting environment: Here I can report on a rapidly growing start-up that was able to shorten sales cycles by around 50% through the use of Marketing Automation. In another example, an already established medium-sized company increased the number of leads by more than 150% through Marketing Automation.

Marketing automation must also be viewed from the organizational perspective. As explained at the beginning, Marketing Automation has an impact on business models by being central in market access. As a result, Marketing Automation changes entire organizational processes. To be successful, Marketing Automation should not be limited by departmental boundaries and goes far beyond marketing. On the other hand, Marketing Automation should not be viewed purely from a technological perspective. Marketing Automation is a framework and management topic.

In terms of organizational influence, the impact on the cooperation between marketing and sales is particularly striking. According to a study in the DACH region, 80% of the surveyed companies see the collaboration between the marketing and sales departments as improved by Marketing Automation (Hannig et al. 2019). This is also consistent with personal experiences: Here, central success factors for improved collaboration were the joint development of the buyer's journey and the introduction of a transparent scoring. Both contributed to an objective discussion. Instead of competence wrangling about "sovereignty over the customer relationship," there is now a passionate discussion about scoring methods or the ideal time for handing over sales qualified leads. The esteem between both departments also increased and communication grew.

In summary, B2B companies should consider the following recommendations for a successful implementation of the Marketing Automation Framework:

- Marketing automation should be introduced top-down and needs a corresponding sustainable commitment at management level. Only if the impact on the entire organization is understood and lived, Marketing Automation leads to success.
- All affected departments should be involved at an early stage. Marketing Automation lives from constant communication and transparency.
- The organizational effort for Marketing Automation must be realistically estimated. In particular, experienced marketers are needed to design and control Marketing Automation.
- Marketing automation should be introduced in a lean way to learn fast by quick feedback. Otherwise, complexity threatens the entire project. Complexity and scope of the implementation can then increase step by step.

Despite all the challenges, the Marketing Automation Framework is a real opportunity for B2B companies. Especially the prospect of higher efficiency in customer acquisition and customer relationship management, better collaboration between marketing and sales and a professionalization of marketing are a strong argument for introducing Marketing Automation. In some industries, it is even expected that Marketing Automation will become a "must-have."

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Marketing Automation: Exploring the Process Model for Implementation

9

Lutz Klaus



9.1 Introduction

9.1.1 Increasing the Adoption Rate: The Human Success Factor

From a company's point of view, the introduction of Marketing Automation can focus on various objectives:

- Increase sales and generate a measurable contribution from marketing through more leads
- Optimization of the customer experience through personalization
- Increased productivity through automation of formerly manual tasks
- Creation of a modern working atmosphere to increase the attractiveness from the employee's point of view
- Implementation of Data-Driven Marketing as preliminary stage of a Data-Driven Business

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Regardless of the objectives, Marketing Automation should not be seen as a new software alone. Rather, it is a fundamental approach to meeting the changing requirements of digitalization and protecting the core business. An investment will be successful if all departments concerned accept the new solution and work together on its implementation. Many technology projects fail due to the lack of employee adoption. This is why it is so important to involve all stakeholders right from the start and to identify concrete use cases based on current priorities. People accept change more easily when they are involved and when it helps them achieve their own goals.

Early involvement increases integration, reduces internal (data) silos, and leads to better results. Figure 9.3 provides an overview of which departments should ideally be integrated in the individual phases. Before the start, it is therefore advisable to inform all those involved comprehensively, explain the advantages, answer open questions and, if necessary, dispel existing concerns. Especially in marketing itself, all employees should be aware of the opportunity, but as with any investment, this is also associated with increased responsibility for economic results.

9.2 The Process Model at a Glance

Due to the uniqueness of each company, the chosen solution for Marketing Automation should be adapted to the individual needs. Already when choosing the software provider, it is important to ensure that essential requirements can be mapped by the system and that it is possible to adapt to future needs. To ensure a smooth start, the process of preparing employees and coordinating relevant processes should also begin as early as possible. This applies regardless of the supplier and parallel to the technical commissioning. The aim is to have made all necessary decisions and to be optimally prepared for rapid implementation. The following process model, which supports companies step-by-step during implementation, helps in this respect (Fig. 9.1).



Fig. 9.1 Overview of the process model for implementing Marketing Automation

Each of the six steps is described below. The individual phases do not necessarily have to be carried out one after the other, but should all be taken into account. If certain elements such as target group definitions or personas are already available, this speeds up the process. Otherwise, there is the opportunity to develop or review them together. Successful Marketing Automation as a system is based on smooth, cross-departmental cooperation. Timely processing of all relevant work packages contributes significantly to a successful implementation.

9.3 Six Steps to a Successful Introduction of Marketing Automation

9.3.1 Taking Stock

One of the main tasks of Marketing Automation is the systematic and scalable initiation of new business. This is where the greatest incremental added value unfolds. Together with CRM, it forms the go-to-market machine of the future, providing sales with qualified leads or even contributing directly to sales via e-commerce. In addition, Marketing Automation can support after sales, promote cross- and up-selling, and be used to win back customers.

This is where the *role of marketing* comes in, which should be sales oriented. With a marketing focus on branding or communication and PR, the benefit of Marketing Automation is limited. In contrast, companies with a focus on demand generation and ideally well-defined targets in terms of the opportunity pipeline or even a targeted marketing share of total sales will benefit. The latter is the basis of this chapter.

The role has implications on the *organization* necessary to achieve the set goals. The following overview shows which positions should be filled in Marketing in order to operate Marketing Automation successfully. This is an ideal typical set-up. Roles and titles can have different names depending on the company and tasks can be performed by fewer people or by external experts, especially at the beginning. The data analyst does not have to be present in the first phase, as there is little to analyze at the beginning (Fig. 9.2).

A successful implementation requires that all affected functions are integrated. Broad communication is mandatory here. This must be taken into account when setting up the project team. At least marketing and sales should be represented from the beginning. Marketing is usually responsible for the implementation process. Within the department, Marketing Operations is predestined to take over project responsibility, as this function has precise knowledge of relevant internal processes and contact persons. Figure 9.3 shows which department should be involved in which phase.

The current *marketing mix* also provides orientation for the selection of participants. Where are investments already being made? What are the most successful measures? Marketing Automation as a software is as effective as its users. A

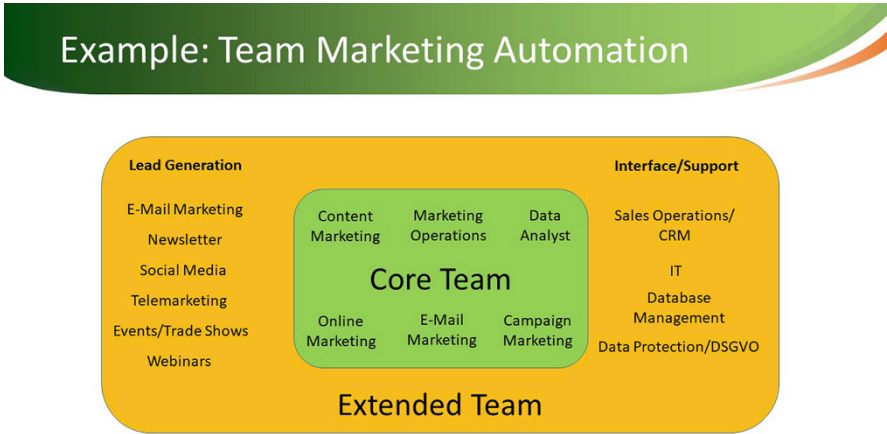


Fig. 9.2 Important roles in the implementation of Marketing Automation

Relevant departments in the implementation process

Phase	Department	Sales	Customer Service	IT	Data Protection	CRM	Management
Data-Audit		+	+	+	++	++	
Implementation Roadmap		++	+	++	++	++	+
Common Goals		++	++	+	+	++	++
Market Segments		++	+			+	+
Use Cases		++	+			+	+
Funnel Management		++	+			+	+
Target Audience		++	+		+	++	
Buying Center		++	+			++	
Personas		++	++			++	+
Customer Journey		++	+			+	+
Lead Management		++	+	+		+	+
Lead Scoring		++	+			+	++
Metrics and KPIs		++	+			+	++
Dashboards		++	+	+		++	+
Data Preparation		+			+	+	
Lead Nurturing		++	+		+	++	+
Content Mapping		++	+				
Internal Training		++	+	+	+	++	++
Launch		++	+	+	+	+	+
Monitoring of results		++	+			+	+
Analysis		+	+			+	
Optimization		++	+			+	

Marketing ROI Consulting ++ Active Involvement | + Information

Fig. 9.3 Integration of relevant departments in the implementation process

central function should be chosen as a use case, whereby e-mail marketing, campaigns, trade fairs, or inbound are good starting options.

Marketing Automation is Data-Driven Marketing. It starts with the customer data being fed into the system. A *data audit* shows the quantity and quality of the existing data. Good data results in higher quality leads and better customer satisfaction, while bad data results in complaints and churn. The first step is to identify all data sources.

Where is customer data currently stored and processed? In addition to the marketing database, this usually includes CRM and ERP, but also customer service databases and other sources if necessary. How complete is the data? Where should it be enriched and standardized before it can be used? Through which channels is it collected? Are the data protection regulations fulfilled? Even after the implementation of Marketing Automation there is a need for regular audits. It is therefore advisable to define this responsibility permanently within the team.

At the end of the first step is the *finalization of the roadmap for implementation*. Here the plan of measures and time schedule for the next months is decided upon, including the required participants (see recommendation in Fig. 9.3). Using the process model presented in Sect. 1.2, it should be checked which information is already available and whether it is still valid or should be updated. The implementation is carried out in a mix of workshops and workouts in a smaller group. A clear project management combined with regular meetings and updates, also to the management, is required. In addition to checking the availability of internal colleagues and external experts, care should be taken to ensure sufficient time buffers for processing if progress depends on the completion of a previous work package. As soon as the plan is in place, the first dates can be fixed and preparations can begin.

9.3.2 Kick-Off

At the kick-off, all parties involved come together to create the optimal conditions for implementation. This process step serves to coordinate the following four points:

Firstly, marketing and sales should define common *goals* at the beginning. The first step here is to determine exactly where marketing support is needed. Which sales region will achieve the goals better or only with marketing? Where will a new product be introduced? Who needs leads? Especially at the beginning, Marketing Automation should be used where it provides the greatest benefit and where sales recognizes the necessity. At this point, the focus is not on strategic but on operational goals. In practice, for example, close cooperation with the inside sales team has proven its worth, as long as they look after their own customers and have sales responsibility. Here, there is usually a great deal of interest in a continuous inflow of new leads in order to achieve one's own goals. The common goal should be expressed in an opportunity pipeline value (the potential turnover of marketing leads after processing by sales in the CRM system) or in concrete revenue, in other words in sales-relevant key figures. A clear statement of incremental value is usually achieved with new clients rather than existing customers. These can be companies that have not yet made a purchase or long-term customers (so-called *dorming accounts*) whose last transaction was long ago.

In the second step, the *market segment* is selected. Here it is a matter of determining exactly where we will be active together. This can be a country, a specific customer group, or even individual customers in the context of account-based marketing. The segment should be sufficiently large, the chances of success

good and the target relevant for all parties involved, and also achievable within the agreed time frame to support operational results. The selection should also consider the suitability of this segment as a possible blueprint for others.

The *use case* is then defined: Which central measure should be used to achieve the objectives? Is it a trade fair, a virtual event, or a campaign? Will it be a pure marketing driven action before the lead is handed over, or is there already a need for an integrated approach beforehand (see also the comments on an integrated contact strategy in Sect. 2.4)?

All these measures serve to build up a healthy funnel and ensure that sales targets are met. Fourthly, in order to clarify the joint responsibility, it is therefore recommended to cover the topic of *funnel management* and what possibilities exist on the marketing and sales side to optimize it. Funnel Management is about the following:

- Volume: Do we have enough leads and opportunities to achieve our sales targets?
- Quality: Do we qualify leads effectively from initial contact to completion?
- Speed: Are leads and opportunities processed fast enough?
- Balance: Is our funnel balanced in the individual phases?

With targeted measures on both sides, more new customers can be addressed, lead processing accelerated, and sales productivity increased. The common understanding, exchange and development of common ideas promotes integration and acceptance in the run-up to operational deployment. This also includes creating awareness among all participants of the relevance of measuring in general and correct data in particular.

9.3.3 Basic Principles

To increase effectiveness, a clear definition of target groups should be made and validated on the basis of existing data. Here, too, it is advisable to consult with the sales department, in particular, to check existing assumptions and sharpen profiles. On the way to the target group of 1 with completely individualized offers, the following steps are recommended:

1. Classical target group definition
2. Identifying buying centers
3. Set personas
4. Develop customer journeys

The classic *definition of target groups* is based on demographic, socioeconomic, and psychographic characteristics. Due to the extensive discussion of this topic area elsewhere, we will not go into it in greater detail.

The *Buying Center* includes all persons who are involved in the customer's purchase decision. Studies show that in the B2B environment, an average of more

than five people are involved in the decision-making process (see Brent et al. 2015). Using the example of an IT investment, this can be the CEO, the CIO, the IT director, a network manager, and an employee from purchasing. In this respect, there is not just one decision maker, but a large number. It is important to understand who they are, what makes them tick, where they get information and where in the purchasing process they exert their influence.

Exactly this information is collected in the *personas*. Personas (lat. mask) are user models that characterize the characteristics of persons of a target group. Due to their extensive description, they can help marketing staff to put themselves in the position of potential users and to represent this perspective easily during the whole design process of campaigns and contact strategies. They are provided with a name, a face, a function, a business, and a private life. Personas have goals and behaviors, preferences and expectations. (see onlinemarketing-praxis.de). The development of a persona can be based on the format shown in Fig. 9.4.

During implementation, companies should start with important, ideal customers and fill in the fields. Of central importance is the complete change of perspective towards the customer’s point of view. The more detailed the information, the better downstream departments such as content marketing and agencies can work with it. The information behavior serves to select the channels, typical statements can be used for messages and purchase triggers as keywords for search engine marketing.

The most important sources for persona information are interviews with sales and service employees, customer interviews, and historical data from CRM, ERP, and Social Media. As a result, quantitative data and qualitative statements are combined to create the best possible picture. Validation via data is important to supplement personal assessments with objective information. It should not only be carried out once, but regularly at fixed intervals to take account of possible changes in customer

Persona Name:

Short description:

<div style="background-color: #4CAF50; color: white; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"> Picture </div>	Life situation, attitudes and hobbies	Job Titles and Objectives	Gender
		T:	M / F
		O:	Age
		O:	years
		O:	Income
			\$
Purchase trigger: What creates awareness of the necessity?		Benefits in the future: What does the product/service bring him/her personally?	
Information behaviour	In %	Details / Comments	Needs (I would like to...) and Pain Points (My problem is...)
Mobile			N:
Tablet			N:
Desktop			N:
Print			PP:
Blogs/Corporate Websites			PP:
Social Media			PP:
Colleagues and Peers			
Trade Shows and Events			Typical Statement
Friends and Family			As (role)
...			I would like to (wish/need),
			because (expected outcome)

Fig. 9.4 Template for the development of a persona

behavior. In Marketing Automation, personas can be programmed in for the targeted payout of content.

The choice of content depends on the stage of the *Customer Journey* at which the persona is located. The Customer Journey is also first developed in a team and then validated and refined using data. According to analysts, B2B customers anonymously cover up to 70% of the decision-making process before they talk to a manufacturer. The aim is to understand the customer’s journey from initial problem awareness to purchase and beyond, and to accompany it as early as possible.

The Customer Journey is developed to find out what questions and challenges the persona is dealing with on the decision-making process for your product or service. By actively supporting them with targeted information, you present yourself as a competent contact person and help them to solve their problem. The following questions can help:

- How long does the process usually take?
- What was the trigger for the purchase?
- Which channels did he/she use and when?
- Which key words did he/she search for when?
- Which formats did he/she prefer and where?
- What challenges did he/she face in the decision-making process?

Figure 9.5 provides a format for creating customer journeys for each persona.

At this point, a practical note: Due to the complexity of decision-making processes and the large number of potential touchpoints, it is unrealistic to completely reproduce customer journeys for all personas. Here, as in many other places, it is not a matter of perfection, but of the best possible understanding and modelling,

Customer Journey						
Business Unit:	Persona:		Date:			
PHASE	Explore	Evaluate	Select	Decide	Implement	Use
Duration (Estimated)						
Objectives (What does he want to achieve?)						
Actions (What is he doing?)						
Channels (Where does he interact?)						
Content (What does he need?)						
Thoughts (What is going on in his mind?)						
Emotions (How does he feel?)						

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Fig. 9.5 Template for creating customer journeys for each persona

followed by optimization based on existing data. In order to prevail in a time of short attention spans, increasing digitalization and growing competition, companies have to do everything possible to still reach and optimally serve the customer.

9.3.4 Processes and Control

A functioning *lead management process* is of central importance for a successful implementation of Marketing Automation with focus on demand generation. Without it, B2B companies are hardly able to generate new business in a scalable way. Figure 9.6 shows an example of such a process.

It answers three central questions from the company’s perspective:

1. How do we acquire customers?
2. How do we convert them?
3. How do we close deals?

At the beginning of the process (Attracting) are all measures that companies implement to address customers, through both outbound and inbound measures. Successful companies think not only about marketing, but also about sales and customer service and integrate relevant activities and touchpoints into the process. All departments with customer contact can contribute to generating leads. Examples include e-mail marketing, campaigns, social media/selling, trade fairs, and customer visits.

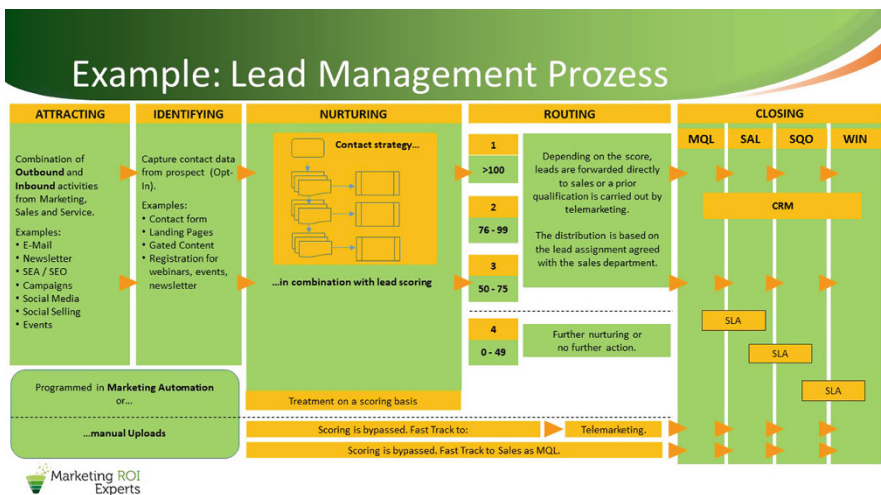


Fig. 9.6 Example of a lead management process

The next step is identification. The topic is often underestimated, which is illustrated in many companies by the comparably high number of visitors to the website ending up in a very small number of leads. Here it is important to motivate the interested party by means of attractive offers to deposit their contact data in contact forms, on landing pages, or on registration pages. The better the conversion rate here, the higher the subsequent chance of success. In order not to discourage prospective customers with extensive forms, some software solutions offer the so-called “progressive profiling,” in which only a few pieces of information such as name, first name and e-mail address are requested at the beginning and then further data such as telephone number or address is requested with each new registration.

Depending on the expected quality of the contacts, they can either be routed into a nurturing process in Marketing Automation or via Fast Track to telemarketing or even directly to sales.

In the case of nurturing, a contact strategy is defined within Marketing Automation, which the potential customer passes through depending on interest and activity. In concrete terms, he receives information at certain intervals that are intended to have a positive influence on his decision-making process. This includes white papers, invitations to webinars and executive dinners just to name a few examples. Each engagement, each click, each download is measured in Marketing Automation and can be assigned a score in the *Lead Scoring*, which, if exceeded, signals the customer’s willingness to buy. In other words, the digital body language tells us that he is ready for a contact from the sales department. In addition to activities, advanced software solutions also offer the possibility of awarding points for personas, particular content, or company-specific criteria.

Both the contact strategy and the lead scoring should be jointly agreed between marketing and sales. This is about quality management and ensuring sales productivity.

The status of the qualified contact in the system is often referred to as *Marketing Qualified Lead (MQL)*. After acceptance and verification by the sales department, it becomes a *Sales Accepted Lead (SAL)*, unless the sales department rejects it due to missing data or other reasons. If, after the contact has been established, a project is identified that can be provided with an expected sales volume, it becomes a *Sales Qualified Opportunity (SQO)*. The last step is the closing, which is represented as a *win*. At this point the customer has signed and the order is placed. Between sales and marketing, times are defined in which the leads must be processed, so-called *Service Level Agreements (SLAs)*. An example would be 2 days between MQL and SAL and 10 days between SAL and SQO. This ensures early contact with potential customers and prevents leads from getting cold.

As mentioned, the terms presented are only one possibility. In practice, processes are often more complex, and companies may use different terms. Both do not contradict the basic process. As a matter of fact, companies should limit the number of phases as simplification helps to drive adoption.

Relevant metrics are then defined to measure the results. The most important of these are known as key performance indicators, or *KPIs* for short. Everyone involved should know the difference between the following terms:

- *Data* is the basis of key figures, raw material, so to speak, which is available for further processing. Examples: Customer data in terms of country, industry, company size.
- *Indicators* show certain trends that are relevant for the business development. They are rather an auxiliary variable and reference point. Examples: Car sales and tire sales, website visitors.
- *Performance indicators* are operational metrics that can be used to measure progress towards key objectives or critical success factors within an organization. They are more suitable for measuring and managing team performance within a department in terms of setting targets. Examples: Clicks, likes, newsletter subscriptions.
- *Key Performance Indicators (KPIs)* are management indicators that can be used to measure progress toward key objectives or critical success factors within an organization. They are the most important indicators for measuring success, performance, or workload. There should be as few as possible for one area. Examples: Sales, Opportunity Pipeline, and Leads.

As with the dashboards later, it is important to sit down with the departments, teams, and colleagues to understand what is important. There are different metrics for social media than for trade shows or SEA. In many companies, there is no lack of metrics, but rather of an integrated system that illustrates causal relationships and effects on economic results. Accordingly, all parties involved should be included in the development of key figures. In particular KPIs should be agreed and adopted by the team. This is especially true against the background that KPIs can change depending on whether a company is in the growth phase, is focusing on profitability or has customer loyalty as a priority.

The results are displayed on the *dashboard*. It shows the current performance against the set goals and defined KPIs. With reference to demand generation, for example, the number of leads, the value of generated projects (opportunity pipeline), the revenue generated from these projects and the conversion rates between the above-mentioned KPIs are shown. In addition, statements on the performance of individual activities (“With which measure do we generate what contribution?”), channels (“Where do we best reach our customers?”), and ROI (“Are we working profitably?”) are also helpful. Depending on requirements, performance can also be shown by industry, customer group, content, or other key figures. Dashboards can be displayed either in the software for Marketing Automation, in the CRM system (on which the sales department concentrates), or, if the requirements are particularly high, in planning, visualization, and business intelligence tools.

Effective dashboards serve not only for reporting purposes, but also for operational management. It is all about understanding the current status at all times as well as getting insights to be able to take action if necessary. In this respect, in practice,

there is not just one dashboard, but several, depending on the function and task in the team. While marketing management (and sales) are more interested in leads, opportunity pipeline, and revenue, campaign managers and data analysts need operational data that is available in real-time whenever possible. To ensure adoption, it is important to identify specific needs and program dashboards to deliver the best value to users. Another advantage of Marketing Automation is that everyone is looking at the same data, which is stored centrally in the system.

9.4 Use Case: Campaign

The selection of initial use cases has a significant impact on the success of the implementation. Measures that are already an integral part of the marketing mix are recommended. In other words, new approaches should not be introduced alongside the new technology in the first step. Initial successes create internal acceptance and motivation to continue on this path. Marketing managers are well advised to create an optimal environment for themselves. Integrated product, sales, and marketing initiatives are a classic approach for Marketing Automation campaigns in order to achieve defined sales or business goals.

After the goals have been defined and the target group has been determined using the defined personas and the buying center, the *customer data* must be prepared. A clear target group definition with complete data is the foundation for a successful campaign. Answering the following questions may be helpful:

- Should we differentiate further within the target group in terms of content and timing?
- Which persona is relevant in which phase of the purchase process and who should we address primarily?
- Are the contact persons still correct?
- Are the postal address details correct for possible mailings?
- Which level in the company do we really reach (for example, C-level versus C-level minus 1)?
- Are the names standardized to ensure the correct form of salutation and personalization?
- Which contacts should we import into the system as a test list before the launch?

Afterward the *lead-nurturing* is worked out. It describes the route that is programmed in Marketing Automation for identified contacts. The aim is to cultivate them via relevant content, which is played out in the right format at the optimal time, in such a way that they can be handed over to the sales department for further processing up to the closing. Initially, this can be done via e-mails that refer to interesting videos, webinars, or white papers. With nurturing, marketing plans the sequence, timing, and number of e-mails to deliver the right content to interested parties at the right time. One approach is to provide generic information on the topic in question at the beginning (“Top of Funnel”) and then in the course of the process

(“Middle of Funnel”) to position one’s own offer more and more specifically until the closing stage (“Bottom of Funnel”). Another approach is the so-called “value ladder,” where free content is propagated at the beginning and then, over time, paid content with increasing value. These can be free initial consultations at the beginning or demo versions with the implementation of concrete tests at the customer as the next step. The design is based on data and experience, what exactly interested parties expect in the individual phases and what specifically promotes conversion to the next phase.

Companies often send several different e-mails at intervals of a few days to persuade the customer to take a certain action. A standard feature of Marketing Automation is that customers do not necessarily receive all of these emails, but, for example, if they carry out the desired action with the first email, they move directly to the next stage of the nurturing process. In this way, SPAM is avoided, and the prospective customer can go through the process himself very quickly if he is urgently interested.

Also in the case of nurturing attention should be paid to the integration of sales. Follow-up campaigns for high-quality direct mailings, invitations to events, or executive dinners are just a few examples. The sales department is often grateful for reasons to call and can, in the best case, accelerate the purchase process when the opportunity arises.

Content mapping is an integral part of lead nurturing. This is about determining exactly which content is transmitted in which format (text, image, video, etc.). Even though in practice existing material is often used for cost or time reasons, it is advisable to carefully check whether this content is really suitable or whether it should be invested in new development. A decision for Marketing Automation requires ongoing investment in content marketing. In order to develop the right content, it is first necessary to define the customer’s needs at each stage of the purchase decision process. The developed personas and customer journeys per persona serve as orientation. In order to anchor the acceptance of Marketing Automation more strongly in sales, a joint development is recommended. After approval, all assets must be uploaded to Marketing Automation for subsequent use in programming the nurturing flow.

Once all the above points have been worked through and the campaign is up and running, *internal training* should be provided for all relevant departments. Ideally, sales and marketing management should jointly inform about the following points:

- Strategic goals of Marketing Automation and operational goals of the upcoming campaign
- Target group and personas
- Contact strategy and content mapping
- Source code of the measure in Marketing Automation and CRM for tracking
- Necessary actions in sales to process the leads including the agreed service level agreements between the individual phases. It is helpful to run through the process on a real basis in the system using a test customer

- Lead Management Cheat Sheets that summarize the process and key steps to be taken
- Glossary of the most important terms (For example, “What is a lead?”)
- Dashboards of marketing and sales
- Overview of the lead management process with contact persons

The more specific the instructions are, the greater the probability of successfully generating new business. The training should be recorded and made available at a central location on the intranet so that new employees, for example, can be informed afterward.

9.4.1 Execution

After the necessary test runs have been completed, the *campaign will be launched*. In order to be able to react at short notice if necessary, relevant decision-makers and responsible employees should be available at the launch—within the company, at the software provider, and at participating external service providers.

Especially with large quantities of e-mails, these are usually not all sent at once, but in so-called batches. The reasons for this are the performance of the software and possibly the servers through which the mails are sent. Test recipients should also be included in the databases in order to quickly detect and correct any errors.

After the start, the focus is on *monitoring the results*. Especially in the first few days, results should be continuously checked. Since every solution for Marketing Automation offers different reporting possibilities, it is recommended to understand the existing possibilities at an early stage and to supplement them with your own if necessary. This also includes ensuring clean tracking in Marketing Automation and with external analytics tools used. The following metrics help in the selected use case Campaign with e-mails as early indicators:

- Open Rate (number of opened emails)
- Click Through Rate (percentage of recipients who opened the email and clicked on one of the links contained in the email)
- Bounce rate (percentage of e-mails that cannot be delivered)
- Unsubscribe Rate (number of recipients who have unsubscribed after receipt)
- Landing page traffic (development of the number of visitors to the most important website)
- Exit rate (percentage of visitors who leave the website without action)
- Number of Unique Visitors (number of visitors to a website without repeated visits)
- Double-Opt-In-Rate or Subscription-Rate (number of visitors who agreed to the Opt-In)

In addition, qualitative feedback from sales and customer service should be collected in order to get a complete picture of campaign performance.

Once the first data is available, the aim is to determine through targeted *analysis* whether the desired results are achieved and how they can be improved if necessary. This is where the greatest potential for optimization lies. The starting point is the achieved results compared to the defined goals. The following questions will help:

- Do we reach our target group effectively or do we need to improve our database quality?
- Do the conversion rates meet our expectations?
- Is the quality of the content on our websites correct in terms of downloads?
- What information do flow analyses from analytics tools provide regarding the behavior of visitors to our website?
- Do we lose visitors through long loading times for our website?
- Are there initial samples of interested parties who are going through the whole process quickly?
- Do we see any differences in terms of devices (desktop/tablet/mobile) that need action?

Based on the findings, ongoing *optimization* is carried out. This can be achieved by the following measures:

- A/B tests in relation to texts, images, videos, or assets
- Multivariate tests
- Usability tests on the websites
- Customer surveys
- Greater personalization
- Development of KPI driver trees

In order to be able to use the findings in subsequent measures, it is recommended that the results are properly documented.

9.5 Common Mistakes and Strategies to Avoid Them

The process described makes it clear that the successful implementation of Marketing Automation is the result of the implementation of a variety of measures. Regardless of the steps taken, challenges occur in practice time and time again that can be avoided with careful preparation. The following points describe five common mistakes and solutions to avoid them:

1. *Lack of management support*

The introduction of Marketing Automation is a strategic initiative to successfully lead the company into the increasingly digital, data-driven future. It has a company-wide impact and requires close collaboration across multiple departments. Marketing and sales have to be integrated while at the same time ensuring the necessary IT support. Clear management communication combined

with sustainable support throughout the entire implementation process increases the probability of success.

2. *Underestimating the time factor*

From the initial decision to introduce Marketing Automation to relevant contributions to the opportunity pipeline and sales often takes 1–2 years. All decision makers should be aware of this fact and set expectations accordingly. It is advisable to start with small projects such as an initial campaign to ensure that all key processes work and then scale up.

3. *Employees not sufficiently involved*

Whether in marketing or in other departments, employees should understand from the very beginning why the new technology is being used and what it means for their daily work. The initial use in existing marketing activities and the subsequent gradual integration of further measures and channels ensures acceptance and adoption. The decisive factor is the person who uses technology and data and fills processes with life (see Klaus (2018): Data-Driven Marketing and the Human Success Factor).

4. *Lack of resources and know-how*

The introduction of Marketing Automation requires sufficient resources. Companies are well advised to ensure the availability of sufficiently qualified employees in advance and, if necessary, to provide a budget for flanking support in addition to the investment in software. The involvement of external experts with experience can relieve internal teams, help to avoid errors, and accelerate the introduction process.

5. *Difficulties in creating high-quality content*

Qualitative content in the right format makes a significant contribution to reaching interested parties and turning them into customers through nurturing together with the sales department. The development of content should be based on the defined personas and customer journeys combined with ongoing measurement to collect data and determine what is really successful.

9.6 Marketing Automation as a Driver of Digitalization: An Outlook

From the author's point of view, the introduction of Marketing Automation offers a great opportunity for marketing to play a more strategic role in the future, to contribute significantly to economic success and to drive digitalization forward. This chapter is intended to provide a solid foundation for implementation. While it focuses strongly on demand generation, which is often the focus during in the initial stage, Marketing Automation offers many other opportunities along the life cycle after successful implementation (see also the article "Marketing Automation as an Organisational Framework" in this book). Here, the aim is to provide optimal support for customers in all phases.

The introduction of Marketing Automation should not be seen as a conclusion, but as an important step on the way to a digitalized, data-driven company. Moreover, the use of the term “automation” should not hide the fact that many processes still have to be initiated and implemented manually. At this point, two examples of further developments should be mentioned: The implementation of predictive and prescriptive analytics is still in its infancy for many providers, but it is the next logical step. In concrete terms, the implementation of predictive lead scoring, automated and dynamic on the basis of real data, is a good step. The same applies to Smart Content, which can be used to play out individual content within the framework of a personalized approach. Quality management means getting things right from the start and then continuously developing them further.

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Successful Lead Management: Nothing's Gonna Stop Us Now

10

Stephan Wenger



10.1 The Setup of Marketing and Sales Organization

Released on January 30, 1987, the single¹ “Nothing’s Gonna Stop us Now from the band “Starship” skyrocket and hit No. 1 in the Billboard Hot 100 within 3 months. Like this evergreen hit, the separation of marketing and sales departments in B2B companies is decades old. Equally old is the paradox that sales and marketing do not get along well, although so closely interconnected.

The typical structure of large B2B companies is marked by a clear organizational hierarchy for its core functions, such as research and development, product management, manufacturing, controlling, purchasing, human resources, sales, and marketing. However, all too often, the responsibilities of the departments are not made clear. Focusing on sales and marketing department, this flaw happens already when a company is small, and the enterprise misses to establish a group of marketeers. The marketing ideas come from the owner of the company, product managers, the sales

¹Retrieved May 31, 2020, from https://en.wikipedia.org/wiki/Nothing%27s_Gonna_Stop_Us_Now

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team, or an external agency. Over time, when the company grows, marketing teams are established. But still, part of the marketing duties remains where they are. The sales-focused actions stick typically with sales.

All too often, organizations find that they have a marketing function inside Sales, and a sales function inside Marketing. (Kotler et al. 2006)

The prejudice is, that marketing is the creative and communicative department that only spends money and does not know anything about real customers. Sales, on the contrary, is out in the field with direct customer contact, selling, and making money. As a rule, although so deeply interconnected, marketing and sales don't always get along. When sales goals are not reached, marketing blames the sales force for not making use of a brilliant marketing campaign. The sales team, on the other hand, declare that the market need was not understood by marketing and the campaign aimed at the wrong target group. And above all, marketing uses too much budget and takes away the well-deserved budget pie from the sales team (Kotler et al. 2006).

In the light of necessary customer centricity² and an accelerated digitalization of communication due to the COVID-19 pandemic,³ this internal struggle seems more childish and antiquated than ever. In a survey conducted with over 450 B2B marketers in March 2020, over 2/3 of the interviewed stated, that they will replace live events in 2020 with online events.⁴ This is just one example on how duties of marketing and sales are connected and how important a close cooperation between both departments is.

Kotler et al. (2006) introduced four types of relationships between marketing and sales. They are:

- Undefined
The relationship between the two departments is undefined and has grown independently. Each group follows their own targets and they act without knowing much about what the other discipline does.
- Defined
In a defined relationship marketing and sales follow defined rules to avoid disputes. There are clear boundaries and responsibilities defined. The two groups start to use the same language and a common understanding of tasks important for both. Like "how we define a lead." A typical area of cooperation are live events and lead generation on trade shows.
- Aligned

²Retrieved May 31, 2020, from <https://go.forrester.com/blogs/b2b-marketing-should-organize-around-the-customer-in-2020/>

³Retrieved May 31, 2020, from <https://www.emarketer.com/content/podcast-how-b2bs-can-continue-selling-in-a-covid-19-world>

⁴Retrieved May 31, 2020, from <https://www.b2bmarketingzone.com/taurus/media/b2b-marketing/whitepapers/How%20COVID-19%20is%20Impacting%20B2B%20Marketing%20FINAL.pdf>

When marketing and sales are aligned, clear responsibilities and rules exist, but they are flexible and are built on mutual understanding of the other's competence, processes, and tasks necessary to fulfill a common goal. Most important, marketers work together with sales on important accounts. This is the first step toward Account-Based Marketing (ABM).

- Integrated

In a fully integrated setting, the boundaries between the two disciplines become blurry. Processes, language, and hierarchical structure are shared to fully commit to a common goal. One cannot exist without the other. Marketing and sales are no longer strictly separated but benefit from each other's core competencies.

Lead Management holds an important role in evolving from an undefined to a defined, aligned, or even integrated marketing-sales-structure. The interdependency between the maturity of lead management and the relationship status between marketing and sales is further discussed later in this chapter by introducing the, first time ever publicized, Lead Management Maturity Model (MLL-Model), created by the author.

10.1.1 Marketing Lacks to Measure Sales Relevant KPIs

Online marketing, big data, analytics, data-driven marketing, 360° customer view—buzzwords of the twenty-first marketing century. The necessity to measure actions is without a doubt a crucial step in everyone's marketing and sales strategy. At least the marketing bible from Kotler and Bliemel tells us so (Kotler and Bliemel 2006, p. 155). Derived from above discusses the conflict between marketing and sales, B2B marketing organizations lack a comprehensive KPI set, regularly reported to management and the boardroom. But why is this the case, when for example, Hubspot published "The ultimate List of Marketing Statistics for 2020," including more than 70 data points, based on 3400 marketers surveyed?⁵ There is for sure enough to measure. Marketers often struggle to measure KPIs and reason their actions.⁶ And if B2B marketing is measured, the KPI set is full of vanity metrics with no or minor sales relation. For example, the search term "conversion rate" gives back 450 million Google search results. The longtail search term "ad impression in online marketing" has 168 million search results. These Google search results underline that many people search for vanity metrics. This is not surprising and enhanced by default settings of major B2B platforms like LinkedIn. The LinkedIn Campaign Manager,⁷ shows, right after cost, "Impressions" as the second KPI and

⁵Retrieved May 31, 2020, from <https://www.hubspot.com/marketing-statistics>

⁶Retrieved May 31, 2020, from <https://www.forbes.com/sites/kavigupta/2014/11/17/why-marketers-struggle-to-understand-analytics/#1d22390714c7>

⁷Retrieved May 31, 2020, from <https://www.linkedin.com/help/linkedin/answer/61001>

“Average Click-through-rate” as the third. This focus on vanity metrics enhances the lack of proper, sales and output-oriented B2B marketing KPIs.

10.1.2 Modern Marketing and the Digital Transformation

Digital Transformation is used inflationary and the term became a buzzword in recent years. However, it is a fact that marketing has become a digital discipline. For one, the marketing tool landscape (referred to as MarTech⁸) has grown to a total of 8000 MarTech solutions in 2020, starting from only 150 solutions in 2011.⁹ Further, our business society experiences a change. Main reason is that Generation Z,¹⁰ born between 1990 and 2010, hit management and boardrooms. This generation has used digital technology since a very young age and used to use the Internet and social media. This behavioral change affects all aspects of marketing including creation and usage of content, channel, and media-mix and the savvy usage of digital tools for all tasks. In a survey,¹¹ the top answers to the question “what are the most effective tactics used for improving lead generation quality,” where social media marketing (59%), Email marketing (40%) website personalization (38%), content/video marketing (34%), and marketing technology/CRM (33%).¹² To further underline this fast-changing marketing world, and B2B marketing is no exemption to it, the digital ad spending will make 54% of the total media ad spending worldwide in 2022, coming from only 40% in 2017.¹³ A most recent change in the budget spending is caused by the COVID-19 pandemic. B2B marketers relocating the budget from live events toward digital channels. According to a survey conducted by Statista, it was found 40% of marketers relocate budget toward webinars and digital events, 33% toward search engine advertisement, and 27% to paid social media activities.¹⁴ These facts underline that digitalization in B2B marketing takes place right now.

The described three aspects, (a) the setup of sales and marketing organization, (b) that marketing lacks to measure sales relevant KPIs, and (c) modern marketing and digital transformation, build a framework, and influence successful lead management. The job of B2B marketers is to understand and address these aspects to establish a working lead management process. Be rest assured, nothing’s gonna stop us now.

⁸See the chapter on MarTech by Seebacher at the beginning of this publication.

⁹Retrieved May 31, 2020, from <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>

¹⁰Retrieved May 31, 2020, from https://en.wikipedia.org/wiki/Generation_Z

¹¹Strategies, Tactics and Trends for Lead Generation Quality, Ascend2, 2019.

¹²Retrieved May 31, 2020, from <https://blog.hootsuite.com/how-to-generate-leads-on-social-media/>

¹³Retrieved May 31, 2020, from <https://www.emarketer.com/content/emarketer-total-media-ad-spending-worldwide-will-rise-7-4-in-2018>

¹⁴Retrieved May 31, 2020, from <https://www.statista.com/statistics/1119067/b2b-marketers-live-event-budget-reallocation-covid10-usa/>

10.2 Funnel Concept

10.2.1 An Introduction to the Funnel Concept

The sales and marketing funnel concept is a fundamental principle of marketing theory. Elias St. Elmo Lewis introduced a model that shows the journey of a potential customer, from the first interaction with a brand or product till the final purchase. His model is also known as the AIDA-model, an acronym for four stages: Awareness, Interest, Desire, and Action, published in 1925 by Strong (1925, p. 349). Since then, the fundamentals have not changed. But our business environment has. Marketing has grown to a digitally driven, multifaceted discipline. Sales operations are more globalized than ever. Both disciplines require defined processes that are backed by software to handle the amount of customer data in our modern business environment. For example, Salesforce, the world's biggest Customer-Relationship-Management system supplier, had a revenue of \$13.3 billion in 2019.¹⁵ What Salesforce calls the "Customer 360"¹⁶ is today's state of the art way to convert the target group into customers. The funnel concept remains valid and builds the backbone for successful 360° customer relationship management. From an unknown, potential customer to a won customer.

A closer look at the AIDA-model is necessary, to further develop the funnel concept in this chapter. The four stages of the AIDA model are:

- **Awareness**
The awareness phase aims to attract the target group's attention. This is done via marketing communication, using both offline and online channels. In B2B marketing it is still common to attend events, publish in magazines, and use print mailings to raise awareness. The already discussed push of digitalization will further shift awareness measures to online channels. The ultimate aim is to gain top-of-mind recognition.
- **Interest**
Second, the potential customer expresses interest in the product or service. Product and service information prove the brand or advertising promise. The customer learns how the company, product or service fulfills his demand. At this step, the one-way communication changes into a bidirectional communication. The potential customer responds to the efforts of the awareness phase and become a prospect.
- **Desire**
After interest in the product is aroused, the consequent next task is to persuade the prospect to own the product or receive the service by creating desire. Unique selling

¹⁵Retrieved May 31, 2020, from https://s23.q4cdn.com/574569502/files/doc_financials/2019/Salesforce-FY-2019-Annual-Report.pdf

¹⁶Retrieved May 31, 2020, from <https://www.salesforce.com/eu/products/what-is-salesforce/>

propositions and the customer value concept¹⁷ provide a framework on how to persuade a prospect in the long term. Desire is strongly connected to the perception that the product or service provides additional value. The brand supports emotional aspects to create desire besides pure rational criteria evaluation.

- Action

The final phase of the AIDA-funnel is to make the prospect take action. This is typically the purchase and consumption of the product or service. This action is triggered if the customer value is high enough to meet the prospects' expectation. The ration between prospects in the awareness phase and prospects taking action is the conversion rate of the funnel concept.

The AIDA concept provides an important base for all further details of the funnel concept and how to successfully implement a lead management strategy. Therefore, build on the concept from Lewis, Figure 10.1 maps the four stages with duties of the marketing and the sales department. It outlines the already mentioned undefined intersection of the two departments within the funnel.

Having a closer look at the model, the first phase is very clear with marketing. Building a brand and raising awareness for a company, a product or service is per definition part of marketing actions. The same holds true for the interest phase where the marketing core job is to maintain and increase the initial interest triggered by the awareness efforts. However, the responsibilities of sales and marketing in the and the desire phase is blurred as actions can lie with both departments. The desire phase is affected by the already introduced concept of the sales–marketing relationship. The more mature the relationship is, the less blurry the area of responsibility is and the clearer are duties between marketing sales to create desire. The last phase, taking action, is ultimately the job of sales and therefore quite clearly defined. However, in the increasing digitalization and the nature of these channels, taking action may also lie partly with marketing. This is especially true for online sales as eCommerce



Fig. 10.1 AIDA-Model mapped with Marketing and Sales Department (own figure)

¹⁷The customer value concept describes what a product or service is worth to the customer. The customer value equals the benefits minus the cost necessary to receive this benefit.

channels are inseparably connected with the company's website, for which marketing is responsible.

Consequently, the AIDA-Model does not explain responsibilities, nor does it provide details on the customer journey process along the funnel. It merely outlines the basic phases of a customer journey and provides a framework for the following, more process-oriented funnel concept (Fig. 10.2).

The missing link between marketing and sales is lead management. The, sometimes blurry responsibilities of the desire phase requires a defined department and process step, namely lead management. The introduction of a third subject also reflects the discussed growing complexity in our B2B business environment. This perspective builds the foundation for the further funnel concept, which is developed in this chapter.

There are some distinct differences between B2B and B2C. Therefore, it is necessary to take B2B specifics into account when exploring the funnel concept. The most important aspects on how B2B differs from B2C are¹⁸:

- Complexity of products and services
B2B products and services are more complex than in B2C and have a higher explanatory effort. The working principles are equally important to the customer, as the demand for the product or service fulfills. The pre-purchase phase, especially the interest and desire phase, is marked by in-depth knowledge exchange between the company and the potential customer.
- Higher investments
B2B purchases are typical high investments. High prices require a defined price comparison process, and discussion on topics like terms of payment and terms of delivery. B2B decisions are typically covered by a defined budget that must not be exceeded. Further, investment heights are often linked to release processes and management responsibility.

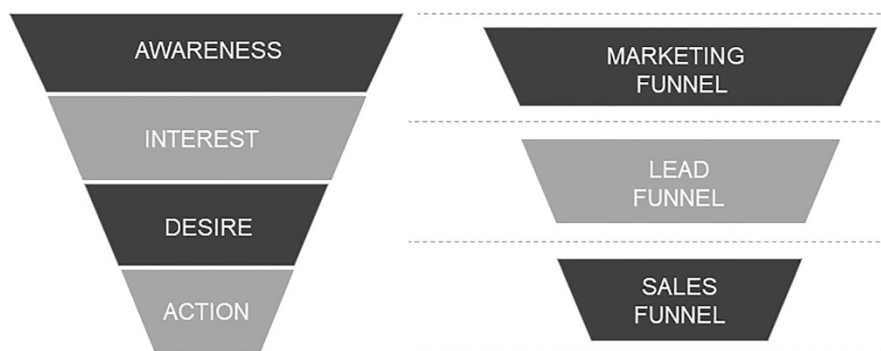


Fig. 10.2 AIDA-Model mapped with the Marketing-Lead-Sales Funnel Concept (own figure)

¹⁸Retrieved May 31, 2020, from <https://blog.hubspot.com/agency/differences-b2c-b2b-marketing>

- **Buying center is involved in purchasing decisions**
B2B buying decisions are made by a group of people. Depending on the company size, the purchase in questions as well as the company's processes, the buying center is built. Working with the buying center concept objectivates the purchase decision, based on defined criteria. Still, B2B buying decisions are built on relationships between the two people or the project team. Having said that, buying decisions are not purely rational, but by trend more objective than in B2C.
- **Longer sales cycle time**
Due to the previous aspects, the sales cycle is longer. B2B products and services are often part of a larger project and require multiple meetings to align on the scope. According to CSO Insights¹⁹ a study of 886 sales leaders, conducted in 2018, outlines, that the majority of sales cycles of existing customers takes 1–3 month. For new customers, the sales cycle time peaks at 4–6 month.²⁰
- **Promotion is less emotional**
Due to the complexity of products and services as well as the objectified purchase decision, promotion is less emotional. The content is descriptive, fact-based, specification driven, and educational. This makes the promotion less emotional compared to B2C but provides a higher added value for the customer. Differentiation based on facts is easier. However, it is crucial to say that promotion also targets humans in the end, which means that emotions can be triggered too.

With this overview, the different steps of a potential customer through the funnel can be explained in detail.

10.2.2 The Different Steps from a Potential Customer to a Won Customer

Up to know, this chapter describes four stages of the customer journey, as well as three process-oriented steps focusing on sales, marketing, and lead management. A closer look at details of this backbone funnel concept reveals multiple steps. Figure 10.3 gives an overview of these steps.



Fig. 10.3 Steps of a potential customer within the funnel (own figure)

¹⁹CSO Insights' research focuses on the complexity of B2B sales. Retrieved May 31, 2020, from <https://www.csoinsights.com/>

²⁰Retrieved May 31, 2020, from <https://www.marketingcharts.com/customer-centric/lead-generation-and-management-107203>

The following definitions explain each step, outline the interfaces between the steps and therefore fill the backbone funnel concept with. The focus lies on the three steps of the lead management funnel and their interfaces to marketing and sales.

- Potential Customer

A potential customer is part of the defined target group. A common concept is to use Buyer Personas²¹ to describe each member of the target group. It is common to aim at multiple Personas in B2B due to the specifics of the buying center. At this stage, there are no personal data available and hence, the individual, potential customer is unknown to the company.

- Contact

Once the potential customer engages with the company and leaves contact details, he converts into a contact. At this step, the company has basic personal data of the contact. Depending on the level of marketing automation and CRM, this “unique identifier”²² can be only the e-mail address. A contact, however, does not explicitly express interest in a product or a service and therefore still part of the marketing funnel. His intentions are still blurry, and it is not able to target the customer on a very specific level. Consequently, marketing aims to further push the contact through the customer journey and gather more information about his demand.

Caveat: CRM systems might use the term “contact” different to describe the data set. There are different user status definitions for the same step in, e.g., Salesforce compared to SAP CRM.

- Lead/Cold Lead

A Lead, also referred to as Cold Lead is a contact with minimum contact information who expressed interest in the product or service. The conversion criteria from contact to lead strongly depends on the process definition, as the contact is typically transferred to a CRM system at this stage. The conversion from a contact to a lead is also the interface between marketing and lead management and is idealistically defined by objective and measurable criteria such as:

- Personal data of the contact/lead
- Number of touchpoints of the contact/lead
- Trigger signals such as “get in touch” requests

The lead status marks also the end of the awareness phase as the now newly created lead shows interest in the product or service. The aim of lead management is to nurture the lead and maintain interest. Lead Nurturing²³ refers to the task of developing a lead to a marketing qualified lead. Therefore, the initial status of a

²¹A Buyer Persona is fictional, generalized representation of your target group and represents the ideal customer.

²²A unique identifier is the one criterion the company uses to match all user activities. This identifier plays a vital role in lead nurturing.

²³See next part of this chapter for details on Lead Nurturing.

lead is a “cold lead.” A cold lead fulfills all basic requirements for the lead status but has a low likelihood to make it to the next funnel step and ultimately to become a customer. Core task of lead management is to develop a cold lead to a “hot lead.” A hot lead is also referred to as marketing qualified lead.

- Marketing qualified lead (MQL)

This status is also referred to as “qualified contact.” An MQL is defined as the transition status from lead management to sales. A lead converts into an MQL based on defined criteria. These criteria have an engagement and behavioral focus and are the same criteria for creating a lead. Each touchpoint along the customer journey has a value—to both—the customer and the company. From a lead management perspective, each interaction with a customer, online and offline, earns the lead a score. The higher the score gets, the warmer the lead is. This concept is referred to as lead scoring.²⁴ Once a lead reaches a defined score value, it converts to a marketing qualified lead. A marketing qualified lead is the most important status for the marketing and lead management department. It is the output value the two departments create in interconnected cooperation. This status marks the transition into the sales funnel.

- Sales accepted lead

The status sales accepted lead (SAL) is a critical moment in the journey of the customer, from a potential customer to a realized sale. It marks the bridge between marketing/lead management and sales. Referring to the already discussed relationship statuses of the departments, it is vital to have a common definition on what defines a sales ready lead.²⁵ Lead management claims to fulfill these defined criteria by forwarding the MQL to sales. In return, sales does a check on the criteria fulfillment. If sales acknowledge that the mutually defined criteria are fulfilled, the MQL converts to a SAL. Questions the criteria check answers are for example²⁶:

- Is the MQL the decision maker?
- Is the MQL looking to buy the product or consume the service?
- Does the product or service solve the MQL’s problem and does it fit to its demand?
- Does the MQL fit to the sales strategy?

This status marks the start of the sales funnel and is a core KPI for the output of the lead management funnel. The conversion rate of the lead funnel is the missing link between marketing and sales. It makes all sales supporting efforts measurable. The calculation for the lead funnel conversion rate (LFCR) is:

²⁴See next part of this chapter for details on Lead Scoring.

²⁵Retrieved May 31, 2020, from <https://www.marconomy.de/sales-accepted-leads-das-meisterstueck-im-b2b-leadmanagement-a-817909/>

²⁶Retrieved May 31, 2020, from <https://blog.marketo.com/2018/07/is-your-lead-sales-qualified-how-to-tell.html>

$$\text{Lead Funnel Conversion Rate (LFCR)} = \frac{\text{Sales Accepted Lead (SAL)}}{\text{Cold Lead (CL)}}$$

The status SAL is also described by a likelihood the prospect talks to a sales representative.

SQLs, on the other hand, are further along in their buyer journey and are sales-ready. They fit perfectly into your buyer persona profiles and are likely to talk with a sales rep.²⁷

- **Sales qualified lead (SQL)**
At this stage, the lead is accepted by sales, hence meeting defined criteria, and is ready to be handed to the sales representative with the aim to create an opportunity. The accepted lead undergoes more detailed, sales process-related checks. The sales representative engages with the SAL and discusses key aspects of the sales case. These aspects are often referred to as BANT, an acronym standing for budget, authority, need, and time. First, the sales representative clarifies if the SAL has the budget for the purchase. This can only be done by sales because prices for often B2B projects lie with the sales department. Further, the sales representative finds out if the SAL has the authority to do the purchase. This is a close link to the buying center in B2B. Need and time defines how fast the sales representative acts and is an important aspect for resource planning. If all criteria are met, the SAL converts to a Sales Qualified Lead which is actively executed by the sales team. This step indicates the typical start of the sales funnel.
- **Opportunity**
In the early phase of the sales funnel, the sales representative aligns with the customer with the aim to understand the scope of the project, the demand of the potential customer, and to provide a specific solution. The aim of this process is to create a sales opportunity. An opportunity is the casually named “sales case.” Like nurturing a cold lead, an opportunity is worked on by sales with the aim to close the deal. Whereas a lead is scored, an opportunity is measured with the likelihood to be closed, in percent.
- **Sale**
To close the deal is, obviously, the aim of the sales team and marks the final step of the marketing-lead-sales funnel. This status is also referred to as “won opportunity.” The sales funnel conversion rate (SFCR) is an important KPI for the whole company and is calculated as follows:

$$\text{Sales Funnel Conversion Rate (SFCR)} = \frac{\text{Sales}}{\text{Sales Accepted Lead (SAL)}}$$

²⁷Retrieved May 31, 2020, from <https://blog.marketo.com/2018/07/is-your-lead-sales-qualified-how-to-tell.html>

Table 10.1 Interdependency of conversion rates and target numbers (own table)

	Conversion rate	Target numbers
Sales target		1000#
SFCR	1:5	
SAL target		5000#
LFCR	1:10	
Cold lead target		50,000#

The overview of the different steps in the marketing-lead-sales funnel also indicates important KPIs and a strategic framework. The two defined conversation rates, LFCR and SFCR, provide important data for managing not only the sales department but defining goals for lead management and marketing. Annual plans always include sales figures such as turnover and number of sales. Knowing the conversion rates, the sales target lead to the SAL target, which consequently leads to the cold lead target. Table 10.1 showcases the dependencies.

This strategic approach provides a comprehensive framework for the alignment of marketing, lead management, and sales. The focus for both departments is on a core KPI which is logically derived from the sales target and hence the company’s success. The core aims for each department are:

- Sales: Sales/Turnover
- Lead Management: Sales Accepted Leads
- Marketing: Cold Leads

Figure 10.4 combines the different aspects of the funnel concept, including the core KPIs and sums-up the provided information.

10.3 Successful Lead Management

The funnel concept already indicates critical aspects of successful lead management. First and foremost, success needs to be measured by three different aspects. First, the absolute amount of leads describes how effective the lead funnel is. Second, the lead funnel conversion rate describes how effective the leads are nurtured. The lower the

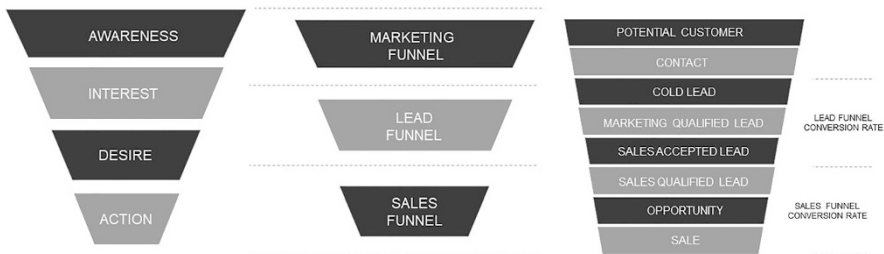


Fig. 10.4 Overview of the funnel concept (own figure)

ratio is, the more cold leads are converted into sales accepted leads. However, a low ratio might also indicate a high quality of incoming cold lead. And third, the resources spent per lead. This value is often measured as cost-per-lead and is a core KPI to manage the lead funnel. Successful lead management is important because the way customers convert in the buying process has changed. Instead of finding customers with outbound mass communication, the company needs to focus on being found via inbound measures to generate leads.²⁸

10.3.1 Definition of Lead Management

The definition of lead management varies in literature. This is not surprising. As described, the responsibility for lead management might be with marketing or sales or is not defined at all. Hence, the definitions vary depending on the focus between a marketing-centric definition and a sales-centric definition. The broadest possible definition is: lead management consists of all processes and actions to win potential customers and convert them to customers.²⁹ With respect to the already defined lead management funnel, a more precise definition of lead management is as follows:

Lead management is defined as the methodology, process and software to generate, nurture and qualify leads using sales and marketing strategies.

This definition covers the lead funnel, and links used methodologies, processes, and software to both the marketing and the sales funnel. By doing so, this definition describes the three core functions of lead management. These core functions are (Stevens 2012, pp. 3–4):

- **Lead Generation**
Lead generation includes all measures to create cold leads. Lead generation also marks the interface between marketing and lead management.
- **Lead Nurturing**
Lead nurturing is the central task of lead management and is defined as the methodology and processes to convert a cold lead into a marketing qualified lead. Lead nurturing is backed by software and uses marketing automation.
- **Lead Qualification**
Lead qualification marks the end of the lead funnel and includes the transition from a marketing qualified lead to a sales accepted lead. This step is also the interface between lead management and sales and objectifies and reasons lead management output.

²⁸Retrieved May 31, 2020, from <https://www.marketo.com/lead-generation>

²⁹Retrieved May 31, 2020, from <https://www.marconomy.de/was-ist-lead-management-definition-strategien-und-prozesse-im-b2b-marketing-a-765524/>

10.3.2 Lead Generation

Derived from the marketing-lead-sales funnel, lead generation is defined as the process of converting potential, but to a large extent unknown customers, into someone who has indicated interest in the company, the product, or service.³⁰ Lead generation marks the interface between the marketing funnel and the sales funnel and is therefore the measurable aim of the marketing department. To do so, the lead generation process is defined as the following steps:

1. First touchpoint with the company.

The contact, a rudimental known person out of the target group, uses one of the communication channels, online or offline, to express a first interest. Online, these channels are, for example, the company website, a campaign page, a social media post, an e-mail newsletter or a live chat. Lead generation offline typically happens on events.

2. Engagement with content.

The contact engages with content online or starts a conversation offline. Online, this is expressed via click-rates, session's durations, engagement metrics, or opening-rates on e-newsletters. Offline, the exhibition booth visitor starts to consume content in the form of videos or the examination of an exhibit.

3. Call-to-action (CTA).

The contact expresses interest in the offered product or service by clicking a Call-to-action (CTA) or deepens the face-to-face conversation. This expression of interest indicates that the contact wants to learn more about the product or service and considers the offer as a potential choice to solve his problem or fulfill his needs.

4. Share further contact details.

The contact is willing to share further personal information. Online this is done via contact forms required to get content behind a registration barrier. According to the made definition of a lead, the amount and quality of the data depend on the lead management process setup. Offline, the potential customer fills out a contact form, leaves his business card in physical or digital format.

The result of these four steps is a new lead, delimited via defined criteria by both the marketing and the lead management department. This lead has the status of a cold lead and, according to the below-described scoring model, the lowest possible score. The most effective ways to improve the lead generation quality is social media marketing, e-mail marketing, and website personalization.³¹

³⁰Retrieved May 31, 2020, from <https://blog.hubspot.com/marketing/beginner-inbound-lead-generation-guide-ht>

³¹Retrieved May 31, 2020, from <https://blog.hootsuite.com/how-to-generate-leads-on-social-media/>

Caveat: Depending on the type of CTA (step #3) and the setup of contact forms (step #4) the newly created lead might be straight a marketing qualified lead, without the nurturing process.

The number of cold leads is also the core KPI for the marketing department along the funnel concept. The ratio of created cold leads to the spent resources is known as cost-per-lead.³² This efficiency KPI is often used to reason marketing spending. Further, it is a modern way of defining the marketing budget. Instead of the commonly used share of turnover, modern management defines a cost-per-lead cap. By doing so, each marketing Euro spent has a positive return on investment.

10.3.3 Lead Nurturing and Lead Scoring

Lead nurturing backed with the process of lead scoring is the core action of lead management and has a tremendous impact on how effective (lead funnel conversion rate) as well as how efficient (cost-per-MQL) the lead funnel is. Lead Nurturing, also called lead cultivation or lead development, continues to evolve the process that has begun with the lead generation (Stevens 2012, p. 157). Lead nurturing, with reference to the AIDA-Model, turns interest into desire and educates as well as enriches the lead, step by step. Lead scoring supports, measures, and objectifies the progress.

Lead scoring is a methodology of ranking and prioritizing leads based on their value so that sales and marketing can focus on the leads with the most potential, rather than nurturing them all equally.³³

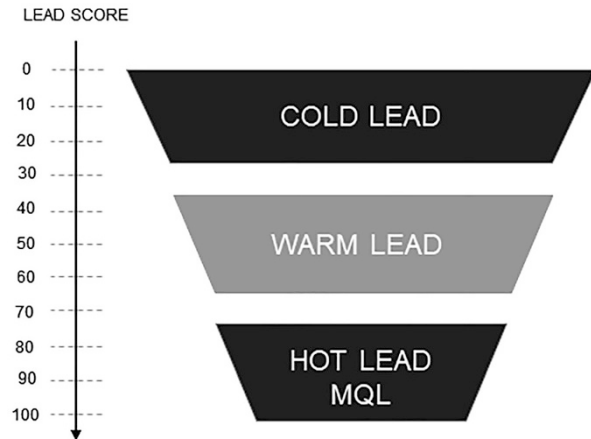
Lead scoring takes two dimensions into account: explicit and implicit scoring (Lewis 2013, p. 56). Explicit scoring considers how closely a lead's profile matches the defined buyer persona and includes demographic data as well as personal information such as job title, company, job hierarchy, or industry. Explicit scoring shows how relevant a lead is for the company and how well the lead fits to the target group. Implicit scoring bases on how often and via which channels the lead engages with the company. This is measured through performance indicators, including online KPIs such as response to e-newsletter, website visits, downloads, or social media engagement. The lead score further defines how far down the lead is in the lead funnel. Figure 10.5 illustrates the methodology.

To increase the lead score, it is necessary to nurture the lead via targeted marketing activities. A common approach is to define lead nurturing campaigns which target already known customers. The benefit over lead generation campaigns is, that the addressee is already known to the marketing team. Even if the requirement for a cold lead is bottom line—the e-mail address—the marketing team can address the lead personalized. Depending on the lead score, marketing nurtures the

³²See further details on Cost-per-lead here: Retrieved May 31, 2020, from https://en.ryte.com/wiki/Cost_Per_Lead

³³State of Marketing, sixth ed. (2020). Salesforce.

Fig. 10.5 Lead score methodology



lead with different content. This is especially important for taking the basics of the AIDA-Model into account. Maintain and raise interest requires different content types than creating desire. In B2B marketing, due to the nature of the complex products and services with a high explanatory effort, educational content is a common content type. Educational content, per definition, educates and informs the reader and positions the company as know-how carrier. Consequently, the content pool is bigger than in B2C and offers multiple touchpoint possibilities. Each touchpoint is monitored and scored. And with every touchpoint the lead receives more information that maintains his interest. Ultimately, with subtle branding and through unique selling propositions, the lead desires the product or service. At this point, he is willing to give enough personal data away to be scored an MQL (=hot lead). Another possibility to become an MQL is to engage via multiple touchpoints and consequently become an MQL because of frequency. For both options, a defined set of personal data is required to qualify as an MQL.

The nature of lead nurturing is a trade. The lead trades his personal information against value-adding information from the company. In other words, he pays for information with his personal data. This trade is also the base for the nurturing principle. The lead needs a trigger to come back and get in touch with the company again. The motivation to do so is only reasonable if he was satisfied with the first trade. If the lead receives value-adding information for giving away a personal data, he is likely to do it again. This concept is backed with content marketing aspects. The higher the score of a lead is, the more valuable information he needs. In B2B, this information are often educational content types like webinars, whitepapers, application reports, or customer success stories.³⁴ Educational content³⁵ is less promotional

³⁴Retrieved May 31, 2020, from <https://blog.hubspot.com/customers/lead-nurturing-with-hubspot-craft-a-killer-b2b-campaign-workflows-part-2>

³⁵Seventeen examples on educational content. Retrieved May 31, 2020, from <https://contentmarketinginstitute.com/2013/05/education-powerful-content-marketing-strategy-examples/>

and aims to educate and inform the customer. This type of content adds value to the customer and triggers the next trade. Consequently, customer data is the currency the lead pays for receiving high-quality content. Figure 10.6 illustrates this trade aspect with reference to lead nurturing.

10.3.4 Lead Qualification

The scope of lead qualification covers three steps in the lead management funnel process. Marketing Qualified Leads (MQL), Sales Accepted Leads (SAL), and Sales Qualified Leads (SQL). Following the elaborated concept, lead qualification marks the transition of a lead from the lead funnel to the sales funnel. Hence, lead qualification connects the lead management and the sales department. As already described, the criteria for an MQL needs to be defined in close cooperation between marketing, lead management, and sales department, in order to find common ground on what makes a qualified lead (Stevens 2012, p. 145). The qualification process itself is done via marketing automation or the CRM. Once a lead is scored a defined value (usually 80% on the scale), the systems change the status of the lead to MQL. The next step is to define to whom the MQL is assigned. There are multiple options, but the common ones are by territory, by skill, or by account (Stevens 2012, p. 153). By territory means that the CRM system assigns the lead via unique criteria or criteria combination. For example, MQL for product category x in postal code 8010 is assigned to sales representative Mr. Doe. By skill means that the lead requires a special sales representative or sales team. Leads for a dedicated account are typically key account³⁶ schemes. Another option is that MQLs are assigned to a dedicated

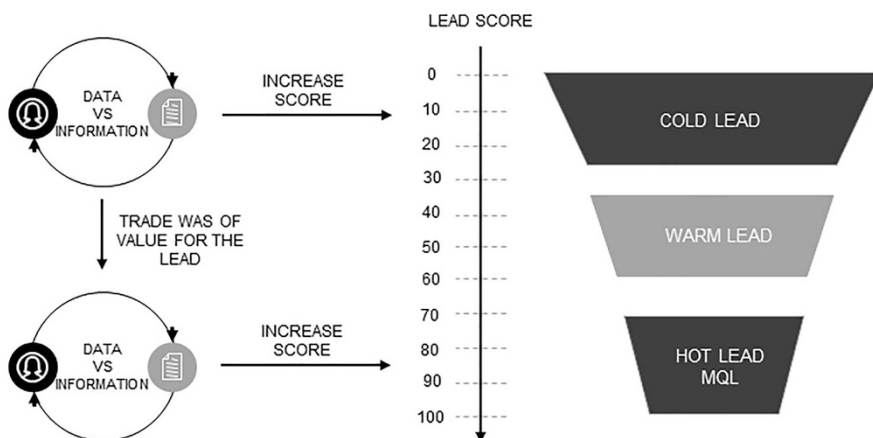


Fig. 10.6 The lead nurturing trade (own figure)

³⁶Retrieved May 31, 2020, from <https://de.wikipedia.org/wiki/Key-Account-Management>

back office sales team. This is common, if there are no objective criteria, based on customer data, on which the assignment can be done.

In both cases, the second step in the lead qualification is that sales check if the MQL meets the defined criteria. By accepting the MQL the lead funnel ends, and the sales funnel starts. The MQL converts SAL. This is the only step of the whole funnel concept in which the customer status itself does not change. The MQL is neither affected nor involved in becoming a SAL. This is different for the evaluation if the SAL is qualified for further sales activities. At this point, either the sales representative or the sales back-office reaches out to the customer to align on his request and clarify his demand. The end of this process marks the last step in the lead qualification. If successful, the SAL becomes a SQL and the sales funnel is in full swing.

Qualifying a lead is consequently a critical task as it defines how many leads make it into the sales funnel. The critical aspect is, that once a lead hits the sales funnel it binds sales resources (Stevens 2012, p. 139). In other words, the total cost of sales is influenced by the amount and quality of leads provided by Lead Management. There are two crucial aspects to consider:

- Sales needs to trust Lead Management
Without mutual trust and alignment, the qualification process is bound to fail. Sales has the power to reject an MQL and hence, influences the target value of the lead management department. Unclear or partially undefined qualification criteria prevent the organization to learn what a high qualitative lead is. The feedback loop between sales and lead management is critical. Therefore, open discussions and mutual trust are essential.
- Sales must not be spammed by Lead Management
There is a risk that marketing aims to create as many MQLs as possible without taking in feedback on the quality of the leads. In that case, the output of the lead funnel spams and blocks the sales funnel. The sales team is then tied up in trying to find high quality leads that convert.³⁷ The core KPI for this is the ratio of MQLs and SALs. This quality ratio should be close to 1. The higher the ratio is, the closer lead management brings a lead to the expectations of sales. The lower the ratio is, the more spam lead management creates.

Depending on the maturity of the organization, sales still considers lead generation part of their core duties. Filling the own sales funnel, however, takes away important resources that could be otherwise spent on the selling process itself. This is comparable to the oldest principle of economy: division of labor and increasing wealth by doing so. Further, the push to digital communication and digital value-added chains shifts the touchpoints from sales to marketing. Therefore, joint efforts are vital to create an organization that allows the division of labor, but still close collaboration. The following model is a framework on how to develop such an organization.

³⁷Retrieved May 31, 2020, from <https://blog.hubspot.com/marketing/poor-lead-quality-signs>

10.4 The Lead Management Maturity Model (LMM-Model)

10.4.1 Purpose of the LMM-Model

Marketing is a team effort across the whole customer journey, including the marketing funnel, the lead funnel, and marketing also strongly influences the sales funnel. According to the “State of Marketing” report by Salesforce, marketing owns lead generation in only 32% of all cases exclusively, but 65% of the survey marketeers state they contribute or co-own the process.³⁸ This underlines the necessity to have a close collaboration and integrated approach. The Lead Management Maturity Model (LMM-Model) provides a framework on how to develop an organization in dependency on the status of its marketing, lead management, and sales departments. It combines two core perspectives: the status of the relationship between marketing and sales and the maturity of the lead management process. As discussed, it is critical to utilize a full lead management funnel and enhance the common goal of an integrated marketing and sales department. This ideal situation is of course not the status quo in most B2B companies. Marketing managers can use the model to align with their sales counterpart and evolve the organization together. Therefore, the LMM-Model provides guidance for organizations depending on their maturity level of marketing, lead management and sales and outlines for milestones on the path to an ideal state of marketing, lead management and sales.

The crossing of the four states of x -axis and y -axis create 4 milestones on the path to an ideal state of marketing, lead management and sales, depending on the maturity of lead management and the relationship between marketing and sales (Fig. 10.7).

10.4.2 Description of the LMM-Model

The x -axis describes the relationship between marketing and sales (Kotler et al. 2006) and is comprehensively described already in this chapter. The y -axis describes four maturity levels of Lead Management. These levels are:

- No lead management
The organization does not actively manage leads nor is a lead management department established. New sales opportunities are created by the sales team without a prior lead status.
- Definition of lead management terminology
The organization uses definitions for the most important lead management terminology and has a basic understanding of according processes. Lead management actions and processes are not fully developed yet and hence not done systematically. The process is also not backed by software.

³⁸State of Marketing, sixth ed. (2020). Salesforce.

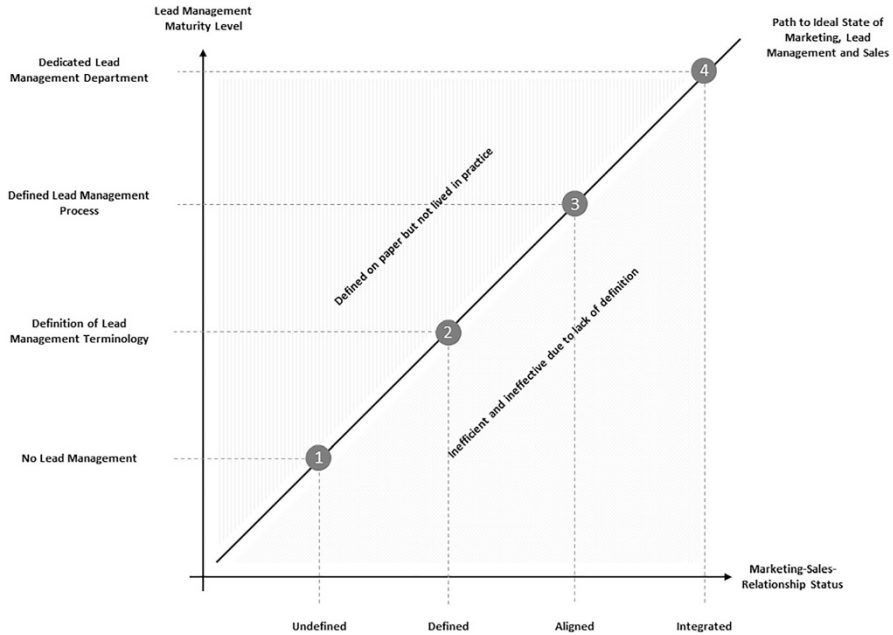


Fig. 10.7 Lead Management Maturity Model (LMM-Model) (own figure)

- **Defined lead management process**
The organization has a defined lead management process with the defined lead statuses and responsibilities. The process is actively managed and further developed by either the marketing or the sales department, as there is no dedicated lead management department established. Lead management software supports the efficient management of the lead management process and holds customer data.
- **Dedicated lead management department**
There is a dedicated lead management department established which has the responsibility to generate, nurture, score, and qualify leads. The department is closely interconnected with marketing and sales with clearly defined interfaces. Responsibilities are clear and a common understanding of terminologies, processes, and aims is established. A lead management software is deeply integrated into the CRM system and is mutually used by all departments.

10.4.3 The Four Crossing Points in the LMM-Model

The 45° line between x -axis and y -axis describes the ideal integration evaluation of lead management with respect to sales and marketing relationships. This line is also

defined as the aimed state of the development of lead management over time. The four crossing points describe milestones in the development process:

1. Undefined Relationship—No Lead Management

This is the initial step where both, the marketing-sales relationship as well as lead management is undefined. This phase is typically marked by a lack of processes, mutual understanding, and strategic approach. However, it also marks the starting point to develop the organization and hence, requires understanding and commitment within the organization. It is important to define a dedicated project team to lead the transition along the path to the ideal state of marketing, lead management, and sales.

2. Defined Relationship—Defined Lead Management Terminology

The second milestone is marked by a base definition within departments and topics. The involved people start to use the same language and have a common understanding on requirements to use methods and actions along the defined customer journey. However, there are no aligned actions yet and the lead management process itself is not defined. At this step, it is necessary to involve the IT department to start the discussion on a suitable software solution to back the lead management process.

3. Aligned Relationship—Defined Lead Management Process

An aligned relationship between marketing and sales with a defined and implemented lead management process describes the third milestone. This state of the organization is marked by clear responsibilities and rules on how to develop a potential customer to a closed sale. Marketers and sales work in close cooperation on accounts and take over lead management responsibilities. The success of the different steps is measured by KPIs and reported to management. The aims of marketing and sales are aligned, and the lead management process provides a framework to achieve these aims. Further, a software solution is basically implemented but not yet used comprehensively. Due to the missing lead management department, both sales and marketing resources might be blocked to transit the organization to the ideal state.

4. Integrated Relationship—Dedicated Lead Management Department

The most mature organization has a dedicated lead management department that takes over responsibility for the lead funnel. This department supports the already fully integrated marketing and sales departments. As an integrated relationship between marketing and sales also means blurry boundaries, the role of lead management becomes especially important to maintain a clear interface between the two departments. This last milestone requires typically a mature set of used software to streamline the processes, measure and maintain data and provide KPIs for management. From a resource perspective, this last ideal state also requires the biggest resource input. Due to the high efficiency and effectiveness of such an organization, the return on invest is also the highest. The LMM-Model also addresses this aspect with the areas below and above the path to the ideal state.

10.4.4 Above and Below the Path of the LMM-Model

The area below and above the path to the ideal state indicates shortcomings of organizations and provide guidance to overcome them.

- Above the path—Defined on paper but not lived in practice
The missing practical implementation is distinct for the organizational states above the path. The lead management maturity is further developed than the relationship between marketing and sales. That means, there are definitions and process without the ability of the organization to use them in the daily work. The most critical state is if an own lead management department is established but sales and marketing are still in the defined, or even worse, in the undefined state. Such organizations are marked by extensive definitions and high cost for lead management resources with mediocre sales accepted success. These states will most likely lead to the conclusion that lead management is not needed and long-term success is hindered.
- Below the path—Inefficient and ineffective due to lack of definition
States below the path indicates that the sales and marketing relationship is more advance than the lead management maturity. Such organizational states are inefficient because the joint efforts of marketing and sales are not supported by a dedicated lead management process or lead management department. Further, ineffectiveness is likely as the two departments are not backed by a common language, defined KPIs and software, related to leads. In other words, they know that they must collaborate over leads but do not have the tools to do it properly. It is very often that software is needed to make the leap from below the path back on track, because resources of sales and marketing are not available to do it manually.

With this LMM-Model in hand, organizations can make strategic decisions on all three areas of marketing, lead management, and sales.

10.5 Summary

The introduction of the Lead Maturity Model marks the end of this chapter and provides a framework concept to develop a successful lead management. It is important to realize that the well-established AIDA model still provides a framework on the modern journey of a potential customer to a converted sale. The discussed specifics for B2B marketing as well as the changing business environment, accelerate the necessity to overcome the gap between marketing and sales. This shortcoming in many B2B companies must be addressed by marketeers. The structured assessment of the companies' organizations, the evaluation of processes, and a deep understanding of the funnel steps build a base for long-term success. This chapter also shows the complexity of the funnel concept and the many interfaces between these steps. The increasing data amount certainly reasons the implementation of lead management software. The integration to CRM is a vital aspect to closely

link marketing, lead management, and sales. Successful lead management is only possible if the goals of the lead funnel are derived from sales targets. Further these aims, consequently, serve as the base for marketing goals as well. An organization is bound to fail if the aims of these important departments are not aligned. It is critical for the B2B marketing industry to address the stated aspects to remain competitive and ready for the change. Only then, it becomes true that “Nothing’s Gonna Stop us Now.”

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Digital Lead Capturing at Trade Fairs: Understanding the Low-Cost Quick Win Generator

11

Boris Ringwald



The digitalization of processes in marketing and sales (Biesel and Hame 2018) has become the core topic of a B2B marketer in recent years. In the past, and unfortunately in some cases even today, many industrial companies viewed marketing exclusively as a cost factor. With creative campaigns, great Powerpoints and trade fair appearances, marketing was allowed to work towards sales and a measurability of the success of the marketing activities was hardly given. These times have changed radically over the last 20 years and are now a thing of the past. Technology topics are part of the new normality of marketing and the creative part is reduced to a fraction of past times. The installation of a functioning lead management process and the acquisition of leads are today among the central core tasks of the marketing organization. Marketing thus contributes significantly and measurably to the success of a company.

But not only the role of marketing has developed drastically, the distribution of industrial goods has also undergone major changes.¹ For the first time, the sales

¹Retrieved May 30, 2020, from <https://www.kearney.com/strategy-and-top-line-transformation/the-future-of-b2b-sales>

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employee meets a well-informed customer at a later point in the purchasing process. At this point in the customer journey, the customer has already been in contact at one or more touchpoints in the company without the sales employee noticing. This has changed the requirements for the job profile of a sales employee. They are increasingly acting in the role of a solution provider instead of a product salesperson. In order to provide this consulting service in the most professional way possible, digital sales tools are increasingly used during customer visits and in discussions at trade fairs.

11.1 Lead Capturing as Part of the Lead Management Process

The lead management process² of a B2B company defines all measures that are implemented to strategically acquire interested parties and convert these contacts into customers (Stevens 2012). This process also represents the departments involved in the company and their responsibilities. In most B2B companies this is a division between sales and marketing. In addition to internal departments, the lead management process can also include external sales partners who are closely involved in these processes and thus contribute to the optimal processing of customer inquiries and prospects. In addition to responsibilities, the company's touchpoints with its customers and prospects are also listed. In other words, all points at which the company has contact with its customers and where a dialogue or interaction can take place.

Trade fairs play a special role in the marketing mix of B2B companies (Zanger 2018), as the results of the AUMA Trade Fair Trends Survey 2019³ show: In the ranking "Instruments in the marketing mix and their importance", trade fair participations are in second place with 83%, just behind their own company website (90%). B2B companies invested 46% of the available marketing budget in participation in trade fairs. The lead management process should therefore focus on trade fairs in addition to online channels. At the touchpoints trade fairs and events, contacts and the information gained must be recorded, processed and then distributed to the right place in the own organization for further processing. For this reason, digital lead capturing should be seen as part of the lead management process.

11.1.1 Conventional Lead Capturing at Trade Fairs

For many years, the customer communication of B2B companies has been rather classical. They rely on their own sales organization or sales partners to obtain new

²Retrieved May 29, 2020, from https://en.wikipedia.org/wiki/Lead_management

³Retrieved May 25, 2020, from https://www.auma.de/de/medien/_publikationen/_Documents/auma-messtrend-2019/auma-messtrend-2019.pdf

leads and develop existing customers. Even the specialist media, which have been declared dead for years, with their specialist reporting and advertising, still have a high status and enjoy a high degree of credibility among decision makers. Specialist media in particular have been particularly hard hit by digitalization for years and are reinventing themselves with offerings such as specialist portals, seminar offerings and industry events. Direct marketing measures such as mailings or cold calling by telephone are other communication channels that are actively used.

Due to the changed buying behaviour of decision makers, the website of a B2B company now serves as the first source for research and information gathering. With topics such as inbound marketing,⁴ social selling and other new developments, this effect will continue, and the company website will remain the undisputed number one instrument in customer communication.

Trade fairs and events before and after the Corona pandemic are one of the most important instruments for a B2B company to achieve its business goals. Even though the benefits and usefulness of trade fairs have been under discussion for years due to their high costs, most B2B companies are committed to them. The industrial goods sector with its products and services in need of explanation lives from the haptics and customer experience at the trade fair. They are therefore the ideal place to get into conversation with potential customers and generate leads for the sales organization.

The classic product for recording customer contacts at trade fairs is the trade fair report on paper. This is usually a DIN A4 sheet, which can be filled out on one or two sides. The process is very simple and cost-effective to implement when recording trade fair contacts. In further processing and until the data is available in digital form, the process is usually manual and involves media breaks. As a result, the use of a trade fair report on paper is very time-consuming and cost-intensive in the overall view.

Due to the widespread use of Microsoft Outlook and similar solutions, another classic tool was used. This is the business card scanner.⁵ With this technology, the received business cards can be digitized and imported into the contact database via CSV file. The processing and enrichment of the contact data with the conversation notes is again a manual process and accordingly time consuming.

Since the methods described so far do not provide satisfactory results, some companies are looking for alternatives. Often these companies have a certain IT competence and develop their own solutions to meet the company's requirements themselves or through external providers. Own solutions mean a financial effort in the creation and have the disadvantage that the knowledge about the exact functionality lies with individual employees or an external service provider. This results in a certain dependency, which can become a problem in the course of time (Fig. 11.1).

Due to the spread of smartphones also so-called business cardscan apps are widely used. The spectrum ranges from free versions to solutions with monthly usage fees. These solutions can certainly be seen as forerunners of modern digital

⁴Retrieved May 30, 2020, from <https://www.hubspot.com/inbound-marketing>

⁵Retrieved May 28, 2020, from https://en.wikipedia.org/wiki/Card_reader

Lead capture technologies from earlier to today.

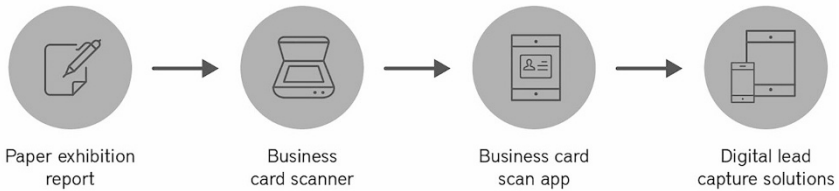


Fig. 11.1 Lead capturing technologies from earlier to today

lead capturing solutions. With these solutions there is also the possibility to scan the contact data via a QR code. The use of QR codes on business cards was very popular a few years ago, but it is becoming less and less common. Some trade fair organizers still work with this technology today and provide exhibitors with appropriate systems for recording trade fair contacts. Here, too, the effort involved in the follow-up of the trade fair contact, as the contents of the conversation usually have to be entered manually.

11.2 Digital Lead Capturing

The development of digital lead capturing has been significantly influenced by the success of the smartphone and the tablet, as well as the technological development and increase in the performance of data networks. The first smartphones were already available at the end of the 1990s, but the breakthrough came in 2007 with the market launch of the Apple iPhone. From the breakthrough of the smartphone in the consumer sector, it then took several years before they were widely used in the business world. A similar development took place from 2010 with the market launch of the iPad, the first tablet suitable for the mass market. It closed the gap between smartphone and laptop and created a new category of devices. Thanks to advantages such as handiness, no annoying booting up and easy usability, tablets were used relatively quickly in the business world.

Today, a smartphone is part of the basic equipment of a sales representative and enables higher productivity and efficiency. The employee is more mobile through the use of digital tools and has access to company resources, such as a CRM or ERP system (Binckebanck and Elste 2016).

11.2.1 New Possibilities Through Digitalization

Compared to the traditional lead capturing with a paper-based trade fair report, digital solutions can enable better communication with the customer. More valuable information about the customer can also be requested and documented. Since there is no limitation to the usual paper format when creating a digital trade fair report, the

trade fair reports can be expanded without being perceived as too large. It is also possible to implement several levels so that, for example the product range can be presented in more detail. In this way, more information about the customer can be obtained.

Some digital solutions also have features that go beyond standard functionalities such as OCR recognition⁶ or business card photography. If the customer's requirements are sketched out during the sales talk, these sketches can be made directly on a tablet and are immediately available digitally.

Solutions with an appropriate user interface are also suitable for customer conversations that pass side by side and by filling out the trade fair report together you can get more detailed information about the customer.

11.2.2 Software Automation

Software automation is all about implementing consistently structured processes with consistent quality. In order to implement automation, it is imperative that the individual IT components can communicate with each other without restriction. The software can perform process steps completely independently or assist the user. By automating administrative processes, administrative costs can be reduced by saving a lot of manpower, time and also errors. A further advantage is that they gain significantly in speed and can react faster to customer requirements with consistent quality.

Of course, a solution for lead capturing can be used independently and already offer a number of advantages. For example, trade fair contacts are available in digital form and can be easily sent to the responsible employees or sales partners via Excel or PDF for further processing. Many companies make use of these advantages in the first step before they think about connecting to third-party systems and automated processes. In order to reduce administrative costs and accelerate processes, the only way is through software automation. In the case of digital lead capturing, it is, therefore, necessary to map the lead capturing and lead processing process with a suitable software structure.

Customer Relationship Management (CRM) is the most common application for connecting third-party systems. Almost all lead capturing solutions have open or standardized interfaces to realize data transfer with CRM. The data transfer happens in both directions. In practice, it has been shown that for most B2B companies, almost 60 percent of the trade fair visitors already have a contact in the CRM. Existing customer contacts can be made available via data transfer in the lead capturing solution. The captured trade fair leads can be imported either directly into the CRM or via a backend.

In recent years, many B2B companies have increasingly focused on inbound marketing for lead generation via the Internet and have introduced a marketing

⁶Retrieved May 29, 2020, from https://en.wikipedia.org/wiki/Optical_character_recognition

automation solution for this purpose (Hannig 2017). If such a solution is in use, it makes sense to link it to the lead generation process. There are three main reasons for this: lead-nurturing,⁷ lead scoring, and the e-mailing function.

Lead-Nurturing includes all steps within a lead management process in order to address an interested party with the relevant information at the right time. The purpose of lead nurturing is to further develop the leads obtained with the help of inbound marketing with automated marketing measures until they are ready to contact sales. In relation to a digital lead capturing solution, it is an added value for the sales employee if he or she is aware of information already captured from a trade fair visitor and can adapt the communication accordingly.

Lead scoring combines the customer profile with their reactions to marketing activities. For each reaction and action, the customer receives a previously defined score. The scoring of a customer can then be used to draw conclusions about the maturity of the lead. A conversation at the trade fair stand would be an activity that would be scored with scoring points.

Since marketing automation solutions have an e-mailing function, automated letter of thanks can be sent by e-mail and information can be sent via e-mail. Scoring points would then be awarded based on the response of these mailings.

If you have professional e-mailing software in use, you can use it to send letter of thanks and information to the trade fair visitors (Fig. 11.2).

Not every nationally or internationally active B2B company has its own sales organization. If you work with sales partners and they are integrated into your lead management process, it is worth considering a Channel Opportunity Management⁸ solution. It manages all leads that you make available to sales partners or forwards for processing. This means that valuable leads are no longer lost and you have full transparency of the processing status. If you are using such a solution, the lead recording solution can be connected. This makes it easier to distribute leads to your sales partners.

There can be two levels of automation, semi, and full automation. With semi-automation, only parts of the process are converted automatically.⁹ The software supports the user in certain tasks and the user can start processes. The advantage is that a simple process can be designed. It is also possible to think about this process only after the introduction of a lead capturing solution in the second or third step.

The full automation of the lead capturing process requires more time already during the planning of the lead capturing solution. In order to be able to implement a fully automated process, more time and effort is required to fill out the trade fair report already during the lead registration process at the trade fair. The necessary structuring and completion of the data must already be done at this point so that the process can be started at all. In practice, this means a higher maintenance effort for

⁷Retrieved May 29, 2020, from <https://www.marketo.com/lead-nurturing/>

⁸Retrieved May 29, 2020, from <https://www.der-maschinenbau.de/allgemein/channel-opportunity-management/>

⁹Retrieved May 30, 2020, from https://en.wikipedia.org/wiki/IT_process_automation

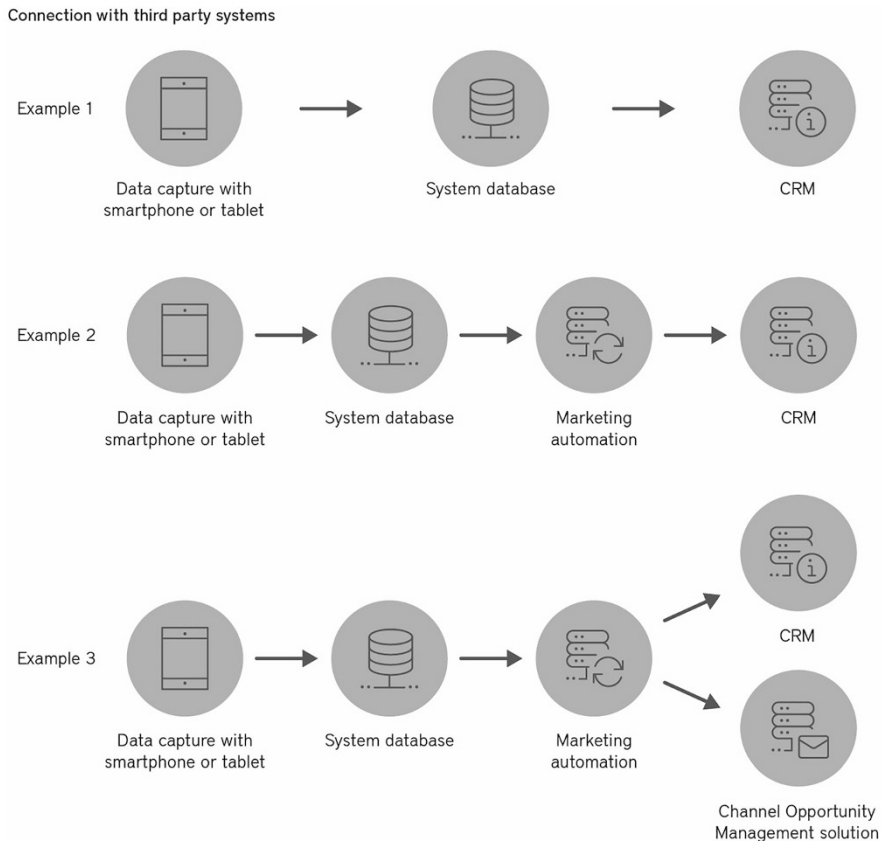


Fig. 11.2 Connection with third-party systems

the sales representative at the trade fair. To give you an illustrative example: If the customer is to automatically receive a thank you e-mail after the trade fair visit, then the e-mail address, surname and salutation must be correctly filled in as mandatory fields when entering the customer data. The correctness of the data is the responsibility of the respective sales representative.

11.2.3 Further Advantages of Digital Lead Capturing

In addition to the advantages already described, there are other arguments in favour of a digital lead capturing solution. They should not be forgotten in the debate on the introduction of a tool.

A discussion point at a trade fair is very often the topic of readability of trade fair reports. By using a digital solution, you have solved this problem and illegible handwriting and creative abbreviations, which only the author of the trade fair report

knows, do not unnecessarily occupy your organization. You save yourself unnecessary inquiries from your colleagues. You can also better control the issue of completeness of data and conversation notes. With a digital solution, there is the possibility of significantly increasing the information level of the trade fair report by means of mandatory fields. In practice, however, this is always a balancing act between data quality and usability (Dhillon 2016). Because every mandatory field in a trade fair report also means time expenditure for the user of the tool.

Data security is another advantage that speaks for a digital solution. Most of the tools work on- and offline and transfer approved trade fair reports as soon as a working Internet connection is established to a backend system or even directly to the CRM. The valuable trade fair reports and data, which are crucial for the success of a trade fair, can therefore not be lost. Of course, there is no 100% security at this point either. When using smartphones and tablets, there is the possibility that they will be damaged or lost and therefore also the data that was not transmitted in advance. However, this represents only limited damage compared to the case that a folder with paper trade fair reports is lost or misplaced.

You should not underestimate the positive perception of your company and your brand when you work with digital tools at a trade fair, event or customer visit. Customers, prospective customers and competitors perceive you differently and attribute digital competence to you. When you go to a B2B trade fair these days, you see terms such as digitalization, industry 4.0 (Popkova et al. 2019) and automation on large displays and letters on many stands. The automation has even its own theme event with the trade fair AUTOMATICA. How do you react in the meantime when you see sales staff at the same stand with a clipboard and a paper trade fair report? Some B2B marketers are even firmly convinced that the brand of the smartphones and tablets used has a positive or negative influence on the customer's perception.

Some lead capturing solutions are very flexible and can be adapted to the individual needs of the company. Thus, these solutions can be extended step by step with additional functionalities and additional processes can be digitalized for trade shows or customer consulting. An impressive practical example is the connection of a catering function, which allows the sales representative to order food and beverages directly in the customer meeting. The conversation is not interrupted by service personnel and the customer perceives the company's technical expertise. In addition, the sales employee can control the time of the customer meeting by determining the size of the food portion or the drinks. Precious trade fair time is thus better used to generate as many customer contacts as possible.

11.2.4 Data Quality

Whenever third-party systems are connected, it should be considered in advance how and where a quality control of the collected data should take place. Especially at a trade fair, not only are there high-quality customer contacts at the stand, but also potential suppliers and service providers, groups of visitors from schools,

representatives of associations, and the traditional “ballpoint pen collector”. This means that not every contact that is recorded at a trade fair in the hectic pace of business is absolutely necessary and useful for further processing. Therefore, data maintenance, if possible, at the beginning of the process chain, makes perfect sense.

11.2.5 Tool Selection and Technologies

There are now countless providers of lead capturing solutions for different applications and requirements. When B2B marketers are researching, they are faced with the challenge of finding the right solution from the countless offers.

There are two approaches here, which have advantages and disadvantages. If you do not yet have any idea what a solution for your company might look like and what possibilities digitalization offers, then an Internet research or the exchange with other companies that have already integrated a solution into their daily work makes sense. The advantage is that you might come up with ideas that you would not have thought of on your own or only later. The disadvantage is that you run the risk of committing to a solution too early and then building your processes around the solution instead of finding a solution for your individual requirements.

You increase your chances of finding the ideal solution by first defining your requirements and then searching for a suitable solution. The requirements can also be roughly defined and do not have to be worked out down to the last detail.

In the evaluation phase you can get an overview by doing an Internet research. You can either search for specific providers or use market overviews and tool comparisons¹⁰ from marketing or sales portals. A checklist that covers your general conditions and basic requirements can be a great help in structuring. Reference projects of providers can also give you a first impression of whether the provider is suitable for you.

Almost all providers offer the possibility to get to know the solution in a web presentation without obligation. You will also get an impression of the competence of the provider. Some providers of standardized solutions also provide free demo versions of their solutions. Often even with limited functionalities for test purposes for smaller trade fairs or events.

As different as the requirements for a lead capturing solution are, as different are the software solutions offered. The simplest form of a digital solution is still business cardscanner apps. These are standardized, cost-effective solutions whose main function is to capture the contact details of the contact person. In the meantime, the scanned contacts can be imported directly into the CRM. The possibilities to implement automated processes with such a solution are usually not given.

¹⁰Retrieved May 28, 2020, from <https://www.marconomy.de/darauf-kommt-es-bei-der-auswahl-von-leaderfassungs-systemen-an-a-905999/>

Some of the larger CRM vendors offer a lead capturing solution also in conjunction with the mobile version of your software. The advantage is that the user is always in the familiar CRM environment and the processes can be carried out directly from the CRM. The disadvantage is rather the usability and design of these solutions on smartphones and tablets.

Companies whose sales staff would like to work with laptops at the exhibition stand can rely on web-based solutions. The prerequisite for such solutions is a stable Internet connection at the trade fairs, which are sometimes unfortunately not yet available or have to be booked very expensively. A small number of providers have so-called Progressive Web Apps,¹¹ which are a kind of combination of a responsive website and an app.

The most widespread technology is lead management solutions in the form of an app based on the operating systems iOS (Apple) and Android (Google). The offered solutions are manifold. Free versions from standardized and individual solutions are available.

11.3 Introduction of Digital Lead Capturing as a Change Process

The acquisition of a digital lead capturing solution also represents a change in processes and responsibilities in the organization.¹² In recent years, marketing and sales have been moving ever closer together and the points of contact between the two disciplines are becoming increasingly close (Hofmaier 2015). The topic of lead acquisition is one of these points of contact and a process in which responsibilities change within the processing stages. For example, sales is responsible for recording trade fair contacts after the customer meetings, and then the processing of the recorded customer contacts usually switches to the responsibility of marketing. This is where the data is prepared and the first activities, such as sending a letter of thanks by e-mail, are started. Once the trade fair leads have been distributed within the organization, responsibility switches back to sales. There, the task is to ensure that the trade fair contact is processed promptly by the company's own sales organization or sales partners.

Marketing and sales have to work together intensively on the topic of lead capturing and to define the transfer points of responsibilities precisely. In companies where marketing and sales are still operating side by side rather than together, the introduction of a digital lead capturing solution therefore represents a major change process within the organization. Thus, the introduction of a tool also becomes a change of the previous corporate culture with all the associated benefits and risks.

¹¹Retrieved May 29, 2020, from https://en.wikipedia.org/wiki/Progressive_web_application

¹²Retrieved May 29, 2020, from <https://www.computerwoche.de/a/wie-it-projekte-akzeptanz-finden,3224694>

In order to be able to decide on the investment for the acquisition of a digital lead capturing solution, a cost-benefit calculation should be made. Unfortunately, a cost consideration is not easy at first glance due to the various price models. When identifying potential savings, it is important to make the previous process transparent and to include the points where administrative costs arise due to media discontinuity and manual processes.

11.3.1 Costs

The large number of solution providers results in many different pricing models. For some cost models, it is important in advance that a clear picture of the number of trade fairs and the number of users of a solution is already available.

Some lead capturing solutions cannot be rented, but are implemented and invoiced as a project. The following points should be considered:

- How high are the initial acquisition costs for the implementation of the defined requirements?
- What are the costs for adjustments and extensions of the solution?
- Are there annual maintenance costs and in which cases do they occur?
- Are there other costs, for example, for licenses?

Very common are rental models in the most different variants. Some of the offers appear cheap at first glance, but on closer inspection the costs add up to a considerable sum depending on the application. The following questions are helpful in determining the costs:

- Are there price models for individual fairs, the daily, monthly and annual rent?
- What are the contract terms? What are the periods of notice?
- How does the number of trade fairs influence the costs?
- Does the number of countries where the solution is used to influence the costs?
- Does the number of captured fair leads influence the costs?
- Does the number of users impact the costs?
- Does the number of devices influence the costs?
- Are there any costs for setting up or adapting the solution?
- Are there costs for additional services and functions?
- Are there additional costs for maintenance and service?

In addition to the cost of the solution, other costs that may arise from the introduction of digital lead capturing should also be taken into account:

- Rental costs for tablets
- Training costs
- Costs for on-site support at trade fairs

11.3.2 Savings Potentials

In order to precisely determine the savings potential through the introduction of digital lead capturing, the costs of the entire previous process chain must be considered and recorded. For a systematic cost analysis of the lead management process, it may make sense, depending on the complexity of the previous process, to divide it into three areas: lead capturing at the trade fair, data preparation and distribution of the leads.

For lead registration at the trade fair, for example when using trade fair reports on paper, the following costs should be taken into account:

- Space required for an additional workstation for lead detection at the information counter or in the booth.
- Additional staff resources for the collection and transmission of trade fair reports.
- Purchase of a business cardscanner.

The preparation of the data, i.e. the processing of leads in the back office, represents the largest cost factor. Existing media breaks and manual activities until the leads are ready for distribution to their own organization or sales partners cost a lot of time and money. The manual entry of trade fair contacts and reports into the CRM is very time-consuming. But even simple points such as the time spent on queries due to incomplete trade fair reports and illegible information or unnecessary work steps such as printing and copying trade fair reports add up to many working hours.

In an analogous process, the distribution of leads represents only a very small organizational cost factor. Administrative costs can be incurred for creating reports and measuring success in sales.

11.3.3 Cost-Benefit Calculation

In order to determine whether the investment in a digital lead capturing solution is worthwhile, the costs and potential savings are simply compared. If the benefit of a solution is not meaningful based on this calculation, it may be helpful in individual cases to include other aspects in the consideration. For example, a solution can also be used by the sales department during normal customer visits and can be used to create visit reports. In this case, it makes sense to take into account the time spent on this activity so far. Another possibility for optimization could possibly be to make the solution available to sales partners.

11.4 Conclusion

In times of Industry 4.0 and the digitalization of sales and marketing, there is no way around a digital lead capturing solution. Conventional lead capturing solutions seem old fashioned and do not fit into the overall picture of a modern appearance of a B2B company. Especially for companies that are taking their first steps in marketing and

sales with the digitalization of processes, a digital lead capturing solution is well suited. It solves a problem that has accompanied companies for decades and is now manageable with lean and effective processes. By automating processes, savings potentials can be raised and customer communication improved at the same time. If such a digitization project is successfully implemented, it can lead to a higher reputation for marketing in the organization.¹³

Digital lead capturing also deepens the cooperation between marketing and sales, if this is not already the case. In order to build a lead management process in a B2B company, both disciplines must work closely together and understand each other's processes and working methods. Marketing in particular is required to approach sales more closely. Through a lead management process, which also includes a lead capturing solution, marketing can show what contribution it makes to the company's sales development.

Take the opportunity to give new impulses for your company's appearance at trade fairs and events with the introduction of a digital lead acquisition and capturing solution. Customers do not need a "Hollywood show" at trade fair stands, but the trade fair visitor should be offered something that will positively remember your brand. Use digital tools and new technologies to set yourself apart from your competitors and position yourself as a modern solution partner in the market.

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¹³Retrieved May 28, 2020, from <https://www.marketing-boerse.de/fachartikel/details/1848-b2b-digitalisierung-fuehrt-zu-fuehrungsrolle-des-marketings-1/152025>.



User Experience and Touchpoint Management: A Touchpoint Performance Management Toolkit for the Buyer Journey

12

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12.1 Buying Behavior Impacting B2B Marketing Strategies

Regardless of the differences among the individual industries, today's business environment is more dynamic and complex than ever before continuously undergoing change at an accelerating speed—whether it comes to technological innovations or changes in buying behavior—which results in companies being confronted with increasing market uncertainty (Mora Cortez and Johnston 2017, p. 99; Schüller 2015, pp. 14–20). The growing influence of customer experience strategies poses major challenges to B2B companies across many sectors that need to move on from the traditional winning formula of simply being in the right markets, offering superior engineered products and services, or being the lowest-cost producer, in order to secure a sustainable competitive advantage. As customer experience, or “user experience” as we prefer to refer to in this chapter, is considered an essential success factor to be ultimately chosen as a supplier in the B2B decision-making process, industry-leading companies increasingly put customer centricity and unique user experience at the heart of their strategies as a response to intensifying global competition (Maechler et al. 2017).

While customer experience describes the perception of interacting with different marketing and communication channels, the so-called touchpoints of suppliers or active business partners, buyer experience comprises the same principle, but extends to an earlier stage in the buyer's journey, namely the phases before the purchase decisions. User experience does not differentiate between the various phases of the buyer's journey, and simply describes the interacting individual as “user.”

Customer satisfaction alone is no longer enough today as it does not necessarily drive growth. Customer satisfaction does double the likelihood of a repurchase, but the decision of repurchasing a certain product or service only represents the status quo, a continuation of past decisions. A real growth decision is one that triggers a purchase of additional or expanded solutions, which entails organizational change, often involving the requirement of new capabilities, different processes, a new group of stakeholders, and unanticipated complexity (Bryan 2020). In order to remain in the mind of potential as well as existing customers, companies have to inspire and surprise them. Nowadays, the competition is based on user experiences. To create such unique experiences, companies need to be aware of the buyer or customer journey which refers to the stages (potential) customers travel through during their relationship with a brand (Morgan 2018). On their path to the final purchase, users interact with companies via multiple touchpoints (Lemon and Verhoef 2016, p. 82). Touchpoints are the moments of truth: whether customers buy as well as whether they will be loyal is decided at the touchpoints of a company (Schüller 2015, pp. 13–15). Although most B2B companies recognize the importance of building exceptional customer experience to stay ahead of the competition, only few actually emphasize it (Morgan 2017). According to the Digital Brand Leadership study by Esch Brand Consultants, only 34% of the surveyed companies capture buyer journeys holistically. 24% do not consider the customer journey at all (Esch et al. 2016, p. 16). However, companies that invest in becoming an experience-led business proved to see higher revenue growth (Morgan 2017). The battle will be

fought on the smart combination of digital and non-digital transformation to guarantee a seamless user experience across channels by finding the right balance between digital and human interaction in B2B's more complex customer relationships (Maechler et al. 2017).

12.2 Decision-Making in B2B Buying

The B2B buyer is often believed to make the most rational, lowest-cost, most-profitable decisions based on price, features, functionality, and service, however, this might only be true to a certain extent (Kotler and Pfoertsch 2006, p. 24f). Behind every B2B buying decision, there is a complex process involving inputs and expertise from many different people from different disciplines and departments in the organization, with the common goal of selecting the best solution for the organization (Vitale and Giglierano 2002, p. 61).

12.2.1 The Buying Center

Unlike the often-standardized consumer products, industrial products are usually sold as individual solutions coming with specific requirements, high levels of customization, and adaptation for the integration into larger systems. Because of this enormous complexity of industrial products and services, the purchase process requires qualified experts on both sides, supplier and customer (Kotler and Pfoertsch 2006, p. 21f). Purchase decisions are made within the framework of a buying center that brings together all members of the organization who are involved in the buying process of a certain buying situation. Different members hold different roles within the buying center (initiator, gatekeeper, influencer, decider, buyer, and user) and are motivated by a complex interaction of individual and organizational goals (Webster Jr. and Wind 1972, p. 14). Having realized the acquisition of a product or service can solve or avoid a problem within the company, the initiator kicks off the purchase process. The gatekeeper controls the in- and outflow of information and provides vendor personnel with access to key personnel, while the influencer guides the selection process by giving recommendations on preferred vendors or offerings. The decider holds the ultimate responsibility of determining which supplier will be chosen, and which product or service will be purchased by the buyer, who then negotiates with the selected vendor, and formally executes the purchase before the user can finally employ the acquired product or service (Anderson et al. 2009, p. 118f). While the relationship between the members is influenced by the complexities of interpersonal interactions, the buying center is influenced by the organization through subsystems of tasks, structure, technology, and people. In turn, the entire organization is influenced by a set of environmental variables including economic, technological, physical, political, legal, and cultural forces. Several individuals can hold one role or, vice versa, one individual may occupy more than one role. The B2B marketer's challenge is to define the composition of the buying

center, to understand the structure of roles and authority, and to identify who is holding the buying responsibility within the customer organization. As in most cases, the buyer or purchasing agent is the final decision maker and therefore has the authority for the terminal stages of the buying process, attention should be especially focused on the buyer role (Webster Jr. and Wind 1972, pp. 14–18).

12.2.2 Influencing Factors and Motivation of B2B Buyers

There are several aspects forming the motivation of the industrial buyer and other members of the buying center. A particularly crucial factor, often considered as the prime mover of influencing the buyer's purchase decision, is the perceived risk, as risk reduction is one of the essential roles of the buyer. Within this framework, it is important to mention that perception is a relational cognitive process through which the individual selects and interprets information. As individuals tend to perceive the information that interests them the most, perception is subjective. The perceived risk encompasses two factors:

- The degree of uncertainty as to the outcome of the decision.
- The importance of the consequences of choices made.

The search for information helps to reduce the tension of uncertainty. At the individual level, the perceived risk can have two dimensions: the subjective functional dimension of uncertainty, and the psychological dimension of seriousness of failure. The perceived risk includes both, the risk the buyers themselves have to face and the risk the company has to face. Buyer's risks can be criticism expressed by other members of the buying center, dissatisfaction with the final choice, and possible negative consequences. The company's risks can be risks coming along with the nature of transactions, the relationship between the customer and the supplier, and the customer's position on the supply. The more uncertainty a buying decision involves, the higher the perceived risk is, making the buyer search for as much information as possible (Malaval 2001, pp. 33–38).

Due to the economic reasoning underlying B2B purchases, the B2B buying process is generally qualified as being based on rational criteria such as price, terms of delivery and payment, conformity to norms, product quality and service reliability, supplier's flexibility, nearness of distributor or supplier sales office, technical assistance, or safety. Besides the collective objectives and primary objective factors such as economic or technical criteria, buyers are also guided by subjective and nonrational factors such as personal motivation (e.g., professional security, recognition, social promotion, or salary increase), favors, emotions, the supplier's brand, prestige and reputation, the duration of business relationship, cultural affinities, the supplier's investment role in the country or the counterpart's education or past experience with the retained supplier (Malaval 2001, pp. 39–43).

B2B customers' buying patterns are indeed more complex; however, what organizations often do not realize is that B2B customers are not totally different

from their B2C counterparts. Although business purchases are usually based on more in-depth research, discussion, and a higher budget, they are still made by people who go home every day and morph into regular consumers, which means their expectations for B2B customer experience are heavily based on their B2C activities (Maechler et al. 2016; Shaw 2018).

As a recent McKinsey survey of 1000 B2B decision makers showed, B2B users also start demanding a better experience: lack of speed in interactions with their supplier turned out to be the number one pain point in the buyer journey (Maechler et al. 2017). Furthermore, today's amount and speed of information as well as the variety of choice alternatives are increasing rapidly, leading to B2B decision makers being overwhelmed by the load of information and choice they are confronted with, and therefore struggling to make large-scale purchase decisions. In order to win these customers, suppliers need to create strategies and tools to make buying easier and help decision makers at every stage of the purchase process (Toman et al. 2017, p. 120).

The goal of making buying easier leads to the keyword "buyer enablement," as Gartner names the actions of simplifying the buyers' purchase process by provisioning information, prescriptive advice, and practical support that facilitates the completion of critical activities necessary to make a purchase, or short helping buyers buy. Gartner states that in a survey of more than 250 B2B customers, 77% rated their latest purchase experience as very complex or difficult. According to Gartner's study, the named complexity of making a purchase decision can be largely attributed to the abundance of high-quality information available to B2B buyers. In addition, buyers have to face a large number of sources to consider as the typical buying group involves six to ten stakeholders, each of whom have consulted four to five sources of information (Gartner 2019a). As humans as individuals commonly avoid tasks they perceive as difficult, unknown, risky, or disruptive, complexity can quash a buyer's motivation to change (Bryan 2020). Furthermore, Gartner's survey showed that 95% of buying groups have to reconsider decisions at least once as new information emerges (Gartner 2019a). Customer confidence in information as well as their own decision-making capability has the strongest impact on closing a high-quality, low-regret deal. A Gartner analysis of 1100 B2B customers on what drives continuing or expanding customer relationships with an existing supplier revealed that customer decision confidence drives 2.6 times the likelihood of a high-quality account growth purchase. Customers feel confident when they feel capable to anticipate necessary changes, determine the right questions to consider, identify which information is most relevant, and discern consistent patterns in the information considered during the purchase journey to be ultimately able to make the right choice (Bryan 2020). Gartner's survey reveals very well how important the simplification of the buyer journey by providing the right information at the right time at the right place is, to help buyers anticipate obstacles and overcome them throughout their decision-making process. Gartner summarizes the bottom line very well; "suppliers that make buying easier win big" (Gartner 2019a).

In this context, it needs to be mentioned that, in today's world, which is overloaded with information, the continuous content production of B2B marketers'

pursuing buying simplification by information, needs to be well-considered. According to Gartner, buyers are 153% more likely to settle for a course of action smaller and less disruptive than originally planned when they experience an overload of high-quality information, information that is contradictory and creates difficulty in making informed purchase decisions. Brent Adamson, distinguished vice president in the Gartner Sales practice, made the point very well (Gartner 2019b):

Customers are reaching an information saturation point, where each new idea reduces the value derived from information and turns sound decision making into 'best guesses' or 'gut feeling' choices.

To sum up, B2B buying is a complex process influenced by a number of variables. As the perceived risk influences buyer behavior, the reduction of risk has to be considered in touchpoint design. Decision criteria involve hard factors of rational nature and soft factors of emotional nature which both need to be kept in mind when developing a company's touchpoint mix. As each buying center member follows its own set of evaluation criteria, major differences need to be identified and respected in the touchpoint design and mix in order to meet every individual's needs and expectations, which might also differ according to their background.

What are the lessons learned for touchpoint design? Quality over quantity. Optimization over creation. Well-targeted information instead of buyers' attention exploitation. This ultimately leads to the question of how to provide the right content at the right moment and place to make the idea of buyer enablement come to life without overwhelming users with too much information. The answer is user experience analysis. Identifying and evaluating each touchpoint targeted buyers come across throughout their buyer journey is critical to being able to optimize and tailor marketing messages and information according to the buyers' needs at each stage of the decision-making process.

12.3 B2B User Experience

In today's increasingly global markets, consumers have a greater number of more complex choices in more channels than ever before (Meyer and Schwager 2007, p. 118). As B2B customers are observed to become more selective, more demanding, and open about how they want to be engaged by potential suppliers, the importance of knowing the buyer and tailoring experiences to their preferences cannot be understated (Hall 2017, p. 107; Tirico 2018, p. 13). The creation of a strong customer experience has become a leading management objective (Accenture 2015). However, according to a survey amongst 362 firms by Bain & Company, 80% of companies believed they delivered a "superior experience" to their customers, but when customers were asked only 8% of companies were actually delivering such, showing that there is a massive gap (Allen et al. 2005, p. 1).

There is a number of different definitions and various terms for customer experience in literature. Summarized, customer experience describes the perception and

reaction of customers directly or indirectly interacting with the different marketing and communication channels, products, services, and all other contact points, or so-called touchpoints, of suppliers or active business partners. Buyer experience extends to an earlier stage in the buyer's journey, namely the phases before the purchase decisions including noncustomers. The term user experience does not differentiate between the various phases of the buying journey including customers and noncustomers, and therefore simply describes the interacting individual as "user." User experience management hence describes the process of strategically managing a user's entire experience with any touchpoint of a company of interest along the path-to-purchase and beyond, with the goal of providing unique experiences convincing the user to select the said company over other potential suppliers or business partners, and having won the user as a customer to ultimately build up loyalty resulting in a profitable long-term customer relationship.

12.3.1 The Role of User Experience in B2B

On the one hand, excellent user experience can lead to a number of financial opportunities such as growth opportunities, marketing, and cost benefits. On the other hand, there can also be done damage by inaction. Especially in the B2B environment, where each customer can be worth thousands or millions in revenue, the cost of winning a new customer can be 10–20 times the cost of handling a problem, a current customer has. Positive word of mouth (WOM) (and also word of mouse on the Web), as a consequence of unique user experience, is the most cost-effective source of new customers as convinced users and customers are practically selling the company's product at no cost. However, negative user experience can cause two to four times as much negative WOM as positive experience. Furthermore, as sensitivity to price will increase when problems arise, flawless user experience leads to higher margins, in turn, resulting in higher profits. Better communication right from the beginning of a user's journey, as well as proactive user education, and an effective process identifying preventable problems, could prevent 30% of service contacts. Finally, improving user experience can reduce legal, regulatory, and public relation costs occurring from unresolved complaints by at least 10%. As the previous figures show, investing in service and the creation of seamless and unique user experience can have significant impact on a business' profitability (Goodman 2014, pp. 24–26).

Furthermore, good user experience helps to build trust (Lemon and Verhoef 2016, p. 73). At first glance, user expectations seem to be rather simple. Interested users want to avoid unpleasant surprises, expect easy access to service requiring seeing that a company actually cares. Basically, they simply expect what is promised. However, meeting and especially exceeding these expectations can be more complex than it may seem. In brief, user expectations are simpler to understand and harder to fulfill than most executives think they are (Goodman 2014, p. 12f.)

Although many companies already have oriented their business model toward user experience, the Pegasystems 2020 Global Customer Experience Study,

conducted among 5000 customer experience practitioners in 12 countries across seven different industries, shows that organizations are still falling behind on mastering building exceptional user experience and uncovered four weak points:

- Customer experience initiatives are not supported by the executive level, in fact, 64% of the survey participants still do not have a C-level sponsor.
- IT is twice as likely to lead customer experience than any other function, even though business and channel owners play a major role in customer experience. The problem comes when business and channel owners have not bought into IT's plan and alignment is missing. IT support is of high importance in such initiatives; however, business decisions should still be up to the respective specialist departments.
- Organizations do not invest in the most relevant channels. Sixty-eight percent stated that customers, not businesses, will dictate what channels are used, but organizations still continue investing in traditional outbound channels like e-mail and display ads rather than by users preferred inbound channels.
- Improving analytics is not prioritized enough, although evolving analytics is one of the top three customer experience priorities for organizations surveyed, after technology used and internal processes. Many of the techniques organizations are currently using within their analytics practice are outdated and ineffective to derive valuable data helping them to afloat or separate from look-alike competitors. Customer journey mapping is the most popular technique. However, simply creating journey maps only pushes users through predetermined paths and scripted scenarios but cannot adapt when customers change directions (Pegasystems 2020, pp. 3–16).

Customer journey maps indeed help to identify and visualize touchpoints; however, they do not serve up to the information a detailed analysis on individual touchpoint level can deliver, and if they are even created internally, without involving customers, their informational value is limited to the organization's self-perception. For this reason, the focus should be on an in-depth analysis of every single touchpoint from user perspective, generating meaningful insights and data on user behavior and experience at each contact point. Based on these insights, touchpoints can be optimized in a user-targeted manner. Later, the identified touchpoints including a summary of the most important findings still can be visualized in a customer journey map to provide an overview at one glance.

12.3.2 Influencers and Drivers of B2B User Experience

By comparing customer interactions and touchpoints across various B2B industries, Maechler et al. have defined six key journeys that drive customer experience in B2B, presented in Fig. 12.1.

As within the B2B context companies need to perform well anyways concerning tangible factors such as product quality, product range, delivery, and price in order to

Six journeys that truly matter in B2B

In the following six journeys that characterize the B2B customer experience, we have found that meeting customers' needs delivers measurable business benefits (exhibit).

1. **'I identify** products/services I need.' In this journey, the customer translates a latent need for a product or service into an explicit one through technical sales conversations or research. The need is for enough technical support to evaluate a solution.
2. **'I select** a supplier and buy initially.' The customer compares different suppliers and their offerings, weighing price, total cost of ownership, performance value, and "soft" factors. The need is to get multiple stakeholders aligned on a choice.
3. **'I codevelop or customize** with my supplier.' The buyer works with the supplier to have the product or service customized to meet the buyer's needs. The intensity of the process ranges from selection from preconfigured options to a multiyear joint R&D effort. The buyer's primary need is to manage return on investment.
4. **'I deal with** unexpected events.' This journey occurs when the buyer encounters problems such as equipment breakdowns, missed deliveries, missed payments, and other mishaps that can make or break close relationships with suppliers. The buyer's need is to minimize disruptions to the business.
5. **'I use** the product and get the service.' As the customer uses the product and performs or obtains regular (scheduled) maintenance, this journey should involve ease of use and performance optimization. The customer also may encounter innovative offerings, such as hourly pricing. The customer's primary need now is to maximize efficiency.
6. **'I reorder.'** This final journey involves reordering a well-known product or service. The need now is for an efficient transaction, coupled with confidence in getting a good deal from the supplier.

Fig. 12.1 Six customer experience journeys in B2B (Maechler et al. 2017)

be considered as a supplier, it is the softer factors in the value propositions that drive great user experience. Such soft factors can be responsive sales representatives, ease of doing business, supporting customers in achieving their goals, trust, or a general understanding of the customer's business and processes. These soft factors may not necessarily require massive investments. However, creativity is needed in order to leave competition behind. Decision makers tend to overrate the influence of rational components on their buying decisions. In fact, emotions and soft factors such as the supplier's brand or sympathy toward a sales representative usually outweigh rational factors when it comes to supplier choice. When trying to deliver superior user experience, both sides of the brain need to be stimulated. While the left-hand side of the brain, commonly considered as the more rational part, should be addressed in a demonstrative way, showing product range, specifications and service offers in a logical way, the right-hand side should be activated through awakening emotions. On both sides, company as well as individual needs must be considered (Hague & Hague, 2018, pp. 71–75). Another important driver of user satisfaction are employees who must be motivated, competent at their jobs, and innovative in their thinking in order to be able to create delightful customer experience (Schmitt 2003, p. 17).

Table 12.1 The six pillars of B2B customer experience excellence (based on Cupman 2016)

	Customer experience pillar of excellence	Requirement of B2B supplier	Proportion of B2B firms with good performance
1	Commitment	Being enthusiastic about satisfying customers and making them feel valued	48%
2	Fulfillment	Understanding and delivering on customer needs	38%
3	Seamlessness	Making life easier for the customer	40%
5	Responsiveness	Timely response, delivery, and resolution	39%
5	Proactivity	Anticipating customer needs and desires, and striving to resolve issues before the customer feels pain	25%
6	Evolution	Continually seeking to improve the customer experience	27%

In examining the user experience of more than 500 B2B brands, B2B International has identified the following six pillars of B2B customer experience excellence: commitment, fulfillment (as in table), seamlessness, responsiveness, proactivity, and evolution, as further explained in Table 12.1 (Cupman 2016).

Customer or user experience is influenced by every activity performed by the organization, also activities that do not directly touch the user, such as human resources (HR), for instance, as HR has a significant impact on user experience through decisions on investments in employees (Goodman 2014, p. 34).

Furthermore, past experience plays an important role at each stage of the user's experience as it may influence the user's current experience through expectation formation. From the macro-perspective, the user's dynamic external environment such as political or economic events can also have a significant impact on user experience. Ultimately, competitor actions pose influence on user experience (Lemon and Verhoef 2016, pp. 76–79).

12.4 Visualizing B2B Customer Experience

In order to make buying for B2B decision makers easier, organizations need to understand the user's path-to-purchase and identify the most significant challenges at each buying stage to be able to arm their marketing and salesforce with the right tools to help users overcome these challenges. To be able to eliminate obstacles to purchase, the user's progress needs to be tracked and the potential supplier must know exactly at which stage users are on their purchase journey, allowing marketing and sales representatives to intervene if required (Toman et al. 2017, p. 122).

12.4.1 The Customer Journey

The customer (purchase) journey pictures the process a customer goes through, across all stages and touchpoints, that builds up the customer experience (Lemon and Verhoef 2016, p. 71). The term “customer journey” originates from e-commerce, describing the user’s way of surfing through the Web via views and clicks until the final “yes” decision. However, this approach does often not consider that a potential customer switches between virtual and real world, combining online and offline touchpoints. Though, in B2B almost the entire preliminary search is conducted online nowadays. If the customer’s decision is made based on a recommendation, the supplier has not even been involved in the decision-making process until the buying decision. In this case, customer experience during usage, that eventually might lead to repurchases and recommendations, does not happen until the buying decision has already been made (Schüller 2016, pp. 169–178). Google refers to this moment of researching a product or service (online) and decision-making prior to purchase in the buying process as “Zero Moment of Truth,” brief “ZMOT” (Google 2011). On their information journey, customers follow their own path rather than the supplier’s planned sequence of channels which might be isolated and uncoordinated or even competing. However, organizations must become aware of the fact that every touchpoint leaves its mark not only in the customer’s mind and heart, but often also on the Web, and all these impressions finally form one subjective overall picture about the supplier in the customer’s view (Schüller 2016, p. 169).

The goal of a customer journey analysis is to uncover customers’ behavior regarding the interaction with multiple touchpoints when moving from consideration and search to purchase, post-purchase and to usage, future engagement or repurchase. When trying to describe this journey, the aim is to understand the customer’s options and choices for touchpoints and the possible paths the customer may take throughout the purchase phases (Verhoef et al. 2016, p. 199). The first step for marketers to uncovering the customer journey is to develop an understanding for both, the company and customer perspective of the journey before identifying key aspects in each stage. Then, the specific elements or touchpoints occurring along the journey and specific trigger points letting customers continue or discontinue their journey need to be assessed (Lemon and Verhoef 2016, p. 76).

The customer experience process can be broken down into the pre-purchase, purchase, and post-purchase phase. This process is iterative and dynamic and involves past experiences, including previous purchases as well as external factors. In the pre-purchase phase, all aspects of the customer’s interaction with the company, category, and environment are considered. This phase includes the steps of need recognition, research, and consideration. The purchase phase encompasses all customer contacts with the company and its environment during the purchase event itself, involving behaviors such as choice, ordering, and payment. The third stage is the post-purchase phase, covering all customer interactions with the company and its environment that relate in some way to the company after the actual purchase has been made. In this phase, customers’ behavior involves usage, making the product

itself a critical touchpoint in this stage, post-purchase engagement, and service requests (Lemon and Verhoef 2016, p. 76).

Instead of the funnel structure, Court et al. picture the decision-making process as an ongoing circular journey including a loyalty loop, as in the post-purchase stage a trigger may occur that either leads to customer loyalty in form of repurchases and further engagement, or to a new restart of the process with the customer reentering the pre-purchase phase. The customers' post-purchase experience influences their opinion regarding every subsequent decision in the category (Court et al. 2009).

12.4.2 Relevance of the Customer Journey in B2B Marketing

Due to the explosion of product choices and digital channels, coming along with the emergence of increasingly demanding, critical, and well-informed customers, the classic funnel concept today often fails to record all the touchpoints and key buying drivers during the decision-making process (Court et al. 2009). In contrast to the sales-oriented funnel approach which solely focuses on the supplier's view, considering the phases of prospects acquisition, lead generation, tender preparation, and transaction only, the purchase model of the buying cycle indeed considers the customer's view. However, also the buying cycle concept only involves the four phases awareness, evaluation, purchase, and usage. Within the framework of the customer journey, the concept of touchpoint management examines the purchase cycle always from the user perspective and includes the increasingly relevant recommendation phases before and after the purchase. In order to guarantee the long-term success of a company, loyalty is not enough. Users must be turned into customers, and customers must be turned into recommenders to ensure the further expansion of business (Schüller 2016, p. 163f).

Most marketers have not managed to design ideal customer journeys yet. However, 67% of marketing leaders view the creation of a connected customer journey across all touchpoints and channels as a critical success factor to their overall marketing strategy. In contrast to a decade ago, today the term "customer journey" is top of mind due to the positive benefits associated with customer journey efforts. According to research by Salesforce, 91% of surveyed high-performing marketers think that a connected customer journey across all touchpoints and channels positively impacts customer loyalty, while another 89% agree on the same for the impact on revenue growth (Salesforce Research 2017, p. 12).

Many B2B marketing executives claim to already map users' purchase journeys, however, the mapping they commonly do is often insufficient as they are often limited to a focus on the supplier's process and offering. Conventional journey maps typically depict the four main stages of awareness, consideration, preference, and purchase as a funnel narrowing to the sale of the supplier's solution. In fact, this supplier-oriented perspective is likely to fail to expose all the obstacles customers face during their decision-making process, which often have nothing to do with the supplier as they occur early in the purchase journey. For this reason, when trying to map the users' journey, the goal should be to identify supplier-agnostic journey

maps uncovering struggles that users would have with any supplier (Toman et al. 2017, p. 122). Too many organizations also create a journey map but then stop believing the work is complete. However, this is the point where work should begin as the current state of the journey map should serve as an enabler of future activity (Pennington 2016, p. 86). Tracking experience through journey mapping allows locating transitional volatilities within a broader system of interactions and builds the starting point of finding solutions to address these process flaws (Kalbach 2017, p. 19).

As a journey analysis should help to understand and describe the path-to-purchase from the user perspective, user input is required (Lemon and Verhoef 2016, p. 79). To create a comprehensive picture of the buying journey, the users' perception can be captured through interviews, focus groups, or surveys (Toman et al. 2017, p. 122). Through smart questions and complaint management, as complaints represent later expressed customer desires, it is quickly uncovered which touchpoints are missing, which ones are most relevant, which ones are irrelevant from user point of view and which might be actual love points or pain points for customers. Pain points need to be quickly identified and fixed or deactivated. Love points, on the contrary, must be leveraged and actively intensified. Especially super touchpoints, which have a major impact on reputation, customer loyalty, and positive WOM need to be identified. Deactivating irrelevant touchpoints can lead to massive cost savings. However, deactivated touchpoints should not be forgotten as they may become relevant again in the future. Finally, interdependencies and possible synergy and cannibalization effects can be uncovered and once the interaction sequences are brought into a user-logic sequence, their interplay can be optimized in a user-friendly way (Schüller 2016, pp. 173–174).

Although every user journey might be composed of the same main stages and patterns can be identified, every individual's journey differs in detail. The goal must be to deliver consistent and excellent experience to all users across all touchpoints throughout their journey (Schüller 2016, p. 172).

12.5 Measuring Experience

As the standard business dogma says, if you cannot measure it you cannot manage it, measuring user experience is a prerequisite of being able to analyze users' perception of the measures undertaken to convince them along the path-to-purchase.

12.5.1 From Customer Satisfaction to User Experience

The ability to measure and monitor user reactions, in particular user attitudes and perceptions, to a company's offerings is one key success factor of understanding and managing user experience. One such indicator is the assessment of customer satisfaction based on the concept of a comparison of the actual delivered performance and the customer's expectations resulting in a positive or negative disconfirmation

(Lemon and Verhoef 2016, p. 71). A positive disconfirmation is achieved when the outcome perceived from the customer excels the customer's expectation, which results in increased satisfaction. If the delivered performance falls below the customer's expectation, the result is a negative disconfirmation leading to dissatisfaction. If the delivered performance equals the customer's expectation, the consequence is the neutral level of confirmation, which means that the customer feels satisfied, but not excited (Kaiser 2005, p. 48). Many companies have been trying to measure customer satisfaction having plenty of data available, however, measuring customer satisfaction does not explain how to achieve it, as customer satisfaction is essentially the accumulation of a series of customer experiences or the net result of the good experiences minus the bad ones. Customer satisfaction emerges when the gap between customers' expectations and their subsequent experiences has been closed. To achieve customer satisfaction, a company must deconstruct it into its component experiences (Meyer and Schwager 2007, p. 118).

However, if the products and services customers buy solely meet their expectation, their experiences for the most part stay in the neutral zone. Satisfaction alone is no guarantee for customer loyalty (Hague & Hague, 2018, pp. 7–15). Routine events are unlikely to stay in the customer's mind for longer, as humans' memory is affected by stimuli, it is the extraordinary, outstanding moments that are remembered (Hague & Hague, 2018, p. 67). Moreover, customer satisfaction represents only one of the components of user experience, putting focus mainly on the cognitive evaluation of the experience (Lemon and Verhoef 2016, p. 73).

12.5.2 How to Measure Experience?

Tracking user experience at touchpoints aims at developing an understanding of how a user experience can be enriched throughout the decision-making process (Schmitt 2003, p. 68). When trying to make user experience insights actionable for the company, user experience measurement plays a critical role. As there is no universe user experience key performance indicator (KPI), various metrics need to be combined to measure and assess users' overall experience. Ideally, there are defined measurement approaches for every stage and every touchpoint throughout the purchase journey. In literature, researchers are still debating on how to measure overall user experience as this field is still in its early stages of development which may be due to the difficulty of developing a single set of measures that is suitable for adequately capturing user experience across industries and channels. At the moment, many metrics are still being evaluated and reviewed concerning the internal and external validity. For this reason, in marketing practice various user feedback metrics that typically only capture parts of the full user experience are currently in strong use (Lemon and Verhoef 2016, p. 80f).

Customer satisfaction (CSAT) has been one of the dominant customer feedback metrics for years, however, despite strong evidence of customer satisfaction being an important metric within marketing science, some new metrics have been proposed. In 2003, Reichheld introduced the Net Promoter[®] Score (NPS[®]), a simplified

measure of customer loyalty based on the overall quantity of customer experiences, as a new KPI, whose success may be due to firms' dissatisfaction with the CSAT metric (Lemon and Verhoef 2016, p. 81). While executives are embracing the NPS[®], researchers and loyalty experts still question the metric's superiority, appropriateness, and completeness, for example, in terms of whether WOM is a better driver of growth than other factors such as acquiring profitable new customers, reducing customer loss or increasing current customers' volume. Furthermore, it is questioned whether WOM is a relevant goal for all products and services as not all of them are referral-worthy in their nature (Zeithaml et al. 2017, p. 483). Having evaluated CSAT and the NPS[®], Dixon, Freeman, and Toman developed a new customer loyalty metric called customer effort score (CES). The central question posed to measure the CES is "How much effort did you personally have to put forth to handle your request?" and the score is marked on a scale from one (very low effort) to five (very high effort). According to Dixon, Freeman, and Toman, the CES shows a strong predictive power as of customers who reported low effort, 94% expressed an intention to repurchase and 88% stated they would increase their spending. In turn, only 1% of customers reported they would spread negative WOM about the company. Conversely, 81% of customers who had to put much effort in finding a solution stated they would spread negative WOM. The CES is capable of capturing both, positive and negative customer experience, and as opposed to NPS[®], capturing a more general impression of a company, CES is claimed to uncover customer impressions at the transactional level at least within the service environment (Dixon et al. 2010, p. 6).

Customer feedback metrics can be classified in forward- and backward-looking metrics. While the NPS[®] is considered a forward-looking metric focusing on what customers plan to do in the future, which may signal something about the future performance of the relationship, CSAT is an example for a backward-looking metric focusing on past and current performance of a company toward customers (De Haan et al. 2015, p. 196). Marketing scientists have been rather skeptical on these metrics, as they might have some intuitive power, but they lack in strong theoretical development as the CES focuses on a quite specific domain and the NPS[®] uses rather ad hoc transformations (Lemon and Verhoef 2016, p. 81). De Haan, Verhoef and Wiesel show that while NPS[®] and CSAT are both suitable indicators and perform equally well in predicting company performance and customer behavior, both strongly outperform CES. It is suggested to combine metrics, for example in form of a dashboard including different dimensions, to improve their predictive performance (De Haan et al. 2015, p. 204).

Customer behavior is not influenced by a single company's actions only, but by a number of different factors such as competition or customer heterogeneity. Customer feedback metrics can also be used for analyzing a company's competitive position, considering that between-firm differences in customer feedback metrics are more likely to affect retention than within-firm differences (De Haan et al. 2015, p. 197; Rego et al. 2013, p. 11). Recent research has focused on the value of relative metrics as potential predictors of customer behavior, finding that relative satisfaction metrics perform better than absolute satisfaction metrics with regards to customers' share of

A holistic, integrated measurement system has clear linkages between metrics at every level of customer-experience delivery.

Gains to be made, by journey range

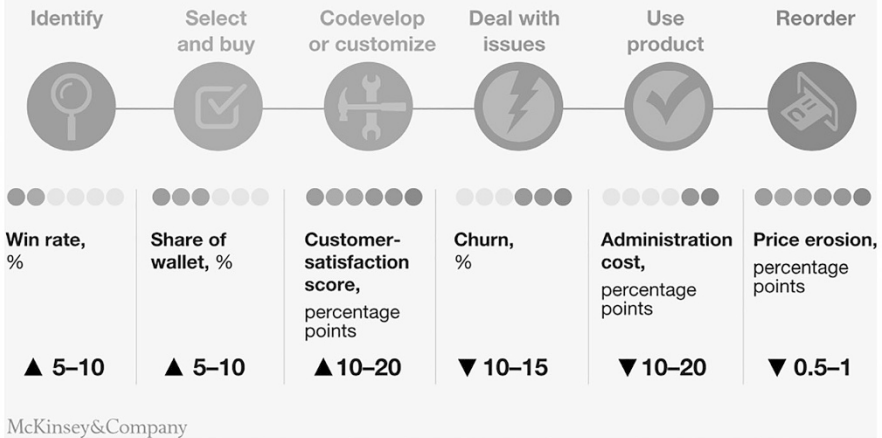


Fig. 12.2 Customer experience measurement system (Maechler et al. 2017)

wallet of a category spending as a result of satisfaction (Keiningham et al. 2015, pp. 6–21).

Maechler et al. (2017) have designed a B2B customer experience measurement system, presented in Fig. 12.2, defining gains to be made at every stage of the customer journey.

To sum up, agreement cannot be found yet among researchers and experts on robust approaches suitable to measure all aspects of user experience across the purchase journey. While feedback metrics alone, such as CES focusing on a specific domain of the customer experience, are not strong in forecasting future performance, CSAT and NPS[®] turned out to perform equally well concerning the prediction of company performance and customer behavior. Rather than a single metric, the combination of multiple customer feedback metrics is necessary to be able to predict future user behavior (Lemon and Verhoef 2016, p. 81f).

To conclude, user experience plays an important role in B2B and can have a significant impact on business profitability. However, meeting and especially exceeding user expectations can be more complex than it may seem as user experience is influenced by every activity performed by an organization, also by activities that do not directly touch the user whose touchpoints might be hard to uncover. The user journey pictures the process a user goes through, across all stages and touchpoints, that builds up the user experience. However, simply mapping and visualizing touchpoints in a journey map does not provide valuable information on which actions and measures to derive within the framework of touchpoint

management. In order to make buying for B2B decision makers easier, marketers need to understand the users' purchase journey and identify the most significant touchpoints and challenges at each buying stage. Every touchpoint leaves its mark in the customer's mind and heart, forming one subjective overall picture about a supplier. To uncover the user journey, an understanding for both the company and the customer perspective is needed. For the creation of user journey maps that are not limited to providing data on current, already won customers only, also noncustomers need to be included in the analysis process. All these findings need to be considered in order to be able to develop a user-oriented touchpoint evaluation tool that helps to conduct a more in-depth touchpoint analysis than a journey map which can then later be created out of the findings of the touchpoint analysis. Such an in-depth touchpoint analysis not only identifies touchpoints, but also investigates on user's touchpoint awareness and perception of touchpoint quality as well as the touchpoint impact on decision-making. A detailed touchpoint analysis helps to measure touchpoints' effectiveness rather than only listing which touchpoint users come across in a customer journey map.

12.6 Touchpoint Management

Touchpoints are the moments of truth, a term shaped by Carlzon: whether decision makers will buy and whether they will be loyal as customers is decided at the touchpoints of a company (Schüller 2015, pp. 13–15; Carlzon, 1989, pp. 1–6). Touchpoints are the interaction points between (potential) customer and company (Schüller 2015, p. 15). They are created wherever a (potential) customer encounters a company and its employees, products, services, and brands, before, during, or after the transaction, switching between the real and the virtual world (Schüller 2016, p. 151).

Touchpoint management comprises the coordination of all business activities in such a way that the user is provided with a synchronized, outstanding, reliable, and trustworthy experience at every interaction point, without losing sight of process efficiency. In other words, this means saving the user from disappointment and creating moments of excitement beyond the neutral zero line of satisfaction. The perspective of the user must always be the central point. Through examining what users expect, which performance they want to be delivered in which manner, and how they react to the offered outcome, existing touchpoints can be optimized and investments in irrelevant touchpoints can be decreased or stopped. During all these business activities, users should be integrated into the company's processes through active cooperation, turning them into confidants and co-creators, which creates additional barriers to entry for competition (Schüller 2016, p. 155f).

Strong user experience is created by a seamless experience across channels and touchpoints while the effect of an individual touchpoint may depend on when it occurs in the overall journey (Lemon and Verhoef 2016, p. 83). To create a comprehensive user experience, a firm must be aware of and, as far as possible, in

control of all touchpoints users face throughout their path-to-purchase. Clear goals need to be defined during the touchpoint management process, the design of all touchpoints has to harmonize with the values of the brand, all touchpoints have to be flawlessly interconnected without irritations for the user, and all activities and interactions with the user need to be measured with appropriate instruments to be able to review the achievement of the goals declared (Keller 2017, p. 35).

12.6.1 Goals of Touchpoint Management

The main goal of tracing the experience at each customer touchpoint is to develop an understanding of how an experience can be enriched for customers throughout their decision-making process, starting from the need recognition, continuing with information search and processing, leading to a final choice and purchase transaction, followed by the after-purchase phase, where the product or service is in use until a new solution is required. In each stage of this decision process customers get in contact with the company through touchpoints for which it needs to be uncovered what information and what experiences customers desire at each point (Schmitt 2003, p. 68). In general, touchpoint management focuses on the following objectives:

- Building awareness and reputation
- Coordination of customer relationship management
- Prevent and mitigate complaints
- Strengthening the brand and willingness to pay
- Building long-term profitable customer loyalty
- Increase of innovation and competitiveness
- Product, quality, process, and service improvements
- Positive word-of-mouth and referrals
- Resource optimization (time, manpower, and monetary)
- Acquisition of new customers and stimulation of repurchases
- Minimize customer loss and negative word-of-mouth
- Generate a higher ROI and better targeted allocation of marketing budget (Schüller 2016, p. 156)

With regard to the allocation of the marketing budget, resources must be invested in channels that are actually relevant to customers, channels where customers spend time, make purchase preparations, and the actual transaction as well as channels where positive WOM and referrals can be intensified. Focus must be put on touchpoints that increase the customers' eagerness on the product or service, the company's reputation, the customers' loyalty as well as their willingness to recommend the product, also called "super touchpoints" (Schüller 2016, p. 156).

12.6.2 The Touchpoint Management Process

Touchpoint management comprises the entire spectrum of measures targeted at the identification, selection, technical set-up, and content creation as well as analysis and evaluation of the performance of the identified contact points along a buyer journey. Based on the evaluation findings of the generated data, conclusions on the resulting customer, buyer, or user experience can be drawn.

To make it easier for B2B decision makers to buy, marketers must not only understand the course of the buyer journey, but also address the greatest challenges for users at every point of contact on their way to purchase. For this reason, at the beginning of every user experience initiative, the goal should be to identify and evaluate the touchpoints relevant to customers. Building on this, the distribution of marketing resources per touchpoint can be optimized and their effectiveness improved, ultimately increasing the number of new customers in the long-term and maintaining relationships with long-standing customers profitably.

Schüller has defined the customer touchpoint management process (CTMP[®]), which is designed to enable companies to think like the user. Moving forward from a company-centric view toward the user perspective allows a prioritization of the touchpoints preferred by the user, their better connection, and interaction as well as an optimization of the touchpoints' effectiveness (Schüller 2016, p. 157). As Fig. 12.3 shows, the CTMP[®] process is composed of four steps, each in turn divided into two sub-steps. The first step deals with the systematic recording of all user-relevant interaction points within the framework of the buyer journey as well as the documentation of the respective as-is situation from user perspective. The second step involves defining the desired optimal target situation regarding the touchpoints to be considered in order to be able to find an appropriate course of action. Furthermore, at this point user-typical personas are developed. Step three focuses on the operational implementation including detailed planning of necessary measures which shall lead to the desired target situation. The fourth step devotes



Fig. 12.3 The four steps of the CTMP[®] (based on Schüller 2016, p. 157)

to the touchpoint-specific success monitoring of the final results. Based on the outcome, user-relevant processes can be further optimized if necessary (Schüller 2016, p. 157).

12.7 Touchpoint Evaluation

Nowadays, a touchpoint analysis can easily uncover several hundred touchpoints leading to the question which touchpoints should be focused on, which ones can be combined in new ways, which ones can be neglected or dropped, and which ones are still missing (Schüller 2016, p. 184). From the purchase journey perspective, the effects of multiple touchpoints encountered on a user's path to purchase (or other behavioral outcomes) as well as effects between different touchpoints should be uncovered in order to be able to optimize marketing budget allocation across these touchpoints according to the significance of their influence on key customer outcomes, with special regard to the critical moments of truth (Lemon and Verhoef 2016, p. 82).

12.7.1 Evaluation Criteria

According to Schüller, for the evaluation of touchpoints, two dimensions need to be examined:

- The importance of the touchpoint from customer point of view and the customer's (re-)purchase and recommendation potential which helps to identify irrelevant as well as super touchpoints.
- The quality of what happens at each touchpoint from the customer point of view which helps to identify love points and pain points (Schüller 2016, p. 184).

In order to measure the importance of a touchpoint from the customer perspective as well as the customer's (re-)purchase, and recommendation potential, customers need to be surveyed. For such a survey, 50–100 people are sufficient for the beginning. Questions could be formulated as follows: "How important is this point to you on a scale from 0 to 10?", "Would you purchase (again) at this point? Please state the probability on a scale from 0 to 10" or "Would you recommend this point? Please state the probability on a scale from 0 to 10." After every answer, additional questions on the motives and reasons for the evaluation should be asked. Furthermore, questions on what is missing in order to achieve a better rating or specific ideas and suggestions for improvement can be asked. Finally, all points can be summed up and all touchpoints can be ranked or arranged in a matrix according to their performance evaluated by the customer. According to the prioritization, appropriate measures to achieve the target situation can be derived. Figure 12.4 shows an example of such a touchpoint ranking visualized in a matrix structure (Schüller 2016, pp. 183–185).

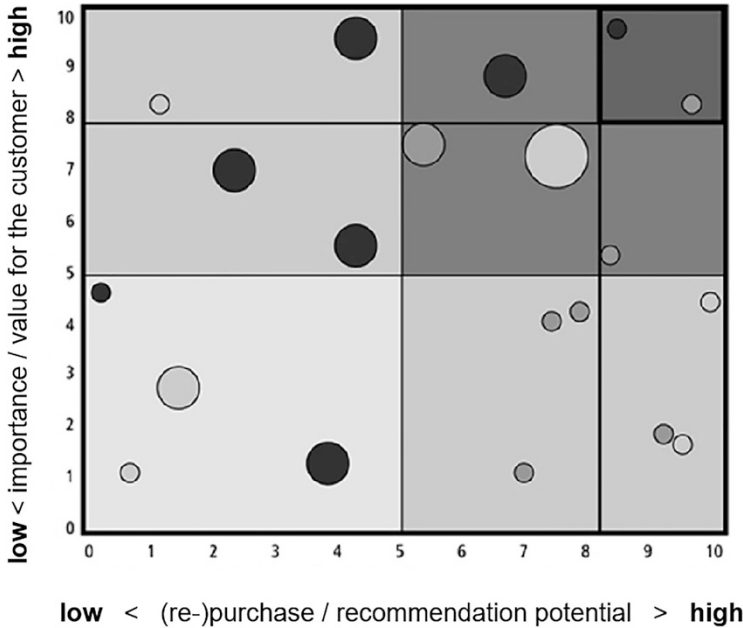


Fig. 12.4 9-Field matrix of customer touchpoint evaluation (based on Schüller 2016, p. 185)

When evaluating the quality of touchpoints, in most charts the evaluation criteria “negative,” “neutral,” and “positive” are used. However, this simplified categorization does not picture the entire emotionality customers can feel when they see a product or make use of a service. Schüller suggests analyzing touchpoints rather toward their “disappointment,” “okay,” and “excitement” factors that were developed out of the Kano model. Questions customers could be asked with regard to their experience at each touchpoint before a measure is taken are for example, “What was disappointing?” which gives hints on what the company must not do at any case, “What was okay?” providing information on the minimum standard of the zero line of satisfaction, or “What would delight you?” to find out what can be done to excite the customer. Questions to be asked after having taken a marketing action could be “Was this wow?” to find out more about what fascinated, surprised, or delighted the customer, “Was this okay?” to examine if the action met the customer’s expectations and therefore was indifferent, and “Was this nothing?” to find out if the experience was disappointing, frustrating or even upsetting. To sum up, the bare functionality of a product, service, or process meeting the expectation of the customer only equates to the zero line of satisfaction but does not lead to excitement. Figure 12.5 shows a scheme on how the qualitative evaluation of touchpoints could be analyzed and recorded, differentiating between factual and emotional level, and ideas for customer excitement could be generated (cf. Schüller 2016, pp. 186–190).

Figure 12.6 shows how the three factors of “disappointment,” “okay,” and “excitement” can be integrated in the depiction of the customer journey.

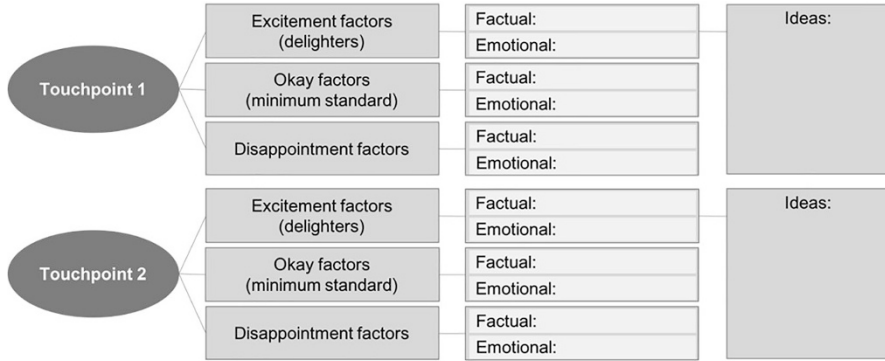


Fig. 12.5 Working sheet qualitative evaluation and optimization of touchpoints (based on Schüller 2016, pp. 188–190)

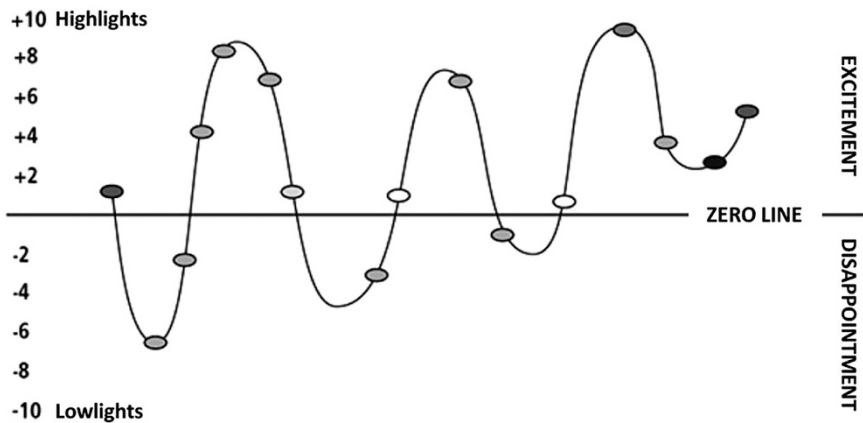


Fig. 12.6 Touchpoint evaluation in customer journey (based on Schüller 2016, p. 207)

While disappointed customers tend to express their frustration through punishing companies by spreading negative WOM, complaints, demanding requirements or threats, and excited customers show their appreciation through repurchasing and recommending the company as well as becoming more resistant to competitors’ offers, customers who are “only” satisfied often stay silent. They neither express themselves in a positive nor a negative way, but as soon as they discover any better solution, they will probably leave the company, which highlights the danger of delivering just average performance (Schüller 2016, p. 188f).

Besides the two dimensions of touchpoint importance and quality from the customer perspective, Ott suggests a four-step process for conducting a touchpoint audit, beginning with the definition of a suitable classification system for the clustering of touchpoints, followed by an estimation on the current and potential

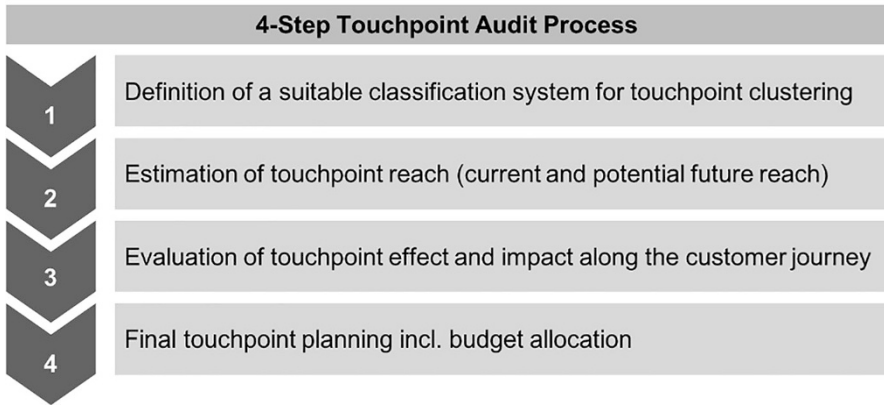


Fig. 12.7 Four-step touchpoint audit process (based on Ott 2017, p. 73)

future reach of touchpoints and the evaluation of the impact of each touchpoint along the customer journey according to its potential for raising awareness and strengthening brand experience, its influence on customers' choice of decision criteria and its relevance as a purchase trigger. The final touchpoint planning also includes budget allocation. Figure 12.7 provides an overview on the outlined touchpoint audit process (Ott 2017, pp. 73–76).

Before a marketing strategy can be oriented toward experience and corresponding communication measures can be adapted, the current touch point situation must first be assessed from the user's point of view. The development of a B2B touchpoint evaluation tool enables an interactive and multidimensional evaluation of individual touchpoints not only from an internal point of view, but also from a user perspective and thus helps to derive customer-oriented recommendations for future management of the identified contact points. An evaluation of at least four dimensions from the customer's point of view is necessary to evaluate the touchpoints:

- Touchpoint awareness (reach)
- Touchpoint relevance (importance)
- Touchpoint quality
- Influence of a touchpoint on decision-making

12.8 B2B Touchpoint Evaluation Tool

Based on the findings elaborated through the review of the current status of literature and research, a touchpoint evaluation tool, as presented in Fig. 12.8, focusing on the characteristics of industrial B2B companies was designed to analyze each touchpoint throughout a purchase journey from the user perspective. In order to be able to gain an insight in the users' view on identified touchpoints, users need to be involved in

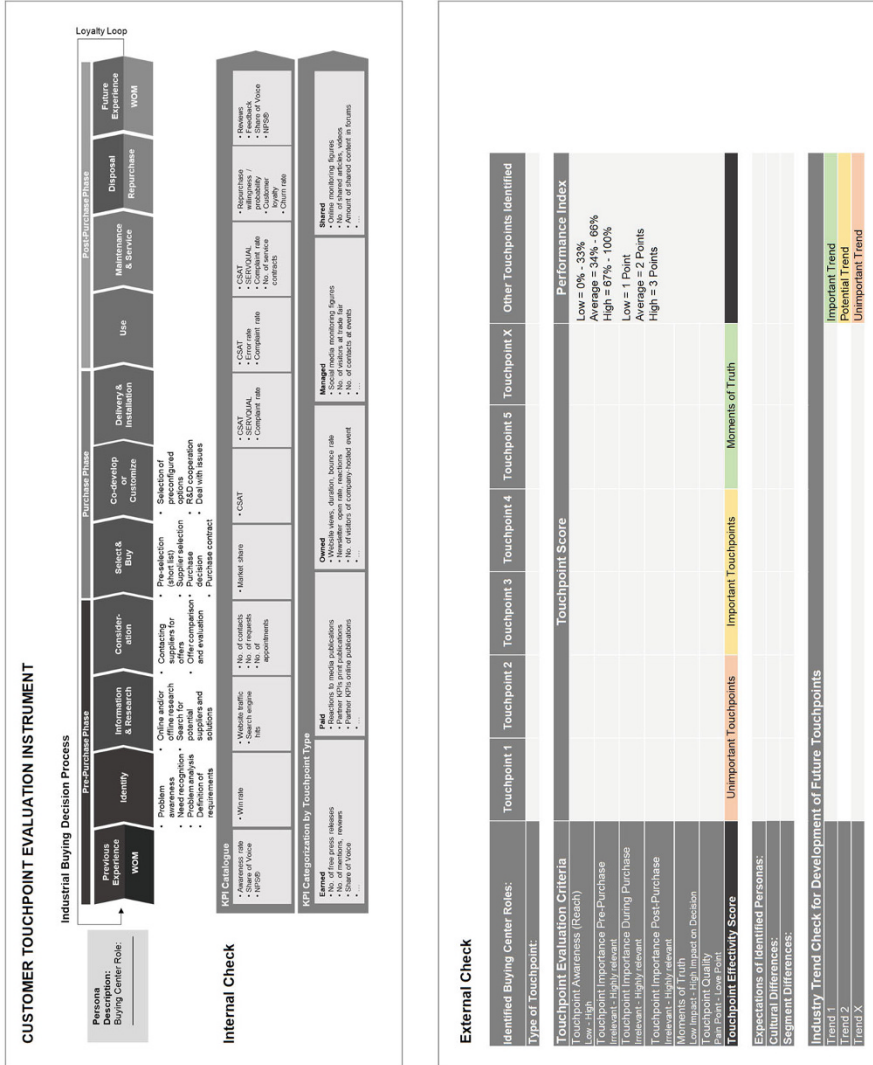


Fig. 12.8 Industrial B2B touchpoint evaluation instrument (own presentation)

the evaluation process. For such a survey, 50–100 people are sufficient for the beginning. Users' opinions can be captured through various methods and instruments such as paper-and-pencil questionnaires, online surveys, focus groups, or personal interviews. The presented tool shall serve as a basis for industrial companies when developing their customer survey methods.

Through an internal analysis, identified touchpoints shall be analyzed with regard to the four defined key dimensions within the framework of the external check. First, the identified personas are entered in the persona field in the top left corner. Then, all examined touchpoints are entered in the respective touchpoint fields. The field "Other touchpoints identified" leaves open space for additional touchpoints the company came across during the survey phase.

The *awareness dimension* of a touchpoint shall identify which touchpoints are perceived by users and which touchpoints users are unaware of and thereby provide an insight in touchpoint reach in terms of whether the touchpoint reaches a large proportion of potential and existing customers or whether the touchpoint is rather perceived by a smaller niche customer segment.

The touchpoint *importance dimension* aims to measure the relevance of the respective touchpoints to users, which allows the company to identify critical moments of truth (super touchpoints) throughout a persona's journey.

The third dimension of *touchpoint quality* aims to measure the touchpoints' performance with regard to the users' best and worst experience at each touchpoint.

The fourth dimension of the *touchpoint impact on the purchase decision* indicates ultimate moments of truth also referred to as super touchpoints. Coupled with the importance of the touchpoints, the influence on the final decision-making allows conclusions to be drawn as to which touchpoints the focus should be placed on, in order to be preferred over competitors.

On the basis of these four dimensions, so-called "love points" and "pain points" can be identified in the individual phases of the buying process and corresponding marketing measures can be derived to improve the user experience along the entire buyer journey.

Table 12.2 shows some examples of questions that can be asked on the respective evaluation dimensions of the touchpoint evaluation.

As soon as the user perspective on each touchpoint has been uncovered, each touchpoint can be rewarded with one, two, or three points, depending on its performance. The distribution of the points can be derived from the percentages reached in the survey results, for example, categories could be structured in the following way:

- All touchpoints that achieved a rating of less than 34% only receive one point.
- Touchpoints rated with at least 34% up to 66% are rewarded two points.
- Touchpoints that achieved values of 67% or more receive three points for their good performance.

Once each touchpoint has been allocated the respective points, all points can be summed up to a final touchpoint effectivity score. Based on this final score, all

Table 12.2 Touchpoint evaluation dimensions (own presentation)

Touchpoint evaluation dimension	Questions
Touchpoint awareness	Which sources of information would you use when searching for <technology type> technologies?
	How did you become aware of <company name>?
	Which contact points of <company name> do you know? (multiple selection of touchpoints)
Touchpoint importance	Which five contact points are the most important for you in each stage of your purchase decision process regarding <type> technologies? (multiple answers structured according to pre-purchase, purchase, and post-purchase phases)
	Which five contact points are generally the least important for you in your purchase decision process regarding <type> technologies? (multiple selection of touchpoints)
Touchpoint quality	With which five contact points of <company name> do you have the best experience so far? (multiple selection of touchpoints)
	What made your experience with these contact points so special?
	Which positive moments do you remember when getting in touch with <company name>?
	With which five contact points of <company name> do you have the worst experience so far? (multiple selection of touchpoints)
	What made your experience with these contact points dissatisfying?
	Which negative moments do you remember when getting in touch with <company name>?
	What are the minimum expectations you have when getting in touch with <company name>?
Touchpoint impact on purchase decision	Which five contact points finally convince you to make a purchase? (multiple selection of touchpoints)
	Why are these contact points of such high relevance to you?
	What is important for you with regard to these contact points?
	What are your expectations toward these to you, especially important contact points?

touchpoints can be ranked or arranged in a matrix or along a journey illustration, for example, along the proposed industrial buying journey of the instrument, representing a summary of the user's view on the examined touchpoints.

Furthermore, the instrument provides space to capture any differences identified among cultures or customer segments and specific customer expectations per touchpoint. The trend check section allows to review the relevance of identified trends in the industry from the customer perspective. For this, suitable questions have to be integrated in the respective questionnaire or interview guide.

As a final step of the evaluation process, the result can then be compared with the company's internal view and deviations can be identified. Regarding the internal cross-check, no individual KPI structure can be provided to measure each dimension as customer journeys are different from company to company and finding suitable KPIs therefore depends on the type of touchpoint a customer faces in the respective stage as well as the data a company has access to. However, the instrument suggests a number of metrics that can be used for measuring certain aspects of a touchpoint with available data. Depending on the touchpoint, every company needs to decide by itself which KPIs are appropriate to measure the respective dimension. It is suggested to make use of a mix of forward- and backward-looking metrics.

Classic indicators such as customer satisfaction, customer loyalty, service quality, or the Net Promoter Score[®] can be used in combination to crosscheck the corresponding results from the touchpoint surveys. All metrics can be combined to define an overall user experience index serving as a new KPI to continuously check the company's performance with regards to user experience. In order to depict a 360° view of the selected contact points in the long term, all information, internal data from the company as well as external user data must be integrated into a touchpoint or user experience dashboard merging information on the persona, findings on touchpoints and the visualized purchase journey. Combined with customer relationship management, a marketing automation system and other outside insight instruments, a sustainable marketing management cockpit can be developed.

The touchpoint identification and analysis are part of the analysis phase of the touchpoint management process. Once the as-is-situation has been mirrored, companies can move forward to derive targets, and according to the prioritization develop appropriate measures for the optimization and improvement of their current touchpoint landscape as well as adapt the allocation of marketing investments on touchpoint level to achieve the defined target situation. Resources have to be invested in touchpoints that are actually relevant for users. These are the touchpoints in which users spend time, make preparations for purchases and make transactions, and in which recommendations are reinforced. The focus is on super touchpoints that increase user enthusiasm for the product or service, the reputation of the company as well as customer loyalty and the willingness to recommend the product and the provider (Schüller 2016, p. 156). The user experience management tool presented here, as part of a sustainably strategically oriented marketing automation approach, makes a significant contribution to optimizing the marketing return on investment as well as the generation of leads and demand in terms of order acquisition and sales optimization.

12.9 Summary

Although today's B2B decision makers may be better informed than ever, they are increasingly overwhelmed by the expanding range of options during the process of making buying decisions. In order to make buying easier, organizations need to

understand the users' purchase journey and to identify the most significant challenges at each buying stage. Within this context, creating a strong user experience has become a leading management objective for B2B companies.

User experience consists of individual contacts between the user and the company at distinct points, called touchpoints, throughout the pre-purchase, purchase, and after-purchase phase. These touchpoints represent the moments of truth in the user relationship as it is decided exactly at these contact points whether they will buy or not. Strong user experience is created by a seamless experience across channels and touchpoints. Touchpoint management comprises the coordination of all business activities in such a way that the user is provided with a synchronized, outstanding as well as reliable and trustworthy experience at every interaction point, without losing sight of process efficiency.

The key tactics to make buying easier for B2B decision makers are the in-depth analysis of all touchpoints users come across along their path-to-purchase, comprehensive mapping of the buyer journey involving marketing, sales and users, identifying supplier-agnostic barriers and obstacles to purchase, actively tracking user progress and subsequently optimizing the from the user perspective identified relevant touchpoints throughout the journey. The touchpoint management process can be structured in four phases: the analysis of the as-is situation, the definition of targets, the planning of relevant measures, and the success monitoring for the future optimization of touchpoints.

The analysis phase aims to record and evaluate all user touchpoints to be able to derive valuable findings on how to design each touchpoint to optimize user experience at each interaction. Nowadays, a touchpoint analysis can easily uncover several hundred touchpoints leading to the question which touchpoints should be focused on. When trying to identify key touchpoints such as super touchpoints, love points, and pain points, it is important to not only involve the company's view, but to find out what users actually expect. The best method for this is to directly ask them. For the evaluation of touchpoints, at least four dimensions need to be examined which should therefore be integrated in a touchpoint evaluation tool: the importance of the touchpoint from the customer point view, the quality of what happens at each touchpoint, touchpoint reach (awareness), and touchpoint impact on decision-making. Through examining what users expect, which performance they want to be delivered in which manner, and how they react to the offered outcome, existing touchpoints can be improved and investments in irrelevant touchpoints can be decreased or stopped. When trying to make user experience insights actionable for the company, user experience measurement plays a critical role. As researchers have not agreed on one ultimate user experience metric capable of capturing all dimensions of user experience yet, various methods and metrics need to be combined to measure and assess users' overall experience throughout their touchpoint journey.

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Content Marketing Process: Embrace Art and Science

13

Łukasz Kosuniak



13.1 Art or Science?

The artist can be glamorous, its content is intended to arouse admiration and jealousy. We forgive them, delayed concerts or albums. The marketer must be effective before everything. Your content is intended to arouse not jealousy but the interest of customers. If you want to be effective, content must be consistent, useful, and produced regularly. And here without planning and processes, you will not go too far. Does this mean that people who do not plan their content are always failing? Absolutely Not. Usually, they are people who simply like to create content and have either a developed skill or a natural talent or a combination of both of these advantages. For them content creation comes easily, and the strategy is developed in the so-called “meantime.” There is only one problem—it is very difficult to learn from them and manage their activities.

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Markus Sheridan reports in his book “They Ask You Answer”¹ that customers of his company producing backyard pools read an average of 70 articles on his company’s blog before filling out the contact form. To have such resources, it is necessary to organize and harmonize the processes of planning, production, promotion, and measurement of content efficiency. The need to organize content creation is even greater in large organizations, where without defining roles, tasks, responsibilities, and measurement, it is impossible to work effectively.

13.2 Learn from Journalists

Reading or browsing professional media such as *The Economist*, you take it for granted that the new release will appear weekly and will contain a certain number of articles in each thematic section. Since for the publisher of such a medium content creation is the primary product, there is no way for the release to be delayed by a few days, because someone, for example, did not provide the material on time, or lacked ideas for an interesting article from the “Science and Technology” section.

It was professional media publishers that have developed the most efficient processes for planning, production, promotion, and measurement of the effectiveness of content that exists on the market. It is worth looking at how these teams work and take an example of them.

In editorial teams, creativity at the stage of the development of topics is combined with iron discipline in the content production phase. That is exactly what the combination of art and science in content marketing should look like. Paradoxically, it is this discipline that processes bring in it that makes it easier to focus on the substance and unlock the creative potential of content creators. Processes bring order, predictability, comfort, even at very tight deadlines.

Processes are also a common language for editorial teams, often composed of people with different specializations, roles, with very different experiences, education, from many cultures or backgrounds.

In professional editorial teams, in addition to excellent knowledge of processes, there is also a precise assignment of roles and responsibilities. There is a publisher that is responsible for the result, including the production of content. The editor-in-chief is responsible for the content and manages the content development team. There are, of course, authors, graphic designers, editors, researchers, and many others. Everyone in such team knows their role and is aware of their impact on the work of teammates.

This predictability and repeatability of processes make it more efficient with each release. They take less time, there are fewer errors, we can analyze them and optimize them, which in effect increases the effectiveness of the actions. In my professional life, I participated in the work of publishing teams, gathered best

¹They Ask, You Answer: A Revolutionary Approach to Inbound Sales, Content Marketing, and Today’s Digital Consumer, Revised and Updated Wiley; 2 edition (August 6, 2019).

practices, and adapted to the system of work in marketing teams. This gives a strong base to a practical guide to managing Content Marketing processes, which you can apply to your company's activities regardless of its size.

Naturally, large organizations that already build up their processes can treat this guide as a base to develop according to their own needs, and smaller companies may decide to use this scheme to a stripped-down range. Consider this guide and template as a starting point. Over time, as you become convinced of its effectiveness you will be able to make changes and modifications, which I strongly encourage.

Therefore, in this chapter, you will find, among other things, a description of the responsibilities of Content Manager, as the person responsible for managing the content marketing process. There is also a summary of the sample tasks of the content marketing process included in the basic framework in which all business processes are described: task, resources necessary to start, task outcome, task supplier, task recipient. This simple scheme can be applied to any task in the content marketing process and simplifies the smooth implementation of every stage of work, from planning to content measurement and optimization.

Before we go into details of content marketing process management, I hope that you are convinced that:

- The content creation process ensures order, predictability, and facilitates team collaboration.
- Professional editorial teams in the media are the perfect benchmark for the content marketing team.
- The use of good practices taken from publishing teams enhances the quality of content and ensures their consistency and regularity.

13.3 The Content Manager: A Key Role in Content Marketing Process

13.3.1 Why Do You Need a Content Manager?

Can you imagine an editorial without an editor-in-chief and publisher? There is no doubt that the processes themselves are worth nothing if we do not determine who is responsible for their implementation and coordination of the team's work. This is the role of Content Manager who manages the content marketing process. The presence of a content manager in the marketing team is essential if you want the creation of content in the company to be taken seriously and generate tangible results.

Content manager, as a person focused solely on the content marketing, will manage the process of planning, production, promotion, and measurement of content efficiency much more effectively. Professional content manager will also take care of each phase of the content marketing process, making it easier to assess its efficiency and optimize this process. Content Manager, focused on one process, will gain much faster experience and efficiency in cooperation with content providers—subject matter experts.

The key benefit of hiring a Content Manager is the ability to constantly improve the quality of the content and efficiency of its creation because all the skills and experience stays in place. In companies that are just starting content marketing activities, there is a temptation to dissipate the responsibility of the content manager to several people, including the head of the organization. From experience, I know it does not work. Every process in the company must have an owner. Content Marketing is no exception. If you want to find companies where content marketing is taken seriously, check if they hire a content manager. Of course, this position may have different names, but the main goals stay the same—to manage the content related processes and support the company in its knowledge-sharing efforts.

13.3.2 What Are Content Managers Doing?

Contrary to appearances, the task of the content manager is not to create content. Of course, he is involved in these activities, but his role is to support the creation of content by subject matter experts.

The scope of tasks will vary, depending on the content process phase:

At the *content planning* stage, the role of Content Manager will be to gather all the information that is necessary to develop a subject, which will then be discussed in the process of producing content. At this stage, all kinds of research, Customer Decision Journey, Buyer Persona or, finally, collected questions they receive from customers, sales professionals, or customer service agents will be useful sources for future phases.

The role of the content manager will therefore be to define the thematic scope and formats in which content will be delivered to customers.

At the level of *content production*, the key role of the content manager will be the involvement of field experts in sharing knowledge and providing support in the processing of their materials in the professionally produced content. Effective content manager uses different methods to make it easier for experts to efficiently transfer their knowledge to content. These can be, for example, conducting interviews, support in the preparation of webinars, support in video recording, help in creating articles, etc. Content manager, usually as a person with much less product expertise should strive to build good relations with experts and support them in the preparation of content.

At the *publishing and promotion stage*, the content manager works with internal or external professionals whose role is to place the content appropriately and reach the right target audience with them. So, it will be working with copywriters, SEO specialists, social media managers, performance specialists, and even sales managers, because sales professional's activities are a very effective "channels" of content delivery and promotion.

In the final stage—*efficiency measurement*, the role of Content Manager is to determine how the content performs against business goals and whether any changes are required. Naturally, this is possible if the criteria for evaluating the content—the so-called KPIs (Key Performance Indicators)—have been set before. This issue will

be discussed later in this chapter. This work requires collaboration with professionals or analytics tools expertise, for example, Google Analytics or Marketing Automation. Such tools will be necessary to accurately report the content marketing effectiveness and even their impact on the final sales results (ROMI—Return of Marketing Investment).

13.3.3 How to Hire a Good Content Manager?

Since this is a relatively new role, especially in B2B marketing, there are not too many people who have completed directional studies in this field. From my experience, I recommend looking for the following characteristics:

- Journalistic experience—due to the specificity of the marketing content process, which is modeled on publishing teams in the media, people with journalistic experience will find themselves best in such an environment. Journalistic competences will also be very useful in dealing with field experts and making it easier for them to transfer their knowledge into content. From experience, I know that it is often much more effective to interview an expert and rewrite it to the right form than expecting the expert to create the right content. The art of conducting interviews that journalists acquire is extremely useful in working with subject matter experts with low content creation skills.
- Ability to coordinate the work of team members. The role of content manager is to educate, to keep an eye on deadlines, motivate, and manage outcomes. For this reason, excellent communication skills and the ability to coordinate the work of content contributors will be extremely useful.
- Expertise in search engine positioning algorithms. This allows you to better prepare individual content for visibility, but also to specify the entire targeting plan for selected keyword phrases. Even if you use an external SEO agency, basic knowledge of these issues will make it easier for Content Manager to collaborate more effectively and better prepare content.
- Ability to analyze the effectiveness of content and create recommendations for other teams and management. The role of the content manager will be to present the results of a process involving several or sometimes dozens of people. Skillful presentation of the results of this work and juxtaposing them with the goals assumed will facilitate the evaluation of the effectiveness of the whole process. Therefore, the content manager should know what conversion, attribution and be able to present conclusions to field experts, SEO agencies, head of marketing team, and management.

More broadly on the competence of Content Manager writes Marcus Sheridan in the book “They Ask You Answer”² For more about specialized roles in extensive content marketing teams, see “The seven Core Roles of a 2020 Content Marketing Team” on the Content Marketing Institute Website Institute.³ In larger organizations where Content Marketing management is a fully strategic role, there is sometimes the role of Chief Content Officer, who will coordinate the entire process and work of content managers. For an example of this position description, visit the Content Marketing Institute website.⁴

13.4 The Pillars of the Content Marketing Management Process

Content Marketing is a set of activities that are designed to create and deliver valuable content, which will attract leads and ultimately increase sales efficiency. In order to achieve this goal, content marketing management includes the following phases: planning, production, promotion, and measurement. Of course, this is a simplified model and during the practical application, it will need to be detailed and customized for each company’s needs.

Some of the tasks can be accomplished alternately or in total by several people, so there are sometimes parallel roles in the “Supplier” and “Receiver” fields in the table below. Let me guide you through each stage of the content marketing process.

13.4.1 Planning

At this stage, we define the content strategy and collect information that will be necessary to create content that responds to the real information needs of our potential customers. The outcome of this stage is a Content Strategy Matrix—simple representation of your content strategy. The content strategy defines at a certain level of generality the message receiver (Buyer Persona), the message and in what format we will deliver the content. It is also the basis for the content calendar, which we will use in the further stages of our content management process: production, publication, promotion, and measurement.

Content strategy matrix is used also to present our content strategy to the management board and help them understand the big picture to approve the assets necessary to execute the process. Everything that will happen in the next stages of the content marketing process will depend on the quality of work at the planning stage. Here are the tasks that usually occur during the content planning stage. We

²They Ask, You Answer: A Revolutionary Approach to Inbound Sales, Content Marketing, and Today’s Digital Consumer, Revised and Updated Wiley; 2 edition (August 6, 2019).

³<https://contentmarketinginstitute.com/2019/06/core-roles-content-team/>

⁴<https://contentmarketinginstitute.com/wp-content/uploads/2011/05/Chief-Content-Officer-Job-Description-Sample.pdf>

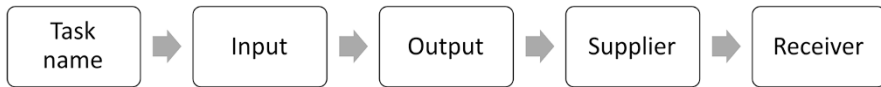


Fig. 13.1 Standard task set in business processes

consistently apply the structure of the standard business process mentioned in the introduction to the chapter (Fig. 13.1 and Table 13.1).

Let us review each task to give you a better understanding of this phase of the content marketing process.

13.4.2 Identification of the Purchase Decision-Maker (Buyer Persona)

Typically, this task is divided into subtasks, because the process of defining person is quite time consuming and can take up to several weeks. In our experience of implementing such processes, we can determine that, on average, it takes about 2–3 months to define the buyer committee (Buyer Personas) and their information needs and create a content strategy matrix. The most effective method of conducting such a research is described in the book “Buyer Personas” by Adelle Revella.⁵

I strongly encourage you also to collect questions from customers’ sales representatives and customer service employees. These questions provide an excellent basis for determining the subject matter that interests customers the most. The method is described in Marcus Sheridan’s book “They Ask You Answer”.⁶

13.4.3 Identify Customer Information Needs at Every Stage of the Decision-Making Process

This will allow you to produce content relevant to address these needs. Define the simple tasks or “Jobs to Be Done” at every stage of the decision-making process. This method is a detailed definition of informational needs. It turns out that, from the point of view of the usefulness of the content created, it is much more beneficial to determine the tasks that the decision-maker faces. So we can design content that aims to support this task. For example, one of the tasks of a member of the purchasing committee may be to convince the board to the legitimacy of the investment in our product. In such situation it will be a good idea to prepare a document that will contain the arguments, calculations, and benefits resulting from this investment

⁵Buyer Personas: How to Gain Insight into your Customer’s Expectations, Align your Marketing Strategies, and Win More Business Wiley; 1 edition (March 9, 2015).

⁶They Ask, You Answer: A Revolutionary Approach to Inbound Sales, Content Marketing, and Today’s Digital Consumer, Revised and Updated second Edition, Wiley; 2 edition (August 6, 2019).

Table 13.1 Planning stage—task description

Phase	Activity/ Tasks	Input	Output	Supplier	Receiver
Planning- content strategy matrix	Buyer persona	Existing customers— research base research methodology internal/ external researchers	Identified decision-makers and influencers	Marketing team External agency	Marketing management Sales team
	Need/jobs to be done	Customer research, data insights	Needs and tasks defined	Research team Marketing team External research	Marketing team
	Customer decision journey	Customer research, insights data, workshop with sales	Customer decision stages defined Customer needs/ tasks aligned to each stage	Research team Marketing team	Marketing team Sales team
	Main messages	Persona's key needs and tasks defined	Message at each stage defined	Content manager	Marketing manager
	Content goals	Customer's information needs defined	Content goals at each stage of the journey defined	Content manager	Marketing manager Marketing director Management board
	Content KPIs	Content goals defined	Key and supportive KPIs defined for each stage	Content manager Business intelligence specialist Marketing Automation specialist	Marketing manager Content manager
	Content formats	Content formats determined	Closed list of content formats	Content manager	Marketing manager
	Content strategy approval	Content strategy matrix, Content strategy presentation	Content strategy approved, assigned assets, roles and responsibilities confirmed and included into compensation plans	Content manager Marketing manager	Management board

developed with specific needs of different decision-makers (CFO, CIO, CEO) in mind. By identifying the specific tasks that are to be done in the decision-making process, the content we create is much more effective for your audience and become a tool used to complete their work.

We adapted the “Jobs to be Done” method developed by Prof. Clayton Christensen and described in the book “Competing Against the Luck.”⁷ The method was developed for product development, but it proved its usefulness in developing content strategies because it determines the specific task the content team needs to focus on, so the content is more precise and actionable.

13.4.4 Defining Key Content Messages at Different Stages of the Decision-Making Process

The purpose of this task is to define the directions of work on specific content parts. Already knowing the needs, challenges, or tasks of decision-makers at different stages of the purchasing process, we can determine the message that will be delivered through content. For example, usually at the beginning of the purchase process, the main task or “job to be done” is to gather the basic knowledge on the research subject. This is usually the purpose of the materials, whose titles begin with “Everything worth knowing about,” “Getting started with,” etc.

Determine the purpose of the content at each stage. In order to effectively measure the effectiveness of content and the quality of the work of the content marketing team, it is necessary to determine what we expect from the content at each stage and determine how the effects are measured. For example, at the “awareness” stage, our goal may be to encourage a certain number of people to visit a specific website in our domain.

We will present more details on how to measure the effectiveness of content by discussing the fourth stage of “measurement,” but it is worth specifying the content objectives and how to measure it already at the planning stage.

Knowing how the content will be measured is crucial to properly develop the main message, format, and delivery channels. Sometimes, for practical reasons (e.g., with a narrow specialization of team members), we divide this task into two stages—defining the objectives of the content and defining the methods of measurement. For larger organizations and extensive teams, this is advisable. In smaller organizations, we recommend that these tasks be treated together.

⁷Competing Against Luck: The Story of Innovation and Customer Choice, Harper Business; 1 edition (October 4, 2016).

13.4.5 Identify Standardized Content Formats

In this task, we decide on what format the content should be provided to our customers, that is, the Buyer Personas. Very often, the only criterion that we use when choosing formats is our ability to create it. Of course, this is very important but not the only criterion. Let us say we have some skills in video production, but most of our audiences spend few hours per day driving a car, Unfortunately when driving a car, they will not be able to safely consume our content. In this case, the audio format, the podcast will be a better choice. This is the second criterion of the preferences of your audience.

The third criterion is the specificity and features of the platforms on which we will embed our content. Let us stick to our example—we know that our audience will benefit better in audio format. This will be a challenge for social platforms that support audio formats. In this case, on social media platforms you can put a preview in the form of a video (e.g., a board with an excerpt from an audio broadcast) directing to a podcast platform, e.g., Pocket Cast, iTunes, or more recently also Spotify.

13.4.6 Define Content Distribution Channels

Determining in the planning stage what channels we will reach our audience with content will provide several benefits, including:

- The possibility of preparing suitable channels, e.g., social media accounts.
- Plan a budget for the purchase of media and the necessary services and resources.
- Consistency and synergies resulting from the regular use of standard communication channels.
- The ability to prepare technical channel performance reporting, e.g., by embedding tracking codes or configuring reports or interfaces for external channels.

13.4.7 Presentation and Acceptance of Content Strategy by the Board

This is a key task in the planning phase. The purpose of the task is to present a content strategy and obtain consent to its implementation. In practice, this usually means providing the Management Board with additional information, e.g., costs and resources necessary to implement this strategy. From practice, I know that in many companies the content strategy is presented and accepted by the board, but this is not combined with adequate allocation of resources. The strategy to be effective needs to be supported by resources that the organization allocates to their implementation. It is worth ensuring that the board has the full data necessary to make such a decision and understand its consequences well from the financial, organizational, and even cultural point of view.

Subjecting the content strategy to the board's approval, increases the chances of its successful implementation. Many marketers complain about the lack of adequate management support in content marketing activities. Often the reason is that the board is not properly educated and aware of the importance of this process. A well-prepared content strategy that is often part of a broader marketing strategy is the board's best education tool on the benefits of B2B marketing.

The result of the tasks at the planning stage will be the content strategy matrix. This is a short but content document describing the content strategy. It should not be too detailed, because its recipients will be people who are not directly involved in tactical activities. The content matrix from the point of view of the company's management is intended to provide a clear picture of marketing commitment to support the overall sales process and a deep understanding of the customer shopping path and their needs at each stage of the process. Below is an example of a content strategy matrix for a product for marketing professionals (Table 13.2).⁸

Content matrix prepared using these principles will not only be useful for planning communication strategies, but also work as a compass indicating directions when you move on to the production and publication stage of specific content.

As you can see, the better the content strategy developed, the more efficient the next steps of the content marketing process will take place. It is also worth remembering that the effective completion of this stage of obtaining the approval of the Board gives those responsible for this process a strong mandate to act and a tool to influence the actions of others whose support is necessary for us in the implementation of the strategy.

13.5 Content Production

The content production phase is a time when order, processes, and discipline of work give the best results. Using the good patterns of editorial teams, I defined the set of crucial tasks for the content production process. Each of these tasks should be included in the production of individual materials, that is, these tasks will be repeated repeatedly.

13.5.1 Content Calendar

To control a lot of tasks and their timely execution, editorial teams use editorial calendar, sometimes called "content calendar" by marketing teams. On the Internet, you will find a lot of examples of such calendars and I encourage you to familiarize yourself with various ideas and templates of such tools. Based on our experience in the projects of creating content strategy and its implementation in B2B companies,

⁸Based on internal materials from GROW Consulting Company.

Table 13.2 Content strategy matrix

Purchase process stage	Awareness	Considering solutions	Vendors comparison	Negotiations	Onboarding
Touchpoints	Conferences Social media Page	Expert blogs Conferences Vendor blogs	Supplier materials Comparison User feedback Case studies	Interviews with suppliers	Contact your supplier Onboarding materials Documentation Training
Tasks jobs to be done	Gain basic knowledge Identify sources of knowledge	Selecting solution categories, e.g., whether just CRM or CRM plus marketing automation Persuading colleagues to marketing automation	Select a shortlist. Preparation of recommendations for the board	Choosing the best supplier Avoiding accusations of bias	Providing knowledge to users Notification to the Board of Directors of the full use of the system
Information needs	Where to find a consistent guide to modern CRM systems	Do I need a simple CRM, or does I need a system that still integrates marketing and customer service?	What criteria should I use when comparing? Which features are important and which ones can I skip? Are there objective comparisons?	What fits in with the offer? How do companies deliver on their offers? Is not the low price risky?	How to encourage traders and marketers to use this system on a daily basis?
Goal	Get in touch and appear as a source of information for the customer	Customer support in internal conversations about marketing automation	Demonstration appointment	Margin maintenance, upsell implementation and training services	Successful product deployment High level of use User activation User satisfaction
Goal KPI	Number of contacts from a specific target audience	Number of material downloads by people in the target audience	Number of demonstrations Number of positive ratings after demonstration	Conclusion of the deal Margin level Product mix	Product utilization factor User satisfaction Implementation

<p>progress Customer reference</p>					
<p>How to increase sales by integrating marketing and sales</p>	<p>Profit and return calculator</p>	<p>What to look for when choosing the functionality of CRM and marketing automation</p>	<p>CRM plus marketing Automation—Is it worth integrating?</p>	<p>How to prepare for CRM and marketing automation deployment in a medium-sized company?</p>	<p>Communication topics</p>
<p>Online course, desktop training, email sequences, LinkedIn campaign</p>	<p>Interactive calculator on page or spreadsheet</p>	<p>Checklist plus article</p>	<p>E-book</p>	<p>Pillar page—An extensive theme site</p>	<p>Formats</p>
<p>Internal communication with the customer, training departments</p>	<p>Direct communication, e-mailing</p>	<p>Direct communication, SEM, SEO, webinar</p>	<p>SEO, SEM, social, LinkedIn campaign, email to customers, conferences</p>	<p>SEO, SEM, social, LinkedIn campaign, email to customers, conferences</p>	<p>Promotion channels</p>

Title	Format	Content Type	Channel	Persona	Stage	Key phrases
1.Main content title	Blog post	Main	Blog	Marketing Director	Awareness	Marketing Automation
Promo content title 1	Video	Promoting	Facebook	Marketing Director	Awareness	Marketing Automation
Promo content title 2	Social Media	Promoting	Linkedin	Marketing Director	Awareness	Marketing Automation
Promo content title 3	Social Media	Promoting	Twitter	Marketing Director	Awareness	Marketing Automation
Promo content title 4	Social Media	Promoting	Twitter	Marketing Director	Awareness	Marketing Automation
Promo content title 5	Social Media	Promoting	Linkedin	Marketing Director	Awareness	Marketing Automation
Promo content title 6	Social Media	Promoting	Linkedin	Marketing Director	Awareness	Marketing Automation
2.Main content title	Blog post	Main	Blog	Marketing Specialist	Consideration	Marketing Automation
Promo content title 1	Social Media	Promoting	Twitter	Marketing Specialist	Consideration	Marketing Automation
Promo content title 2	Social Media	Promoting	Linkedin	Marketing Specialist	Consideration	Marketing Automation
3. Main content title	e-book	Main	Blog	Marketing Specialist	Vendor Selection	Content Marketing
Promo content title 1	Social Media	Promoting	Facebook	Marketing Specialist	Vendor Selection	Content Marketing
Promo content title 2	Social Media	Promoting	Linkedin	Marketing Specialist	Vendor Selection	Content Marketing
Promo content title 3	Sales email	Promoting	Internal	Marketing Specialist	Vendor Selection	Content Marketing
Promo content title 4	Customer em	Promoting	Internal	Marketing Specialist	Vendor Selection	Content Marketing

Fig. 13.2 Content calendar example

we developed our own version of such a tool, which is adapted to the methodology presented in this chapter.

You may find that other versions of the editorial calendar better suit your needs and it is fine. Any content calendar that accurately describes the phases of the project, tasks, and responsibilities will mean a qualitative leap in the efficiency and quality of content creation. See an example of the content calendar below (Fig. 13.2).

The editable calendar template and other follow-up materials for this chapter are downloadable from the internet.⁹ For those not familiar with the content production process, the content management process task list presented below can be ridiculously long, especially if we multiply it by the amount of content we intend to produce.

Of course, any content team can and should match this list to suit your needs. Often in small teams, the role of content manager and SEO specialist and even marketing manager will be performed by the same person, so the network of tasks will change. No matter how small or big your content team is, there is always a good idea to have a consistent content management process. In the beginning, it may seem complicated, by the more you use it the more you appreciate the benefits of process-oriented approach.

So, if you are not working with a large marketing team, the task list may be shorter, but they should include the steps listed in the following table. The responsibilities may also change, so think about this set as a working template. If you do not have much experience, I encourage you to apply it unchanged at first. It is created on the basis of working experiences with dozens of B2B companies of different sizes and allowed them to significantly improve content marketing activities. As you become more experienced in content management, you will be able to make changes and adjust it to your needs. As you can see, we stick

⁹http://growinternational.eu/content_process

consistently to a simplified framework for a standard business process that includes the following description of each task:

- Name.
- Input.
- Output.
- Supplier.
- Receiver (Table 13.3).

The tasks are arranged in the order that works well in our content marketing projects. Of course, depending on the format you choose, additional tasks may appear. For example, in video production, you will need to develop a scenario and in the case of interactive materials (configurators, calculators) there will be software or website development tasks. Let us briefly discuss the tasks for the *planning phase* to explain their meaning and help you in practical implementation.

13.5.1.1 Content Brief

The purpose of this task is to inform the authors of the content goals, planned formats, how it fits the content strategy and for whom it is intended. The content brief is developed by content manager who, based on the content strategy matrix, proposes the author (authors) of the material, defines communication channels and format or formats target content.

It is also a moment to discuss the author's ideas and comments on the proposed inclusion of the topic. Content authors should be involved in the process as early as it is possible. The more they understand the content goals and content strategy, the higher the quality of content they deliver.

13.5.1.2 Content Draft

The author's response to Content Brief will be Content Draft, which is information about main points or thesis that will be included in the material, whether it will require in-depth research and what the expected delivery time is. From experience, I know that in small and efficient teams the first two tasks are often carried out during a short conversation and confirmed by a concise note. If the objectives of the tasks are met, there is no need to over-formalize this process.

13.5.1.3 Research

If the material requires additional research, sometimes we include specialized departments or even external experts in the project, who collect additional information needed to justify and verify the material. In many cases, the research stage is very short and does not require additional work. Here, too, we must exercise common sense so that, on the one hand, we do not publish material without coverage in facts and studies, and on the other hand, do not overly complicate the process if the subject matter does not require it.

Table 13.3 Content production—tasks description

Phase	Activity/ Tasks	Input	Output	Supplier	Receiver
Production- editorial calendar	Content brief for author	Content strategy matrix topics Persona defined Author assigned Formats defined Goals defined	Short description of content idea, goals, tone, planned formats, timeframe	Content manager	Content authors— Subject matter experts
	Content draft completed	Content brief	Content draft with key messages, length estimated Research topics defined	Subject matter experts	Content manager
	Content research	Content brief, content draft,	Content thesis confirmed with high authority sources	Content author Research team Content manager	Content manager
	Content delivery expert version	Content brief, content research, content draft	First version of content ready for further reviews and optimization	Content author	Content manager
	Language check	Content delivered	Content optimized, errors and errors corrected, brand styles applied	Content manager Copywriter	Content manager Marketing manager Content author
	Expert check	Content draft delivered to subject matter expert	Expert delivers changes/comments in standardized format	Subject matter expert	Content manager
	SEO optimization	Key phrases defined	Content optimized Graphics optimized Key phrases assigned	SEO specialist	Content manager

(continued)

Table 13.3 (continued)

Phase	Activity/ Tasks	Input	Output	Supplier	Receiver
	Legal check	Content delivered Channels defined Persona defined	Comments, recommendations, Content changes	Legal team	Content manager Marketing manager Content author
	Graphics	Content draft delivered Channels defined Content formats defined Persona defined	Content graphics/ video pack for each defined channel and format	Graphics designer External agency	Content manager
	Reformat (content recycling)	Original source New formats defined Article video Webinar— e-book	New formats created	Marketing team Sales team (webinars)	Content manager
	CTA placement	CTA destination CTA message	CTA placement UTM code placement in CTA link	Web team/ content team	Content manager
	Content placement	All of the above	Content published on defined destinations	Content manager	Marketing team Sales team External audience— Buyer personas!

13.5.1.4 Content Delivery: Expert Draft Version

The next task is to provide material in the so-called expert version, i.e., complete substantive and ready for verification and optimization. The material in this form should be reviewed or modified by:

- An SEO specialist who will ensure that the content is optimized for search engines.
- Copywriter or editor who corrects language errors, rewrites the material, and adapts it to the company’s communication standard.

- A lawyer who verifies that the material does not present any legal risk for the company.
- Other persons who, in accordance with the company's policy, should accept the material before publication.

13.5.1.5 Expert Check

It happens that the changes made by the abovementioned persons change the meaning and introduce substantive errors, so it is advisable to review the material after optimization by the author, which will take up any inaccuracies.

13.5.1.6 Graphics

Starting from the delivery stage of raw text—expert (author') it is worth starting the production of graphic or video elements. In this way, we speed up the process. Of course, it happens that after the review process we will need to modify also the graphics, but these are usually minor changes in the text layer, which are relatively easy to make.

13.5.1.7 Reformat: Content Recycling

At a time when the basic format is basically ready, the content manager can start work on the other formats the content will be produced or recycled. For example, having a webinar delivered and recorded, we can edit the recording and divide it into parts or transcribe it into an e-book or a series of blog articles.

These actions mean the implementation of additional tasks, but in most cases, they will not require the involvement of the author or legal verification, as long as, of course, we change only the format and not the content of the material.

13.5.1.8 CTA Placement

Developing and placing the appropriate call to action (CTA) is a crucial task from the lead generation perspective. Each published content should suggest the next step that you want your audience to do. If the visitor of your page finishes reading the blog article it may be a good idea to present an e-book with more in-depth topic coverage.

The right choice of Call to Action will allow us to effectively lead through the next stages of the marketing funnel, but it will also make it easier for recipients of content to self-education in an orderly way. From the point of view of measuring the effectiveness of content and as a result of the calculation of ROI from content marketing activities, designing, and embedding the relevant CTA is a key task of content manager.

13.5.1.9 Content Placement

The final task in the content production stage is its publication. This is the most visible part of the process, but it could not have happened without the proper execution of the preceding tasks. At the same time, the publication of the material is the first stage of the next phase, the content promotion.

13.6 Content Promotion

After our material has been published, the next phase begins. Now our goal is to make it visible to the relevant target audience. Surprisingly often, the content promotion phase is treated by content marketing teams as a secondary job and is not given the right priority. I still hear the statement that good content will promote itself. This is obviously not true, and the result of this approach is that high-quality content loses competition with shallow but flashy and well-promoted materials.

Of course, content well aligned with our audience information needs skillfully optimized for SEO will be captured by search engine algorithms, but this is not the only form of content promotion. Additional channels remain such as social media, e-mailing, partnerships, and, finally, the activity of sales professionals, who can greatly increase their productivity with the properly selected content. The list of tasks presented below will be modified depending on the form of the promotion you choose. For example, if we choose to promote with an external partner, there will certainly be additional tasks related to the coordination and exchange of information, acceptance of materials, etc. As with the previous phases, I encourage you to treat this list as a framework and adapt it to your needs (Table 13.4).

13.6.1 Promotion Budget

Setting a budget for promoting content seems like a seemingly simple step. Unfortunately, in most of the cases we analyzed, it turns out that the budget was calculated based rather on the intuition and imagination of the marketing team than any data. If you are just starting to work on organizing content marketing, I suggest applying a simple rule: 50/50. Divide the budget from the content marketing team into two halves. The first transfer to production, the second for promotion.

Of course, if you already have experience and have reports that indicate the optimal proportion between production and promotion, follow this data. The 50/50 rule is a good start for beginners. I have noticed that mature teams that get some efficiency in the production of content can allocate an increasing part of their budget to its promotion. This is because the production of content gives the effect of a snowball—the more content we have, the easier it is for us to create more materials, e.g., by skillful reformatting or updating existing materials. This makes creating content cheaper and allows for a bigger investment in content promotion.

13.6.2 Promotional Content Production

A good practice of the content promotion phase is to produce promotional content using the same schema as we use for the main content. Therefore, in the content

Table 13.4 Content promotion stage—tasks description

Phase	Activity/ Tasks	Input	Output	Supplier	Receiver
Promotion/ placement— editorial calendar	Define promotional channels	Content delivered and the main message explained to properly select the promotion channels	Define places, where the promotion will take place—We recommend keeping the channel list consistent	Content manager	Marketing team Social media specialist
	Assigned budget assigned	Promotion plan budget needs estimation Channel effectiveness estimation	Budget approved	Content manager Performance manager Marketing specialist	Marketing manager
	Promotion content production	Content delivered and promotional channels agreed	Promotional content shared as a draft	Social media manager Content manager	Content manager Marketing team
	Promotional content publication	Promotional content produced and approved	Promotional content published and shared with defined audiences (employees, partners)	Content manager, social media manager, performance manager (if paid platforms included)	Marketing team Sales team Marketing manager Channel manager
	Promotional content conversion report	Conversion data available Reporting format defined	Conversion report Insights Recommendations Key learnings	Content manager Marketing analyst Business intelligence specialist	Content manager Marketing manager

calendar that you find as an addition to this chapter,¹⁰ each content is described in the “type” column as *main* or *promotional content*. The main content will be articles, e-books, webinars, etc. Promotional content will be social media publications, advertising content, emails sent to customers, newsletters, or materials for sales professionals which will help them more effectively promote content among their customers.

Including both types of content in the content calendar will help you better manage the process and ensure that supporting content is ready when it is time to use it. I often see situations where promotional content is created at the last minute, which creates unnecessary confusion, nervousness, and negatively affects the quality of these materials.

A specific example of non-alignment of supporting content with basic content is the promotion of content on social media. Assuming that we have three channels (Twitter, Facebook, LinkedIn), it is worth mentioning the basic content in each of them at least twice. This means that you need to plan and produce six supporting publications.

Therefore, in the content calendar file we have introduced conditional formatting, which changes the color of the field depending on the type of content you choose. Thanks to this, it shows at first glance that, in the case of main material No. 1, promotional content is in sufficient quantity, while the second main content is promoted only by two social media publications, which does not meet our standard. Such simple improvements allow you to capture potential problems faster in the promotion phase of content and address them efficiently.

13.6.3 Promotional Content Conversion Report

An important task in the phase of the content promotion, which at the same time connects this stage with the next phase—precisely *the measurement*, is promotional content conversion report. Each method of promotion should have a specific purpose and measurement method. For example, the method of measuring the effectiveness of LinkedIn publications should not be focused on “likes” but rather on “clicks” which represent the number of people attracted to your main content. Similarly, with e-mailing. The Open Rate indicator for messages will be less important than the number of people who clicked (Click-thru Rate, CTR) on the link leading to the promoted content. When assessing the effectiveness of promotional content, we take into account the conversion element, that is, in this case, redirects from promotional content to the main or promoted content.

Please note that the supporting content conversion report does not replace the performance analysis of the main content. This phase—*content measurement* is described in the following paragraphs.

¹⁰Download the editable version at: http://growinternational.eu/content_process

13.7 Measure Content Performance

The last phase of a professionally managed marketing content process is, of course, measuring its effectiveness. Note that this phase has already started at the content planning stage, where content goals and KPIs are set at each stage. On this basis, specific modules have already appeared in the content calendar specific goals and measurement were assigned. The better the work of content goals assignment is done at the planning state, the less problems we see at the content measurement phase. Often at this point, there is a dispute and sometimes someone tries to change the way of measurement to get satisfactory results. That is why it is so important that a content matrix defining content plan and business goals are accepted by management and stays consistent during the entire content management cycle.

At the *content efficiency analysis* stage, we verify that the planned objective has been achieved and any proposals for changes to the measurement method may be included in the recommendations for future refinements of our content strategy matrix.

This seems obvious, but it is worth highlighting—frequent changes in the criteria for measuring the effectiveness of content, will make it impossible to increase the effectiveness of our actions over time. It is natural for any business process that its effectiveness improves over time. Therefore, an analysis of the effectiveness of content over time is very desirable, and any changes in the evaluation criteria during the measurement process will be a serious distractor if we want to analyze our efforts.

The following table, as always in the standard task description scheme, shows the three types of tasks that should be applied at the *content measurement* phase.

The main task at this stage is:

1. Content goal achievement assessment.
2. Content ROI calculation.
3. Content changes and optimization recommendations (Table 13.5).

The holy grail of marketers is the ability to calculate the return on investment at the level of single content—e.g., an article or a webinar. To do this, you must use the appropriately configured Marketing Automation system. The theme of marketing automation is discussed in this book, so I strongly recommend you read the other chapters and figure out how you can use these tools to precisely calculate the return on investment in marketing content. If the content is well described and measured in the marketing automation system, any interaction with it will be noted and analyzed. If the recipient of the content takes the next steps, e.g., sign up for a webinar or ask for a contract with sales person, each of these activities will be recorded and assigned to the content from which the customer began to contact. The Marketing Automation system constantly exchanges information with the CRM system, so we can track the development of each lead generated by our content efforts. If the result is a sale, its value is compared with the cost of production and content promotion and on this

Table 13.5 Measurement stage—tasks description

Phase	Activity/Tasks	Input	Output	Supplier	Receiver
Measurement— content measurement dashboard	Content goals and KPIs assignment	Content goals and KPIs defined in content matrix and assigned to specific content	KPI goal versus result check Result = $\left(\frac{\text{Executed}}{\text{Planned}}\right) \times 100\%$	Content manager BI specialist Performance specialist	Content manager Marketing manager
	Content ROI Calculated as ROMI— Return on marketing investment	Cost of content production and promotion Value of sales impacted by content in certain timeframe	ROMI = $\left(\frac{\text{SfC}-\text{CoC}}{\text{CoC}}\right) \times 100\%$ Sales from content (SfC) Cost of content promotion and production (CoC)	Content manager BI specialist Performance specialist Marketing Automation specialist	Content manager Marketing manager Sales manager
	Optimization recommendations	Content goals and ROMI analysis	Set of recommended actions with assigned owners, timeframe, estimated results	BI specialist Marketing Automation specialist Marketing analyst	Marketing manager Marketing director

basis, the return on the content investment is calculated. Of course, this is a simplified scheme, and usually, more than one content piece is consumed during the lead generation and nurturing phase, but the measurement method remains unchanged. This is one of the many tangible benefits of using marketing automation systems.

13.8 Summary

We have reached the end of the chapter focused on the content marketing management process. Perhaps the amount of work and formalism of this process seems to you exaggerated and killing the creative element. However, I know from experience that a team that works according to consistent rules is much more effective and avoids unnecessary discussions on topics that have already been closed. Content providers (experts) also perform better if they have been involved in content strategy planning. They should understand from the very beginning what their role is throughout the process and what help they can count on.

Designing the content strategy matrix pays off if you work to get the approval by the board and thus obtaining the right resources. The content strategy matrix, accepted, and incorporated into the organization's overall strategy, also protects the marketing team from too frequent changes to the "brilliant ideas" of managers who hope that marketers will implement them in "free time." Of course, simply defining a strategy and content calendar is the beginning of the road. It is crucial to remodel tasks, processes, and habits so that the number of deviations from established rules is as small as possible.

After several years of observing processes and marketing teams in action, I can clearly see that jointly developed, accepted, and implemented work standards affect not only the efficiency of the teams but also the comfort of work and the atmosphere of cooperation in the group. Marketers who use these methods can compare the effectiveness of their activities and optimize them on this basis. This helps them develop their skills much faster and the fact that the actions they take are included in the process that is understandable to each manager makes their work appreciated in the organization.

Additional Materials

- Christensen, C. (2016). *Competing against luck: The story of innovation and customer choice*. New York: Harper Business.
- Kosuniak, L. (2018). *ABC marketingu B2B*. Lublin: Grupa Marketer.
- Revella, A. (2015). *Buyer personas: How to gain insight into your customer's expectations, align your marketing strategies, and win more business*. Hoboken: Wiley.
- Sheridan, M. (2019). *They ask, you answer: A revolutionary approach to inbound sales, content marketing, and today's digital consumer, revised & updated* (2nd ed.). New York: Wiley.

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Contingency-Centric Content Management: Mastering Content Overload with Smart Content Marketing 14

Olaf Mörk



14.1 Content Marketing in the Drastic Change

“Nothing is more constant than change.” The quote from Heraclitus of Ephesus (535–475 B.C.) is still relevant in the course of digitalization and globalization even after more than 2500 years.

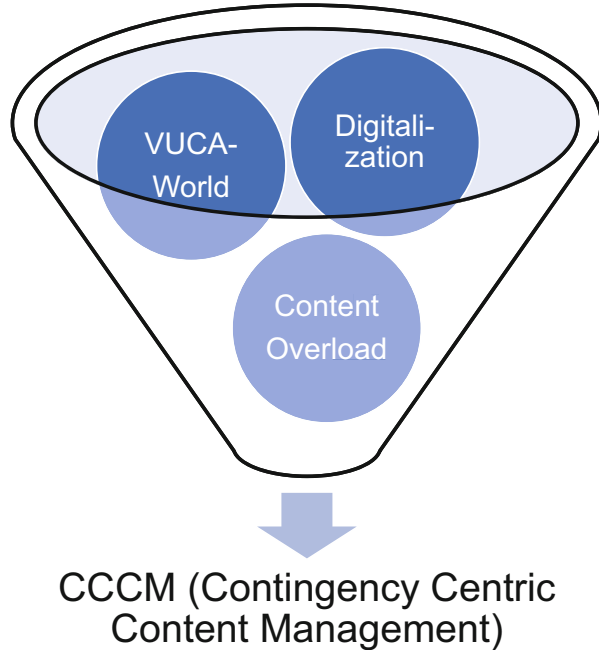
Even content that has worked well for many years is less and less well received by the target group. Product marketing with its USP suddenly no longer attracts the usual attention. The painstakingly created content seems like a rusty nail, which loses more and more value, even becoming useless in the end. “Content marketing” in particular will change more in the next 5 years than in the last 20 years before.¹

The crucial question is, why a previously successful content does no longer work as usual? With the answer to this question, it should be possible to find a successful content that lures the target group out from behind the oven. Quasi a content that is

¹<https://open.spotify.com/episode/1xsM4yAAzRGj9P98TH83fE>. Accessed: 22 April 2020.

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Fig. 14.1 Favoring factors for CCCM



so relevant that in extreme cases it can even avert financial damage, up to and including a prison sentence.

Already F. E. Fiedler (1967) points out in his leadership theory that contingency factors (situational influences) are essential for success in achieving goals.² It is precisely this circumstance that CCCM (Contingency-Centric Content Management) makes use of as shown in Fig. 14.1.

14.1.1 VUCA World as a Catalyst for CCCM

Figure 14.1 shows which factors favor the CCCM. The contingency factors increase in a VUCA world. VUCA is an acronym referring to volatility, uncertainty, complexity, and ambiguity. It describes the characteristics of the modern world.³ Especially this world is characterized by a constantly growing knowledge society. On the one hand, the knowledge of mankind is increasing rapidly and leads to content overload. On the other hand, knowledge is becoming obsolete faster and faster, with digitalization acting as a catalyst. This conflict is symbolically illustrated in Fig. 14.2. If the half-life of our school knowledge is still 20 years, the half-life for

²<https://wirtschaftslexikon.gabler.de/definition/kontingenztheorie-der-fuehrung-37489>. Accessed: 23 April 2020.

³<https://wirtschaftslexikon.gabler.de/definition/vuca-119684>. Accessed: 23 April 2020.

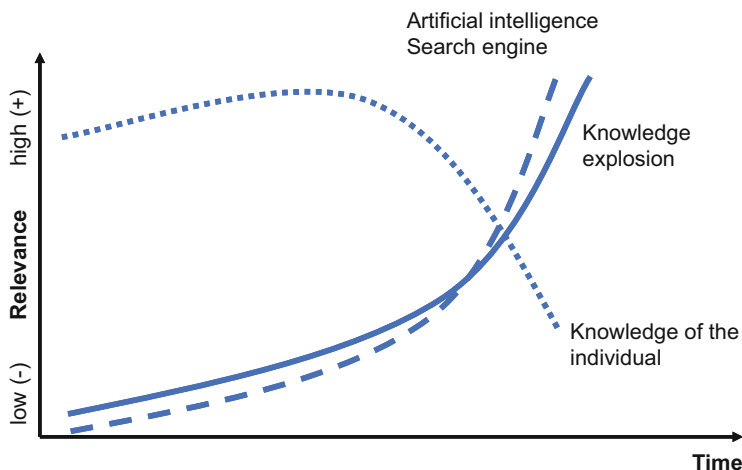


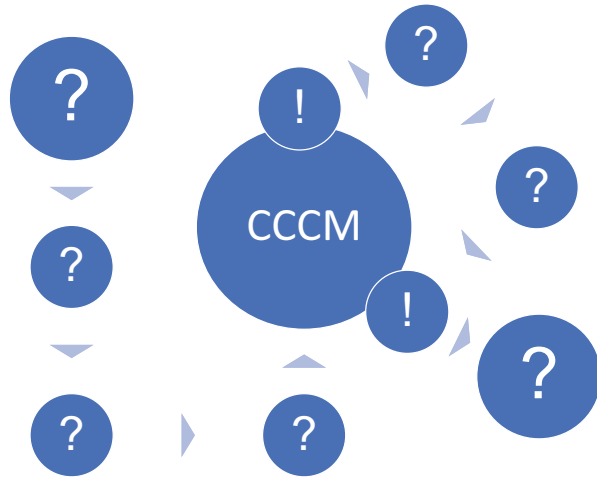
Fig. 14.2 The knowledge explosion weakens the relevance of one's knowledge

professional knowledge is 5 years and for IT knowledge even only 1 year (Nagel 1994). The applicable knowledge of the individual thus decreases at different rates. This can even happen overnight. Reasons can be, for example, changes in the law which suddenly require completely new knowledge. It is precisely here that there is particularly high leverage for the CCCM, as shown in example 2 at the end of the article. We are undergoing a transformation from an industrial society to a knowledge society, which is accelerated by digitalization. The factor of education is becoming more and more important and classical education is no longer education, because education will never be “out” again.⁴ Here too, a strong lever of contingency becomes apparent.

The world of work is currently in a state of flux and increasingly demands constant further training. Knowledge is power and is increasingly becoming an economic factor. This applies both to the company and its employees. If a company manages to support not only its employees but also its stakeholders in this area, it has a good chance of becoming positively anchored in its target groups. People trust the person from whom they learn something. If he is helped in this, strong and positive customer loyalty is possible. It is therefore not surprising that in the area of content marketing, according to the Statista Content Marketing Trend Study 2020b, strengthening one's brand and its image to the outside world is one of the most important strategies, with 89% agreement.

⁴<https://www.zukunftsinstitut.de/artikel/bildung-im-zeitalter-der-wissensexplosion/>. Accessed: 23 April 2020.

Fig. 14.3 “To be or not to be”: CCCM attracts the target group like a magnet



14.1.2 Definition of CCCM (Contingency-Centric Content Management)

Contingency factors (situational influences) are essential for success (F. E. Fiedler 1967). In the CCCM the contingency factors come primarily from the fields of law, education, and social affairs. The aim is to effectively support the content marketing strategy in its core areas such as strengthening the brand and image, winning new customers, and customer loyalty. Due to the high content relevance in the target group, CCCM is becoming increasingly popular as shown in Fig. 14.3. The higher level of attention is not only achieved with the target groups. Due to this highly user-relevant content quality, there is also a good chance to get further up in the search engine ranking. Through these measures, some savings can be made on advertising expenditure for ads in search engines.

14.1.3 CCCM as an SEO Booster

Figure 14.2 points to the increased growth of AI (artificial intelligence) in search engines. Google as the most important search engine has also been investing millions of dollars in AI research for years. “As early as 2012, the search engine provider hired technology visionary, [Raymond Kurzweil](#). This was followed in 2014 by the *takeover of the start-up company DeepMind, which specializes in AI systems*, for around €500 million.”⁵ RankBrain will increasingly establish itself in the Google world and thus AI will continue to gain ground. This means that search engines will be able to identify relevant content for users with increasing accuracy. The sites with

⁵<https://www.ionos.de/digitalguide/online-marketing/suchmaschinenmarketing/was-ist-rankbrain/>. Accessed: April 25, 2020.

the best and most relevant content have a good chance of moving up in the hit list. The days are long gone when popular search terms were written in white on a white background to make the search engines think that the content was relevant. The search engines use increasingly sophisticated logarithms and can fall back on ever-higher computer performance. The advantage with CCCM is therefore obvious: This type of content, which has perhaps not yet been assigned such great importance, can also provide very good options for SEO and sometimes drastically reduce costs in the SEA area. Because “relevant content is king”—more and more also with the search engines. If the company is at the top of the list for important search terms, less budget is required for paid ads.

Excursus

At this point, I would like to briefly point out that search queries via voice and voice assistance systems such as Alexa, Siri, and Co. are becoming more and more popular. The Statista Trend Kompass of 2020a states that voice assistance in the USA will grow by 320% by 2023. Over 35 million units have already been sold today. But these smart speakers will be capable of much more. Using the voice, it is very likely that not only the gender of the user can be analyzed, but also his or her approximate age and emotional state. What was previously reserved for famous body language researchers such as Samy Molcho, speech systems can also identify with the future with increasing accuracy.

This can still play an important role in content marketing and thus CCCM in the coming years.

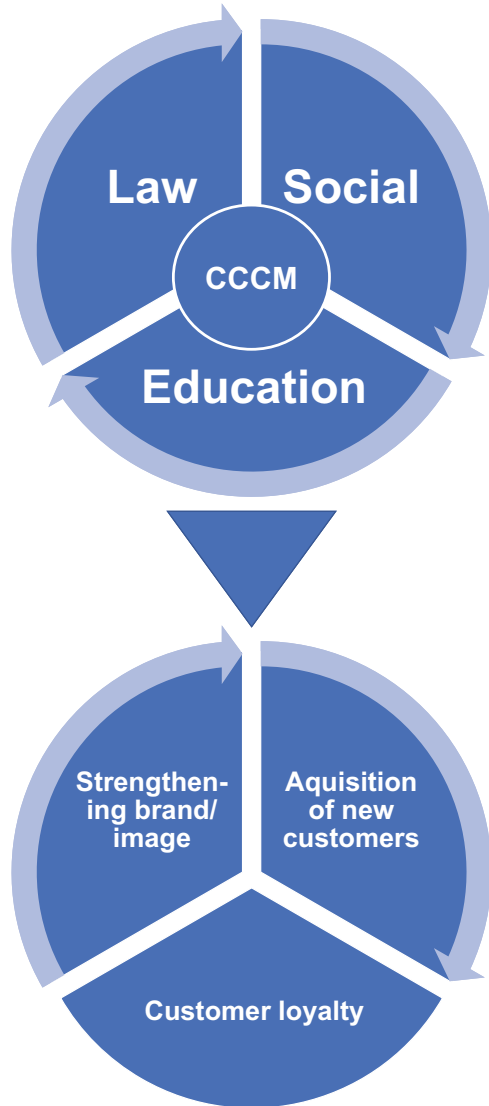
14.1.4 Content Marketing Strategy: CCCM Strengthens the Brand and Its Image

Which strategy is pursued using content marketing is shown in Fig. 14.4 and was examined in the Statista Content Marketing Trend Study 2020b.

The strengthening of the brand and its image to the outside world is cited as being of elementary importance (89%). The acquisition of new customers is approved by 78% and the strengthening of customer loyalty is cited as equally important by 68%. CCCM’s goal is to effectively support the content marketing strategy in precisely these areas.

The brand benefits (what does the brand offer?) and the brand attributes (what characteristics does the brand have?) play an important role. In terms of brand benefit, a simplified distinction can be made between factual-functional benefit (e.g., the long service life of a tool drill) and psychosocial benefit (e.g., great training offer from a supplier) (Esch 2016a, b).

Fig. 14.4 Effect model of the CCCM wheel on the most important components of a content marketing strategy



Often the psychosocial benefit plays a higher role with the customer than the factual-functional benefit. The Design Thinking Model presented by Alexandra Ender in the previous article is also an excellent tool for finding answers to the CCCM model in Fig. 14.5.

The advantage of the CCCM strategy is that there is no need to point out the own product which will be sold in the end. It can even go so far that a group of people becomes active for someone whom the company itself does not even have as a target

CCCM effect model	Law	Social	Education
Strengthening brand/image			
Aquisition of new customers			
Customer loyalty			

Fig. 14.5 Effectiveness areas of the CCCM Wheel

group and that this group nevertheless generates turnover. This is shown in example 1 at the end of the article in the CCCM Social section.

Each area of the CCCM contingency wheel of Fig. 14.4 above is capable of effectively supporting the three most important areas of the content marketing strategy in the lower area.

14.1.5 The CCCM Contingency Wheel

According to Fig. 14.4, there are nine areas of effectiveness in the CCCM Contingency Wheel. These are shown in Fig. 14.5 in a matrix. This table serves as a marketing basis, the application of which is explained in detail in the two examples at the end of the chapter.

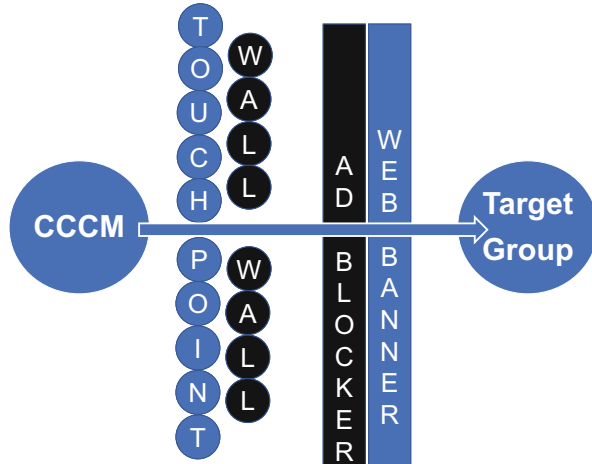
Suppose a new law is passed which affects the target group of the company. According to the matrix, this would be located in the legal quota area. However, it may well be that it also affects the other areas. The more contingency points we can create within the working model, the more it strengthens the desired effects of the content marketing strategy: strengthening of brand/image, new customer acquisition, and customer loyalty. Example 2 at the end of the article illustrates the contingency area of law and legal changes, which is one of the easiest to implement and also one of the greatest levers for the content marketing strategy.

14.2 Customer Journey: Explosion of Content Opportunities

Due to the explosion of touchpoints along the customer journey, it becomes more and more difficult to fill them with relevant content. This is because the capacities in the marketing departments are limited and are often only hesitantly increased. At each touchpoint, the motto is: “To be or not to be, that is the question here” according to the quotation from the tragedy *Hamlet, Prince of Denmark* by William Shakespeare. This is where brands and people meet. The brand tries to impress with an attractive offer and people ask themselves “What’s in it for me?” (Esch 2016a, b).

In addition to the touchpoints of the classic type, such as trade fairs, events, posters, brochures, and billboards, more and more digital touchpoints are being added at an enormous speed. Starting with simple advertising banners, through your website to virtual reality and augmented reality. “Companies usually own between 100 and 500 touchpoints, and that per brand! And their number is

Fig. 14.6 CCCM in the highly competitive content environment of B2B communication



increasing: since about 2011, their number has risen by 30%, especially in the digital space.”⁶

Every single Touchpoint offers a content opportunity, but it seems impossible to play every single one. With CCCM, the target group is attracted to the touchpoint with this highly relevant content as if with a strong magnet, as shown in Fig. 14.3, and then skillfully guided through the customer journey as shown in Fig. 14.6. There is a much lower risk to fail at the touchpoint banner because the target group has a high interest in this type of content when CCCM is used.

Even the individual touchpoints change almost dramatically over time. A particularly nice example is display ads. If banner advertising were still as effective as it was in 1994, no further activities would be necessary per se. The CTR (click-through rate) was still 78% in 1994 and is still just 0.005% today. In the meantime, display ads have achieved the opposite of what they were intended for. Often the customer experience was interrupted, with the result that adblockers were installed.

Meanwhile, as shown in Fig. 14.6, adblockers are increasingly found on end devices such as mobile phones, tablets, laptops, and computers. This leads to a declining return for advertisers. Already in December 2016, PageFair identified 236 million desktop browsers and 280 million mobile browsers equipped with adblock software. This corresponds to the global growth of 30% in just one year. This means that at that time about 11% of the Internet community had an adblocker.⁷

According to the [Online Marketing Circle](#) (OVK) in the German [Digital Industry Association](#) (BVDW), the share of online display advertising blocked on the [desktop](#)

⁶<https://www.brand-trust.de/de/artikel/2018/wie-manage-ich-touchpoints.php>.

Accessed: April 21, 2020.

⁷https://www.ndss-symposium.org/wp-content/uploads/2018/03/NDSS2018_04A-2_Zhu_Slides.pdf. Accessed: April 26, 2020.

in Germany will now be stable at 23–24% in 2019.⁸ The question is justified: Given these figures and within this environment, does it still make sense to run banner ads at all?

Can CCCM even offer better opportunities here?

We are currently living in the largest leisure society in the history of mankind, and yet many complain that they have too little time. Time has become a scarce commodity. The motto “*Time is money*” by Benjamin Franklin from 1748 from his book “Advice for Young Merchants” is still valid today. It is precise because of this tightened time budget that people want to be supplied with the relevant information only. Information that helps them to save time is therefore highly valued. This also explains the increasing popularity of adblockers. If you see an advertising banner on your screen, you are less inclined to click on it.

The chapter “Social Media in B2B: The New Kids on the Block” shows how this can be achieved using example 1. Here, an impending change in the law is used to score points with the target group using CCCM.

14.3 CCCM: Sustainable Customer Success and More

In the House of CCCM in Fig. 14.7, the entire range is summarized once again. The CCCM does not focus on the advertising message, but rather on offering the recipient of information a content that is highly relevant to the situation. This closes real problems such as knowledge gaps in the target group. This content is based on contingency factors (situational influences) from the fields of law, social affairs, and education. Product marketing is less in the foreground here. The trend is therefore toward relevant information marketing. Thus the company shines with know-how and creates a real basis of trust with the target group. The aim is to win the customer for the company or its brand in the long term.

Furthermore, the most important strategies within content marketing are supported, as shown in Figs. 14.4 and 14.7. All this pays off for the brand and creates a high and emotional satisfaction among the target group. Ultimately, this also makes a company/brand more agile, as one has to react quickly to these circumstances. Changes in the law, for example, are sometimes not predictable and it is first-come, first-served. Speed is rewarded with success, as is shown later in example 2 at the end of the article.

At the end of April 2020, while this article is being written, the world is in the middle of the Corona crisis. Companies often stop their marketing budgets as suddenly as the hand on a clock. Even highly digital companies and global market

⁸<https://de.statista.com/infografik/8615/entwicklung-der-adblocker-nutzung-in-deutschland/>. Accessed: 26 April 2020.

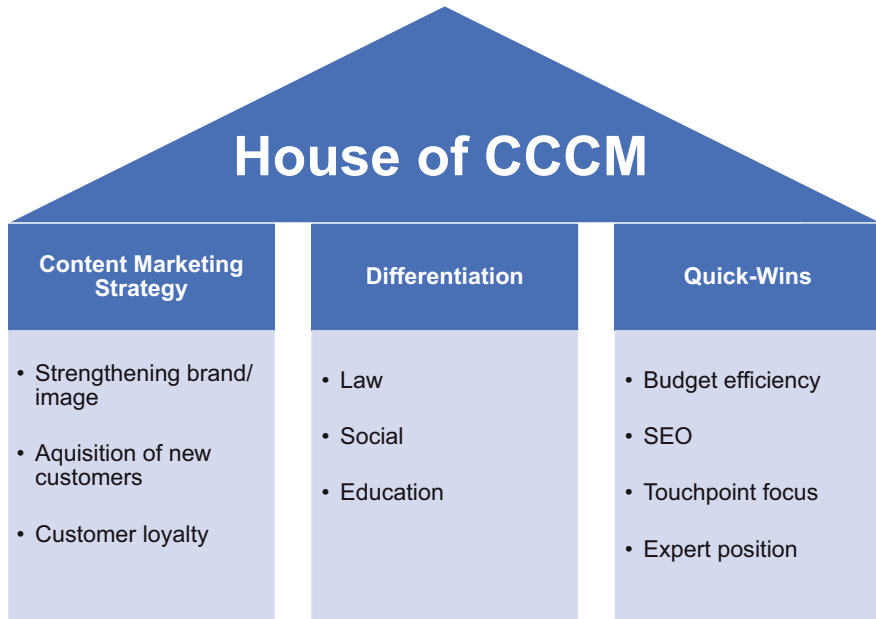


Fig. 14.7 House of CCCM

leaders are affected. Even Google halved its marketing budget and imposed a hiring freeze,⁹ as you can read in the article in Internet world.

The good news is that CCCM can work very well, especially in times of crisis. It does not depend on a high marketing budget. Above all, the idea, agility, and the will to implement are the key to success here. Even with a small budget, a lot can be achieved here. Crises often create important contingency factors. In the case of the coronavirus, for example, new hygiene regulations may suddenly emerge and new products, processes, and much more are urgently needed. Let us think, for example, of protective masks, those penny–penny items that suddenly became extremely expensive overnight and were temporarily no longer available: A battle for the scarce commodity of protective masks began worldwide. The police occasionally guarded an armored car. But that trucks suddenly had protective masks as cargo, escorted by the police, was unimaginable until then. Smart companies suddenly started manufacturing coronavirus-related products. This is where CCCM can be used very efficiently. The priority is the content strategy, into which the product is cleverly integrated so that supply and demand quickly come together.

Example 2 at the end of the article shows how a new product based on existing products was developed in a very short time due to a change in the law, thus opening up a completely new industry and target group. In the chapter “Social Media in B2B:

⁹<https://www.internetworld.de/online-marketing/google/google-halbiert-marketing-budget-verhaengt-einstellungsstopp-2530860.html>. Accessed: April 27, 2020.

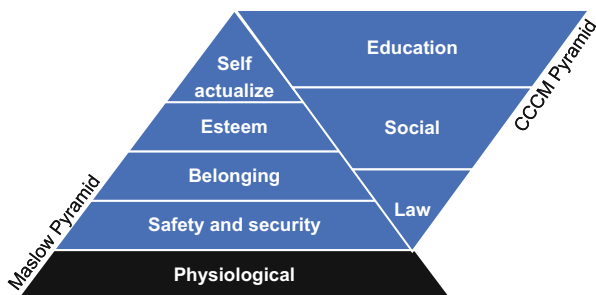
The New Kids on the Block” by Connor Moseler and Olaf Mörk, example 1 shows how CCCM and the right combination of social media can have a significant leverage effect. The examples show how effectively CCCM can be implemented and that it does not require a large marketing budget.

14.4 Content Meets Business Psychology

Maslow (1908–1970) is considered one of the most important founding fathers of [humanistic psychology](#). His simplifying representation of a hierarchy of needs has become widely known. Maslow published the first idea for his model in 1943 under the title “A Theory of Human Motivation in the Psychological Review.” From this model, his famous pyramid of needs was interpreted as shown in Fig. 14.8. The model became particularly popular in the [economic sciences](#), especially at the interface of economics and psychology or business psychology. To this day, [sales psychology](#) or [marketing the buying behavior of](#) people is investigated and constantly developed further. How CCCM makes use of this fact is shown in Fig. 14.8.

In Maslow’s pyramid of needs, human urgencies are sorted by need. Physiological needs, such as hunger, thirst, and sleep, are the most urgent. This level of the pyramid of needs is not covered by CCCM. However, influence can be exerted on the following levels. Security needs like housing, work, and income play an important role and are endangered by the VUCA world. Continuing education is necessary to stay up to date. People also strive for recognition and esteem, which requires excellent specialist knowledge. Knowledge is the new currency that can work its way up the pyramid of self-realization. Those who support their target group in the form of educational content can build a lasting basis of trust. Through this high-quality B2B content, the company/brand also positions itself as a knowledge pioneer and will thus be positively remembered by the target person. The customer’s need for information has priority over the advertising message. The trend away from

Fig. 14.8 Relationship between the Maslow’s pyramid of needs and CCCM



product marketing and toward relevant information marketing is becoming increasingly important.¹⁰

14.4.1 New Laws Offering Great Opportunities for CCCM Law

CCCM is very effective and of fundamental importance when it comes to legislation. For example, changes in the law can be perfectly used to educate about them through content marketing and thus generate new leads from the target group. In court, the iron rule “Ignorance does not protect against punishment” (German Criminal Code, § 17 StGB) applies. We know from behavioral psychology that people want to avoid punishment at all costs. Because a punishment, whether monetary or imprisonment, means leaving the accustomed comfort zone. Here we move mainly on the lower levels within the Maslow Pyramid. The following example 2 picks up this situation.

There are many ways to link the CCCM with the target group. In the following example 1 it is an app. Example 2 at the end of the article uses an information event. CCCM communication possibilities can be classical or digital and very often both worlds are combined.

14.4.1.1 Examples of Classic CCCM Communication Options

- Whitepaper/case study in the form of a case study
- Studies
- PR article
- Checklist (“to do” list to tick off)
- Glossary (e.g., encyclopedia, as here in this book with the most important terms)
- Infographic
- Seminar

14.4.1.2 Examples of Digital CCCM Communication Possibilities

- Blog article
- Podcast
- Video
- Webinar
- Online training
- Website
- Microsites

¹⁰Mörk O. (2019). marconomy. Keynote, Content is dead—long live Content 4.U. Munich: Fair CMCX.

Fig. 14.9 Multiple content areas provide synergy and acceleration



14.4.2 Conclusion

Content marketing will change more radically in the next 5 years than in the past 20 years. The reason for this is that ever faster, ever more knowledge is created and leads to a “content overload.” Therefore, our knowledge will become obsolete faster and faster. The intelligence of search engines is constantly increasing. Only a smart and highly relevant content has a chance to score with the target group and thus with the search engines. Within the Customer Journey, there is an explosion of touchpoints. More than 8000 technologies or content channels are currently available to use them. All in all, this situation leads to excessive demands and uncertainty. The solution is to focus on and observe the developments. The changed customers and thus content behavior offer good opportunities for CCCM in combination with the Buyer-Centric Content Approach, which was described in the previous article by Alexandra Ender. Figure 14.9 shows how these forces interact and accelerate each other. This offers a unique synergy that benefits the customer and ultimately the company and brand. The following examples show how this strategy has already been successfully implemented in practice.

14.5 Example 1: CCCM-Social—An App as Environmentalist and Revenue Generator.

Company: Wanzl Metallwarenfabrik, Germany (Leipheim)
 Business: World’s largest manufacturer of shopping trolleys and Luggage luggage transport vehicle

Products:	Products and systems for retail, sales, shopfitting, and transport
areas:	Retail Systems, Shop Solutions, Logistics + Industry, Airport, Security, Hotel
Industries:	Active in over 30 industries
Turnover:	> €700 million per year in 2019
Employees:	4500
Active in:	50 countries

14.5.1 Background Situation

Losing shopping carts is a major problem in the UK, costing retailers over GPD 35 million annually. It is hard to imagine, but in 2017 alone Wanzl collected more than 520,000 abandoned shopping trolleys in the UK.¹¹ The shopping trolleys can be found everywhere, in waterways, underpasses or somewhere in the beautiful countryside. This represents massive environmental pollution. It is also often difficult to know the exact location of the lost trolleys. Street names are often missing on site, so massive search times are sometimes necessary to find the shopping trolleys.

14.5.2 The Solution

The boom in smartphone users continues in England and, according to Statista forecasts, will grow to over 56 million by 2020.¹² These are good conditions for a smart app. Wanzl Great Britain has broken new ground in reducing the loss of shopping trolleys on the island: The unique Trolleywise app for smartphones has been active since summer 2013.

The new app met with a great response from the British public, as every citizen can now report abandoned shopping carts via an app and since then actively protect the environment at the push of a button.

The effects in the CCCM areas of legal and education from Fig. 14.10 are so minimal that they were classified as neutral in the practical example. On the other hand, the effects in the social area are generally high (+) to very high (++)

¹¹https://www.wanzl.com/en_EN/service/trolleywise/press-releases/a-trolley-good-pr-win/. Accessed: 09 May 2020.

¹²<https://de.statista.com/statistik/daten/studie/374635/umfrage/prognose-zur-anzahl-der-smartphonennutzer-in-uk/>. Accessed: May 09, 2020.

Wanzl CCCM effect model Social	Law	Social	Education
Strengthening brand/image	o	++	o
Aquisition of new customers	o	+	o
Customer loyalty	o	++	o

Fig. 14.10 CCCM-Effect Model-Social, Example 1, App as an environmentalist and revenue generator. Legend: negative (–), neutral (o), positive (+), very positive (++)

14.5.3 Do Good Deeds and Let Them Be Talked About

Figure 14.10 shows that the app was an important step in strengthening the brand and image of the company in the UK and was rated as very good (++).

The media was informed about the app and immediately took a liking to it. Nationwide British newspapers reported on the new and unusual app. The popular BBC TV magazine “The One Show” as well as numerous local BBC news channels covered the topic. Environment Minister Lord de Mauley said: “However, we want to eliminate the problem and return pride to our local communities. The app makes it very easy for people to report trolleys quickly and accurately. By swapping abandoned trolleys for trees. We want to make a positive impact on communities.” This is exactly the strength of the CCCM-Social thought of the App.

Also, the hearts of the market operators, from whom the shopping trolleys were stolen, could be conquered. Nobody, except Wanzl, is able to offer this service and to return stolen shopping trolleys. This is an important criterion for customer loyalty and is also rated as very good (++) according to Fig. 14.10. New customers were also acquired and the company continues to grow steadily. A Wanzl survey delivers astonishing results: 46% of shoppers think that retailers are responsible for the problem of missing shopping trolleys and 30% think that local authorities should help find a solution.

14.5.4 CCCM-Social: Do Good Together

There is a lot to do because after all, more than 11,000 tons of material are rolled away on shopping carts every year and are considered missing. The shopping trolley search squad with over 60 vehicles has taken up this challenge and has already returned millions of shopping trolleys. These are then returned to the shopping market, professionally recycled or reconditioned. Thanks to the app and the willing support from the population, a significant relief has been achieved.

The example clearly shows how strongly CCCM-Social can affect. This app is less used by retailers, but it is popular with its customers. Since its launch in June 2013, the Trolleywise app has recorded well over 10,000 downloads by users of iPhones and Android smartphones who use GPS to locate and report missing shopping trolleys near markets, in parks, in rivers, and canals. With the involvement

Fig. 14.11 The Trolleywise App for environmental protection, sales increase, and customer loyalty (extract from the Wanzl Trolleywise presentation)



and support of most of the major UK retailers, local authorities are the main beneficiaries of this service. For every trolley collected by Trolleywise, Wanzl donates “Trees for Cities.” The organization plans to use the donations to plant at least 2000 new trees in British cities every year. Sharon Johnson, CEO of “Trees for Cities,” confirms: “As part of our planting campaigns in the cities, we often find abandoned shopping trolleys. We are very pleased that the Trolleywise App is now available which makes it easy to report these trolleys. And of course, we are delighted that Wanzl is actively supporting our nationwide tree-planting campaign with the Trolleywise App.” The app with CCCM—Social Elements is seamlessly integrated into the overall process as shown in Fig. 14.11.

14.5.5 The Trolleywise App: Easy to Use, Strong in Success

1. Free download of the app for Apple and Android devices. This app from Fig. 14.12 only works in the UK.
2. The user simply takes a picture of the abandoned shopping cart as shown in Fig. 14.12 in the middle. Details can be added.
3. The app transmits the exact GPS data to enable you to find the car. The rest is done by the company Trolleywise.
4. Push notifications keep the user constantly informed. For example, when the car is picked up and returned.
5. Each user has an individual profile in the app, which informs him/her how many cars he/she has registered.
6. Social media such as Twitter and Facebook are further important complementary measures for motivating the target group. Especially the pinboard for users is quite popular on Facebook.

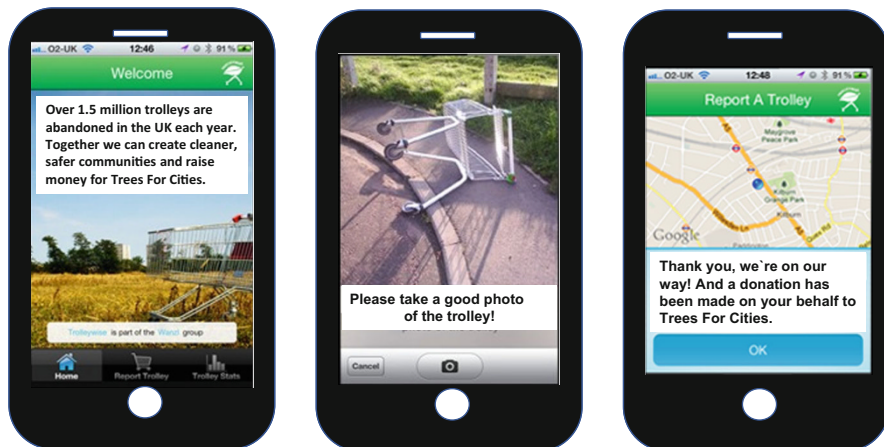


Fig. 14.12 App in use—with the exact position of the shopping trolley you are looking for

All in all, a real win-win situation is created here: The app helps to reduce costs for retailers and at the same time protect the environment. This environmental protection works through a very committed target group that can save the world a little bit at the push of a button, so to speak. It is noteworthy here that at first glance the target group does not appear to be a Wanzl company target group. After all, they are not retailers but their customers. Here, CCCM even reaches beyond the actual target group and still works excellently as shown in Fig. 14.11. After all, people want to do social work, especially when it is as convenient as using this app. After all, 30% of buyers in the Wanzl survey admitted to having stolen a car themselves at some point. Perhaps this is where a guilty conscience takes hold and the app plays its cards right into the hand. 17% of buyers are worried about the cost of the retailers. They are indeed enormous and amount to 35 million GPD annually.¹³ The CCCM-Social application, as shown in Fig. 14.13, can cover several important marketing and business objectives at once.

14.5.6 Most Important Marketing Measures

The goal was to develop an app to make it easier to find stolen shopping carts.

- Clarification of the feasibility of an app and definition of the basic conditions.
- Preparation of the CCCM-Social model sees Fig. 14.10 and derivation of measures.

¹³Wanzl UK. Trolleywise Fact Sheet. https://www.wanzl.com/en_EN/service/trolleywise/press-releases/trolleywise-fact-sheet/. Retrieved: May 09, 2020.



Fig. 14.13 Achieved goals in CCCM-Social commitment

- Development of social media activities, brochures, websites, press articles, testimonials around the shopping cart app.

14.5.7 Results

- Numerous press releases from the daily press as in this example from the dailymail: <https://www.dailymail.co.uk/sciencetech/article-2335571/Fed-scourge-abandoned-supermarket-trolleys-New-app-lets-report-collected.html> to the BBC News. Thus increasing the level of awareness of the brand and company. An example is a TV report from 2013, which was broadcast in the popular “The One Show” in the UK: https://www.youtube.com/watch?v=asypZ_1noFg.
- Over 10,000 downloads of the app and strong participation of the British population to track down the cars.
- In 2017 alone, over 520,000 shopping carts were collected.
- The app considerably simplifies the logistic processes when collecting the trolleys.
- Contribution to environmental protection and planting of at least 2000 trees annually. Support for the “Trees for Cities” campaign by most major UK retailers.
- Creating a win-win situation in several respects. Environmental protection thanks to the return of shopping trolleys and the planting of trees. The level of awareness and the popularity of the company and the brand have been sustainably increased due to these actions. The same applies to increased customer loyalty, who were

willing to participate in this campaign and were able to see positive effects for themselves.

14.5.8 Lessons Learned

If you manage to combine CCCM-Social with a technology that benefits the environment and therefore society, success is almost inevitable. Not only will the customers be enthusiastic, but it is also possible to turn the customers and other target groups into real fans. This pays off in terms of the brand and awareness level.

In such a case, quite a small PR budget is needed, since this topic is so relevant to the media that it is reported on. What is important here is a novelty character and again a quick implementation and the will for constant improvement. The unusual way of tracking down and collecting these shopping trolleys with the help of an app was praised. The press is less impressed by ordinary actions.

It is important to think in terms of benefits and only then choose the technology. This also explains why this app was not released several years earlier. There was not enough critical mass, i.e., mobile phone users who could have participated. Apps were often not as mature and reliable as today. Digital success needs to inspire the target group with relevant content at the right time using the right technology. What is unusual here is that a broad section of the population enjoyed the campaign and was willing to participate. This was additional support of the distribution by third parties as shown in Figs. 14.11 and 14.13. It also shows that CCCM-Social is in line with the trend of the times and these topics will continue to attract a lot of attention.

14.6 Example 2: CCCM-Law—A New Industry Overnight

Company Wanzl Metallwarenfabrik, Germany (Leipheim), see example 1.

14.6.1 Situation and Legal Starting Point

This practical example deals with a topic with which Wanzl has not yet had anything to do. It is about the serious subject of gambling addiction. To counteract this, a law was passed in 2014 in Germany for some federal states. Since then, a player can voluntarily have himself blocked from gambling addiction in the OASIS database. If the player now plays and loses, he can sue for his loss. Some players quickly came up with a lucrative business model. In the event of a win, the winnings were confiscated, in the event of a loss, the operator of the gaming facility was sued, and the money gambled away had to be paid back to the player due to the new legal situation. In the end, the player was able to use the situation to his advantage. The loser was ultimately the venue operator.

In addition, the new law threatened the operator with a fine of up to €10,000 if a blocked player visited the venue to try his luck. The commercial operators of theatres

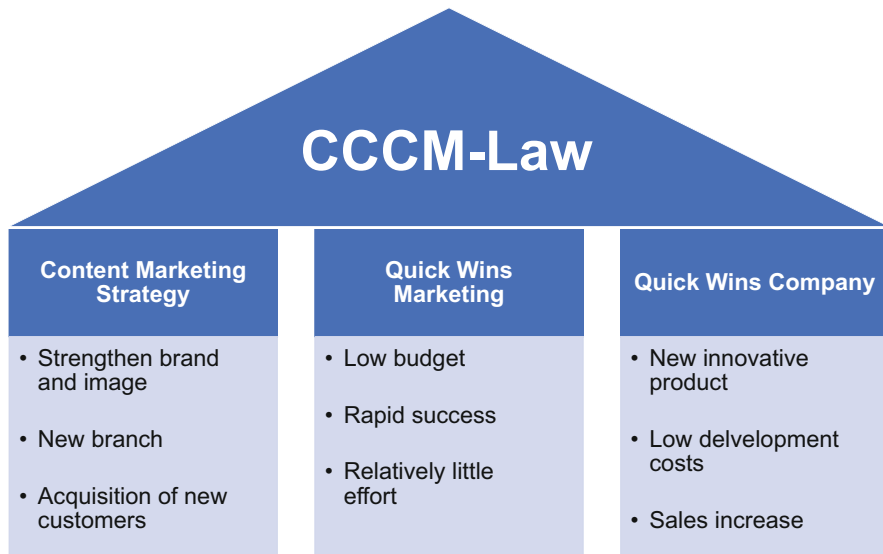


Fig. 14.14 Achieved goals in the CCCM-Law application

were faced with an almost insoluble problem. Suddenly they were responsible for the compliance with player protection. Losses could now be legally reclaimed, and the operators were threatened with severe consequences if they violated the new law, as can be read in the customer magazine of Wanzl of WWW—Worldwide 2015. Figure 14.14 shows that many marketing goals can be achieved with only one CCCM-Law measure. This kills as many birds with one stone.

14.6.2 The Solution

Wanzl offers many solutions, including in the field of access control. These systems are not unknown in fitness studios, retail, and the airport sector, for example. A rapid and tamper-proof security check of passengers at airport gates is a matter of course today. The boarding pass is placed on a display at the gate, checked and if everything is in order, the passenger can pass through the gate.

Thus, a fundamental solution to the problems of venue operators had already been found. Safe access and the fulfillment of all legal requirements had to be fulfilled in the venue, similar to an airport.

14.6.3 Opportunity Meets Speed

The opportunity presented by the change in the law was quickly recognized. Product management worked flat out to develop a solution based mainly on existing and

Wanzl CCCM effect model Law	Law	Social	Education
Strengthening brand/image	+	+	o
Aquisition of new customers	++	o	++
Customer loyalty	o	o	o

Fig. 14.15 CCCM-Law model for example 2, change of law for venues. Legend: negative (-), neutral (o), positive (+), very positive (++)

proven products. In the end, the entrance system was coupled with security software. The OASIS database with the blocked players could be queried within seconds. All that was needed for this was a finger scan, similar to the one used today by many smartphones, directly at the entrance facility for data transfer. Blocked players were not granted access. New players, on the other hand, could be registered quickly and easily using a finger scan.

A CCCM model as shown in Fig. 14.5 can be created and filled by marketing at short notice. It helps to get a quick overview so that the situation can be assessed quickly as shown in Fig. 14.15. Important strategic starting points become visible here. The aim is to use the change in the law for venues effectively for its communication and marketing measures.

14.6.4 New Customers Overnight

Figure 14.15 clearly shows that there is an opportunity here to reach a completely new target group, in this case, the venue operators. For the first time, the way into the new branch of the venue industry was therefore open virtually overnight as a result of the change in the law.

14.6.5 Industry Newcomer Quickly Becomes an Expert

The Wanzl company was still almost unknown among the target group. There were hardly any points of contact with the industry. The forced product was expensive, in need of explanation, and very technical. It used access control as the most modern hardware and software for controlling processes. One should assume that marketing in this case was very expensive and could only be accomplished with a high marketing budget. Especially in this constellation, it becomes clear how strong CCCM can be and that it is the relevant content and not a high budget that matters.

14.6.6 Content Creates Trust: The Basis for Success

According to Fig. 14.15, the image and brand are strengthened in this case. This delicate issue has been handled skillfully. This was done by providing the important legal content free of charge and by solving the problem for the target group. As a company, we took the lead here and positioned ourselves positively as an expert. This enables trust to be built up quickly because without this trust it would hardly be possible to sell such a complex product. To build trust, it was important to invite local customers to the Wanzl Creative Center. The complete [product range of all Wanzl business units](#) is presented here on three floors. It quickly becomes clear that at least part of the Wanzl product world, such as the shopping trolley, where Wanzl is the world market leader, has itself been used very often.

Likewise, the retail sector, from which the product ultimately originated, has a positive radiating effect on the new product for the venue operators, because it is known how high the product requirements in this industry are. The new product was presented in this very elaborate showroom. At the information event, potential customers were given details and an assessment of the legal situation afterward. As a possible solution, the Wanzl entrance system was presented, and later the prototype could already be demonstrated in the training center. Hardly any of the guests had expected that a solution for this complex and new topic already existed.

The new law is likely to have less impact on customer loyalty and is therefore rated neutral in Fig. 14.15. Existing customers who do not operate venues are only marginally interested in the issue. The negative effects of the planned measures were not apparent and could be neglected. It was therefore uncritical to include this topic in Wanzl's customer magazine *Worldwide*, which was distributed around the world in thousands of prints and download editions. The topic as a whole underpinned Wanzl's innovative dynamism and the company's high level of social commitment, as already shown in example 1.

Only the new customers were given further training, as they were invited to information events purely as a result of the change in the law governing venues. Therefore, according to Fig. 14.15, the relevance is classified as very high. For the target group, education about the new legal situation is of fundamental importance. If the new legislation were not observed, the existence of the target group would be at stake.

14.6.7 Most Important Marketing Measures

The objective was to develop the new target group, sell the new product and other services.

- Clarification of the feasibility of the potential product.
(with Business Unit and Product Manager).

- The creation of the CCCM-Impact model sees Fig. 14.15 and derivation of measures. CCCM-Education also played an important role in the area of further training measures for potential customers.
- Research of the target group (venue operators).
- Invitation of the target group to the company for an information event about the new law on player protection.
- Development of whitepapers, brochures, websites, press articles, testimonials around the topic of player protection.
- Event with the target group on site. Demonstration-ready prototype in the showroom.
- Post-processing of the leads.

14.6.8 Results

- Over 150 systems for player protection were installed in just one federal state in a very short time.
- In addition to the product, services such as installation and commissioning of the plant and maintenance were also sold at above-average rates, ensuring good sales growth in these areas.
- Positioning as an expert and innovation leader within the industry ensures rapid confidence building within the target group.
- For a certain period, the company was the sole solution provider on the market and virtually without competition. The law was followed by other federal states. Later, a very similar approach was taken here. It cannot be ruled out that other states will push similar laws, which means long-term sales growth.
- The response of all marketing measures was above average. The in-house events were fully booked.
- A win-win situation was created that could even kill three birds with one stone. Due to the voluntary protection of the players, they could no longer gamble their money and were barred from entering the venue. The operator of the venue was relieved, as the use of the Wanzl system meant that the players could act by the law and could easily comply with the player protection. Players who wanted to take legal advantage of the law to reclaim losses from the venue operators could no longer benefit from it.

14.6.9 Lessons Learned

First-come, first-serve, and this offers a variety of marketing opportunities as shown in Fig. 14.13. It is relatively easy to achieve very important corporate goals here. It is important to clarify the general conditions quickly and whether it is possible to react at all. Does one have a suitable product for solving the problems of the target group, or how quickly can such a product be developed? Are the capacities in, e.g., production, marketing, and sales available, or do they still have to be provided?

The target group must be identified very quickly to meet it with the appropriate marketing activities. The CCCM impact model is shown in Fig. 14.5 has proven its worth here.

Priority should be given to raising awareness of the problem within the target group. The content here deliberately moves away from pure product marketing to relevant information marketing. This requires close coordination of marketing with the business units, product management, and sales. With relatively little marketing effort, a new industry with sustainable sales growth was developed in a very short time. The low monetary input is one of the strengths of CCCM. Instead of high communication costs, the focus is on highly relevant content, which can even lead to a completely new target group as in this example.

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Olaf Mörk, Dipl. Betriebswirt (FH), has felt at home in international B2B marketing for over 25 years as the Director Marketing, Interim Manager, and Consultant. For him, the focus of digital change is the brand and the company, which must emerge from it stronger. The brand serves as a stable anchor that ensures orientation in the stormy digital sea. As early as 1995, he specialized in digitization for industry, trade, manufacturers, IT, and service. At that time, he introduced, e.g., the Sparkasse as the second German direct bank to the market, developed the first online configurators, and later digitized entire business areas. The goal is to create innovative and new, affordable solutions for tomorrow's success. As the author of numerous marketing publications and keynote speaker at leading marketing congresses such as CMCX, DMEXCO, Lead Management Summit, and a close cooperation with marconomy, he regularly reports on content strategies and digital marketing. Most recently, he initiated the brand "Mörketing." Marketing solutions and impulses for the company and its brand are the focus here.

Buyer-Centric Content Approach: Design Thinking to Market to Humans in the B2B World

15

Alexandra Ender



In January 1996 Bill Gates published an article on the Microsoft website that went viral. Today you can read his phrase “Content is king” anywhere on the web where there is a quote on marketing. But hardly anyone knows that Bill borrowed the catchy phrase from the media industry. This quote appeared in a book supporting the argument that “form and technical considerations, though important, cannot substitute for content” in the 1970s (Click and Baird 1974).

Bill made the link to the internet¹:

Content is where I expect much of the real money will be made on the Internet, just as it was in broadcasting.

After the initial phase, when internet content was high performing, its efficiency continuously dropped. Despite all technical raffinesse, even Google who made 3200

¹<https://medium.com/@HeathEvans/content-is-king-essay-by-bill-gates-1996-df74552f80d9>. Accessed: April 20, 2020.

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adaptations to improve its search algorithm in 2018² sees its click rates continuously declining.³

This technology, like marketing automation, that allows marketers to improve their marketing efficiency through increasingly precise targeting options, has its flaws. It is accessible to anyone in the marketing world and whoever wants to use it. Anyone can be bombarding their customers with ads that they think are relevant (because they want to sell something), while the users experience a huge overload of (largely irrelevant) information. This ultimately leads to what is commonly called “banner blindness” (Lada 2007), when internet users do not even take note of a banner anymore. “Banner Blindness” does not only affect banners as the name suggests but also any other communication, for example, e-mails. While it is not “blindness” in this case, it is rather “communication disregard” as the customer actively deletes e-mails without reading those, yet the result is the same: the content is ignored by the target audience.

This is due to decision fatigue (Buchanan and Kock 2001), caused by the overload of information. Translated for marketers this means: if you cannot manage to stand out of the overload of information your marketing efficiency will suffer extremely, you will pay lots of money for little return in terms of engagement with your communication. You could imagine the overload of information for your customer this way: It is like many ping pong balls coming toward you. You need to decide which one to play and have to let drop all the rest, if not all. The same happens unconsciously when you are facing too much information.

At the same time there is a shift in the buyer’s journey that requires marketing to be more influential: On average, buyers have gone 57% through their purchase journey by the time they talk to a salesperson.⁴ The role of marketing is to be already present in those early moments to influence the purchase decision where salespeople are not present.

15.1 The Journey Stage Itself Is Not Defining Content Needs

Many recommendations promote specific content formats for each journey stage to influence the purchase, most are related to the AIDA funnel.⁵ The flaw of this reasoning becomes quickly obvious when you relate it to specific examples.

Imagine a company selling tools to construction professionals. If this company wants to sell a tool that is widely used in its industry, for example, a breaker, the

²<https://www.blog.google/products/search/how-we-keep-google-search-relevant-and-useful/>. Accessed: April 20, 2020.

³<https://www.advancedwebranking.com/ctrstudy/>. Accessed: April 20, 2020.

⁴<https://www.thinkwithgoogle.com/marketing-resources/b2b-digital-evolution/>. Accessed: April 20, 2020.

⁵The AIDA funnel describes a model to explain the effect of marketing. According to the model the customer passes through four stages (that build the acronym): Attention, Interest, Desire, Action.

company would badly invest money if spending it on a white paper about breakers to cover the awareness phase. How can this happen, when general recommendations mention whitepapers as a great content in the awareness phase? In this example, the company would not think about its customers' real needs: The customers know the category of breakers, they might most likely know what product they want, eventually even the features they need, and want to come to a decision quickly. They might even have a preferred brand in mind. In this case, the job of a marketer is not to create awareness on the category, but to ensure the customers know about your brand's breaker and that it convinces the customers to switch from their preferred brand to yours. This challenge in the awareness phase is very different from the next one.

What about a product that addresses a topic where customers could largely improve their cash flow? Let us take another specific example: This time the company is selling software and related services for an easy way to manage the customers' assets. What you would most likely do is creating a white paper on ways to manage assets. But what if your customer is fine with the way s/he manages his/her assets today and does not even know s/he has the potential to increase cash flow? Your whitepaper, again, will be un-engaging and by far not generate the clicks and leads you might have hoped for. No one buys a solution to a problem they do not see. In this case, your role as a marketer is to create problem awareness before you promote a certain solution.

While both cases cover a certain stage of awareness, the customer needs are very different. An additional difference that comes into play is brand awareness: The lower your brand awareness is for a specific offering, the lower the purchase intention of your potential customers (Chi et al. 2009; Yaseen et al. 2011), which means you have to work even harder to convince your potential customers to switch from their preferred solution to your offering.

So, what is the way out?

15.2 Understanding Your Customer Needs

The bad news first: There is no one size fits all “perfect content” recommendation and you need to get to know your customers to understand how to engage with them in a conversation through your content. Keep in mind that you deal with humans, not with companies, even though the humans represent the company.

The good news: you do not need to spend thousands of euros in market research to get to know your customers. Creating empathy for the customer—an understanding of the customer's perspective, how s/he feels, and the needs (Goleman et al. 2017)—is of course easiest when being in a direct relationship, as salespeople are. Nevertheless, marketers need and can create a kind of mass-empathy, which is understanding a customer cluster, in order to create content that engages.

This article presents a proven method to better understand the B2B-customer and to develop a concept for customer-oriented, more effective content. It explains step

by step, based on the Design Thinking method, five phases, with a focus on understanding the customer and how ideas for relevant content and its delivery can be developed.

A deeper understanding of content around contingency topics is then explained in the next article by Olaf Mörk. It covers sector-relevant content from the legal and political environment, insider knowledge, and social environment (contingency content) in depth which helps companies to become a leading source of information on those specific topics. Once the content is defined, it is a question of how to produce it. Therefore, the article by Łukasz Kosuniak covers the management of content: How to move from the planning phase over to production, promotion, and measurement of the content, which puts all elements into a process to ensure the concept leads to an end-result.

15.3 Introduction to Design Thinking: Creating Buyer-Centric Communication

In most B2B organizations the input for communication is done by the same person that is responsible for the development and logistics of a product: The Product Manager. While this person is a subject matter expert, this creates one issue. Product Managers are deeply infused by their knowledge about technology and features of their products so that is hard for them to understand or even imagine what a fresh mind would think about their products.⁶ This hinders them to think effectively about what good content could look like in the eyes of their customers. Instead a more common way product managers think is to already have a “cool” idea in mind, that just needs to be executed to create the “buzz,” for example, a Facebook video. This might be fun and creative but has nothing to do with being buyer-centric if it is not addressing the channel, format, and content the key customers engage with.⁷

The product manager’s brain is a victim of what is called “Effort Justification” in social psychology. This effect hinders him/her to see the objective value of their solution: the effect describes the tendency to value anything you worked hard for higher than anyone else would (Festinger 1957). And even if the product manager would want to test his/her hypothesis, s/he might fall into the “Confirmation Bias,” meaning s/he would only see the information that confirms his/her hypothesis.⁸ This

⁶For better readability, the word product stands not only for hardware products, but also for software and services.

⁷Even YouTube itself, supposed to be the expert in video content (and video content is one of the most preferred formats nowadays) had to make this experience: Their 2019 rewind was the most downrated video that year, see <https://www.brandwatch.com/blog/youtube-stats/>. Accessed: April 21, 2020.

⁸<https://www.wsj.com/articles/SB10001424052748703811604574533680037778184>. Accessed: April 24, 2020.

is also the reason why the saying “Never fall in love with your ideas” is common amongst software developers but also so often and easily ignored.

To overcome those biases, the Design Thinking Process is a great tool: it facilitates to put yourself into your customers’ shoes and to start the thinking process from their perspective instead of your own. This is crucial as there is only one chance for a first impression. And you would want it to be the customer’s, when you are thinking about designing anything for your customer (not yourself), as content, for example.

But why does it work? According to Jeanne Liedtka Design Thinking has the potential to “unleash people’s full creative energies, win their commitment, and radically improve processes.”⁹ This means the process helps to overcome biases and common arguments without going into discussions (for example, “this can’t work”), gives quieter people a space to bring their insights and ideas to the table but also helps to overcome political discussions and to align.

The idea of design thinking emerged in the 1950s as a process to support developing new designs, e.g., products or buildings, while today it is used for a wide range of “wicked problems”: from product development, over strategy, financial services, education and even for self-improvement.¹⁰

Design Thinking is a five-stage process covering the following (Plattner et al. 2011):

- Defining the problem: Understanding the real problem that needs to be solved.
- Need finding and Benchmarking: Discovering the actual user needs and how situations are solved today.
- Ideation: Imagining possible solutions and prioritizing them.
- Prototyping: Creating quick samples, often physically.
- Testing: Gathering early user feedback with those samples and re-iterate.

Those five stages are neither independent nor necessarily separate phases, you might rather see them as overlapping from time to time and also moving back and forth. All stages are covered from the viewpoint of creating a concept for content in the upcoming pages. But first, let us have a quick look into how to run the process.

15.3.1 Running Design Thinking: A Sprint Not Being an Option

While many Design Thinking Workshops last for a full working week, you can adapt the time to what suits best for your needs. Timing-wise, a good idea is to split the

⁹<https://hbr.org/2018/09/why-design-thinking-works>. Accessed: April 21, 2020.

¹⁰<https://theaccidentaldesignthinker.com/2017/09/16/40-design-thinking-success-stories/>. Accessed: April 21, 2020.

phases and only cover a few in a workshop while the other phases are worked out in sub-teams as it might be difficult to isolate a full team for a full week workshop. This is especially true if you decide to include stakeholders in the process, managers often have very limited time to participate, yet you want to make sure they are on board. Here is my recommendation: prepare phase 1 with the business owner, cover phases 2 and 3 in a workshop mode, and then move into sub-teams for the prototyping and testing of the communication material.

Concerning the participants, you should make sure to have a neutral facilitator at hand who guides through the process, especially the workshop time. Neutral meaning having a person who does not have stakes in the outcome of the workshop (like the product or business manager or the communications manager for the solution you are working on). Ideally, this facilitator has good listening and moderation skills plus some tools at hand to manage the time and energy of the group. Many ideas on how to do so can be found on the Internet.

When thinking about the group setup: Should you have customers in the exercise? You can, but if you do so you need to make sure to have around five customers with you, and also ensure diversity amongst them.¹¹ Why five? If you only bring in one customer, whatever this person says will be taken for the “holy truth” as it is the customer speaking, but s/he only speaks for him/herself and there might be other views that you easily miss. Having five customers brings you a good degree of diversity to cover big customer needs. If you do not want to bring customers in, you need to make sure to have customer-facing employees in the process and ensure having some data or insights gathered upfront (for example, through interviews, customer visits, existing market research, or a simple online questionnaire).

Other than the facilitator and customer/no customer, the workshop team needs to guarantee a good degree of diversity and to avoid a shift in one direction, for example, into marketing slang when only having marketing people in the room. Always make sure to have customer-facing employees in the process (customer service could be a great option as they are less biased by trained sales speeches than the sales force).

You might also want to include people that should be aligned with the outcome of the process, for example, global counterparts, managers, etc. Running through the process together is a good opportunity to align. At the same time make sure you do not get over seven participants per facilitator. It is tough to keep the focus of a big group on one person or one task and experience showed that people start using small “focus breaks” to check their phone or start side conversations, which hinders the whole team energy, even when calling them back to the task (Fig. 15.1).

¹¹<https://www.thesprintbook.com/how>. Accessed: May 25, 2020.



Fig. 15.1 The 5 stages of design thinking to create marketing communication

Tip

In case you need support in running a workshop, check out those free resources:

- Google’s Design Sprint Kit.¹²
- Jake Knapp’s (Author of the book “Sprint”) Tips for Facilitators.¹³
- Digital Telepathy’s Design Sprint Playbook on a Trello Board with all steps in the phases of a sprint.¹⁴

15.4 Defining the Problem: The Business Briefing

“I need a Facebook post for my new product and a video to promote it and an email!” is something you might regularly hear from product managers. And the urge to rush into solutions is very common, but make sure not to fall into the trap of actionism. Or as Einstein said:

If I have an hour to solve a problem, I’d spend 55 minutes thinking about the problem and 5 min thinking about solutions.

The quote might actually not be totally correct,¹⁵ but there is a truth in it: Spend enough time on understanding the elements that define the problem as otherwise your solutions might be fancy, creative, and funny but not help to get your customers engaging with your content. The business briefing aims to ensure the alignment amongst relevant stakeholders, set the boundaries, and give direction. In order to establish this business briefing, the Business Owner and the Facilitator should work

¹²<https://designsprintkit.withgoogle.com>. Accessed: May 5, 2020.

¹³<https://sprintstories.com/23-facilitation-tips-for-design-sprints-34d876aa5317>. Accessed: May 5, 2020.

¹⁴<https://trello.com/b/Tvntem8Z/digital-telepathy-design-sprints-playbook-public>. Accessed: May 5, 2020.

¹⁵<https://quoteinvestigator.com/2014/05/22/solve/>. Accessed: April 23, 2020.

together and align with the stakeholders. If this does not happen, you risk needing to redo the work of the following steps all over again.

First, get clarity about the communication goal: Why do you want to create content? You might think “Easy, it’s sales.” But wait for a second: this might be your ultimate business goal, but is this also where you want to get the customer with the communication? In many cases in B2B sales, there is a multistep sales process and the deal closure does often happen after a lead had been captured and sales take over from marketing. In this case, your goals would be collecting qualified leads rather than selling. The business owner should of course still ensure the link to sales in the end, but for the purpose of creating buyer-centric content, your end-goal would be the lead. This is important to be clear about as you need to think about the deal you and the customer are making and what you are delivering. If it is a sale, the deal is easy: money against the solution (may it be software, a product, etc.). If it is a lead, the deal is happening unconsciously on the customer side: Providing data to get what? This is what you need to answer as the customer will always think unconsciously, is this (click, giving data, reading time or anything else) worth the effort? If the answer is no, you lost the customer. Observer, for example, your online behavior: what e-mails do you open and read, which ones do you delete without even opening them? When searching on Google, what results do you click on and what results do you ignore? You will find out, that you ignore e-mails or search results that do not seem to promise to give you what you need so you are not ready to spend time on those websites or with those e-mails. It is the same for your customers.

Second, clarify who your target customer is. Avoid being too generic (“the decision makers”) and wanting to address them all (“Engineers from 35 to 60 who use design software”). Being specific and focusing are key here. If your selected target customer is too generic, it will not help the teams to empathize with them, put themselves into their shoes (see next step) and the solutions they will come up with will be dull. Personas¹⁶ are a good way to avoid this trap. If you do not have personas in your company, you can easily create a draft persona that is covered in the next section. It is important to be as clear as possible in who your target audience is before you go into the phase of understanding customers. Concerning the focus on one target group: especially in B2B you have many people who are influencing a purchase decision, nevertheless, you cannot address them all at once, so you need to decide who is the one target group that you need to get it right for. It is like in the title of a book: you might have so many important things to say but you can only fit a few words in there, so you have to choose your key idea. Back to our case: you might think fitting the messages for everyone involved in the purchase process is the best idea because, in the end, all will find the right message for them. But what you forget is that they start absorbing your content (a title, an image) and decide immediately if it is relevant for them. If not, they will not even get to the message that is for them two lines below. Therefore, it is crucial that you focus on one target customer.

¹⁶A Persona is a customer avatar to support the target customer description with personal traits that help to relate to the customer, when the target customer description is a list of facts.

Third, it is about your offering (product, software, service, etc.) that you want to sell. Ask the Product Manager to list all the features, and not only the technical ones but also the “soft”-features like services, etc. and cluster them to get an easy overview. Do not go into the interpretation of a potential value proposition here but make sure to understand what the product does and what makes it different from the competition. Also list alternatives the customer is using today. Explicitly do not use the word “competitors” as this limits the list of solutions you are looking at and your customer might use something completely different, maybe a workaround, which is important to know. Also get to understand the context: why do you need to communicate now? Why has this product been invented in the first place? If the product is on the market for a while already ask about customer feedback and how sales are going. All this will give you insights that are important to keep in mind when going into a workshop mode.

Finally, depending on the setup you are having, you need also to know the dates for the communication, relevant stakeholders (to align the business briefing), and eventual geographic differences. If there are huge differences you might need to decide to split the process for those two, for example, if the customers in one country are thinking significantly different (more awareness on legal topics) than customers in another country (who do not care about legal topics). This will be very product and country dependent.

Once you have the business briefing and it is signed off by the relevant stakeholders (those who could stop the whole process), then you are ready to move into understanding the customers better.

15.5 Need Finding and Benchmarking: Understanding the Customers

A typical starting point for any communication concept is to deep dive into the understanding of the product to promote. Yet, by doing so you run into many of the behavioral paradigms described before and might create a marketing communication that gains applause internally but does not lead to the effect you want to create with customers.

Therefore, my suggestion is to first forget totally about your offering but put yourself into your customers’ shoes. Addressing your key audience can only work if you know what they care about.

Today’s customers are impatient, they do not want to wait for long to see if they spend their time valuably: Bounce Rates, for example, increase drastically the longer the page takes to load. But imagine the time is not the technical loading time but relevant information—the statistics would be the same as also the attention span of today’s humans is very low.¹⁷

¹⁷According to a Microsoft study from 2013 it is 8 seconds <http://dl.motamem.org/microsoft-attention-spans-research-report.pdf>. Accessed: May 17, 2020.

So, what does this mean for you as a marketer? You need to make your communication instantly appealing to your customer by being super clear, relevant, and getting to the point with your message within seconds. A typical habit of many users is, for example, to open several tabs at once and then decide which are the relevant tabs, all others are quickly closed again. So, you want to make sure to belong to the ones that remain open. The same principle applies to any non-digital communication, too.

This is why UX designers developed the “5 second” test: A user gets to see your communication for 5 seconds and then tells you what s/he remembers. This will give you great insights into the clarity of your messaging. For a digital version of such a test check out, for example, “5 second test”.¹⁸

Just imagine yourself scrolling a newspaper page: you will not read every single article, but the titles and eventually the teasers might trigger you to click or not to click. But when you clicked, do you actually always read through the whole article? Most likely not, because you might lose interest, the article does not answer what you expected, the writing is boring or maybe just because a notification of an incoming e-mail distracted you. Whatever the reason might be, when observing your personal behavior toward information you might get a good understanding of how your customers deal with any content of yours.

As easy as it might sound, to be clear, relevant, and straight to the point, it is hard work. And that is why starting from the customer perspective instead of the product’s perspective is crucial: it allows you to take a fresh look at your products, not flared by all the time and energy you spent on developing it or bringing it to the market. For your customers it is just another product that a company wants him to buy.

Especially in B2B marketing, it is easy to be falling back to a functional focus: promoting the unique selling proposition in features, believing that customers take a very well-informed decision, almost like the ideal image of the “homo economicus.” But reality shows that this is far from what actually happens. Though the B2B buying process might be more structured, with certain milestones to document and validate in the procurement process, with several influencers and regulatory guidelines, you are still dealing with humans. And if you do not take this human factor into account, you are missing out on how decisions are actually made and miss big opportunities. 95% of the decision-making process happens in the subconscious mind.¹⁹ You might now argue that your customers are different: You have asked them why they bought your product and they have answered with many functional reasons. Or are they lying? Actually, none of both. They are simply not aware of all the emotional and mental processes that influence their decisions, also in the business. Studies confirm that “B2B customers are significantly more emotionally

¹⁸<https://fivesecondtest.com>. Accessed: May 5, 2020.

¹⁹<https://hbswk.hbs.edu/item/the-subconscious-mind-of-the-consumer-and-how-to-reach-it>. Accessed: May 18, 2020.

connected to their vendors and service providers than consumers”.²⁰ Understanding the customer entails several aspects:

- The awareness your customer has about the category of your product: your communication needs to start at a different point whether your product is generally well known to your customers or if you are introducing a totally new product category,
- The context in which your customer might use the product: is it a frequently used product or just from time to time?
- Beyond the facts also his/her personal needs: though one might like to believe that B2B purchase decisions are fact-driven, studies show that emotions play an even bigger role than in B2C purchase decisions: While solutions rarely differentiate significantly versus competition when looking at leading brands, personal value drives the purchase intent by +50% and lowers price sensitivity.²¹ No customer would be able to express this effect because purchase decisions are mainly driven by unconscious processes, therefore they would explain taking decisions by facts though this is not true. (This is also known as “cognitive bias”).

So how can you actually step into your customers’ shoes when they even cannot tell you what they want or how they take decisions?

The classical approach would be to do market research: focus groups, interviews, studies, and so on. While this is a totally valid approach and it would be great to have all this data at hand, in most cases the costs are too high to run such extensive market research.²²

Another option is working with personas if they do exist in the company. If you do not have access to personas and do not have money to run market research, the back-up solution is to run an internal workshop to better understand your customers. There are two options to do so:

1. With customers: if you would want to include customers in a workshop, you need to make sure to have enough customers participating (see above).
2. Without customers: if you are running a workshop without customers make sure to have customer insights available—through experiences (as sales people or customer service people do), field rides that you can do on your own, industry reports or any other supporting material that you can make use of.

²⁰<https://www.thinkwithgoogle.com/marketing-resources/promotion-emotion-b2b/>. Accessed: May 18, 2020.

²¹<https://www.thinkwithgoogle.com/marketing-resources/promotion-emotion-b2b/>. Accessed: May 18, 2020.

²²A pragmatic approach could be a survey sent by e-mail to your database: no expenses, just investment of resources.

15.5.1 Creating a Customer Profile

A good tool to use in such a workshop is the right side of the Value Proposition Canvas from Strategyzer (Osterwalder et al. 2014): It structures observations, assumptions, studies, and any data you do have available about your customers²³ into three areas with regards to your offering:

- *Jobs*: What does the customer need, want, or is forced to accomplish? The first things that come into mind are functional jobs like managing cash, but do not forget about emotional or social jobs, too (example being perceived as a good boss, managing his/her own time in the job versus family life)—all in the context of his role and your offering (example defining the IT structure).
- *Pains*: What is actually holding your customer back from achieving what s/he wants to achieve or annoys him/her while doing his job? Those could include problems or obstacles the customer faces in their job (for example, bad weather conditions when working outside), negative emotions (example feeling overwhelmed by the changing regulations) or any risk (for ex. accidents), but be specific here (for ex. “feeling overwhelmed by the changing regulations” versus only putting “regulations”).
- *Gains*: What does the customer wish for as an outcome or in the context of your offering? You might also think beyond what customers would tell you, just as Ford who said, “If I had asked my customers what they wanted, they would have said faster horses.” (Fig. 15.2).^{24,25}

After capturing all the ideas, prioritize to your best knowledge based on the input you do have at hand.²⁶ This exercise gives you a good glimpse of the customer and generates many new insights that are relevant for your content creation. But it is not enough to stop the process of understanding the customer here. This step is actually crucial and if you rush through it you might miss important insights and create content that is not relevant in the end.

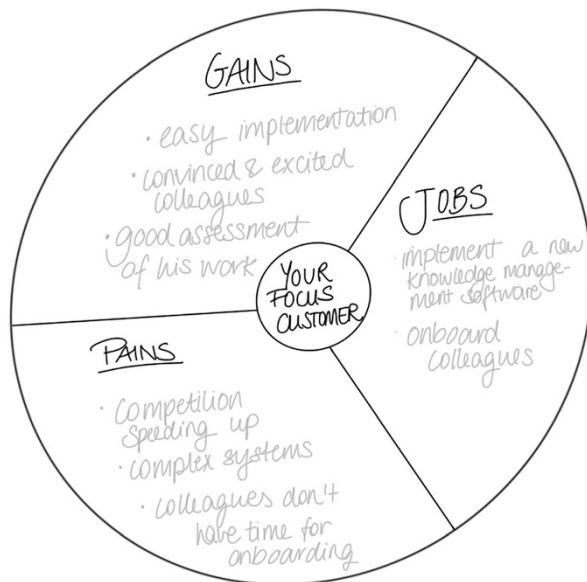
²³Customer in this case means a person, not the customer as a company. Even if your customer is a company on paper, the decision is still made by a person (the persona or customer profile you have already defined).

²⁴Here is research showing Henry Ford never said that (<https://hbr.org/2011/08/henry-ford-never-said-the-fast>. Accessed: April 25, 2020), nevertheless the underlying message stays valid: customers are often not able to tell what they want.

²⁵<https://www.forbes.com/sites/forbesfinancecouncil/2017/10/19/on-building-a-faster-horse-design-thinking-for-disruption/#20c5d70e49f9> and <https://hbr.org/2011/08/henry-ford-never-said-the-fast>. Accessed: May 26, 2020.

²⁶If you have been working with the offer for a while, you could take some steps to overcome the audit bias, tips can be found here: <https://www.babson.edu/academics/executive-education/babson-insight/finance-and-accounting/auditors-pitfall-five-ways-to-overcome-confirmation-bias/#>

Fig. 15.2 Template to create a quick customer profile with key elements needed to define the content approach



15.5.2 Retracing the Buyer's Journey

What you did not look into so far is the journey the customer goes through to come to a decision. But whatever the journey is, if your content does not address the different steps you will lose your customers throughout the way. Just imagine, you receive an e-mail for an amazing restaurant in Bangkok. There will be only a few of you who actually care because most do not have any plans to go to Bangkok and are not “foodie”—enough to care about restaurants that they cannot visit soon. But what if you would get an e-mail about the charming uniqueness of Thailand? You might want to have a look, and maybe you get inspired for some upcoming vacation. This is of course a long journey, yet this is often the case in B2B, too. And while the urge to rush into a selling mode is totally understandable, you should first look into your buyer's journey and address the relevant steps.

Classically many marketers use the AIDA funnel to do so. But which customer would say “oh my awareness raises”? The issue with this naming, though I do not disagree with the funnel concept,²⁷ is that it does not have a customer focus, but a marketing focus: the different phases are the answer to what a B2B marketer wants to achieve: Awareness, Interest, Desire, Action.

In order to be more customer-oriented, ideally, you gathered a few colleagues (for example, in a workshop as suggested earlier). Most of the colleagues have their own

²⁷The funnel is a framework for grouping marketing content by travel phases. It is not a reflection of reality because customers have many points of contact and move back and forth within a funnel phase and within a funnel phase.

understanding of the journey, and some might even tell that every journey is different. This is true, as every person you plan to promote the content to is individually different. Nevertheless, you are not able to address them 1:1 as a salesperson would, so you need to find the least common denominator in order to relate to them. To do so, ask every person to take a bunch of Post-it Notes and draw or write down the journey from the customer perspective and language, so even steps that you as a company would not be included in. One step per Post-it, in total silence. Stop any discussion about what the right journey is as the goal is to capture every thought, also from the more silent people, and talking is a big obstacle to that.

Getting buy-in on this process, also from Engineers, sometimes is hard. One way to get there is to show the video of Tom Wujec's 2013 TED Talk on How to make toast. Tom worked at Autodesk, an engineering software company, which is why more critical people also seem to trust in this method. He shows why this Post-it-Method works in a brilliant way.²⁸

Once every person has mapped their version of the buyer journey, let them present it. The other participants are allowed to ask questions for the understanding but make sure to avoid any discussion on what is right or wrong. Once every participant has mapped their journey, let them merge the journeys into one. What might initially sound impossible is a surprisingly good way to get people aligned on a common understanding and result. Even if you have more members in the group and you split it into two or even more, they most likely end up coming to the same conclusion.

Once the journey is created, ask the group to decide where the biggest business opportunity is, meaning where are the most customers but you also would have enough to say to move the customers one step further in the journey. If, for example, most customers are in a step where they do not understand regulation but you do not have any resources for regulatory content, you might want to avoid starting at that step from the beginning (though building up this resource would make sense, see also the article from Olaf Mörk).

Eventually, you might add some additional layers to your buyer journey to enhance the understanding of the customer process:

- *Influencers*: B2B decisions are mostly processes with many participants (officially or unofficially), so this layer gives additional insights.
- *Emotions/Thoughts*: as mentioned before, B2B decisions are also emotionally driven, if you want to enhance that, a short brainstorm about customer's inner dialogs can be fun and powerful.
- *Touchpoints*: where does the customer inform him/herself in each stage (the touchpoints might differ)? If you do not have data available, see if you can find an industry report to support your hypothesis (Fig. 15.3).

²⁸You can watch the video here: https://www.youtube.com/watch?v=_vS_b7cJn2A

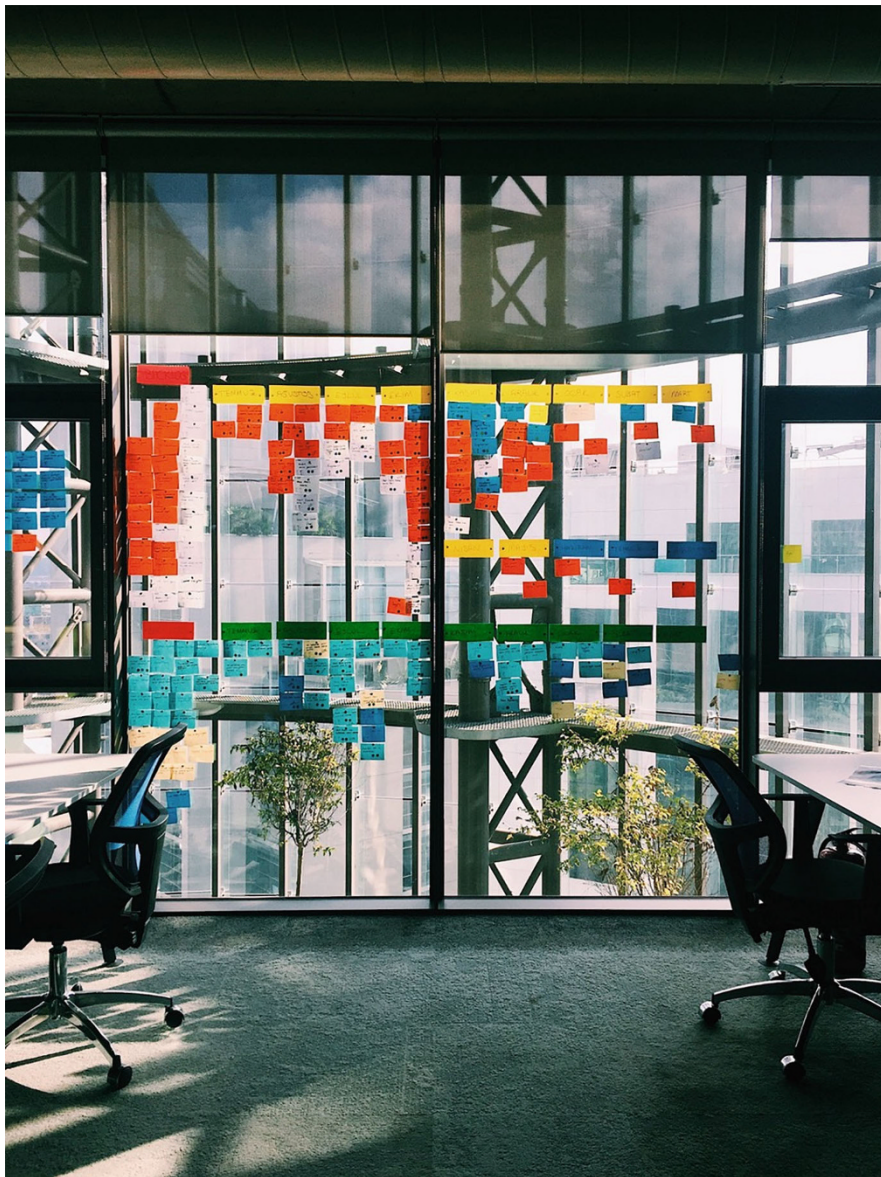


Fig. 15.3 Using walls in the office to show the result of a workshop can trigger curiosity and helps to keep the customer problems top of mind (<https://unsplash.com/photos/wxWulfjN-G0>. Accessed: May 25, 2020)

From here, after having created a “good enough” understanding of the customer to start with, you can finally move into solution mode and brainstorm what content to create to move customers one step further in the journey.

15.6 Ideation: Imagining a Customer Flow

Most marketers rush too quickly into creating ideas to run a campaign or create a communication concept. While this is typically the cliché of marketing, creating fancy TV-Spots or buzz-worthy social media content, the actual marketing work is very much based on numbers and customer understanding to be successful. A famous marketing quote tells “Half the money I spend on advertising is wasted; the trouble is I don’t know which half”. Using the insights, you do have from your customers helps to make your invested money work harder because the content will engage better with customers and therefore perform better. Therefore, spending enough time on understanding the customer must happen before moving into the ideation phase.

The ideation phase looks similar to a buyer journey but it is important to separate those: Mapping the buyer journey is all about putting yourself into your potential customer’s shoes, the steps, the thoughts, the feelings they go through. While you go through the previous phase you should not think of what you as a brand would want the customer to do. But now, in the ideation phase, you are finally allowed to bring up all the ideas that you had to hold back until now. The job in this phase is to generate ideas that make the customer move one step further in the journey.

For communication you should consider the following elements for each step of your buyer’s journey:

- Content (example as information needs)
- Asset Content Format ideas
- Messaging ideas
- etc. (Fig. 15.4)

Channels: As mentioned a few slides earlier, most product managers (or executives, or anyone else) know what they want to communicate where. In most of those cases, the person does not know if the channel is appropriate for the target audience s/he wants to reach. Therefore, before brainstorming what channels to use in which phase, it is helpful to gather some insights upfront: Weather you have personas where you can find this data, or industry reports, an internal customer survey, or simple online infographics. If none of this is available to support ideas and decision making, looking into the performance of existing communication material is helpful. And last way out: ask your customer-facing colleagues or call a few customers yourself. While this is not the ultimate truth it gives you good hints where to start.

Also, do not think of a channel as being consistent throughout the journey: Studies show that it takes 6–8 contacts to generate a viable sales lead, and even after having had contact with a salesperson, the customer most likely continues his/her research.²⁹

²⁹<https://www.salesforce.com/blog/2015/04/takes-6-8-touches-generate-viablesales-lead-heres-whygp.html>. Accessed: May 18, 2020.



Fig. 15.4 Typical example of what a whiteboard for Buyer or Customer Journey Mapping could look like (in a workshop mode there would be many more post-its and at the beginning, it would look much messier)

Tip

Do not forget about less obvious channels like Reviews and Peers which are crucial in a B2B buyer’s journey. Maybe, the actual person who benefits from your solution is not the buyer but has huge influencing power. So, addressing those influencers might be an additional “channel” to influence your targeted buyer. Choosing the right channel for your communication might lead into a much bigger outcome (in traffic or leads or sales).

Content: While the channel is important, do not forget about the message itself. What would make your customer hook in the phase where s/he is and engage him/her with your content, meaning make him/her click on your email, or continue reading your blog post and eventually move one step further in the journey toward conversion? It is not about creating “slogans,” but about thinking about what kind of information your customer would engage with.

For example: Imagine you discovered in your journey mapping for software to document safety checks that most of your customers know they should document but many of them actually do file the papers somewhere and as soon as an inspection officer comes to check your customer are in big trouble to find those documents again. Just telling how great your solution is would not hook your customers even though it would relieve them from a big pain.

Tip

When creating information about how great your solution is, all you care about is yourself, while your customer only cares about him/herself. Use this and frame the information differently, from your customer's point of view: you could, for example, use content that starts with a question on the hassle you get into when the inspector comes. Only then move into showing your solution.

Assets: Now that Channel and Content are clear, you can start thinking about the assets, the actual communication that will contain your information. So maybe the product manager was right when saying s/he needs a fun video on Facebook, but maybe an infographic sent out via mail to the salespeople and to customers directly is the better solution for the specific goal. So, in the example above, imagine you see LinkedIn as a major channel to play and the content is about the hassle with an inspector and how to overcome it. Your assets could be an e-mail text, a LinkedIn article, a short post with a few insights but then linking to your website, a graphic with the most important tips, an image of the hazardous situation, and so on. You will need to take decisions here based on your best knowledge to then test the assets and improve based on what is working best.

15.6.1 Tips to Unleash Your Creativity

How to get the creative juices flowing when doing ideation in a team meeting? When thinking about how to generate ideas, every person's mind works differently. You have to consider that especially in a workshop setup different characters come together. If you suggest a brainstorming session and letting people shout out their ideas you will experience some people taking almost all the "air time" while others hardly say anything. There are a few methods to balance these types of characters to get insights from everyone, also the quietest.

But make sure to follow those rules:

- Set a clear question to answer—for example: What channels might be used to reach our target audience?
- Set a time limit, and communicate it.
- Make sure everyone understood that it is not about judging ideas that come up—neither verbally or nonverbally, for now it is all about quantity.

Here are some creative techniques that make sense in this setup:

Brainstorming is for sure the most well-known ideation technique but also has its flaws. A little tweak helps to overcome the "airtime"-issue and make it a valuable technique in a workshop setting: Provide participants with post-its and black felt

pens. In total silence, give them up to 5 min (set a timer) to note their ideas (one idea = one post-it). As soon as the time is over ask participants to share their ideas and pin them on the board. Any additional idea that comes up when listening should be noted on a post-it and also pinned to the wall. You can of course cluster the ideas at the same time or once all post-its hang on the wall. If you are working on this on your own, you can also use this method for your individual brainstorming.

Brainwriting happens in total silence: Give participants 3–5 min to write their ideas on cards (one idea = one card), once the time is over they hand the cards over to the next person who builds on top of the first ideas for 3–5 min and then switch to the next person. Do this for roughly 15 min, and then let the participants share the cards s/he has. This method works well for brainstorming the content(information) you want to create.

Brain walking supports the group with so-called “idea stations”: prepare those stations with insights or ideas. All participants have post-its and walk from station to station at their own pace while noting down ideas and pin them to the different stations. Again, this happens in total silence. This is close to what happens in the suggested brainstorming method but brings some support material and the advantage of moving physically.

Worst Possible Idea: this method can be used when the energy of the team is really low or you need to get people to think out of the box when they do not dare to imagine or bring new ideas. Ask participants to imagine the worst possible ideas—illegal, stupid, extremely bad, etc.—and name the attributes what makes them so bad. Then, in a second step, ask them to turn those into good ones.

You can find many more creative techniques online; those are four that work well for the suggested topics.

15.6.2 Prioritizing the Ideas

After this idea creation time, you will most likely have more ideas than what you could execute or what would make sense. Therefore, you need now to prioritize as the whole session would not make sense if you do not execute. While this can lead to extensive discussions, here are two ways to avoid those:

1. **Dot Voting**: provides every participant with a number of dots they have to place on the ideas they believe to be the most valuable ones and that you should pursue. Make sure to only have a few dots for everyone, the decision where to place them should not be an easy one, as if it was not it would not be a prioritization.
2. **Chart of Impact vs Effort**: Draw a chart with the x-axis showing the impact (from low to high) and the y-axis showing the effort (from high to low). Then as a group decide where to place each idea on the chart. It is not about placing them exactly right but about getting an idea where to place them roughly. Then draw two diagonal lines from one axis to the other and you will have separated the ideas into three categories: Just do it (relatively high impact versus effort), ideas to plan for (impact so high that they seem interesting but effort also high enough to not

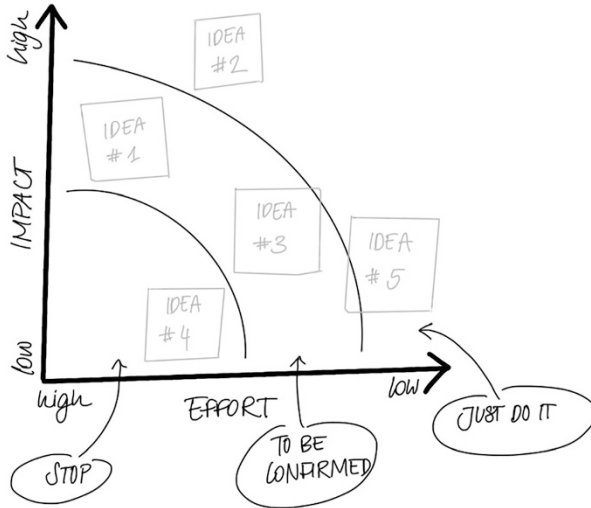


Fig. 15.5 Example of the prioritization model

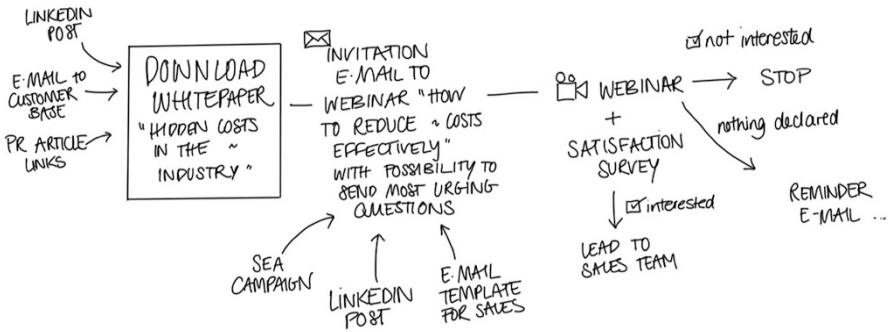


Fig. 15.6 Example of what an ideal Buyer's Journey (or Customer Flow) could look like

just being able to execute), and the ideas to cancel (too high effort for too little impact) (Fig. 15.5).

When you have those ideas brought onto paper or a whiteboard (in a workshop) you need to bring them into a logical flow: Guiding the customer further down the journey to conversion (Fig. 15.6).

There are several ways to document this Customer Flow, but the best documented is doing this digitally with tools that help to create flows.

15.7 Prototyping: Developing Communication Material to Prepare Testing

Many marketers spend a lot of time to create content and then cannot believe that their content is not performing. This leads us back to “never fall in love with your own ideas.” The best way to do so is starting small: Create little pieces of content that you use to test your hypothesis about your customer (see next chapter). Then bring them live and observe how they perform. With the insights you get from that you will be able to create much better content as you will know what exactly triggers your customer. But before doing so you need to be clear about what you want to test. As you might not be able to test everything, a prioritization of hypothesis makes sense. For this, draw a x-axis that shows how sure you are. The y-axis measures how severe the consequences are if you are wrong. Then go for the most important hypothesis first (highest impact and insecurity).

Do you want to validate an image idea, a headline, a trigger, the stage where most of your customers are in, etc.? Being clear on this upfront helps you to create your content in the right way and look at the correct data for interpretation. You could, for example, use a template like the Test Cards from Strategyzer to document your hypothesis.³⁰ You might want to test:

- The best stage to start your customer flow: When running through the exercise of understanding your customer, you map the different stages your customers run through. What you most likely do not know is which stage they are in. Of course, every customer is different, nevertheless, marketing cannot address each single customer individually unless you do have all the data about each customer. In most cases, the goal of marketing is to create traction toward an offering by addressing unknown customers. So you have to take the hypothesis in which stage most of the customers are right now and if you have a chance to move them a step further in the journey with the content you might create. If you are wondering, for example, if customers are unconscious about or ignoring their problem or if they are ready to see solutions, you can simply create two pieces of content: one highlighting the problem and the other one giving solutions. For example: you are providing trainings on how to secure safety in buildings and want to increase the leads for those. But you are not sure whether customers are actually aware of all the regulations or if they search for solutions on how to cope with them. In this case, you could create one content addressing the issue of not knowing the regulations or the most disregarded regulations and the potential impact. As a second piece, you could create content with tips on how to cope with regulations. When testing those you will quickly see what performs better which gives you a hint of the stage your customers are in (and confirms potentially the hypothesis you took in the journey mapping).

³⁰<https://assets.strategyzer.com/assets/resources/the-test-card.pdf>. Accessed: May 25, 2020.

- Closely linked is the positive or negative view of things: Many product managers like to sell all the good things their products can do. The issue is that humans are wired to focus more on negative things. So, when deciding whether to focus your content on how you create positive benefits or how you avoid negative outcomes do the test: create content for both and test it. For example, if your offering payment solution, you could create one piece of content telling the business opportunities one gets when using this solution, or you could create a content on what business opportunities are lost because of no appropriate payment solution.
- Content Ideas: maybe you do also have many content ideas for the same stage and want to figure out which is the best, then create teasers to understand what works best. You do not necessarily need to create all the content right now. A prominent example is Dropbox: before developing the whole product one of the founders, Drew Houston, created an MVP³¹ to test if the idea is worth spending time on it. His MVP was a simple demo video to show how Dropbox works and see if viewers would be interested, so he included a call to action (Get dropbox) at the end of the video and recruited over 75,000 interested customers.^{32,33} So also, for your content: do not create a white paper unless you tested the interest in that topic (Fig. 15.7).

As mentioned above, create prototypes or MVPs of your content. Prototypes could be sketches, wireframes, drafts of potential content. MVPs are e-mails (subject lines or the content itself), teasers for your homepage, or ads for Search or Social Media. All those are relatively short content types where you can measure the interest of your target audience. But where to link to, when you do not have any content ready? Let them sign up for a future content release (as in the example of Dropbox), for example. Or let them send you their most pressing questions that you will answer at a later stage (for example, in a webinar)—those questions can also be a great source of inspiration for buyer-centric content. And with those prototype materials, you can now test what works and does not work before moving to planning.

³¹MVP = Minimum Viable Product, this describes a product that is just good enough to cover customer needs but does not yet contain all features.

³²<https://www.youtube.com/watch?v=7QmCUDHpNzE>. Accessed: May 25, 2020.

³³<https://techcrunch.com/2011/10/19/dropbox-minimal-viable-product/>. Accessed: May 18, 2020.



Fig. 15.7 Example of prototyping on paper (so-called wireframes) (<https://unsplash.com/photos/pqzRfBhd9r0>. Accessed: May 25, 2020)

15.8 Testing

Once you went through the process of understanding the customer, creating ideas for the communication, and developing prototypes, it is time to put your work out there to gather feedback.

Feedback can be quantitative or qualitative. Both are equally important and answer different questions which brings us to the point of deciding what you want to test: If you aim to understand what hooks your customers it might be best to go for quantitative results as no customer might be able to tell you what hooks them but the actual observation of their behavior, for example, in an A/B-test, gives you the answer. But when you are looking for understanding if you do actually respond to customers questions, you might want to ask customers for their feedback. If quantitative of qualitative, it is important to set up the test correctly.

For the quantitative test through A/B-testing, for example, make sure you are actually only testing what you aim to test. If your test is on a subject line, the two test groups need to be the similar and big enough to gather significant results. If you would want to test your subject line versus the reaction of different personas, your groups need to be different, but your content needs to be the same. And do not make the mistake to compare those open rates to something you have done before without looking into the targeting: the more segmented an e-mail target group is the more

likely the performance is higher. This is why you should always have control groups for any quantitative testing. You can also test multiple attributes at the same time, but the more you test the more complex the analysis, therefore I suggest only test one thing at a time. Other than e-mail, you can also use quantitative testing with social media advertisements, with Search engine advertisement or teasers on your homepage or even on your website in general.

Qualitative testing might be your choice if you want to understand if customers do get what you try to transmit, in a headline, a text, a landing page, etc. One way to do so is the “5 second”-Test: you show your communication to a potential customer for 5 seconds and let him answer the question of what you want to test, for example, “what is the purpose of this?” or “What do you think will follow after this?” There are digital ways to do this (searching on Google gives many results) but you can also do this in person, as a start with a colleague, for example. The biggest issue when doing this in person is that you might influence the test without knowing. You might give a hint more than in the digital version. Therefore, be vigilant when doing this in person to ask the same question and not explain anything on top, even if that means staying quiet until the person says something.

Another way is to simply ask feedback without putting the limit of 5 seconds. In this case it is recommended to ask around five feedbacks to gather enough diversity but also not to spend time on collecting too much feedback: in the end, it will never be enough to be statistically relevant (unless you run market research) but you will also not get additional insights. In general, five is a good rule of thumb. And also in this case: Make sure to not give hints (“do not you like xyz?”) and with that influence unconsciously the outcome. The best would be to ask open questions on what is unclear, what do you like best, what do not you like, what options do you see to change and so on. In order to get best answers, it is also advisable to go for prototypes that are far from perfect, for example, wireframes, the outline of a content, a rough sketch, etc. Why? No one likes to give negative feedback on something the other person has spent a lot of time on, but as you are aiming to get honest feedback, start with rough proposals first. This will help you in the process of creating high-performing content without getting stuck too much with your initial ideas.

From here you took a great start to better understand your customers and gather insights on what looks promising for your communication. For the next steps, meaning how to bring this content into execution, read the article on Content Management.

15.9 Summary

In this chapter, you learned why it is so tough for marketers to step into the shoes of their customers, but also why this is crucial in order to increase your marketing effectiveness and stop wasting your money and your customer’s time on meaningless content. The proposed way forward to avoid this moves along with the Design Thinking process and therefore provides a new use case for this structured approach.

While it is best to be run in teams, it can also be used alone, in any case, it helps to avoid rushing into developing ideas before understanding the customer. First, you define your actual business goal (which is not always sales), and then spend a considerable amount of time in putting yourself into your customer's mind to derive, from that position, more effective ideas leading your customer through the journey to conversion.

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From Keywords to Contextual Frameworks: New Take on B2B SEO Enabling Next Level Content

16

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16.1 Always on the Move: Snapshot of the Latest Developments in B2B SEO

Even though this article is not meant to be a general introduction to SEO, it makes sense to start with some basics of how SEO works and the intricacies of using it for promoting niche topics in B2B marketing. This foundation will help to explain the more advanced concepts that will follow.

16.1.1 What Is SEO and How Does It Work?

SEO (Search Engine Optimization) is the science of making your web content easy to be found on the internet. The goal is to optimize your website to rank highly on the search engine's results page (SERP)—usually on Google—when somebody is searching for topics, products, or services relevant to your offering. Mike Khorev describes this well in his online guide “The Ultimate Guide to B2B SEO.”

SEO is (...) a series of optimizations so your site - and your content - aligns better with Google's goal, which in their own words is: “Our mission is to organize the world's information and make it universally accessible and useful.” The more useful and accessible your content and website are for the user, the higher you will rank. (Khorev Blog 2019).

SEO entails various on-site and off-site measures to achieve more usability, relevancy, and accessibility. The ultimate goal of SEO is to increase prospects to your website. This article will mainly focus on SEO even though the concepts presented later on also have implications for SEA (Search Engine Advertising) and SEM (Search Engine Marketing) as a whole. While both SEO and SEA share many similarities such as using subject focus, quality content, a good technical structure, and user signals to ensure that content ranks well on Google for the relevant search terms, the main difference is that SEO does this organically whereas with SEA you pay for a placement at the top of the SERP for one or more keywords. Search Engine Marketing is the umbrella term that covers both of these tactics.

There are many aspects on and off your site that will affect SEO performance (often called ranking factors). While there is a myriad of ranking factors that Google's algorithm checks to rank your website, these can be divided into three main categories of optimizations that have to go hand in hand:

- *Content Optimization:* How content must be written and structured to be easily found on and rated as relevant by the visitors and ultimately by the search engines. This entails aspects such as optimized keyword usage, optimized headlines, user relevance, user-friendly website design, and fitting meta descriptions.
- *Link Building:* Backlinks—links pointing to your website—heavily influences the rating Google algorithm gives your site for being a relevant content source for the used search terms. These backlinks should be created on trusted and relevant

external sites with high domain authority in your niche, e.g., trade magazines. Generating high-quality backlinks helps your content gain the extra level of credibility needed for a high organic page rank. To a lesser extent, the internal linking structure within your own website is beneficial for SEO.

- *Technical SEO*: This is about making your website easy to crawl, and be understood, by Google algorithms. This includes user experience aspects such as page loading speeds mobile-responsive design and use of Accelerated Mobile Pages (AMP) technologies. Other technical aspects include the use of SSL certificates to encrypt data exchanges between the visitor's browser and the web server, and the use of structured data markup to provide contextual meaning to web page content.

No matter what products or services you offer or if you are in the B2C or B2B space, the main principles of effective SEO are the same: First, you have to understand the needs of your customers and what information they are searching for which is usually done through keyword research. This research process might involve the development of personas to describe each person involved in the buying process, learning where they search for information, and in what format they prefer to consume content. Then you have to create relevant high-quality content that answers the questions and needs of your clients by targeting the above-mentioned keywords according to the searcher's user intent. Ideally, each piece of content is tailored to fit the customer's persona and stage in the buying cycle. Finally, the goal is to make Google recognize your website as a "go-to" source of information where prospects can easily find answers to their questions and relevant content that helps them to solve their challenges. This means optimizing the technical aspects and content structure on your site in a way to create an optimum user experience and keep users as long as possible on your website (low bounce rate, many pages visited per session, long session duration).

16.1.2 What Is Special About B2B SEO?

Even though the principles of SEO and the technological aspects are mostly the same, there are some notable differences when looking at B2B SEO compared to its B2C counterpart. A good summary can be found in Jeffrey Kranz's "The Beginner's Guide to B2B SEO Strategy in 2020" (Blog 2020). He identified multiple decision-makers, low-volume keywords, low conversion, and the importance of branding as the most important differentiating factors in comparison with B2C SEO.

Probably the most important distinguishing feature of B2B SEO is that the buyer's journey works differently. Firstly, it usually takes a lot longer and secondly, multiple decision-makers are involved in the buying process. This is because most purchases in the space of capital equipment goods are long-term investments and quite often require significant amounts of money. On top of this, there are internal company standards as well as external legal requirements to be considered besides the obvious and sometimes complex technological aspects. A typical B2B buying

center consists of several decision-makers and stakeholders—6.8 people on average (Levey 2018). These stakeholders can be everything from engineers or purchasing departments up to management representatives which makes it a lot harder to attract and engage with specific decision-makers. Every member of the buying center has special needs and pain points that the product or service offered to them must resolve. This means each persona will search for different things and use different search terms.

With that said, the conversion rates are significantly lower in B2B than in B2C where there are greater search volumes and fewer decision-makers. Due to the higher prices and longer buying cycles in B2B, almost no one would buy, for example, a centrifugal pump just because he has read a blog post on a website. Technical buyers usually do not search for specific products but rather for solutions to challenges they are facing in their daily jobs. This means B2B marketers must create highly relevant content that answers these requirements, and enough of this content to pull the prospect through the whole buyer journey which can take months or potentially years. This creates a lot of work for B2B marketers as they have to create specific content for each channel, each persona, and each stage of the buyer journey.

The purpose of a typical B2B content journey is to build up trust and credibility with prospects by demonstrating that you can solve their problems. This is a long-term approach with a desired outcome of your brand or company being considered on the day of the purchasing decision. For this to happen, your website needs to rank highly for all search queries related to the needs of your customers, as they become more informed about what they want, and their needs and searches become more specific. On top of that, your web content and brand have to be present on all touchpoints where prospects are looking for information whether it be through PR, SEA, social media, or traditional media buying.

As many B2B topics are rather a niche, SEO experts usually have to work with low-volume keywords compared to B2C. As all companies occupying the same niche tend to target the same keywords, these can become expensive to target through PPC activities despite receiving a low-volume of searches—it is not uncommon for B2B keywords to show not more than 100–500 searches per month, often even less than that. So even if your website ranks number one in the SERPs on Google and achieves an incredibly high click-through rate this would still generate a low volume of web traffic. The trick is to make your content rank for all topic-related search queries by creating holistic content that covers the focus keywords, their synonyms as well as other related terms relevant to the topic or search intent of the user. Long-tail search phrases—the combination of 4–5 keywords that define a search term more precisely—are usually more successful as there is less competition for these and B2B buyers tend to type in quite specific search terms.

16.1.3 Why Is SEO so Important in B2B Marketing?

There are still many B2B companies that employ a traditional marketing and sales approach. This means they generate most of the sales through channel partnerships, a direct sales force on the ground, word of mouth, trade shows, and events as well as

cold calling. Despite SEO not being a new concept, there can be a perception that SEO is less relevant in a B2B environment as the products are too complex to be sold online and business can only be conducted human-to-human. This is especially true for the DACH region that is generally adopting digital technologies slower than many other developed countries. However, the data proves that this is a huge misconception, and this could divide the B2B market into adopters and non-adopters of SEO, with the non-adopters losing significant market share over time.

There are several reasons for this: Search engines, principally Google, are the number one research resource for B2B buyers with 70% of the B2B buyer journey completed digitally. 90% of B2B researchers and 61% of B2B decision-makers start their buying process with a web search, and on average do 12 searches (Snyder and Hilal 2015) before getting in touch with sales (Mehrguth 2017). This means, if your content is not seen by the prospect in the digital research phase, your sales team might never get contacted. You have to be where your prospects are. According to Google, 71% of B2B buyers begin their search with a generic search query, which means they are looking for possible solutions to their problem first, not your client's product name or company name (Snyder and Hilal 2015). Therefore, B2B marketers must rank as high as possible for these search terms by producing quality SEO content in order to be found in this early stage of the buying process. And this is of utmost importance as Forrester found out that 60% of B2B decision-makers prefer not to interact with a sales representative as the primary source of information; 68% prefer to research on their own, online; and 62% say they can now develop selection criteria or finalize a vendor list—based solely on digital content (McDaniel et al. 2016). Gartner research found that when B2B buyers are considering a purchase, they spend only 17% of that time meeting with potential suppliers (Adamson 2019). When buyers are comparing multiple suppliers the amount of time spent with anyone sales rep may go down to only 5% or 6%.

It is not enough to rank for search phrases, your website has to rank highly in the results. Analyzing data of about five million search results, Backlinko found out that the #1 result in Google gets the highest click-through rate with 31.7%, and just 0.78% of Google searchers click on a link that does not appear on the first page of search results (Dean 2019). In the below chart, you can see that the #1 result in Google has a 10× higher CTR compared to the #10 result. There is also a sharp CTR decrease starting with position #3 which may be due to the fact that, for results without ads or SERP features, the #3 result is often the point where someone has to start scrolling to see more results (especially when displayed on mobile phones). In fact, the research from Backlinko shows that the top 3 Google search results get 75.1% of all clicks. The data suggests that “ranking on the first page” is not enough. The SEO goal should therefore always be to rank in the top spot (or at least in the top 3) (Fig. 16.1).

This article focuses only on Google SEO even though there are more search engines out there. The reason for this is that Google is by far the most used search engine in the world with a global market share of over 90% (Serpstat 2019 amongst others). And then there is a huge gap. The next search engine on the list is Bing from

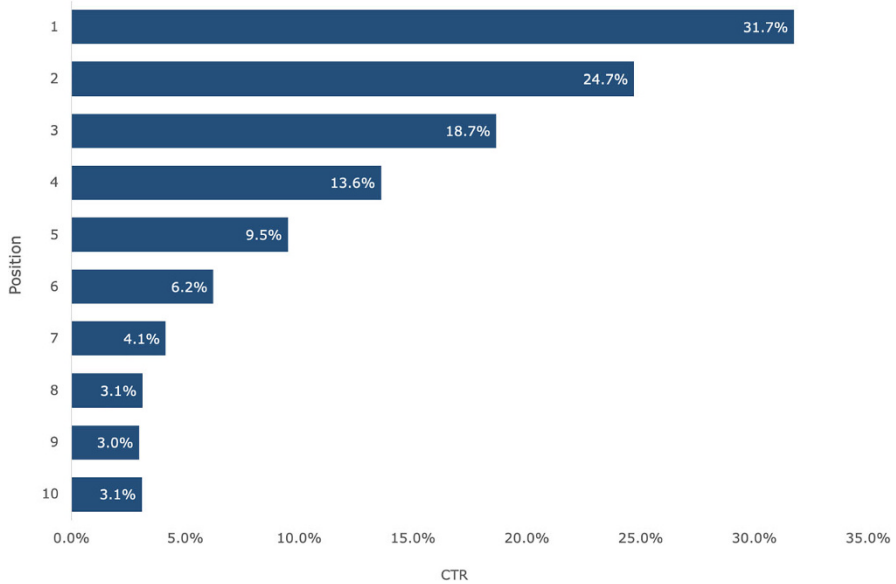


Fig. 16.1 Google organic click-through rate on the SERP by position

Microsoft with just 2.74% global market share, followed by Yahoo (USA), Baidu (China), and Yandex (Russia). The tactics presented in this article may differ with other search engines, e.g., in China where Google has only a 1.99% market share and Baidu dominates with over 70% market share. The general strategy and approach would still work with other search engines too though, but the tools might be different. Furthermore, there are “alternative search engines” like Amazon or Alibaba that see continuously growing search volumes. There are more product searches taking place directly within Amazon than on Google, but a huge number of searches still start with a Google search. And we should not forget to mention social media platforms that also can be used for search, even though search volumes are rather small compared to Google or Amazon and they usually contribute less than 5% of the web traffic of most B2B websites.

16.1.4 Latest Google Algorithms and Their Meaning for B2B SEO

While SEO of the past was based on a rigid framework of keywords, today, search engines are far more sophisticated. Search algorithms recognize keyword stuffing (overuse of keywords and phrases), understand both context and natural language, reject duplicate content, and allocate authority to domains, webpages, and individuals. Google is providing quick responsiveness to online search queries, so it will yield accurate results, even with misspelled words, incomplete phrases, or

poorly worded phrases. Search engines work like this to best serve the needs of the users—the people looking for your page.

Search engines owe their existence to being able to deliver meaningful results to users and a great user experience, as their fundamental income is from adverts served to repeat visitors. As Google algorithms mirror customer needs and preferences they constantly evolve over time. This makes adopting your SEO strategy to the latest developments a challenge as what was true yesterday might not work tomorrow. These factors include algorithm updates, changing user behavior, new platforms or features launching, industry findings, and more.

Web users have become accustomed to a fast, intuitive search experience that produces relevant results. While in the past, there was often a disconnect between what someone was searching for and what results Google displayed, semantic search changed this by focusing less on the specific words or phrasing and more on the user's intent behind the search. With semantic SEO, search results pages are (or at least should be) filled with high-quality content that accurately answers the original query. With less emphasis on specific keywords and formal phrase structure, creating highly relevant content on websites should be a top priority for any B2B marketer. Oddly placed keywords or awkward keyword phrases or keyword stuffing will no longer appease Google or web users. In order to produce the now-expected, high-quality content, content writers must conduct more thorough research on topics and relevant keywords—especially long-tail—to determine customer needs and intents. Finally, the content must be written in a way that is easily readable, attention-grabbing, and offers value for the user in his specific search context. This means creating bespoke content for each persona of the target audience in the context of their stage in the buyer journey and the channel they are consuming the content on.

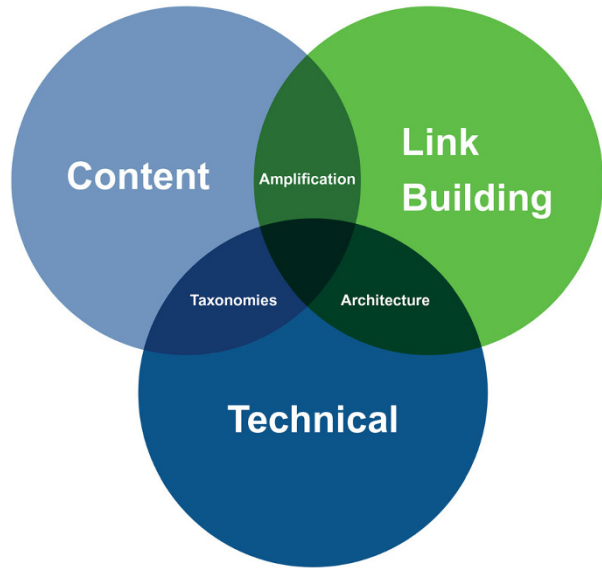
With the basics explained, we now will explain how SEO taxonomies can be used to optimize and contextualize content for technical niche audiences. There are three main areas of focus: content optimization, link building, and technical on-site optimization (Fig. 16.2).

16.2 Contextual Frameworks: A New Way of Using SEO for Content Optimization

16.2.1 Content Optimization and How to Get Beyond Keywords

Let us look at content optimization first. Search engines crave original content, and search marketing has historically been based mainly around “keywords”—deducing which queries are being typed into search engines and integrating them into content. It is best practice to define keywords from the outset, and there are many useful software tools to manage this. For example, Google Analytics, Google Search Console, and Adobe Analytics can benchmark how often certain words are searched for and the traffic they generate for your website. Keyword suggestions are made using Ahrefs or Google AdWords keyword planner, and the latter also runs a

Fig. 16.2 The three pillars of SEO



competitor analysis to detect the keywords that competitors are targeting. For search volume, difficulty and opportunity scores for specific keywords, try the Keyword Research Tool from Moz (2020), while the SEMrush Competitive Positioning Map shows how competitors are doing on common keywords, and where there are gaps.

16.2.1.1 Readability Versus Keyword Repeatability

In the past, digital marketers encouraged repeated use of target keywords, but that guidance has changed as search engines have become more sophisticated. Today, the villain is “keyword stuffing”—an overt use of keywords to the detriment of editorial credibility and authenticity. SEO consultants warn that search engines will deem any site using this tactic as offering low-quality content or delist them altogether. And besides being punished by search engines, web users will castigate sites that favor keyword density above usability (Fig. 16.3).

The SEMrush report “SEM ranking factors 2.0” (SEMrush 2017) shows that the importance of keywords has diminished. Nevertheless, it is still vital to weave enough keywords into content, especially long-tail keywords—descriptive phrases such as “Small, high-powered horticultural LED fixture” rather than simply “LED.” Often mistakenly defined as a phrase using more words, the term “long-tail” actually comes from the extremely long-tail of a search demand graph (Fig. 16.4). Long-tail queries are tailored to what users are trying to find, and the search volume and competition for them is usually lower as a result.

We are a long way away from the days when Google ranked websites based on the keywords used in web pages and the number of times they were repeated. We have advanced beyond synonyms and exact matching phrases. Rankbrain and BERT algorithm updates have changed everything. Natural Language Processing has come

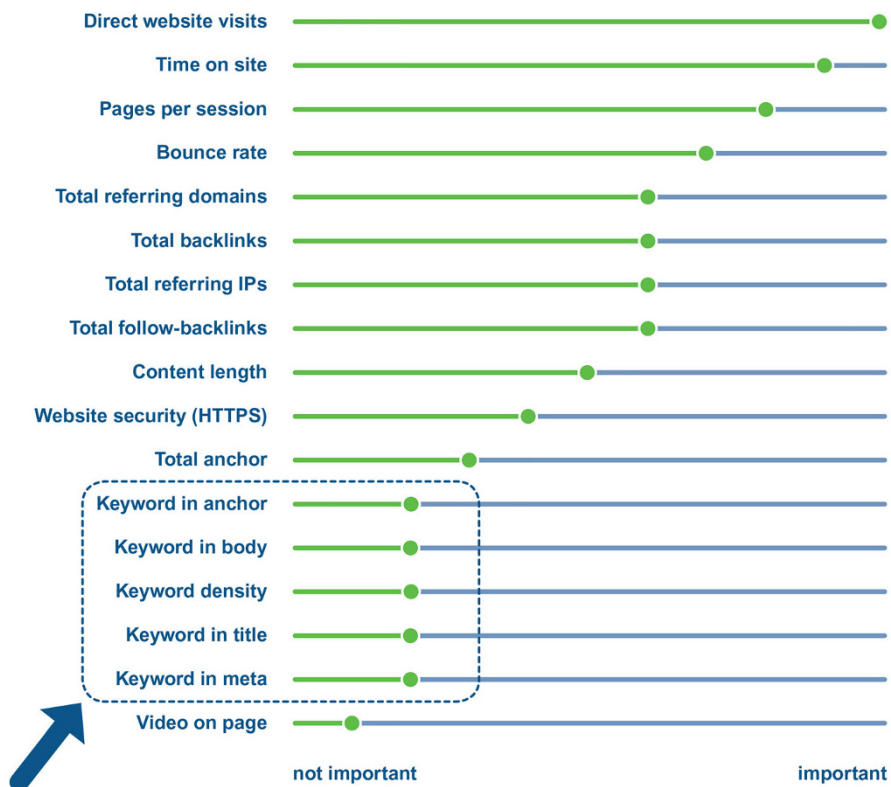


Fig. 16.3 The most important ranking factors

of age and analyzes large chunks of text to understand the true context of the page. This goes hand in hand with the analysis of the initial search performed by someone on Google. Google is now truly able to deconstruct the search and understand the meaning.

Even though keywords are not as highly prioritised anymore, keyword research is still important to gauge the popularity of certain keywords. Keywords help guide our focus to certain topics and discussions in order to create content that focuses on the user intent behind these keywords – what the user actually wants. Around 70% of online searches consist of long-tail keywords, while the remaining terms that most businesses mistakenly focus their attention on (the “fat head” and “chunky middle” combined) account for about 30%. An SEO strategy with higher ROI is usually one which focuses on keywords in the long-tail portion of the search demand curve. To start keyword research, begin with a shortlist of around ten terms. Think about how customers would search for the product if they did not know its name. List some of the product’s benefits and features, or a short phrase that gets to the core of a problem.

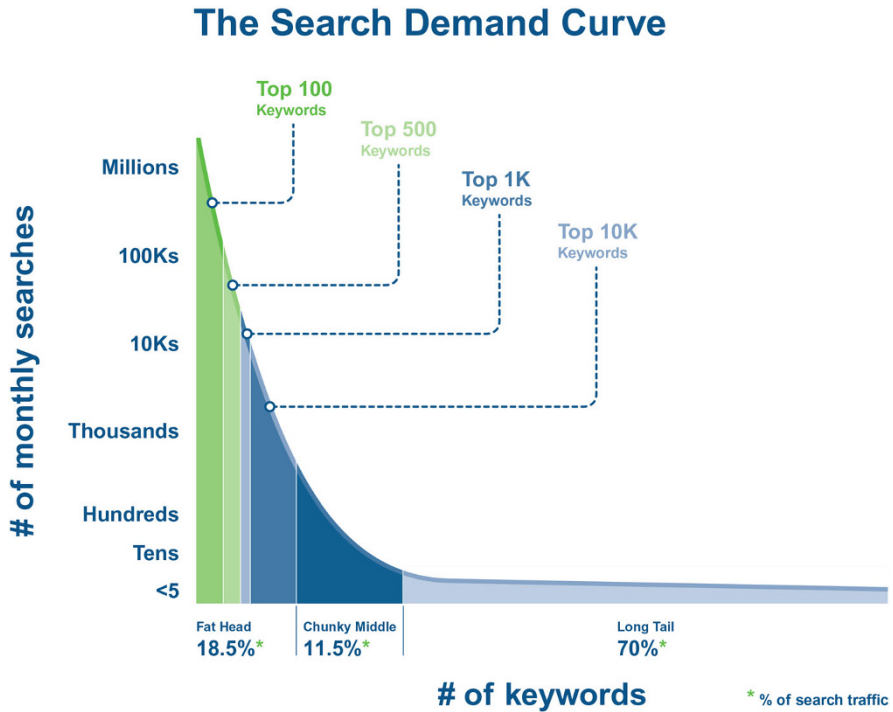


Fig. 16.4 The long-tail concept conveys low search volume and keyword competition

For example, using the LED grow light example again, a complex search query would be: “What is the best small, high-powered horticultural LED fixture for growing tomatoes?” Assuming there is a product to match, it would be wise to consider developing an optimized landing page with hero content based on this. You would use relevant keywords in sub-headlines and intro paragraphs and alt tags on graphics. You could choose to promote the landing page via an SEO-optimized video demonstration, e-newsletter, sponsored post, or gated e-guide downloadable once a sign-up form is completed, etc. Similarly, you could optimize for those ready to make a purchase with a search signifying this intent: “Where can I buy a small, high-powered LED fixture for tomatoes?” Providing insights into all sorts of questions being investigated online, AnswerThePublic is a useful tool to help identify long-tail keyword phrases and map out original content ideas for content.

Another element of optimizing content for search engines is the use of “rich answers.” As described on SEO.com, these search query answers are gathered by Google and are embedded within search results pages (SERPs) in a way that the web user does not have to click on a website URL to see the content. The searcher is presented with short snippets of the relevant content of a website. While snippets are the most commonly displayed form of “rich answers,” videos, charts, tables, sliders,

maps, and forms displaying appropriate, relevant information can also appear in SERPs.

16.2.2 Content Is King, Context Crowns It!

It is fascinating to move beyond SEO and into the realm of information architecture (IA)—the science of using taxonomies to structure websites. When developing content themes, the use of topic-specific mind maps (a form of spider diagram) is an extremely powerful tool. These are useful for a few reasons. First, a simple mind map enables you to understand a complex subject, say “IoT Security” and how it relates to other areas of the business. Used in conjunction with a website content audit, it can identify gaps in content which blogs, white papers, and other content assets can fill. Moreover, sections and sub-sections of a website where this content can reside can be identified. And when developing keyword phrases to target, mapped terms can be used as qualifiers for inclusion or exclusion. The best practice when developing websites is to employ “network taxonomies,” making content easier to find by arranging it in both hierarchical and associative categories. A site map for a website can mirror the mind map, better conveying the nature and context of the content to a search engine.

This is not a new method. For several years, Google has supported the use of “rich snippets” to enhance search results. Rich snippets (available through Google Search Console) enable webmasters to tag individual elements within a web page to assign context (tagging can also be achieved programmatically through appropriately coded web page templates or using plugins). These contextual tags are pre-approved by [Schema.org](https://schema.org). Founded by Google, Microsoft, Yahoo, and Yandex, [Schema.org](https://schema.org) provides a shared vocabulary for structuring data on the web. Without structured data, Google and other search engines are forced to guess at the meaning of the content on web pages. This has obvious drawbacks as the context can easily be misinterpreted, and misleading or incorrect search results may be displayed to the person performing the search.

What content can be tagged? It could be a product page, and we assign rich snippets to denote:

- Product name
- Description
- SKU code
- Price
- Stock availability
- Ratings
- etc.

Or we could tag an events page enriched with details about the venue, location, dates, ticket availability, etc. The below example from the Schema website illustrates a taxonomy for financial services (Fig. 16.5).

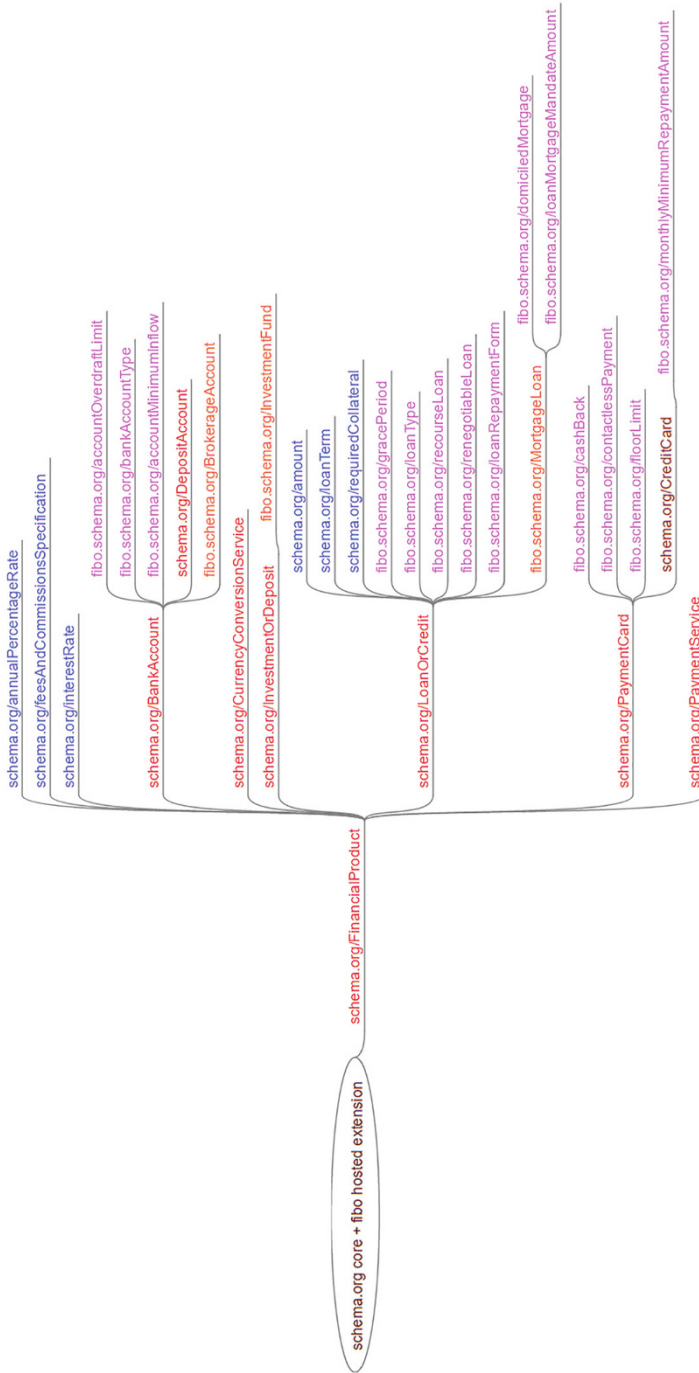


Fig. 16.5 Example of a conceptual map and topic hierarchy

Once Google understands the context of your page content, you can use additional Schema markup to enhance your search listing, such as providing supplementary information about your brand and providing answers to pertinent questions relating to the user's search. Google takes these enhancements and displays them within search results. Social media channels have their own versions of "rich snippets." Facebook uses Open Graph and Twitter uses Twitter Cards. Both of which aim to improve the user experience when web pages are shared through social media.

16.2.3 How to Add Context to Your Content?

We have already discussed how Google has made the transition from a search engine to a knowledge engine and finally to an intent engine, but how do we adjust our strategy to this new approach? The answer is to add context to your content. How do we take the learnings from above and put it into practice? The first step is to create a taxonomy of your business. If you have an extensive or diverse product or service offering, then it may make sense to focus on one topic at a time, and you may find it helpful to create the first draft on your taxonomy based on your existing website structure—an automated crawler such as Screaming Frog SEO Spider or Sitebulb may be helpful for large websites. Start from a focal point—a broad enough topic that covers everything you want to include in your mind map, then list a small number of sub-categories. The number you create is up to you, but we find that six or less is the optimum number. These categories need to be unique, with no overlap. If there is overlap, then maybe there is a broader term that encompasses the categories that should be used instead.

Once you have your top-level categories assigned, you need to assign sub-categories. Once again, try to stick to less than six, just to make the process easier. This may now be enough to map out your business' products/services—it depends on the business. If you imagine each "node" in the keyword map you have created is a web page, you only need to create additional sub-categories as far as you would create additional pages for your website. If you get to a place where you would struggle to create a web page with interesting and relevant content for your visitors, then you have gone too far. The below taxonomy was created for "IOT Security," with the top-level categories being Hardware, Software, Frameworks, and Threats. In this instance, the Hardware category has been developed more extensively than other categories (Fig. 16.6).

As mentioned, each node on the keyword map should be thought of as a web page. If you already have a website, now is a good time to map your existing website pages to each node. For every node where you do not have an existing web page, you have identified a content gap and a new page will need to be created. In order to create this list of associations between nodes and webpages, you may find it easier to transfer your map into a spreadsheet, with the first column representing the top-level category, the next column for first-level sub-category, and so on until you reach the

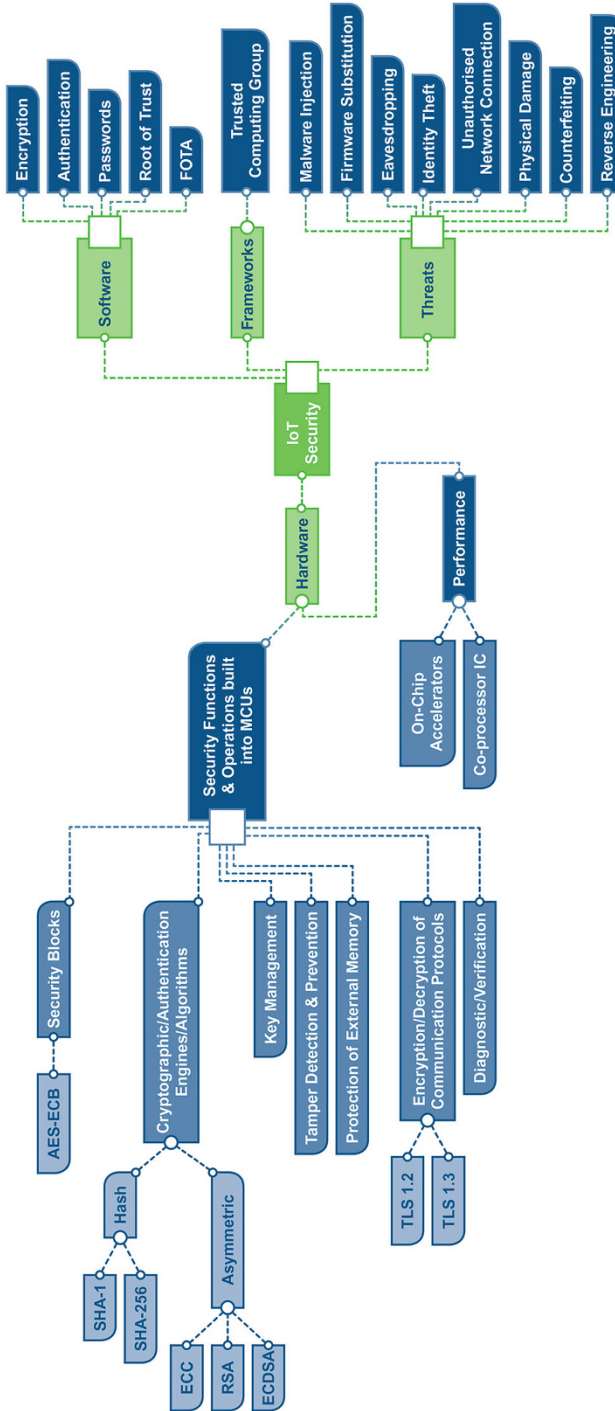


Fig. 16.6 Mind map to show content themes related to IoT security

final node. The final column can then be populated with the URL of your mapped pages. This spreadsheet can be developed further as we shall see later.

The next step is to identify keywords for each node/web page. As previously mentioned, there are a plethora of tools available to help you identify keywords including SEMRush and Google Ads keyword tool. Another technique is to use Google Search Console to identify search phrases where your web pages have appeared in search results but have a low ranking and/or a low number of clicks. As with all automated tools, these keyword suggestions should be reviewed and filtered to only include highly relevant terms. These search phrases can then be grouped into three areas. Brand searches (sometimes known as navigational searches) will help you understand the proportion of visitors searching for your brand names, but these are prospects that already know your company. The next two types of search may help you attract prospective customers who do not know your brand or do not have a brand affinity.

Informational searches are when the searcher is looking for solutions to specific problems or challenges. The type of content they will be looking for varies but may include how to guides, technical articles, white papers, etc. To identify the questions that prospects may be asking, you can take your validated keyword list and use websites such as [AnswerThePublic.com](https://www.answerthepublic.com) to identify examples of questions relating to specific topics. This also resolves another issue. Many of the top-level search terms that get included in keyword lists are too generic—you need to be far more specific in order to find your target audience and search phrases need to be specific enough to exclude low-value audiences. The final type of search is a product search which is when the prospect has already identified what they want and are now looking for a supplier.

Once all of the keyword analysis has been done, and the lists have been grouped to match your target audience persona and stage in the buyers' journey, the keywords can be added to the spreadsheet and linked to the URL of the page to which they are to be used (Fig. 16.7).

Now we have our keywords, we can begin work on our on-page optimization. Each web page title is constructed through our taxonomy, but in reverse order so that the name of the final node appears at the start of the page title. Referring back to our IOT Security example, we had a taxonomy path of IoT Security > Software > Cryptography > Asymmetric. Our page title would therefore be along the lines of "Asymmetric cryptography for IoT security" but this needs refining based on who the target persona is for this particular web page, and where they are in the buyer journey.

We are now on track to developing our optimized web page. The list of keywords we have created for each node should be used consistently throughout the web page, and the page itself should be subdivided by long-tail search phrases. The use of long-tail search phrases as sub-headings serves two purposes: (1) It helps create subtopics within a page useful for when we want to focus on a particular area but could not justify creating a who page for the subject; (2) It punctuates the flow of copy on the page, helping define the story, which helps visitors skim through the web page text to find the information they want. Links to other web pages relating to the topic of your

Category	1st level subcategory	Keywords	Landing page URL
Power Conversion	Power conversion		http://www.dialog-semiconductor.com/AC-DC
	rapid charge / Quick charge	rapid charge IC	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620
		rapid charge integrated circuit	http://www.dialog-semiconductor.com/media-centre/press-releases/press-releases-details/2014/01/20/dialog-semiconductor-launches-quick-charge-ic
		rapid charge chip	http://www.dialog-semiconductor.com/products/power-conversion/acdc-rapid-charge-solutions
		rapid charge controller	http://www.dialog-semiconductor.com/content/rapid-charge-controller-supports-mediatek-fast-charge-protocol
	rapid charge solutions		
	SSL / solid state lighting	High efficiency SSL driver	http://www.dialog-semiconductor.com/media-centre/press-releases/press-releases-details/2015/02/05/dialog-semiconductor-launches-high-efficiency-ssl-driver
		AC-DC SSL driver	http://www.dialog-semiconductor.com/ssl
		Dimmable SSL controller	http://www.dialog-semiconductor.com/products/lighting/ssl/w3605
		Dimmable SSL driver	http://www.dialog-semiconductor.com/ssl
	Retrofit bulb		
	AC/DC	AC-DC adapter	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters
	LED Drivers	High efficiency LED driver	http://www.dialog-semiconductor.com/system-pmics
		DC-DC LED driver	http://www.dialog-semiconductor.com/products/lighting/ssl/w6401
		AC-DC LED driver	http://www.dialog-semiconductor.com/ssl
	Dimmable LED controller	http://www.dialog-semiconductor.com/ssl	
	Dimmable LED driver	http://www.dialog-semiconductor.com/ssl	
DC/DC	DC-DC LED backlight driver	http://www.dialog-semiconductor.com/backlighting	
Backlighting	Dimmable LED backlight driver	http://www.dialog-semiconductor.com/sites/default/files/all-products-selector-guide.pdf	
Power converters		http://www.dialog-semiconductor.com/acdc-embedded	
Smart meters		http://www.dialog-semiconductor.com/smart-meters	
Home appliances		http://www.dialog-semiconductor.com/home-appliances	
Networking		http://www.dialog-semiconductor.com/networking	
Power adapters		http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters	
Embedded		http://www.dialog-semiconductor.com/acdc-embedded	
Adapter		http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters	
Dynamic load response / DLR			
Power supplies		http://www.dialog-semiconductor.com/power-management	
Power supply ICs			
QC2.0		http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w628	
Quick Charge 2.0	Quick Charge 2.0 IC	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620	
	Quick Charge 2.0 integrated circuit	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620	
	Quick Charge 2.0 chip	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620	
	Quick Charge 2.0 controller	http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620	
QC3.0		http://www.dialog-semiconductor.com/products/power-conversion/acdc-chargers-adapters/w620	
Quick Charge 3.0	Quick Charge 3.0 IC	http://www.dialog-semiconductor.com/products/power-conversion/acdc-rapid-charge-solutions	
	Quick Charge 3.0 integrated circuit		

Fig. 16.7 Publitek SEO planner

web page are essential for SEO. By providing these links, you are sending a signal to Google that you are an authority in this topic. These links should be a mixture of external links, but also internal links, taken from related nodes on your taxonomy map.

Finally, we can look at the URL structure of your website. This has already been defined in the taxonomy in the form of [yourwebsite.com/top-category/sub-category/node](#). By grouping web pages together under a relevant category name in your URL structure, it helps Google understand how much content you have under a particular category. This use of the URL structure, alongside the use of “breadcrumb” navigation, provides signals to Google on what the top-level page in your category is and helps improve the ranking for short-tail searches.

This is a basic checklist for optimizing on-page content for SEO:

- Keyword proximity.
- Keyword frequency.
- Use synonyms and stems (multiples, adjectives, etc.)
- Use long-tail variants in sub-headings.
- Do not forget images—optimize the filename and the “alt attribute.”
- Bold/Strong/Italic/Emphasized—Include links to other webpages with related content, both on your own website and also industry authority third-party websites.
- Always include social sharing mechanisms.

When it comes to monitoring the performance of our SEO activities, we can make further use of our Excel planner by using it alongside Google Search Console and Google Analytics to power an SEO dashboard. Every web page has already been listed by URL and assigned to a sub-category which is part of a top-level category. It

is now possible to take a broad look at each top-level category and subcategory, use Google Search Console to understand the impact our changes have made on our website's visibility within Google search results, the keywords that our prospects are using, and how many visits we are getting. We can then use Google Analytics (or another web metrics platform) to complete the picture of the user journey by analyzing visitor engagement, leads generated, etc.

16.3 Link Building: How to Build High-Quality Backlinks

To boost the search rank of a website, marketers and PR professionals should obtain backlinks (inbound links from external websites), e.g., from engagement with media websites and online influencers. Google values sites with high-quality backlinks based on editorial authority, relevance, audience interaction, and quality traffic, among other factors. PR work can secure links from media sites that have a high "Domain Authority," the Moz score for how well websites will rank. Backlinks do not need to have anchor text and a hyperlink. Simple mentions or citations are also worth collecting, particularly from Tier 1 media outlets/influencers. Creating good content pays off and will improve traffic, reader engagement, and backlinks. Indeed, Google states in its code of practice: "The best way to get other sites to create high-quality, relevant links to yours is to create unique, relevant content."

When developing a link-building program, we should tie this in with our framework. We need to approach link-building on a topic by topic basis, or even page by page. For each node in our taxonomy, we have created a list of keywords and phrases. We need to identify the top-ranking websites in Google search results for each word/phrase and then identify which websites are linking to these top-ranking websites. Now we have identified the websites that Google values the most for each topic. Each of these sites now needs to be evaluated to understand if and how we can get an inbound link to our own content. If it is a blog post, perhaps the author could be convinced to update the post by telling them how our content complements their own.

16.3.1 How to Build Inbound Links

Organic Link-Building Techniques

Assuming your content has been found (not necessarily through SEO but other marcomms activities) there is a chance that your content will be shared organically, either through social sharing or referenced in other web pages.

Not all links are equal

It is important to note that social shares have a lesser SEO value to links from websites, blogs, and forums due to the transient nature of social posts and the way that domain authority disseminates through a website. The below graphic from the RLS Group explains the concept of "link juice" very simply (Fig. 16.8).

For most websites, the homepage holds the most authority because it has the most links—from other pages on the website (e.g., in the main navigation bar) and from

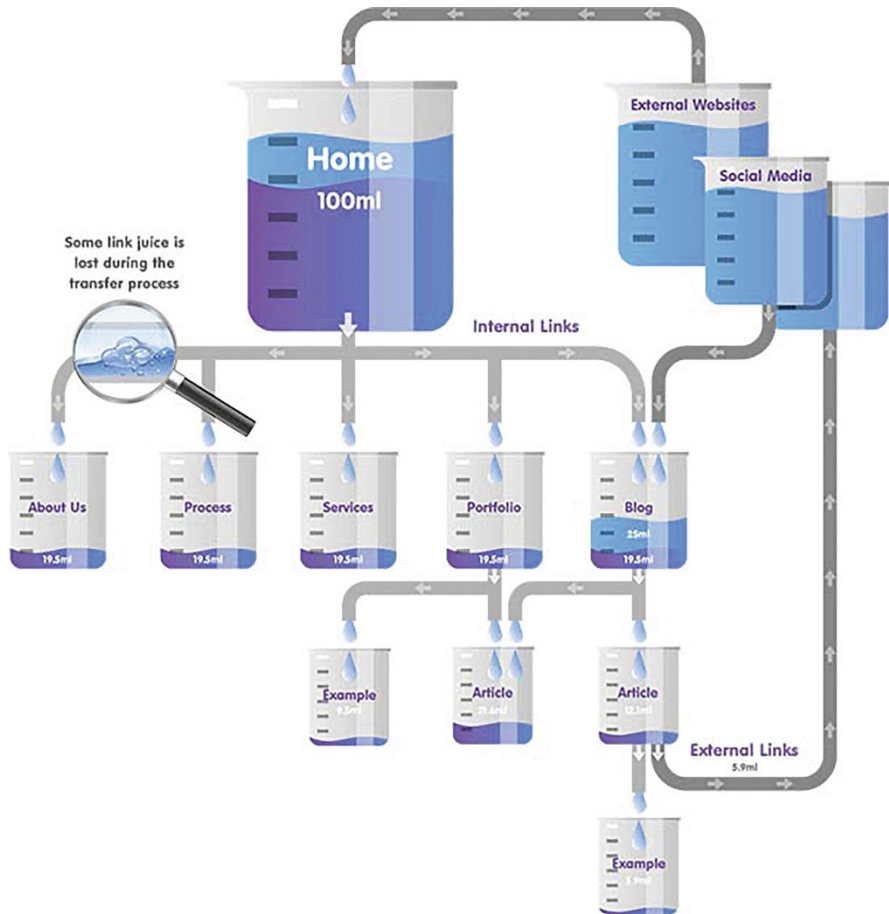


Fig. 16.8 Link juice diagram

external websites. This link juice flows through the website structure, divided amongst the first pages that are linked. Each of these pages then links to more pages and divides the link juice further. This simple concept explains how internal link sculpting works—how link juice can be directed to specific pages in order to boost their authority, and also explains why a single Tweet is likely to have less SEO value than a web page—because there are so many Tweets trying to get a share of the link juice.

Link Building Through Social Media

In order to encourage social sharing, make sure you have a social sharing tool prominently positioned on the web pages—ideally both at the top and the bottom of the article, or in a floating sidebar that is always present on the screen. This makes it easy for users to share once they are read the article, but also for those that want to save the article to read later.

How to Build Links Through a PR Program

Tools such as Backlinko and SEMRush enable evaluating external link opportunities by running analyses on direct competitors to identify the intersects of inbound links. These intersecting websites can be prioritized by Domain Authority (as well as a manual review for relevance). Content placements (e.g., guest blogs and articles) can be targeted to the most relevant, highest quality publications where you are most likely to get an inbound link.

Distributing SEO-optimized press releases can garner not just coverage, but a wide dispersal of quality inbound links. It is important to note that you cannot just rely on wire distribution services because the quality of links generated through these is dissipated by Google's penalization for duplicate content. Each press release that gets reproduced in full needs to refer back to the original article (usually hosted on the PR distribution service's own website), which greatly reduces the SEO value of all the other places where the press release is published.

Link Building Through Content Syndication

Content syndication is when web-based content is re-published by a third-party website. According to Outbrain.com, any kind of digital content can be syndicated, including blog posts, articles, infographics, videos, and more. Think of it as a kind of barter arrangement. The third-party website gets free, relevant content. The content creator gets free exposure and publicity, and backlinks to their own website, which in turn boosts their organic traffic.

A structured content syndication program can help your SEO efforts in two ways:

1. Search engines track links across the web to help classify content and determine popularity of web pages.
2. The content of pages linking to each other is taken into consideration when pulling it into the search result—it is beneficial to get inbound links from web pages/sites that have relevant content to your own.

The Importance of Internal Link Building

We use internal “link sculpting” as a means of retaining or redirecting the flow of SEO value. This typically involves identifying cross-linking opportunities, redirecting existing inbound links to cornerstone pages as well as removing extraneous links.

16.4 Technical On-Site Optimization: How to Make Your Content Shine

Finally, let us examine technical on-site optimization. Technical SEO includes all the technical measures you can take to make your website rank on search engines. This includes how well your website can be found by the search engines' algorithms. Technical SEO is usually done by trained digital marketing managers with a focus on search engine optimization, IT, or even the developers of the website. However, it is worthwhile for B2B marketers to get at least a basic understanding of what

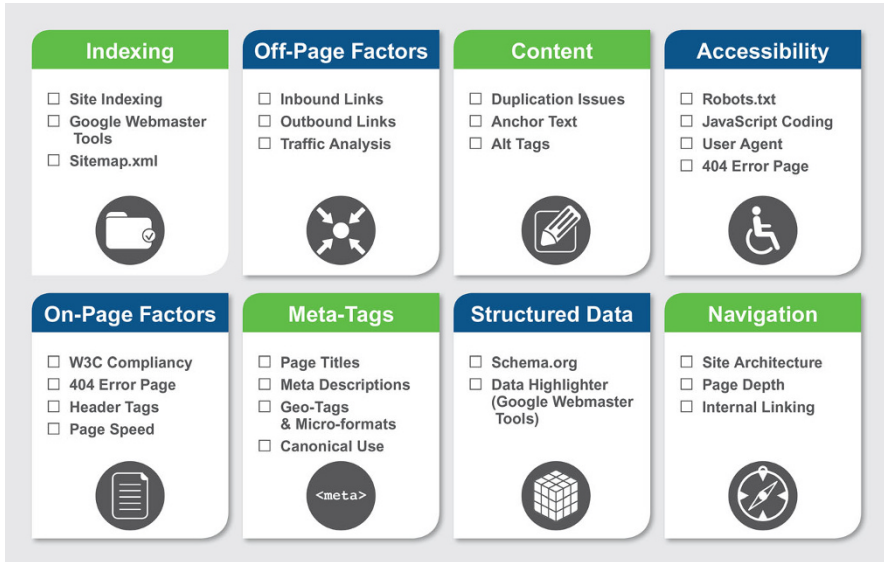


Fig. 16.9 Technical aspects of SEO

technical SEO is about in order to tie content optimization, link building, and technical performance together (see Fig. 16.9).

There are many aspects to technical SEO. For this article, we only focus on the aspects of technical SEO that are directly connected to content optimization and how the technical side of things ties in with the network taxonomies. If forced to choose just one thing to improve a website’s visibility, many experts will underline the importance of a website being “crawlable” for the search bots. Even if a website has implemented links and keywords perfectly, if a search engine cannot crawl it the content will remain hidden. So-called “evergreen” content (see pillar posts in Sect. 16.3 of this article) retains a high search ranking and modest click-through rate long after it is published. While original SEO content and backlinks will not produce significant results overnight, compelling content keeps on giving over time. Combining a strategic implementation of all three pillars of SEO can therefore result in steady and lasting growth in online reach. This general approach can be enhanced further if the taxonomy concept described earlier is applied to structure the content in a user-friendly way around the most popular search terms, as described above. The content structure should be topic-oriented (as this is the main way users search for things) to make it as easy as possible for the search engines to understand what a website is about and match it with the right search intent for an optimum user experience.

Another key aspect of content performance is mobile optimization. This discipline is becoming increasingly important as more and more users access web content with their smartphones. And Google is also pursuing the “mobile first strategy.” You must make sure that the presentation of your website works smoothly and looks good

on the move—and it has to load quickly. Even if you as a B2B company have mainly desktop traffic, Google pays extreme attention to mobile optimization. Marketers must remember that with the growing number of paid results displayed on a SERP, the goal is to be ranked within the top three organic hits. Loading speed and the ability to be displayed on mobile devices are a crucial ranking factor to reach this goal.

The third pillar of content-relevant technical SEO consists of link structure and user experience (UX). The link structure should reflect the search habits and intents of the users as well as tie in the contextual content taxonomy described above. This area partly overlaps with content optimization because links are set by people who work on the content of the page.

Finally, the technical basis of your website that is working in the background must be set up properly. This includes aspects such as correct server settings for improved loading speed and encryption. Clean source code—this area is often maintained by developers and programmers—is essential for all areas of technical SEO. B2B marketers must make sure that this groundwork is done properly by the experts as otherwise all efforts on the content-side might be in vain.

16.5 Use Cases: Network Taxonomies Applied

16.5.1 How to Set Up a Tech Blog Based on SEO Mind Mapping

Google has developed into an intent-based search engine showing us topic-based results. For example, if someone searches for a specific question that is related to the topic of AI, they are more likely to see AI-focused results than answers from any industry. As a result, the keyword research that a lot of us dutifully carry out when generating blog ideas is becoming less relevant and our SEO checklist has changed. These are the three steps you must take to structure your blog in a way that it reflects the intent-based algorithms as well as the user needs which ultimately leads to a high SERP ranking.

16.5.1.1 Create a Network of Blog Posts Using Pillar Posts as the Center of the Structure

Pillar posts are long blog posts that cover a broad topic. You may have heard of cornerstone content, sometimes called “hero” content, and this is essentially the same thing. Sticking with the AI example, you could write a beginner’s guide including an overview of things such as neural networks and deep learning. Then, every time you write a blog post that is related to AI in some way, you would hyperlink back to this blog post using the same “AI” hyperlink text each time. What this does is structure your content and create a network of related posts, helping Google to identify the topics under which to list your blog posts in results.

In order to develop the pillar topic, you need to know what your target audience is searching for and what they are interested in. So, it only makes sense that the first

thing you should do is identify your target audience accurately. Once you have done that, observe what they talk about on social media and use sites like [answerthepublic.com](https://www.answerthepublic.com) and the Keywords Everywhere chrome extension to find out what they are searching for. You could also ask your current clients—e.g., via your sales team or an online survey—what tech topics they are currently interested in learning more about too. Use your findings and observations to help you to settle on a particular topic. There are lots of different topics to write about, but you have to make sure you pick one that has enough traffic and interest to be worth it and will generate lots of blog post ideas in the future.

16.5.1.2 Build an Interlinked Content Network

The pillar posts have to be complemented by subtopics. These are smaller topics within your pillar post such as neural networks and deep learning in the AI example. List every one of these that you mention in your pillar post in a spreadsheet and use them, along with some research, to help you generate blog post ideas. Under your neural networks subtopic, for example, you could write about how they are used, the different cool things they are used to do, the advances that have been made using them within different industries, and so on and so forth. Having these subtopics will help you to create a variety of content and will give you a starting point whenever you sit down to brainstorm ideas.

The most important thing to remember when writing your blog posts is to add internal hyperlinks. Link every single one back to your pillar post and link them to one another wherever you can too. If you briefly touch on a topic that you have gone into more detail on in another blog post, make sure you add a link to that post so they can learn more about it. In the future, you could write pillar posts for each of your subtopics and link all of them together along with your overarching pillar post. The bigger and more structured your network is, the better.

16.5.1.3 Do Keyword Research to Define Subtopics

Keywords, even though being of lesser importance than in the past, are still relevant if you want your blog posts to rank for specific search terms. The best way to use keywords to improve your SEO is to use long-tail keywords to form blog post ideas. These are phrases of three or more words that are much more specific than just “AI” or “neural networks.” An example here would be “neural network Morpurgo books.” If you were writing a blog post about a neural network that was being used to replicate the style of Michael Morpurgo’s books, you would want to list for searches that are both AI-related and for people searching specifically for information on that.

What this pillar post structure does is allow you to include these more niche blog posts in your overarching “AI” blog network and still write for specific search terms. If someone searched for something loosely related to the “AI” topic umbrella, yours could be listed. Additionally, if someone searched for your more specific topic, you

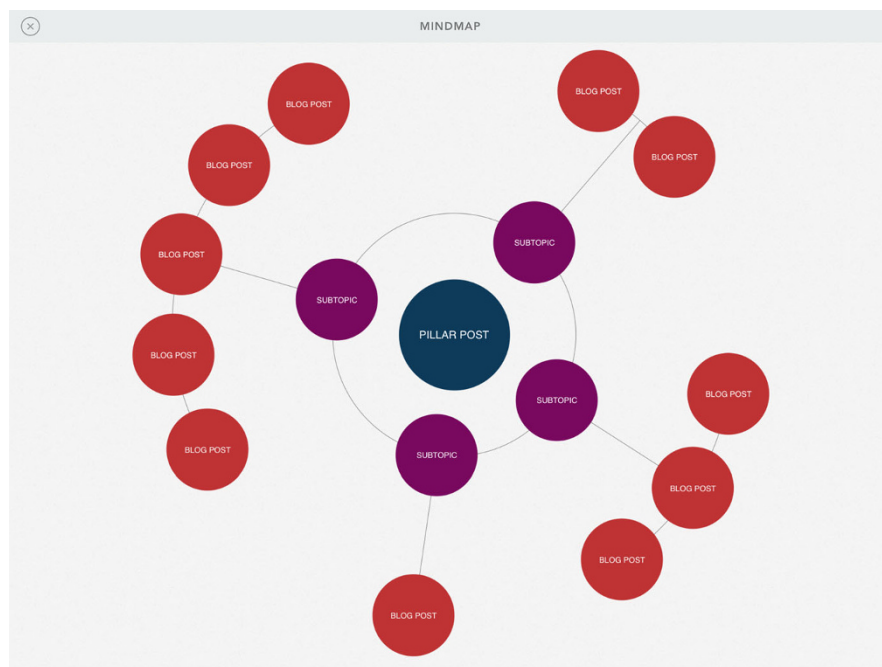


Fig. 16.10 Layout with a center pillar post, subtopics in the next layer, blog post ideas in the next, and then as many layers as needed

would be very likely to rank highly. As you write more and more, expand your network by creating pillar posts for your subtopics too (Fig. 16.10).

16.5.2 Using a Taxonomy to Identify Influencers for Niche Topics

The taxonomy we use for our SEO framework can also be used for other marcomms activities. We have already discussed how SEO needs to be integrated with PR and content marketing, but it is easy to see how mapping keywords with target landing pages can be used for PPC activities, particularly Google Ads and similar keyword targeting platforms and how top-level topics can be used for programmatic advertising, and for categorizing target publications in PR. Integrated campaigns can now be structured around key business topics. Choose any top-level topic from your taxonomy and you can use these for your PR outreach program—choosing highly targeted publications for submitting articles and guest blogs using content inspired by the long-tail search phrases contained within.

The taxonomy is also particularly useful when undertaking social listening campaigns, to gain insights around key topics and identifying key influencers. By taking our taxonomy and converting it to a Boolean search (it may be easier to use

the SEO planning spreadsheet we created earlier) we can use social listening tools such as [PulsarPlatform.com](#) or [Meltwater.com](#) to find online conversations on very niche topics. The results we see enable us to understand who is talking about the topics we are interested in, and where they are having these conversations—both geographically and by online channels (blogs, forums, social media, etc.). We can see what terminology they use in relation to these topics, enabling us to use this for further SEO refinement and to help us build a resonance with our target audience by using the same language as them. We can see what topics our target audience is engaging with and where they find these.

16.6 New Level of Customer-Centricity: How Understanding User Intent Changes B2B Marketing

So, what does all of this mean for B2B brands? This is how Google explains it (Snyder and Hilal [2015](#)):

It means that marketers can no longer plan on a linear journey. Today, consumer choice heavily influences reach and frequency. They're choosing to engage with brands that are relevant, helpful, and personal. People are demanding assistance, and the brands that offer it are the brands that will win. The formula for driving growth has changed. And predicting intent is now a critical part of the equation.

In other words, Google says people are no longer following a linear path from awareness to consideration to purchase. They are narrowing and broadening their consideration set in unique and unpredictable moments. People turn to their devices to get immediate answers. And every time they do, they are expressing intent and reshaping the traditional marketing funnel along the way. With Google becoming an intent engine, the goal is to create the most value for web users and address their real concerns. B2B marketers now must spend more time optimizing their website content so that it is valuable to web users. Garrett Mehrguth from Directive Consulting described this very well (Mehrguth [2017](#)):

B2B SEO today is not so much about how your website ranks for certain keywords but rather about how you can optimize so your company can be found by your target audience for different queries and on various sites throughout the search engine. (...) It's time that we treat B2B SEO as the art (and science) of positioning a brand at every stage of the buyer journey, throughout the entirety of a search engine results page.

In simple terms, marketing departments should create the content that customers need within the specific context of their search. This means the content must match with the search intent, preferences related to their persona, and knowledge-level of the user. Creating this high-quality relevant content for all the channels and outbound sites where the clients do their research should be at the core of any B2B marketing strategy. Your tactic therefore would be to create a landing page for each

base intent of your customer as well as individual pages based on a specific persona and stage in the buyer journey. These pages can then be tagged, and the information pulled from there can be used for further analysis and content optimization. Finally, B2B companies are tasked to break down traditional silos and create integrated content teams. To get the most out of SEO and SEM, this discipline should not be left in isolation with digital marketers as it is far more productive when used in a joined-up way by everyone working on SEO, SEM, social media, and PR.

It is important to note that technology should never be the ultimate driver, marketing strategy should. Therefore, marketing should not be developed to please Google algorithms but rather make use of these to get the best understanding of your customer's needs to create an optimum customer experience and putting customer-centricity at the core of your content strategy. By doing so, B2B marketing departments turn from being mainly service providers for internal stakeholders and business units into content factories for their customers, almost in a sense of "marketing-as-a-service." By using the described SEO techniques, the marketing department also becomes the first point-of-call when it comes to market intelligence and customer experience management. To be truly effective, these activities should of course be done in a joint effort with the sales organization.

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Strategic Account-Based Marketing: How to Tame This Beast

17

Andy Bacon



17.1 Defining ABM

Ask anyone who has implemented ABM to provide a definition and they will answer slightly differently, often because no two organizations apply it exactly the same way. As a strategic approach, it is frequently tailored to the way an organization sells and their customers buy; there is no one size fits all. Three recognized definitions are:

17.1.1 B2B Marketing

ABM is a strategic marketing approach jointly implemented by sales and marketing that focuses on key, targeted accounts (whether they are existing customers or not).

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It is about identifying who your most important accounts are, gathering as much insight on them as possible, and then using this insight to align your proposition to the challenge(s) they are facing and crafting a personalized marketing campaign to protect, grow, or win their business.

17.1.2 ITMSA¹

“Treating individual accounts as a market in their own right.”

A structured approach to developing and implementing highly customized programs to accounts, partners, or prospects. This approach involves marketing and sales taking a close look at key business issues facing the target, mapping them to individuals, and tailoring campaigns to address those issues.

17.1.3 Sirius Decisions²

“Account-Based Marketing (ABM) is a strategic approach that aligns resources against a set of defined accounts and goals in a way that is relevant and valuable to those accounts and to sales.”

Whichever definition you choose, the three key components to remember are:

1. While ABM has “marketing” in its title, unlike any other strategy this is an integrated sales and marketing approach, where the two departments work together in harmony towards a common objective. For this reason, effective sales and marketing alignment is considered the pre-requisite for any successful ABM program.
2. It is clear that ABM involves the crafting of a highly bespoke proposition to each account that will be sensitive and directly relevant to the customers’ own business needs, goals, and challenges. This “outside-in” approach is an absolutely fundamental feature of ABM.
3. That ABM is not just about winning new customers—although many mistakes it as another form of demand generation. It is equally, if not more appropriate to the protection and growth of existing accounts.

¹www.itsma.com (accessed 01 June 2020).

²www.siriusdecisions.com (accessed 01 June 2020).

Learning Points

- ABM is a joint sales and marketing approach. Alignment is critical.
- It focusses on bespoke propositions that are highly relevant to the customer.
- It requires detailed customer insight to enable those propositions.
- It can be deployed on both new and existing accounts.

17.1.4 The History of ABM

While wide adoption of ABM really took hold and accelerated from around 2014–2015, it existed long before this. Bev Burgess and David Mann (ITMSA) published *The Practitioner’s Guide to ABM*³ in 2003 as the first and foremost ABM reference guide for marketers. However, if one looks at the definition of Key Account Management (KAM); the strategic sales approach as provided by Professor Malcolm McDonald⁴ it reads:

An approach to strategic customers (whose needs you understand in depth) which offers them value that distinguishes you from your competitors

Looking at the close similarities, it would be safe to believe that ABM was borne from KAM, a strategic approach to strategic accounts that preceded ABM by many years. This helps explain why sales and marketing alignment is so fundamental—ABM and KAM are clearly opposite sides of the very same coin. If an organization is able to harness the power of both then their ability to achieve success will undoubtedly be increased.

17.1.5 Triggers to Adoption

So, why did it take around 10 years for ABM to hit the headlines and become the most discussed topic amongst B2B marketers in recent years? There are fundamentally two main drivers.

17.1.5.1 Traditional Demand Gen Is Broken

The digital transformation of marketing promised huge benefits. “Digital Marketing” no longer exists, as virtually all marketing communication is now digital. However, those enticing benefits of scale, lower cost, and speed came at a significant price; quality. Of course, not all modern digital marketing is poor quality and ineffective,

³<https://www.amazon.co.uk/Practitioners-Guide-Account-Based-Marketing-Accelerating/dp/0749479892> (accessed 01 June 2020).

⁴<http://www.malcolm-mcdonald.com/kam.php> (accessed 01 June 2020).

but in the desire to communicate with as many targets as frequently as possible we became complacent. We became satisfied with email open and click-through rates of just a few percent. Wastage was not a primary concern, providing some level of engagement was initiated; we could bombard warm recipients with even more to “nurture” them into a lead for the sales pipeline. Marketing departments increasingly had to prove their worth, so many became focused on quarterly lead targets and developing ever more sophisticated ways to chase ever-decreasing returns. As the quality of leads eroded to meet volume targets, so did the sales department’s trust in marketing’s ability to deliver meaningful value.

The result was inevitable. Audiences became increasingly savvy and largely immune. They switched off, opted out, and ignored the irrelevant noise. We were on a race to the bottom. Andrea Clatworthy, the highly respected ABM Lead for Fujitsu, has been widely quoted as boldly saying “I switched off Demand Gen and no one noticed.” She clearly recognized that it was time for change. And for many, the change to ABM represents a significant and very important marketing transformation.

17.1.5.2 ABM MarTech

Google Account-Based Marketing and the search results will be dominated by an ever-increasing list of sponsored ads for ABM technology. The ecosystem is quite overwhelming. For the marketer seeking to resolve the challenge of fixing their under-performing demand gen program, ABM appears to offer the silver bullet. Unsurprisingly, many start their ABM journey seeking advice on which technology they should buy as a “quick fix.” Being digitally adept this is squarely in their comfort zone as a logical solution to the problem.

It is this marketing investment by the VC backed MarTech vendors that is both fuelling the awareness of ABM and the misconception that ABM is just a smart technology. Many new to ABM do not fully grasp that it is actually strategic approach to sales and marketing. The real danger being that they risk practicing Demand Gen under another name and inevitably fail to realize the real benefits that ABM can deliver; those that enable the impressive ROI statistics quoted across the industry.

It is for this reason that students of ABM need to understand that not all ABM is the same. While some investment in ABM MarTech may be necessary, it is not necessarily the best place to start.

Learning Points

- ABM is a well-established, proven approach to achieving business growth.
- It was a strategy first, not a technology.
- It is not another form of conventional demand generation.

17.2 The Types of ABM (Fig. 17.1)

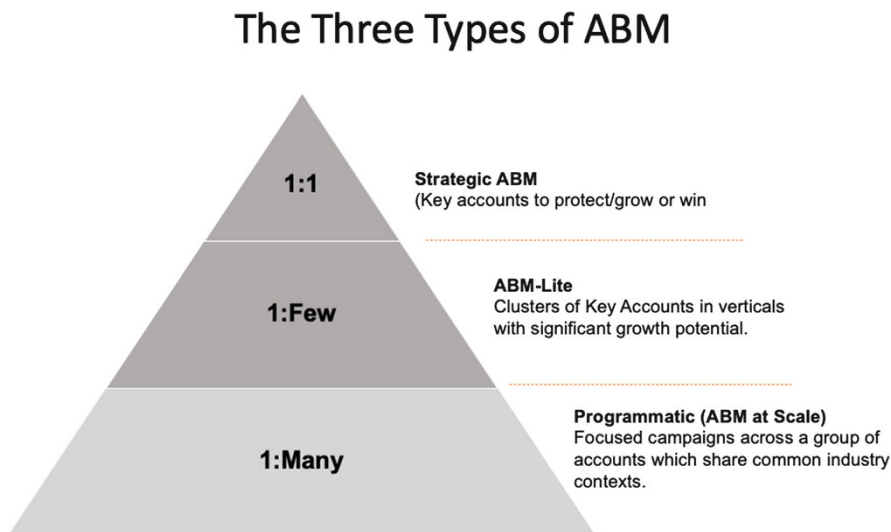


Fig. 17.1 The three types of account-based marketing

17.2.1 Strategic ABM (1:1)

Focused on high recurring value key accounts with potential for significant revenue growth and/or the need to protect existing business. 1:1 programs represent a reasonably high investment in research and bespoke marketing communications over a long period, so the lifetime/opportunity value needs careful consideration during the account selection process.

The number of 1:1 accounts in a program will largely be determined by the resources available as effort can be highly intensive. When first implementing ABM and embedding best practice, the normal would be between 2 and 5 accounts for a pilot.

17.2.2 ABM Lite (1:Few)

A cluster of high-value accounts that feature more similarities than they have differences. 1:Few does not imply a program to a number of 1:1 accounts. Often, but not always, a 1:Few approach will be applied to a vertical market segment. It implies that sector research and insight will be applicable across the cohort of accounts, so they share the same challenges and opportunities allowing value

propositions and content to be very similar. The benefit of 1:Few is that investment can be shared across multiple accounts to spread the cost and mitigate risk.

Again, the number of accounts will be determined by resources, but the larger group the greater the potential differences.

17.2.3 Programmatic ABM (1:Many)

ABM at scale which may target many hundreds or even thousands of accounts in a similar way to conventional demand gen. With less reliance on individual account research and insight, 1:Many ABM targets individual role types or “personas” within the decision-making unit (DMU). While addressing the needs of multiple audience segments with appropriate messaging, programmatic inevitably relies on more generic propositions compared to strategic 1:1 or 1:Few.

To work well, programmatic is highly data intensive. It relies on good quality first- and third-party data to enable precise targeting of the right message to the right people at the right time.

When an organization does not service high-value long-term strategic clients, but a low deal/lifetime value that requires a low acquisition cost, the scale of programmatic ABM offers the ideal solution.

Author’s Note

This chapter introduces the principles of Strategic ABM (1:1 and 1:Few). Programmatic ABM (1:Many) is not a “pure” form of ABM and while it has some similarities, it is an advanced data/technology/digital lead approach. To explain the full mechanics here would be not appropriate, however reference is made where relevant.

17.2.4 Hybrid Approaches

With the benefit of experience, some practitioners develop more sophisticated ABM programs that successfully apply more than one of the three types of ABM in a blended approach. This is not usually recommended for those first embarking as it is generally accepted that trying to do everything at once is a high-risk strategy.

A hybrid approach will flip the pyramid, so that 1:Many is providing an overarching support across a large sales organization. As opportunities are identified, suitable accounts may be elevated into either a 1:Few or 1:1 type program where the business opportunity warrants increased levels of investment.

17.3 Pilot Programs

Getting started with a new go-to-market strategy will often be perceived as high risk and so many will undertake a proof of concept with a pilot program. This offers the benefit of allowing time for new working practices to embed, upskilling of teams, and removing the pressure on a fledgling program. B2B Marketing developed the ABM Competency Model⁵ which illustrates the skills required at five stages of maturity. Many of these may be new and so a pilot is essential to embed best practice and learn what formula works most effectively for the organization.

Where an organization has arrived at ABM to fix problems with their existing demand gen program, the temptation is often to rapidly implement 1:Many ABM. It will feel like an easy, incremental step and many of the processes will feel familiar to a digitally focused marketing team. If 1:Many is the only viable choice due to customer value then this will be the obvious decision.

However, there is a danger of starting with 1:Many. Because it remains marketing led and is very similar to business as usual, it can be very easy to fall back into old habits. The difference between the old and new can be difficult to determine and it can be very tempting to short cut essential ABM processes. The result can rapidly erode into a demand gen program under a new name, one that fails to realize the opportunity promised by the strategic (1:1 and 1:Few) forms of ABM.

To insure against this, outsourcing to an experienced programmatic ABM agency may hold the program on track, however a ‘home-grown’ ABM strategy ensures that the ethos and transformational benefits are fully embedded throughout the organization.

By contrast, where a pilot program deploying 1:1 or 1:Few is viable, these are frequently the best place to start. These approaches ensure that there is a very clear transition from the old to the new. The sales and marketing teams are forced to align and work in unison; the long-term transformational benefits can be fully realized.

Learning Points

- There are three distinct types of ABM. 1:Many is not “true” ABM but can be effective.
- Always start implementation with a pilot program.
- It is not always ideal to start with 1:Many, unless there is no alternative.

⁵<https://www.b2bmarketing.net/en-gb/resources/articles/b2b-abm-competency-model> (accessed 07.2020).

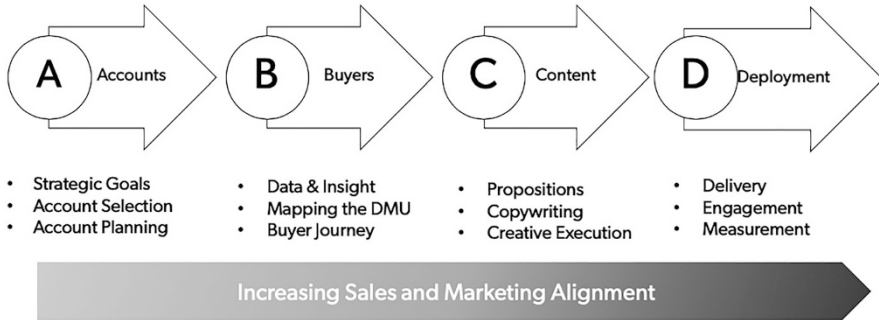


Fig. 17.2 Simplified ABM process

17.4 Key Steps to ABM Implementation (Fig. 17.2)

Once the type of ABM approach has been determined, a typical implementation program may be simplified into four key phases (A-D). There are variances for each ABM type, but the process is as follows.

17.4.1 Sales and Marketing Alignment

Throughout the chapter, frequent reference is made to the importance of “Sales and Marketing Alignment” within any ABM Program. It is very common for initial “buy-in” to be confused with alignment—which requires mutual trust to be deeply imbedded in the relationship. Mutual trust is illusive and notoriously difficult to measure; it takes time to establish and build, yet can be rapidly undermined.

So, a key challenge of ABM is creating alignment, yet one of the most significant wins will be the resolution of the “big divide” that has existed between these two teams for many years. There are endless examples where this has existed; one perennial is the ‘sales enablement tools’ that marketing will proudly produce to support their sales team. In a very short timescale these PowerPoint decks will usually be modified by sales so they are “fit for purpose”—often claiming that marketing does not understand “what customers need to hear.” This implies that the initial value proposition developed by marketing did not benefit from any input by sales. This lack of alignment clearly undermines the objective to provide consistent and incremental messaging throughout the customer journey.

17.4.2 Account Selection

This is one of the most important elements to get right, but the easiest to get wrong. Selecting the wrong accounts will result in valuable time and effort being wasted and

stakeholder trust being rapidly undermined. It is critical to select the right accounts for the right reasons.

Warning! Do not allow the Sales Team to assign accounts independently. This may feel like the logical place to start, but it is fraught with danger. Marketing should not delegate this essential step to sales as their decisions will be based on entirely the wrong criteria, regardless of the guidance is provided. Sales people are very adept at providing some ‘highly compelling reasons’ why their accounts should be included.

Depending on the level of trust, sales are likely to be highly cautious and protective when first allowing marketing to get involved with their best customers and prospects. Frequently they will offer up aspirational accounts they wish to win; but those that they have been unable to progress for some time. While, existing accounts will be those that have either lapsed or they suspect have already been lost, so will accept any help to snatch it from the jaws of defeat. In both cases, they are confident that Marketing cannot cause too much damage to any valuable accounts.

Sales’ own account choices are therefore very likely to be the most challenging and effort intensive with little promise of return. These are the worst place to start. Marketing needs to start with the easiest accounts to achieve some early wins and help build stakeholder confidence.

Selection should reflect the chosen ABM strategy—whether this is to acquire new or protect and grow existing accounts. Normally for organizations that are new to ABM and piloting a new program, existing accounts provide the best opportunity to learn, add value, and achieve faster results. Remember, ABM is not all about new account wins.

17.4.3 Existing Account Selection Process

Account selection will be significantly easier if there is an established Key Account Management (KAM) program in place as a candidate pool will already exist. It is however unlikely that a fledgling ABM program will be able to support this entire group so careful prioritization will be necessary.

In the absence of a KAM programme an initial assessment with the sales leadership will be necessary to create a “suspect pool” of potential candidates. Normally marketing will undertake an initial data audit of existing accounts to undertake some initial profiling. Profiling of existing accounts should use firmographic data (first and augmented with third party if necessary) to enable a broad segmentation, including:

- Performance, which might be further categorized according to annual revenue and average sales cycle.
- Size, which could be broken down into numbers of employees and locations.
- Ownership, broken down as public, private, government, or **cooperative**.
- Trends, segmented as growing, declining, or stable.

17.4.4 Ideal Customer Profile (ICP)

Identifying an Ideal Customer Profile as a benchmark account is essential as it provides all the attributes of the “perfect customer.” If the organization operates across a number of vertical markets, an ICP may be necessary for each; particularly for a 1:Few ABM strategy. An “ICP Workshop” between sales and marketing is invaluable to agree the ICP and gain full immersion into a real ‘flagship account, including the history, buying behavior and how the relationship between the two organizations works. Much of this insight may not exist in the CRM; some will largely be anecdotal experiences from all customer-facing roles, account management team, post-sales support, and customer experience teams.

Usually marketing has very little first-hand experience relating to real customers, so every opportunity to understand them in detail should be taken. It is essential that marketing can start to think like sales and speak their language.

17.4.5 Account Opportunity Matrix (Fig. 17.3)

Using the results from the data profiling (including the ICP account), the suspect account pool can be plotted onto an ‘Account Opportunity Matrix’ to identify which may represent ideal candidates for the chosen ABM approach. The task is to identify those accounts that offer the best growth potential and opportunity to become the

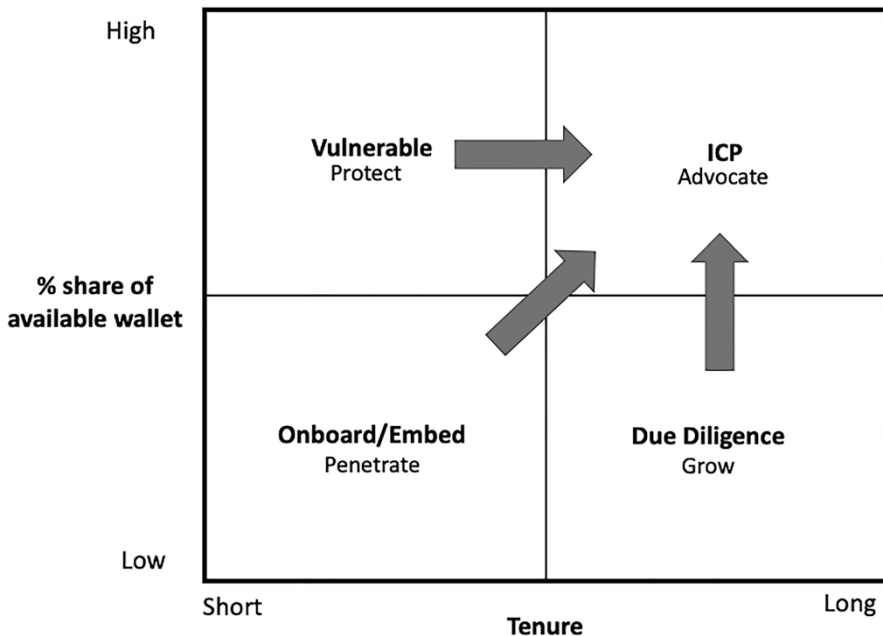


Fig. 17.3 Account opportunity matrix

ICPs of tomorrow by considering the percentage of available wallet v length of tenure.

17.4.5.1 Advocates

While potential for growth is clearly very important, the value of ABM to protect and create long-term advocates should never be underestimated. The existing client base is being eroded all the time—either through direct activity by competitors or simply neglecting to understand how customers' business needs constantly evolve over time. A protect program will enable realignment of the relationship, present new revenue opportunities, and lead to long-term advocacy.

17.4.5.2 Vulnerable

High spending accounts with a significant share of wallet, but a comparatively short tenure may indicate the need to protect as well as grow. Is the relationship successfully evolving from a supplier to a strategic supplier? If a term contract-based/subscription relationship, how can value be reconfirmed to endorse the original appointment and reduce the risk of churn. Buyers are understandably wary when the incumbent supplier only appears interested in the relationship when renewal is imminent. Customer success and performance review should feature throughout the relationship.

17.4.6 Due Diligence

Long term, loyal accounts with low share of available wallet may first appear the perfect candidates to grow through cross-selling and upselling. Thorough due diligence of account history is critical to understand how the relationship has evolved. Why has not it been possible to increase revenue before, what are the barriers? Is any growth actually achievable? If spend has historically been higher, what precipitated the reduction; is this reversible? Is the account partially lapsed, i.e., has the total wallet size simply reduced and the share has remained unchanged?

These accounts may be high risk for ABM—any effort may be in vein and be wasted. Be careful.

17.4.7 Onboard/Embed

Relatively new accounts with a low share of wallet are likely to present a good opportunity for growth through cross-selling/upselling. It is common for buyers to mitigate risk early in a relationship and ensure supplier performance meets expectations before preparing to commit greater spend. Investment in fully onboarding the client during the “honeymoon period” may pay quick dividends.

17.4.8 Collaborative Account Scoring

Once the suspect account pool has been validated, the result should represent a manageable cohort of accounts for scoring. This process will produce a shortlist of final candidates.

To reduce risk, accounts should be scored against weighted criteria that both sales and marketing subscribe to. Various models exist to support this process that considers the size of the opportunity, the achievability and evidence both internal and client-side co-operation that exists. It is not uncommon for accounts to score highly when the sales account stakeholders are fully bought-in, demonstrate commitment, and are easy to work with. These are great qualities to foster effective alignment.

Ranking of the shortlisted accounts by final account scores will produce a final prioritized list, those that fail to meet a minimum threshold (normally 75% fit) can be rejected.

17.4.9 Intent Data

Third-Party intent data provides valuable insight as to which organizations may be in the market at the current time. The data providers offer SaaS platforms that identify organizations that are surging on the consumption of content in relevant topic areas (keyword cloud).

Forrester stated that “67% of the buyer’s journey is undertaken without engagement of vendor sales.” Many buyers research online around problem identification, solution identification, and vendor selection (top, middle, and bottom of the funnel) and this behavior gives a clear signal on the stage of their future purchasing plans.

Intent data provides a useful additional layer of account insight for all types of ABM and is particularly valuable for targeting with 1:Many/New Account acquisition programs where other insight may be limited.

Learning Points

- Account selection is a crucial component of a strategic ABM program. Be thorough.
- Take a measured approach, sales should not simply assign accounts to the program.
- Leverage both first- and third-party data throughout the selection process.

17.5 Account Planning

The account immersion and planning workshop between sales and marketing will kick-off the program for each of the ABM accounts. Where a Key Account Programme exists a detailed sales account plan will provide the foundation for this

workshop. It is good practice to make Sales Account Plans a pre-requisite for inclusion in the program.

-
- Sales account plan (by account/or sector)
 - Strategic goals and challenges
 - Business needs
 - Account/sector-based SWOT
 - Relationship mapping
 - Buying behavior/process
 - Current known knowns
 - Known unknowns
-

The key output from this workshop will be a clear research brief to gather further insight and intelligence into the account. This is a key area where marketing will add significant value; it is important to recognize that “sales do not know what they don’t know.” It is not unusual for account research to reveal significant new business opportunities.

17.6 Account Research and Insight

If an ABM strategy is to succeed it relies entirely on addressing the precise needs of the buyer. Without investment in up to date insight the development of a bespoke proposition will be virtually impossible. Few organizations have the skills and experience in-house to conduct ABM specific research to the level that is required and normally this component is best outsourced to specialist ABM research agencies. The research brief will differ between research for 1:1 or a 1:Few cluster, but will usually include the following key areas for 1:1.

- Full Company Overview
- Financial Overview
- Profile of Key Executives
- Strategic Business Priorities
- SWOT Analysis
- Industry Overview
- ICT Landscape (if relevant)
- Sales Opportunity Mapping

17.7 The ABM Strategic Account Plan

The second planning stage seeks to overlay the sales account plan with the results of the detailed account research. The research may also identify cross-sell opportunities into new business units where the decision-making unit (DMU) may be entirely new and unknown. This is particularly true in large organizations with distributed buying centers. This is where marketing can add value once again, through building out a

wider account map to “broaden the scope of influence” with new contacts and develop a new organogram of relevant decision-making units. At the end of this stage, a joint ABM strategy will have been defined that combines collaboration from both sales and marketing. Critically this new go-to-market plan provides shared objectives that align both teams into a single entity.

The integrated ABM team should schedule frequent “war room” review meetings on each account, where progress is updated, and the plan adjusted as necessary.

Learning Points

- Account planning starts with immersion by sales (the known knowns).
- Investment in detailed account research and fresh insight is critical.
- A joint sales and marketing ABM Account Plan galvanizes the team to common objectives.

17.7.1 Content and Delivery

Part of the transformation from conventional demand gen to an ABM strategy becomes transparent when propositions are developed. An audit of existing marketing content pre-ABM will usually reveal an inside-out approach, that is focused on what the vendor wishes to say, opposed to what the customer needs to hear. ABM demands an outside-in approach that talks directly to the customer’s needs.

People don’t start off interested in you, they start off interested in themselves; their objectives, their challenges and their fears. Any attempt to create engagement talking about your organisation, your product, your solution will fall on deaf ears

The reason why ABM content is able to cut through the noise and create meaningful engagement is because it resonates with the recipient. The ABM messaging strategy will comprise the following;

- An overarching value proposition that encapsulates the offer and grabs attention.
- This will usually be supported by a number of pillars that unwrap the proposition to give a deeper understanding. These may be specific to individual members of the decision-making unit to stimulate specific interest.
- The evidential ballast that supports the proposition and leads the recipient to one logical conclusion. The desire to engage is created.
- A personal offer that prompts action. In strategic ABM this may be of significant value—something that suggests that the vendor has gone to significant effort and is prepared to invest time and resources for the benefit of the recipient’s business. For example, when communicating with C-suite, a highly personal invitation from a counterpart C-level executive for a 1:1 meeting.

Content and delivery channels will similarly be a high touch, high-value execution. Normally strategic 1:1:1:Few programs aiming to build strategic relationships will seek to engage C-suite, or VP level executives. For this top-down approach, it is

highly unlikely an email marketing campaign will be appropriate. While electronic media may form part of the campaign to the wider DMU, frequently these perform a supporting role to disruptive physical channels of communication including physical packages being hand delivered to senior decision-makers as one example.

It is for this reason that Strategic ABM needs sufficient investment and is the reserve of high-value strategic accounts.

Learning Points:

- Value propositions must be based on current insight and address the recipient's specific business needs.
- Copywriters must understand ABM. Resist all temptation to talk about you, your products, and solutions.
- Be prepared to invest in high touch content to demonstrate you are serious. Digital marketing plays a supporting, not leading role.

17.7.2 Measurement and KPIs

The significant challenge for an organization implementing ABM is giving it sufficient time to produce results. ABM is a marathon, not a sprint. In today's fast-paced financially driven world, organizations expect to invest today for returns tomorrow. Most sales and marketing operations are budgeted and measured quarterly, which inevitably drives short term tactical thinking. Ask any experienced ABM practitioner how long it will take to see returns to the bottom line and they will often say up to 12 months—allowing sufficient time to embed best practice to successfully transform and average sales cycles. Clearly there is a significant disparity between ABM and prevalent enterprise culture.

It is for this reason that the expectations of senior executives need to be carefully managed so they buy-in for the right reasons. Clearly, a lot happens during that 12-month period and it is important to attach value throughout the transformation process. Critically ABM must not be measured by conventional demand gen type KPIs which focus on out-turn ROI and will force the essential foundational layers to be deemed superfluous and ignored. To assist, I produced the ABM Value Pyramid that has specific KPI's for each of the five foundation layers of ABM. These KPI's range from soft in the early development stages through to hard in the later stages where we can measure engagement and pipeline through to conversion of business opportunities.

- The Value Pyramid layers from bottom up are as follows:
 - Teamwork (Sales and Marketing alignment)
 - Understanding the Customer (DMUs/Data and Insight)
 - Resonance (Relevance and value of content)
 - Relationships (Engagement and confidence)
 - Revenue (Deal values, win rates, deal velocity)

A full introduction to the Value Pyramid with example KPI's is covered in full detail in my LinkedIn article 'Your essential guide to proving success in Account-Based Marketing'.⁶

17.8 Summary

In my role as a full-time ABM Consultant I mentor sales and marketing teams to achieve successful implementation of strategic ABM. The mainstay of this work is to help my clients mitigate risk by avoiding the common pitfalls. From my experience, I have developed the Top ten Risks to ABM⁷ which proved to be a highly popular session at a B2B Marketing Conference. Andrea Clatworthy Head of ABM Fujitsu commented:

If you manage to avoid most of these pitfalls then your ABM programme will be well on the way to success

If you are planning to implement ABM for the first time, you will find it helpful to remember the top ten risks:

1. Starting to soon: Lack of planning and internal due diligence.
2. Vision: Absence of a clearly defined strategy.
3. Overselling: Failing to set realistic stakeholder expectations.
4. Trust: Poor sales and marketing alignment to common objectives.
5. Process: Selecting the wrong accounts.
6. Ambition: Selecting too many accounts.
7. Research: Lack of quality insight.
8. Content: Falling back onto generic propositions and content.
9. KPIs: Failing to meet expectations. Using conventional metrics.
10. Inertia: Demotivation and erosion of trust.

Remember, these are incremental so one will usually lead to the next.

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⁶<https://www.linkedin.com/pulse/your-essential-guide-proving-success-account-based-andy-bacon-f-idm/> (accessed 01 June 2020).

⁷<https://www.b2bmarketing.net/en-gb/resources/articles/10-account-based-marketing-risks-every-b2b-marketer-must-avoid> (accessed 01 June 2020).

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Social Media in B2B: The New Kids on the Block

18

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18.1 Social Media in B2B: Definition, Dynamics, and Trends

Social media in general are all digital technologies and media through which users can both exchange content and communicate with each other.¹ The relevance of social media is already expressed by the fact that of the global population, around 7.5 billion people, a total of 3.8 billion actively use social media.² In relative terms, this means that around 48% of the world's population is active on social media. In recent years, there has been a steady increase in the number of social media users. While in 2015 there were around 2.08 billion people, the year 2020 will see the aforementioned 3.8 billion active social media users.³ It should be emphasized that, in addition to a general increase in the number of social media users, there is also evidence of an increase in the daily length of stay. This rose from 90 min in 2012 to 138 min in 2018. The trend here is always increasing.⁴ Fig. 18.1 shows impressively how high the monthly user reach is for the selected channels.

All these facts are not only important in B2C. Especially in the B2B sector more attention than ever before is required (Plangger 2015). According to a study, in 2019 a total of 48% of global B2B companies are almost active on Facebook. Social media platforms like LinkedIn with 30% and Instagram with 9% are also gaining attention in the B2B sector.⁵ Fig. 18.2 shows the average age structure of the individual channels.

The trends in social media are difficult to predict and extremely dynamic. For example, TikTok, which was only founded in 2016, is already ranked seventh among the most popular social media worldwide by 2020.⁶ In the social media sector, it is comparatively easy to enjoy global success as a newcomer. It is precisely such a dynamic environment that requires conscientious B2B marketing decisions, as well as the correct application of the individual social media channels.

Due to the indispensable relevance of social media in the twenty-first century, an analysis is started below. First of all, the targeting options available to several social media will be analyzed in detail. Finally, the analysis will show in which way already established and further all new social media channels have the potential to generate high marketing success through their targeting options in the B2B sector using targeted measures.

¹https://www.duden.de/rechtschreibung/Social_Media. Accessed: April 30, 2020.

²<https://datareportal.com/reports/digital-2020-global-digital-yearbook?rq=digital%202020%20world>. Accessed: April 22, 2020.

³<https://de.statista.com/statistik/daten/studie/739881/umfrage/monatlich-aktive-social-media-nutzer-weltweit/>. Accessed: April 22, 2020.

⁴<https://de.statista.com/statistik/daten/studie/475072/umfrage/taegliche-nutzungsdauer-vonsozialen-medien/>. Accessed: April 22, 2020.

⁵<https://de.statista.com/statistik/daten/studie/186846/umfrage/nutzung-von-social-media-durch-b2b%2D%2Db2c-unternehmen/>. Accessed: April 22, 2020.

⁶<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: April 30, 2020.

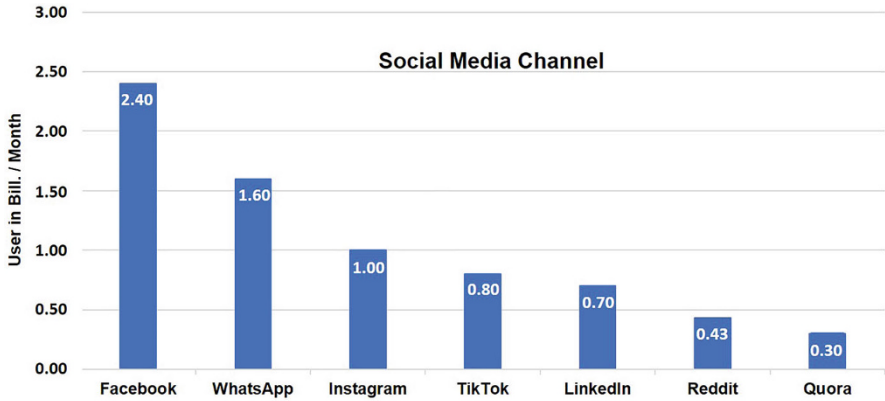


Fig. 18.1 Monthly reach of selected social media channels

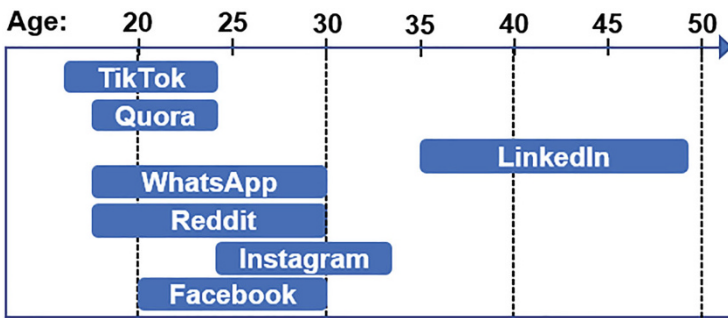


Fig. 18.2 Average age structures of selected social media channels

18.2 Targeting Possibilities of Various Social Media Channels

Due to a large number of social media available today, a limitation makes sense. Traditional platforms such as Twitter and YouTube are already well established in B2B marketing and are no longer specifically addressed. WeChat is particularly important for B2B in the Asian region and is described in detail in the chapter “Digital Marketing in China” by Nils Horstmann. Targeting serves as a basis for important marketing strategies and can be categorized into geographic data as shown in Fig. 18.3, demographic data as shown in Fig. 18.4 and other data as shown in Fig. 18.5 (Kreutzer et al. 2020). In the figures are the most important and at the same time sensible possibilities of targeting shown. They are marked by a dot.

The geographical data show on which geographical level advertising can be done on the respective social media channels.

Geographically Opportunities

	Country	State	Region	City	Community	District
Facebook	●	●	●	●	●	●
Instagram	●	●	●	●		
LinkedIn	●	●		●		
WhatsApp						
TikTok	●	●	●	●	●	●
Quora	●	●	●	●	●	●
Reddit	●	●		●		●

Fig. 18.3 Geographic targeting data of selected social media

The further targeting data in Fig. 18.4 show which user-specific data can be filtered with targeting for the respective social media. The more accurate the user-specific data, the higher the quality of the resulting targeting result.

Explanation of individual terms:

- Device user: Which device uses the user? (e.g., cell phone, laptop).
- Number of activities: How often uses the user social media.
- Relationship status: What relationship status has the user? (e.g., single, married).

The further targeting data in Fig. 18.5 show which additional targeting options the respective social media offers. Figure 18.4 shows how different the demographic options for the use of advertising on the individual channels are. WhatsApp as a messenger does currently not have any demographic options, whereas Facebook offers a very wide range of advertising options.

The other targeting data show which additional targeting options are offered by the respective social media.

Demographic Opportunities

	Age	Gender	Languages	Job	Graduation	Device Users	Number of activities	Relationship Status
Facebook	●	●	●	●	●	●	●	●
Instagram	●	●	●					
LinkedIn	●	●	●	●	●			
WhatsApp								
TikTok	●	●	●					
Quora	●	●						
Reddit	●	●						

Fig. 18.4 Demographic targeting data of selected social media

The focus, on the one hand, is on the most important new social media trends in B2C, which could gain in importance for B2B, and on the other hand on the three most important classic social media channels, such as Facebook, Instagram and LinkedIn.

Because Facebook is the largest social network in the world and increasingly consciously addresses B2B. Currently, Mark Zuckerberg would like to compete with the Video conferencing service Zoom, which has now grown to over 300 million users as a result of the Corona crisis.⁷

Instagram was chosen because of its growing importance in the B2B sector.

⁷<https://www.handelsblatt.com/technik/it-internet/video-konferenzdienst-facebook-will-das-bessere-zoom-sein-das-koennte-klappen/25772800.html?share=linkedin>. Accessed: 04 May 2020.

		Further Opportunities									
		Behavior	Interests	Network	Identity	Experience	Company	Training	Devices	Context	Time of Day
Facebook		●	●	●							
Instagram		●	●								
LinkedIn			●		●	●	●	●			
WhatsApp											
TikTok		●	●						●		
Quora		●	●	●						●	
Reddit			●						●		●

Fig. 18.5 Further targeting data of selected social media

LinkedIn can be considered as a pure B2B platform, as it is constantly growing and offers many technical possibilities.

WhatsApp, TikTok, Reddit, and Quora are identified as B2B newcomers. WhatsApp is a B2B newcomer, as this social media is currently used almost exclusively in the private sector and less in the B2B environment. TikTok is analyzed in more detail due to its extreme growth. Reddit and Quora are discussed as comparatively less known social media.

18.3 Facebook: B2C Top Dog Also for B2B?

18.3.1 General Information

With the social media platform “Facebook” people can network worldwide. Users can share status, location, and interests with the public or with friends. This is possible using text format, picture language, or the use of video material.⁸

⁸https://praxistipps.chip.de/facebook-was-ist-das-einfach-erklaert_41486. Accessed: May 14, 2020.

With more than 2.4 billion active monthly users, Facebook leads to the ranking of the largest social networks.⁹ Nevertheless, caution is advised: By 2023, Facebook is predicted to have only about 2 billion active monthly users.¹⁰ This means that activity on Facebook will decline. Facebook is a globally available social media. Young people in particular are migrating away from Facebook. While 92% of 16–19 year olds in Germany were still using Facebook in 2014, this figure will be just 36% in 2020.¹¹ It is not only in Germany that Facebook is losing its young user group so rapidly.¹² The most active target group today is still the 20–29 year olds. The gender distribution of users is balanced.¹³

18.4 Facebook Targeting Opportunities and B2B Marketing

Facebook has three different tools to achieve successful targeting. Facebook differentiates between the core target group, custom audience and lookalike audience. The core target group is about addressing a general target group based on previously defined criteria such as age or gender. With Custom Audience, advertising is targeted at B2B customers who have already had contact with the advertising company in online or offline form. Lookalike Audience advertises to those people who have the same interests as current customers.¹⁴

B2B marketing is important on Facebook, as targeted B2B advertising campaigns can provide an important boost to lead generation. Furthermore, it must always be kept in mind that even busy B2B decision-makers are privately active on social media and can therefore be influenced. With B2B campaigns it is important to always remember that you are not communicating with companies, but with people. These people are particularly well selected by Facebook targeting to enable an optimal approach (Buchenau and Fürtbauer 2015).¹⁵

Facebook targeting includes geographical and demographic information as well as interests, behavior, and connections of the target group. In terms of geographical data, any unit can be differentiated, right down to small communities. It is therefore possible to run a B2B advertising campaign either across cities and countries or specifically only in targeted communities (Kelsey 2017).

The demographic targeting options on Facebook are extensive. It is possible to define the target group precisely. It is possible to select by age, gender, profession,

⁹<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: May 14, 2020.

¹⁰<https://de.statista.com/statistik/daten/studie/1031943/umfrage/anzahl-der-nutzer-von-ausgewaehlten-social-media-plattformen-weltweit/>. Accessed: May 14, 2020.

¹¹https://www.wuv.de/tech/facebook_nutzerzahlen_im_freien_fall. Accessed: May 14, 2020.

¹²<https://blog.hubspot.de/marketing/facebook-nutzerzahlen>. Accessed: May 14, 2020.

¹³<https://schluetersche.de/2018/12/18/social-media-plattform/>. Accessed: May 14, 2020.

¹⁴<https://de-de.facebook.com/business/ads/ad-targeting>. Accessed: May 14, 2020.

¹⁵<https://blog.hubspot.de/marketing/facebook-b2b-marketing>. Accessed: May 14, 2020.

and educational background as well as to target based on relationship status, device usage, or frequency of activities.¹⁶ The example at the end of the article shows how a social media campaign was initiated based on the profession.

If targeting is done according to interests, the hobbies are added to the target group. In addition to classic sports, this can certainly include a film genre or similar. With behavioral targeting, advertising is placed based on user behavior. If the connections are used for targeting, certain groups of people can be additionally included or deliberately excluded as advertising recipients.¹⁷

18.4.1 Conclusion Facebook

Of all social media, Facebook currently offers by far the most comprehensive targeting option. Here it is possible to implement requirements for the planned marketing campaign in the B2B environment down to the smallest detail. Despite a predicted decline in the number of users, Facebook will remain the strongest social media worldwide for the time being. B2B marketing campaigns are extremely efficient on this social media. Which potential marketing measures are possible will be discussed in the following chapter of the article? It is interesting to note that the click prices on Facebook are usually significantly lower than on LinkedIn, for example, and experience shows that the reach is greater (Kreutzer 2019).

18.5 Instagram: Reaching Your Goal with Precision

18.5.1 General Information

The social media platform “Instagram” allows registered users to upload pictures and videos in the form of articles or stories and make them available to the entire Instagram community. Among the contributions, there is the possibility to attach a written supplement to them.¹⁸

Instagram enjoys one billion active users every month, making it the sixth most-used social network in the world.¹⁹ Instagram is a global social media company. Instagram’s largest target group is the 25–34-year-old population with approximately 166.6 million male and 158.6 million female users. Another prominent target

¹⁶https://de-de.facebook.com/business/help/528690393907960?id=2392789791004287ocale=de_DE. Accessed: May 14, 2020.

¹⁷<https://de-de.facebook.com/business/ads/ad-targeting>. Accessed: May 14, 2020.

¹⁸<https://www.giga.de/apps/instagram-fuer-android/specials/was-ist-instagram-und-wie-funktioniert-es/>. Accessed: May 02, 2020.

¹⁹<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: May 02, 2020.

group is the 18–24-year-old population, with 144.5 million male and 129.5 million female users. The gender of the users is balanced across all age groups.²⁰ For Instagram, annual user growth in the millions is forecast until 2022 (Faßmann and Moos 2016).²¹

18.5.2 Instagram Targeting Opportunities and B2B Marketing

Instagram offers the possibility of placing advertisements. Instagram offers the option of creating a target group of existing customers using “Custom Audiences”. The alternative is to use “Lookalike Audiences” to identify and recruit new potential target groups. Instagram advertising is in image or video format.²² In targeting, Instagram provides targeting based on geographic and demographic data as well as interests and behaviors. Using these options, advertising content can be placed with pre-selected groups of people.

By successfully operating an Instagram channel as a B2B company, various goals can be pursued. On the one hand, the company can implement successful product communication. Furthermore, branding and awareness can be realized by using Instagram. Employer branding and advocacy as well as recruiting are also realistic goals through a successful B2B Instagram channel.²³

Instagram’s geographic targeting options can be differentiated at the country, state, regional, and city levels. This means that a B2B marketing campaign can be planned and implemented on different geographical bases depending on your needs. The demographic data defines the personal criteria that the advertising should be displayed. The personal data included in Instagram’s targeting includes the age, gender, and languages of the users. From this, it can be seen that in B2B marketing a limitation of the target group can be implemented with social media advertising on Instagram.

Also, Instagram targeting makes it possible to define the interests of the target group in advance and to place specific B2B ads based on these. For example, it is possible to conclude interests based on apps used or advertisements clicked on. The knowledge gained can then be used to display advertising to potentially interested B2B customers. Finally, Instagram offers the possibility of targeting behavioral patterns. This is the case when the target group is analyzed and characterized

²⁰<https://de.statista.com/statistik/daten/studie/809703/umfrage/instagram-nutzer-nach-alter-und-geschlecht-weltweit/>. Accessed: May 02, 2020.

²¹<https://de.statista.com/statistik/daten/studie/795086/umfrage/anzahl-der-nutzer-von-instagram-weltweit/>. Accessed: May 02, 2020.

²²https://business.instagram.com/blog/targeting-instagram-ads?locale=de_DE. Accessed: May 02, 2020.

²³<https://247grad.de/blog/social-media/instagram-im-b2b/>. Accessed: May 02, 2020.

based on their activities on Instagram or Facebook, but also outside these social media. All of Instagram's targeting options can be individually combined.²⁴

18.5.3 Conclusion Instagram

Based on comprehensive geographic and demographic data, as well as interest and behavioral profile, Instagram Targeting can deliver highly accurate advertising. This targeting can be used by B2B marketing in the same way as it has been used in B2C marketing for some time.

18.6 LinkedIn: The B2B Powerhouse

18.6.1 General Information

The social media platform "LinkedIn" is special compared to the other social media analyzed here. As the only social media analyzed here, LinkedIn is specialized in job and career from the outset. Here, employees network with other employees to build a broad network.

LinkedIn makes it possible to create contributions as text format, video message, or image file and present them to the community. LinkedIn is therefore a B2B social media from the outset and not, as with the others, an originally predominant B2C platform.²⁵

LinkedIn now has more than 700 million global users.²⁶ For LinkedIn, user growth is predicted until 2022. In the USA alone, several million users per year are expected to register in the future.²⁷ The strongest target group of LinkedIn in Germany is between 35 and 49 years of age. More men than women are registered on this social media.²⁸ The German figures can be used as a representative also globally.

We are changing more and more into an information society and LinkedIn has a wide range of training courses in response. These services are usually subjected to a fee. More and more B2B tools are emerging on LinkedIn. These range from complex sales applications to the organization of webinars (Janssen et al. 2015).

²⁴<https://business.instagram.com/advertising/>. Accessed: May 02, 2020.

²⁵<https://www.heise.de/tipps-tricks/Was-ist-LinkedIn-4485390.html>. Accessed: May 14, 2020.

²⁶<https://de.statista.com/statistik/daten/studie/192879/umfrage/vergleich-der-besucherzahlen-von-linkedin-nach-weltregionen/>. Accessed: May 14, 2020.

²⁷<https://de.statista.com/statistik/daten/studie/1086189/umfrage/anzahl-der-linkedin-nutzer-in-den-usa/>. Accessed: May 14, 2020.

²⁸<https://blog.hubspot.de/marketing/social-media-in-deutschland>. Accessed: May 14, 2020.

18.6.2 LinkedIn Targeting Opportunities and B2B Marketing

B2B targeting is particularly useful at LinkedIn, as this is a B2B platform, as explained above (Kreutzer 2012). The targeting on LinkedIn is divided into the categories experience, company, education, interests, and identity. The use of general location methods is also possible here. The category “Experience” filters the target group according to their field of activity or job title. If you filter according to this, a certain job title (e.g., “Marketing Director”) can be used as the job title so that you do not have to advertise in the superordinate category (here: Marketing). This ensures that advertising campaigns are only shown for certain previously selected job title holders. In the Company section, an ad can be placed based on the company in which each person works. If filtered according to education, advertisements can be shown for graduates of a certain university, for example. The interest targeting is based on LinkedIn users’ data. They can specify their interests. A mixture of this information and the click-behavior of the users then specifies target groups in the interest targeting. Finally, identity can be included in the targeting. Here, the target groups are categorized classically according to age and gender.²⁹

LinkedIn is an extremely important social media platform in B2B marketing. The company profile on LinkedIn is the figurehead of the B2B company and users are registered solely for B2B purposes. LinkedIn advertising campaigns enable a precisely tailored B2B target group to be addressed, addressing exactly those job titles or company members that the advertising campaign is intended to reach. LinkedIn serves as a lead generation platform and creates additional leads through a good presentation of the company.³⁰

18.6.3 Conclusion LinkedIn

The targeting of LinkedIn is different from the other targeting options. On this platform, targeting based on work experience, education level or similar is reliably possible, since most users enter and maintain this information correctly out of self-interest. This is why LinkedIn is the only social media platform that allows you to target advertising campaigns based on job titles or specific professions. Facebook is also able to do this, but unlike LinkedIn, such information is usually not well maintained on Facebook. The advantages of B2B advertising campaigns on LinkedIn have already been explained in the section “LinkedIn targeting options and B2B marketing.”

²⁹<https://onlinemarketing.de/news/targeting-linkedin-neue-funktionen>. Accessed: May 15, 2020.

³⁰<https://www.onlinemarketing-blog.de/mehr-als-recruiting-warum-b2bs-auf-linkedin-und-xing-setzen-sollten/>. Accessed: May 15, 2020.

18.7 WhatsApp: More than “Message in a Bottle”

18.7.1 General Information

After Facebook and YouTube, WhatsApp is the third largest social media in the world with 1.6 billion monthly users.³¹ In Germany, a proud 97% of 18–29 year olds use WhatsApp.³² Probably no other social media platform records such statistics. WhatsApp is a social media in the form of a messenger service that is constantly expanding its possibilities and offers far more than “a message in a bottle.” If users know a mobile phone number, they can share messages, pictures, videos, and status information with each other.

With record user numbers in Germany and other countries, the Messenger is expected to continue to grow. WhatsApp is already growing faster than Facebook.³³ The target group from 18 to 29 years is not only the most represented target group in Germany but also in some other countries.

WhatsApp was originally a purely private platform. It is now changing, has to earn money and there are several reasons to dive into the B2B environment of WhatsApp.

18.7.2 WhatsApp Targeting Opportunities and B2B Marketing

WhatsApp currently has no targeting capabilities. The Messenger has so far been a free and ad-free platform for the user. For the advertiser, there is a free basic version.

Nevertheless, for a B2B marketing manager, it is important to use the messenger as a B2B marketing channel now so as not to miss any trends.

The entry barrier for B2B at WhatsApp is very low. It is considered a B2B company to be present where the customer is active. If you set up a business profile on the Messenger, you can positively surprise customers and partners. The reason is that many people consider the channel to be private although it is used for business purposes. Such a surprise will be noticed positively on the partner level as well as on the B2B customer level.

Furthermore, the functions of the messenger should not be underestimated. Those who register a business account at WhatsApp will receive the same functions as private users. Text messages, voice messages, pictures, videos, and the sending of documents are fully possible. For B2B customers it offers a great advantage that they can communicate with the company on a familiar platform. This creates trust and promotes a fast and positive process. Since e-commerce is the sales channel of the

³¹<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: May 15, 2020.

³²<https://de.statista.com/themen/1995/whatsapp/>. Accessed: May 15, 2020.

³³<https://meedia.de/2020/02/12/2-milliarden-nutzer-whatsapp-knackt-meilenstein/>. Accessed: May 15, 2020.

future, Messenger can also be used as an advertising platform. Instead of classic online catalogs or special tools, B2B customers can be presented with an offer quickly and easily on WhatsApp without any further ado. An equally important point is the cost factor. WhatsApp as a business customer offers a free version just as much as for private customers. An upgrade with costs is possible.³⁴

18.7.3 Conclusion WhatsApp

The Messenger WhatsApp as B2B social media is of future relevance. By using the basic version, any company can contact business customers without any costs and with high potentials in a serious and yet familiar and discreet way. The use of the Messenger offers the advantage that it is now installed and actively used on almost every mobile phone. Since nowadays business and private life often merge, today's business people no longer hesitate to discuss business matters on their private smartphone. It has proven to be very useful for example at trade fairs, where the customer can be given important information about what is happening at a trade fair.

18.8 TikTok: The "Wild Thing"

18.8.1 General Information

The social media platform, founded in September 2016, enables users to record short video sequences they have shot themselves, which can be stored with well-known songs or film scenes. For many B2B marketers, "TikTok" is a little too wild and difficult to assess. However, the app was downloaded 45.8 million times in the first quarter of 2018 and is the most downloaded app worldwide in this period.³⁵ Just behind Instagram, the TikTok app is ranked seventh in the most monthly active users of social media. 800 million users are active on TikTok every month.³⁶

A total of 69% of TikTok users are between 16 and 24 years old. The platform has 60% female and 40% male users.³⁷ TikTok is forecast to continue to grow rapidly.³⁸

³⁴<https://www.marconomy.de/5-gute-gruende-fuer-whatsapp-im-b2b-marketing-a-917649/?cmp=nl-407&uuid=0475F2B7-A2DB-4D19-9033-9885574E8D81>. Accessed: May 15, 2020.

³⁵<https://www.techbook.de/apps/was-ist-tiktok>. Accessed: May 18, 2020.

³⁶<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: May 18, 2020.

³⁷<https://www.crowdmedia.de/tiktok-fuer-b2b-unternehmen/>. Accessed: May 18, 2020.

³⁸https://www.wuv.de/tech/social_media_fuenf_grosse_trends_in_2020. Accessed: May 18, 2020.

18.8.2 TikTok Targeting and B2B Marketing

By starting a targeting campaign on TikTok, there is the possibility to advertise on other apps as well. TikTok makes it possible to advertise on other apps of the company at the same time and without further problems. This is also done at no additional cost and includes applications such as Vigo Video, Helo, News Republic, and TopBuzz.³⁹

With TikTok, targeting can differentiate between user behavior, demographics, and devices. A targeting profile is created based on app behavior, likes, and views. Besides, the profile is divided into various interest groups such as sports, food, travel, games, or personal hygiene. It is possible to specifically exclude or include certain types of users in the marketing campaign. TikTok analyzes demographic data to include location data in addition to categorizing age, gender, and languages. Locations can be differentiated from countries to districts. If device information is also included in the targeting campaign, TikTok categorizes between the type of Internet connection (e.g.,: 3G network or WLAN), certain device brands, and also the price of the respective device and operating systems.⁴⁰

Since an average TikTok user opens the app eight times a day and uses it for a total of 39 min, advertising is definitely interesting for B2B companies. However, TikTok is not an optimal B2B platform for every company. As of today, there are only a few B2B companies on TikTok. This makes it all the easier to successfully place a B2B company on the social media platform through skillful marketing campaigns. It can be assumed that as with Instagram, Facebook and Co., B2B companies will become aware of the platform in long term and once again a pure B2C platform will be considered the forerunner of a B2B platform.⁴¹ TikTok will become increasingly important, especially for recruiting younger target groups (Hu 2020).

18.8.3 Conclusion TikTok

TikTok is a rapidly growing social media and enjoys a very young target group. Currently, only a few B2B companies are represented on the platform. It can be assumed that TikTok, as so often before, is a B2C pioneer that will gain in importance for the B2B market in the long term. It is advisable to try to advertise on TikTok as a B2B company with some content creativity. Currently, there are such few B2B companies on the platform that it is quite possible to make a name for yourself as a B2B specialist on the platform as an industry pioneer.

³⁹<https://ads.tiktok.com/help/article?aid=6667447877242978309>. Accessed: May 18, 2020.

⁴⁰<https://omr.com/de/tiktok-ads-self-service-tool/>. Accessed: May 18, 2020.

⁴¹<https://www.crowdmedia.de/tiktok-fuer-b2b-unternehmen/>. Accessed: May 18, 2020.

18.9 Quora: Good to Know

18.9.1 General Information

The social media platform Quora is a platform where users can ask questions and then get answers from people with expertise. Already during registration, interests, and expertise must be specified in various categories. In addition to the questions on the platform, a user also receives a personalized news feed based on the information provided.⁴²

Quora has more than 300 million active users per month, of which about 57% are male. This social media platform is particularly widespread in America, where 35% of the population already use the platform. More than half of the users have an annual household income of more than 100,000 US\$. Already today, 60% of the advertisements are placed by B2B companies. Quora is aimed at an intelligent and qualified population group. 65% of the users have a high college degree and 37% are in management positions. Users spend twice as much time on Quora as on the social media platform LinkedIn. The largest target group is 18–24-year-olds with a total of 45.5%.

Today, there are no forecasts on how the growth of the question portal will develop in the future. Whether it will decline or not can be discussed with sufficient reliability as of May 2020.

18.9.2 Quora Targeting Opportunities and B2B Marketing

Quora offers a variety of targeting options. The main difference is between primary and secondary targeting options. The primary targeting options are context-based, user-based, behavior-based, and general targeting. With context-based targeting, the target group is categorized based on subject areas, keywords, or question types. For example, if a company is active in the construction industry, it can place B2B advertising based on specific questions on specific topics. With user-based targeting, a user profile is created on Quora based on data from the company's website. It is also possible to carry out concrete user targeting based on e-mail data. Finally, Quora offers the option of identifying new target groups based on the current target group, as is the case with other social media platforms. Behavior-based targeting takes into account interests and keyword and question histories. The general targeting places advertising in general to increase the reach.

The secondary targeting structure includes the categories location, device and browser, gender, target group exclusion, and e-mail. Location can be categorized from country to specific postal codes. For device and browser, the target group can be defined based on your device or browser. For Gender, there is the possibility to select genders. Under Exclusions, certain groups of people can be explicitly

⁴²https://praxistipps.chip.de/was-ist-quora-einfach-erklart_94418. Accessed: May 18, 2020.

excluded from the campaign. e-mail offers the possibility to reach users in a Quora newsletter.⁴³

Quora is said to be a better alternative to B2B Facebook marketing at the moment. The reason for this is that real users address real problems on the platform and this allows B2B companies to show users solutions and actively recruit them. Since Quora has extremely strong user-generated content, it is perfectly feasible as a B2B company to proactively develop concrete solutions and generate B2B customers and B2B suppliers from them. Compared to Facebook, it is also much cheaper to set up B2B advertising campaigns. Another advantage of B2B marketing on Quora is that the company can contact other users without restrictions.⁴⁴

From a B2B point of view, more work can be done on positioning the company as an expert and thus make an important contribution within the branding.

18.9.3 Conclusion Quora

Quora is currently enjoying great popularity in B2B marketing for a good reason. The Social media makes it possible to characterize the target group very precisely. Quora offers a variety of features to display B2B advertising and thus actively promotes groups of people. One problem with Quora, however, is that its growth is uncertain. What is currently a rising trend can theoretically decline rapidly and become less and less popular.

18.10 Reddit: The New SpaceX in B2B?

18.10.1 General Information

The last social media platform to be analyzed in this article is Reddit. With 430 million active users per month, Reddit is ranked 11th among the largest social media worldwide.⁴⁵ Reddit is a social news aggregator with 38% of users, most of whom are based in the USA. It is a mixture of discussion platforms and link distributor for news. Individual contributions can be uploaded or downloaded.⁴⁶ Reddit enjoys a male user rate of 67% and the largest target group between 18 and 29 years of age with 64%. Reddit is a platform with young, predominantly male

⁴³<https://quoraadsupport.zendesk.com/hc/en-us/articles/115010467868-What-ad-targeting-options-are-available->. Accessed: May 18, 2020.

⁴⁴<https://blog.markgrowth.com/why-quora-and-reddit-are-better-alternatives-to-b2b-facebook-marketing-80c0224fb200>. Accessed: May 18, 2020.

⁴⁵<https://de.statista.com/statistik/daten/studie/181086/umfrage/die-weltweit-groessten-social-networks-nach-anzahl-der-user/>. Accessed: May 18, 2020.

⁴⁶<https://www.ionos.de/digitalguide/online-marketing/social-media/was-ist-reddit-und-wie-funktioniert-es/>. Accessed: May 18, 2020.

users.⁴⁷ Reddit is predicted to grow further, especially in the USA. There alone, the number of users is expected to increase by millions every year.⁴⁸

18.10.2 Reddit Targeting Opportunities and B2B Marketing

Reddit also distinguishes the targeting options into five main categories. The first category is “Targeting by Interest.” Here it is possible to evaluate special interest groups for target groups based on upper categories. Top categories can be news, entertainment, gaming, sports, nutrition, and much more. The example of gaming is then broken down further into eSports and video gaming. Interest targeting is used to have B2B companies advertise to people who also have the required interests.⁴⁹

Another possibility is “Targeting by Community.” This is used to address a very specific target group. The information is based on the individual subscriptions within Reddit, the history of the users, and their interactions with certain contributions. In addition, standard information such as age and gender can be selected here.⁵⁰ With “Targeting by Device,” the target group is categorized according to the device they use when visiting Reddit. Thus, different variants (e.g.: desktop and mobile) are also assigned to different operating systems.⁵¹

As penultimate targeting option Reddit offers “Targeting by Location.” Here the target group can be broken down from country level to state level, city level, and broadcasting areas.⁵² Finally, Reddit offers “Targeting by Time of Day”. As the name suggests, this offers the possibility of advertising based on the time of day in different time zones. This allows you to select exact times of day for specific time zones as well as days of the week.⁵³

In addition to Quora, Reddit is also considered capable of competing with Facebook’s B2B marketing for the same reasons.⁵⁴ Those who place themselves

⁴⁷<https://www.brandwatch.com/de/blog/was-ist-reddit/>. Accessed: May 18, 2020.

⁴⁸<https://de.statista.com/statistik/daten/studie/988130/umfrage/anzahl-der-eingeloggten-reddit-nutzer-in-den-usa/>. Accessed: May 18, 2020.

⁴⁹<https://www.reddithelp.com/en/categories/advertising/targeting/targeting-interest>. Accessed: May 18, 2020.

⁵⁰<https://www.reddithelp.com/en/categories/advertising/targeting/targeting-community>. Accessed: May 18, 2020.

⁵¹<https://www.reddithelp.com/en/categories/advertising/targeting/targeting-device>. Accessed: May 18, 2020.

⁵²<https://www.reddithelp.com/en/categories/advertising/targeting/targeting-location>. Accessed: May 18, 2020.

⁵³<https://www.reddithelp.com/en/categories/advertising/targeting/targeting-time-day>. Accessed: May 18, 2020.

⁵⁴<https://blog.markgrowth.com/why-quora-and-reddit-are-better-alternatives-to-b2b-facebook-marketing-80c0224fb200>. Accessed: May 18, 2020.

in B2B marketing on Reddit are very easily allowed to place a brand and, as a result, make important business contacts.⁵⁵

18.10.3 Conclusion Reddit

Reddit is a social media, which enjoys great popularity, especially in the USA. Very often these trends then continue to assert themselves in Europe. In the beginning, StudiVZ was the first choice in Germany and was completely replaced by Facebook.

Those who position themselves here as a B2B company enjoy high-quality targeting options with great potential. Even if Reddit is not yet known to everyone, the 11th place of the most-used social media worldwide has a good chance of achieving significant long-term growth and becoming a social media rocket. If this is the case, a B2B marketing campaign can enjoy great success, especially on a news platform like Reddit.

18.11 Recommendations for the Social Media Jungle

Almost no area within marketing is changing as fast as in the social media world. What is still hip today may be less in demand tomorrow. Once almost pure B2C channels, such as Facebook, are increasingly B2B-heavy and constantly expanding their functions. Almost regularly it can be seen in the headlines that another portal has been bought up by another portal and will soon become even more powerful. WhatsApp, which was acquired by Facebook, is gradually penetrating the B2B world. The targeting and trend illustrations as shown in Figs. 18.3, 18.4 and 18.5, as well as the content matrix in Fig. 18.6, provide an overview, and serve as a basis for decision-making. Figure 18.6 shows which form of advertising is possible within the social media channel. For example, the target group can be addressed with text, image, or video. Especially the livestream is enjoying increasing popularity. In times where the freedom of travel is limited or costs have to be saved, it offers great possibilities to communicate with customers in a lively way. Here the technical possibilities are constantly being expanded by the channel providers.

This is especially important for content marketing so that the variety of options is not wasted. As already mentioned, the future developments of the individual social media channels are important. These are shown in Fig. 18.7 below. Each of the listed channels was presented in more detail in advance.

The following are general tips for the immediate implementation of social media. Every social media channel could publish its book, and too deep an execution confuses more than it helps. Likewise, the law applies to social media: Nothing is older than yesterday's newspaper.

⁵⁵<https://blog.zoominfo.com/b2b-marketers-guide-to-reddit/>. Accessed: May 18, 2020.

	Media					
	Text	Picture	Voice	Video	Livestream	Hashtag
Facebook	●	●		●	●	●
Instagram		●		●	●	●
LinkedIn	●	●		●	●	●
WhatsApp	●	●	●	●		
TikTok		●		●	●	●
Quora	●	●		●		●
Reddit	●	●		●	●	●

Fig. 18.6 Content matrix: Possible advertising formats of selected social media channels

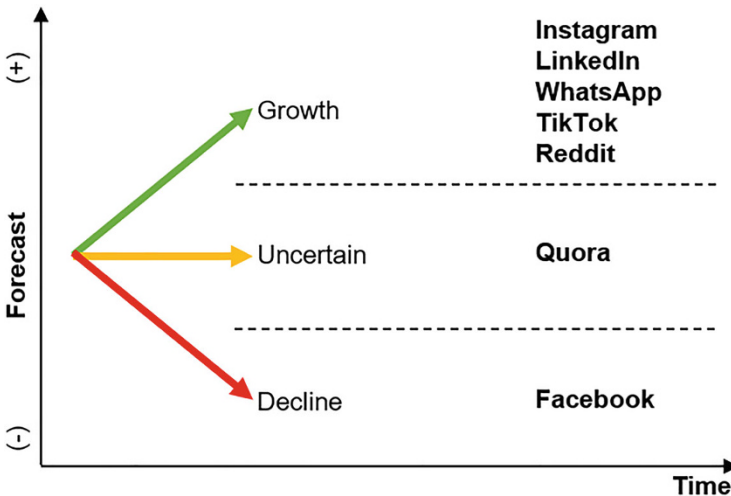


Fig. 18.7 Forecast Social Media in B2B—the new channels in the jungle

18.12 I Do Not Like It . . .

Everyone knows him, the famous “thumbs up” from Facebook. The more thumbs up, the more popular the post is. The more popular it is, the more visible it becomes to the target group and search engines. So, it should be thought at least from the theory. It is noticeable that currently companies increasingly encourage employees to a certain “forced likeness”. There are often more likes from their ranks than from third parties. Search engines and the algorithms are becoming more and more intelligent and this strategy is less and less effective. Really good and relevant content deserves a real like, is shared and creeps into the heart of the search engines. Possible content topics that have a high chance of getting likes are listed in the chapter “Contingency Centric Content Management” by Olaf Mörk. This does not mean the pictures of your trade fair stand with likes of your employees. Of course, these methods are just as legitimate in your own social media channel, but they should not form the majority, because otherwise the target group of customers and prospects will quickly get bored and find something better in the oversized offer. What is most important is the story, which packages the relevant content in a lively and unique way and offers the user real added value. Mainstream was yesterday and is mercilessly sorted out by the search engines.

18.12.1 “Counter-Writing” Usually Backfires

Social media is also indispensable for HR recruiting and offers excellent opportunities. In the targeting and trend illustrations of Figs. 18.3, 18.4, 18.5 and 18.7, an overview is quickly gained of which target group can be addressed where and with what accuracy. For example, training targeting on LinkedIn, as shown in Fig. 18.5, which is easily possible. There are also some evaluation portals for (former) employees, such as “glassdoor” or “kununu,” which are very popular in Germany, for example. From time to time, it can be observed that critical comments are suddenly followed by a very positive assessment of a company. This is followed by another critical comment. This literal game does not seem to want to end. This “counter-writing” usually produces exactly the opposite. Overall, this does not make a good impression on the company, whether it is justified or not. The goal should be to have only real comments on these pages. The readers can judge quite well whether someone just wants to get rid of his frustration with the company, or whether it is honestly meant that way. It has proven to be a good idea to actively invite applicants, employees, and former employees to express their honest opinions through these channels.

18.12.2 No Money, No Honey!

Fortunately, this does not have to be the case with social media, quite the opposite. The good news: A lot of things can be tested for free in the social media world.

Sometimes there is even a free budget to experiment. After all, the social media operator wants to convince people of its services. The gift horse should never be looked in the mouth but should be used to gain valuable experience.

Other portals such as LinkedIn offer completely free basic versions that already have a lot to offer. If the user wants more, it can be extended almost indefinitely. This goes all the way to B2B profile solutions with very efficient ways to support sales. This is also the case with WhatsApp, which is still relatively new and is penetrating the B2B world with increasing strength and sophistication. Taster offers and free, slimmed-down versions for the B2B world are also available here. In most cases, a 4-week access to the extended solutions is free of charge. Cancellation must not be forgotten, as the subscription is usually extended by 1 year for a fee. The paid solutions make sense if the social media channel is used seriously, as they often offer a great price/performance ratio.

The illustrations in the chapter give an orientation on how specific targeting is possible. The less precise the targeting, the higher the risk of missing the target. Certainly, it requires some practice to land a direct hit. It is like in a shooting club—practice makes perfect and focus is very important as you can read in the article “No Survival in the Social Media Jungle Without Strategies.”

18.13 The Phoenix from the Ashes in B2B Social Media

It is possible that the company’s target group is romping around on a social media channel that is still little known. The difficulty is to find this channel first and then to fill it with relevant content. It is also possible that a competitor suddenly positions itself successfully on a new channel that has not yet been paid attention to. Why is there still so little B2B presence on TikTok, Quora, or Reddit? Some people are afraid of the risk that these channels will not become established for B2B. 59% of marketing decision-makers consider it dangerous to rely too heavily on foreign channels for distribution and to neglect owned media. The problem of excessive dependence on algorithms and lack of data sovereignty is increasingly coming to the attention of those responsible for marketing.⁵⁶

However, if new channels prevail, then often only secondary positioning within the channels is possible. This is like with domains—the best names are already gone. Feeling into alternative channels is quite easy and not too complicated. All the social media channels listed here are already world leaders, have already established themselves in everyday B2B or are well on their way to doing so. Here success consists of two letters: DO.

⁵⁶<https://www.horizont.net/agenturen/nachrichten/basisstudie-des-cmf-wie-ist-es-aktuell-um-content-marketing-bestellt-182829>. Accessed: May 23, 2020.

18.14 No Survival in the Social Media Jungle Without Strategies

Before the implementation of social media begins, the strategy must be in place. A strategy that pays off on the company's goals. Otherwise, there is the danger of trying to cross the Atlantic like in a sailboat without a compass. It may be that the country is in sight, but probably more comparable to Christopher Columbus. He thought he was in India—but discovered America. Without a strategy, there is a danger of going under in the social media jungle.

A critical question is how the activities affect the Company's mission and vision. What is the big picture for the brand or company and how can it be supported with the help of social media?

Examples of important goals:

- Strengthening of the brand/image
- New customer acquisition
- Customer loyalty

Through the strategic use of social media, it is possible to support the abovementioned goals sustainably and effectively. It has proven to be successful to integrate influencers or existing customers. Thanks to their help, it is possible to distribute B2B products or company news via their social channels. It makes sense to expand this circle from your own sales staff to the management. This creates further possibilities to link, share, and seed the contents of the B2B company. The own network gains reach and help to consolidate the company's goals.

Especially when social media is combined with CCCM (see chapter "Contingency Centric Content Management" by Olaf Mörk), its entire synergy unfolds. Here social media acts as a catalyst, as the practical example at the end of the chapter shows.

18.14.1 Communicate with People and Not with Companies

In the B2B area, we do not communicate with companies but with people who work in companies. These B2B decision-makers are also private individuals who use social media both professionally and privately and use this information in business. The relevance for this topic is increasing as the millennials have arrived in everyday business life and are gaining in importance in B2B as a target group. Social media is an excellent way to reach this target group. Especially B2C networks and especially the newcomers in Fig. 18.7 often offer undiscovered potential here. These networks usually have very good targeting options for B2B companies, as shown in Figs. 18.3, 18.4, and 18.5. Through these interest-based options, it is possible to reach the right users in a very targeted manner. The use of cross-platform campaigns, as in the following example in this chapter, not only generates leads but also enables efficient use of budget resources. There are many possibilities in the area of recruiting and employer branding. LinkedIn and Xing are more for older employees and Snapchat

and TikTok are very interesting for younger employees. Social media thus have an enormous range and it is advisable to consider who knows what you want to achieve with them. Therefore, a sustainable strategy is required, which can focus on building awareness as well as on winning concrete deals.

18.15 Showcase: B2C Social Media Successfully Used in B2B

A company from the manufacturing industry produces products in the field of security technology. These products protect people, machines, and buildings from the effects of natural forces.

These products are particularly in demand in the energy sector, the process industry, telecommunications, and residential and functional buildings to avoid damage in these areas. The company is a medium-sized hidden champion with annual sales of around €400 million. With around 1500 employees, the company operates in over 50 countries.

18.15.1 Background Situation

A law comes into force, which must be implemented by the target group after a transition period. It is about security-related issues and high liability amounts if the target group disregards the law and causes damage. Two weeks before the new law comes into force, the target group should be made aware that this law will come into force shortly. The company's products meet all required legal requirements. The target group would therefore be on the safe side to use the company's products to meet the new requirements.

18.15.2 The Solution

In this example, there is a great opportunity to use a special form of content, namely CCCM-Law and CCCM-Education. This content is based on behavioral psychology and belongs to the soft selling category. It shows that psychosocial benefits for customers can often be more relevant than functional benefits (Esch 2016). These terms are explained in detail in the chapter "Contingency-Centric Content Management" by Olaf Mörk.

However, the best content is of no use if it is not noticed by the target group. Social media measures are to be used to an increasing extent. The campaigns are mainly set up via Instagram and Facebook to guide users to specially designed landing pages. There are important and different information packages for the target group. These measures aim to satisfy the target group's thirst for knowledge. It should be cleared up on the legal situation and a free further education offer should be made available. The product is woven into the information material as a possible solution.

Thanks to very precise targeting, only those users who have an acute interest in the new legal situation are addressed. This means that only relevant interested parties reach the landing pages. Facebook pixel is used here. This makes it possible to address the user again via retargeting and to address campaigns using lookalike. At this point, the budget can be optimized by increasingly addressing the channel where click prices are lower.

Most important marketing measures:

- Privacy policy extended and adapted to legal conditions.
- Technical changes on the website for extensive tracking and user recognition.
- Video and advertisement motifs are developed and brought into the necessary formats.
- Creation of landing pages for optimal content presentation and lead generation.
- Creation of extensive information opportunities (white papers, webinars, advertising brochures, promotional items).
- Post-processing of the leads.

18.15.3 The Results

- High Click Through Rate (CTR) of $>3\%$ compared to the usual 0.005 This corresponds to a factor of 600.
- Around 500 leads, with numerous new customers.
- Newly acquired data can be used for further marketing campaigns such as e-mail marketing can be used.

18.15.4 Lessons Learned

New technologies in combination with social media and CCCM offer great opportunities to gain experience and further improve marketing. It was possible to measure very precisely which target group was most receptive to the information on what day and at what time. Especially on weekends and at 07.00 in the morning was a very popular time.

56% of the information packages were downloaded. 44% did not want to do without the classic information package in paper form. This also shows how online and offline marketing must work together more and more and offer the user a “one-channel” experience. Only in this way can maximum synergy develop and ultimately put the customer really at the center of action.

It was also possible to prove which of the five different advertising motifs was most successful. The business unit was for the motif where the product was in the foreground and marketing was for an emotional motif, which later turned out to be the clear favorite. This motif can later be used for offline advertising campaigns and should also be perceived positively by the target group. In this way, the media budget can be optimally exploited. All in all, it was one of the most efficient campaigns in the company’s history and this story can be repeated with pleasure.

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Connor Moseler, born at the end of the 1990s, is one of the digital natives. As a student in the first year of the new dual course of studies “Business Administration/Digital Business Management,” he combines business administration with digital topics. He is deepening his practical experience at one of the world’s best-known automobile manufacturers. The spectrum here ranges from detailed digital plant planning to the optimization of an OEM’s customer approach. In addition to his studies, he founded a company specializing in social media consulting.

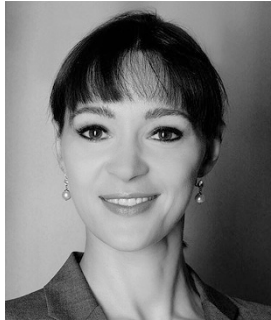
“Just for fun,” he published a page on the social media channel “Instagram” as early as 2015, which has since then been entertaining an audience of millions every week.

Olaf Mörk, Dipl. Betriebswirt (FH), has felt at home in international B2B marketing for over 25 years as the Director Marketing, Interim Manager, and Consultant. For him, the focus of digital change is the brand and the company, which must emerge from it stronger. The brand serves as a stable anchor that ensures orientation in the stormy digital sea. As early as 1995, he specialized in digitization for industry, trade, manufacturers, IT, and service. At that time, he introduced, e.g., the Sparkasse as the second German direct bank to the market, developed the first online configurators, and later digitized entire business areas. The goal is to create innovative and new, affordable solutions for tomorrow’s success. As the author of numerous marketing publications and keynote speaker at leading marketing congresses such as CMCX, DMEXCO, Lead Management Summit, and a close cooperation with marconomy, he regularly reports on content strategies and digital marketing. Most recently, he initiated the brand “Mörketing.” Marketing solutions and impulses for the company and its brand are the focus here.

Social Selling in B2B: How to Get Jump Started

19

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Fig. 19.1 Changes in the buying behaviour of B2B decision-makers Source: as indicated <https://lean-content-marketing.com/social-selling-im-b2b-social-media-xing-linkedin-facebook-twitter/>

19.1 About the Relevance of Social Selling for the B2B Business

“(.. .) no aspect of business is more social than selling.” (Giamanco and Gregoire 2012). It is therefore surprising that social media (a key feature of interactivity),¹ especially in B2B distribution, have only in recent years been experiencing growing interest and attention from a business perspective. In 2012, a survey published in *BtoB* magazine concludes that 5% of B2B marketers surveyed believe that social media marketing² is a relatively mature and well-optimized element of their marketing mix. A clear majority (58%) admits that it is “still in the early stages” and 17% of those surveyed do not use social media at all. Also, only a few sales training courses address the topic of using social media in sales during this period. There are even companies that forbid their employees to use social media during working hours. Of course, using social media involves risks. But just sitting in the bleachers watching and not using it is a much greater risk today.

Digitization is increasing in many areas of life and business. It is changing the way people live and work together. The communication behavior as well as the information and purchasing behavior of people has already changed. Buying processes today often begin with a search query on the Internet. People are looking for information that supports them in their purchasing plans. What is much more serious, however, is that the majority of the purchasing process is completed long ago, online, before any initial contact with a sales representative even takes place (Fig. 19.1). Thanks to or because of the Internet, customers today are much better informed about what companies do and offer than the other way around (Giamanco and Gregoire 2012). They increasingly find and obtain this information through social media. While the use of social media has become part of everyday life in the private sphere (using messaging services, searching for products and services on the Internet, shopping on the Internet), the use of social media is also becoming increasingly widespread in business and professional environments. It is therefore

¹Access: May 30, 2020, <https://wirtschaftslexikon.gabler.de/definition/soziale-medien-52673>. Access: May 30, 2020.

²For the term, see the section “Theoretical Foundations of Social Selling” in this article.

only logical that attention to these media is growing. Looking at the figures in Fig. 19.1, it becomes clear that companies are increasingly losing control over the customer journey of their customers³:

Before a first contact between the supplier and the prospective customer takes place today, the prospective customer has procured the information relevant to him in a self-determined way via the numerous channels available everywhere and at any time. Social media and their variety of content are used in the B2B sector to research providers in a targeted manner. Social media facilitate access for B2B buyers to professional networks. For many years, IDC research has made it clear that social media play a key role in the sales process for the majority of senior B2B buyers.

As more than half of the buying process is completed before the buyer contacts the sales force (see Fig. 19.1), and customers are increasingly better informed and less dependent on traditional sales initiatives (Fidelman 2012; Giamanco and Gregoire 2012; Minsky and Quesenberry 2016), salespeople would do well to start talking to (potential) customers about their needs as early as possible (Adamson et al. 2012; Ancillai et al. 2019). This is because buyers are increasingly relying on digital sources (Wiese 2017). The pressure on salespeople and traditional B2B sales organizations is growing as they deal with changing user behavior and the new challenges that arise for sales (Marconomy 2018, p. 3). This also includes the following development: a large part of order acquisition has traditionally taken place via (telephone) cold calling. Compared to other direct marketing activities such as e-mail communication, paid search, and display ads on the Internet, this was often successful. However, since the DSGVO⁴ came into force on May 25, 2018, cold acquisition by telephone is no longer possible without risk. The effects of this regulation on the classic B2B sales activities of companies are strong.

The outbound business is also losing effectiveness overall. According to a study, networking with a prospect today requires at least 18 telephone calls, callback rates are less than 1% and the opening rate of outbound sales e-mails is 24%. In contrast, 84% of B2B buyers start their purchasing process with a recommendation from their network, and 90% of all purchasing decisions in the B2B area are influenced by peer-to-peer recommendations. This begs the question of why more and more buyers are bypassing or trying to bypass the sellers in the purchasing process. Forrester Research cites as one reason that salespeople still tend to prioritize their sales agenda rather than focus on how to solve their customer's problem. This outdated attitude will not change sales processes or develop effective sales models for the digital age. The better strategy: adding social media to the salesperson's toolbox. If sales employees use social media to search for and approach potential customers, to network and share relevant content, and to answer questions, we are already on the subject of social selling.

³<https://lean-content-marketing.com/social-selling-im-b2b-social-media-xing-linkedin-facebook-twitter/>. Accessed: May 29, 2020.

⁴<https://dsgvo-gesetz.de/>, <https://www.datenschutz-grundverordnung.eu/>. Accessed: May 30, 2020.

Sales Funnel

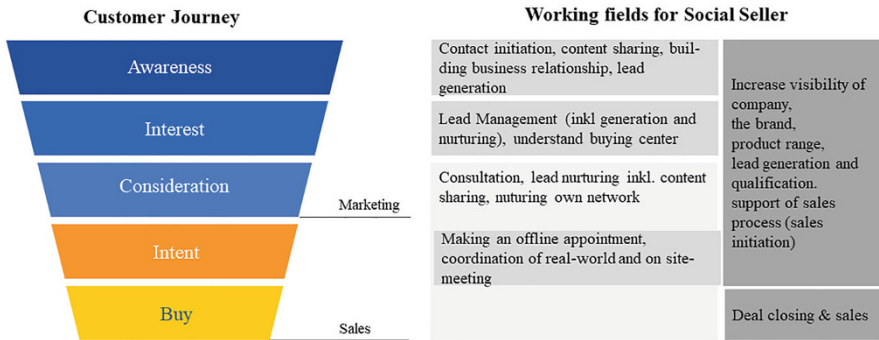


Fig. 19.2 Social sellers' supporting activities in the buying process Source: Own representation based on Weinländer, 2020

Use social media as a vehicle to build and maintain trusting relationships with potential customers until these contacts are ready to make a purchase decision. Many B2B salespeople are only gradually discovering social media for themselves—as another “sales channel” or rather as a channel for customer acquisition and retention. Social media have a high potential to facilitate the interaction between sales and customers. The use of social media in a sales context is almost ideal in view of the abovementioned quote. Their use is the next logical step in the further development of customer relationship management (Rapp and Panagppulos 2012, p. 301).

If sales employees of a company are active in social selling, this means that they create content themselves and regularly share it in social media.

Social sellers operate at different stages of the sales funnel (Fig. 19.2). As experts for industry-specific topics and specific product offerings, their tasks include recognizing buying centers and understanding structures, establishing business relationships by establishing contacts, networking, sharing needs-oriented content, and generally participating in lead qualification and sales process management. They guide the customer through the buying process and also draw attention to special offers or events. In contrast to the Corporate Influencer, who, especially as the thought leader of a company, operates, and supports a certain agenda setting.⁵ Corporate Influencers exert influence primarily on the strategic level and contribute to a more personal and authentic perception of the entire company and brand. Social sellers, in contrast, focus more on sales initiation and are therefore positioned more specifically than holistically and on a strategic level. Here and there, however, the boundaries between corporate influencers and social sellers are floating. Both are active in social media, both posts, networks, maintain their network, share company and industry news, whereby the focus of this news is more general for thought

⁵See the contribution of Weinländer on corporate influencing in this book.

leaders and more topic and product specific for social sellers. There is no universal definition of the social selling approach, nor is there one for the social seller. Nevertheless, it is usually salespeople who take on the role of a social seller and adopt social media as a sales channel.

19.2 Theoretical Foundations of Social Selling

19.2.1 Categorisation of Social Selling and Relevant Terms

Social media are media available online that enable their users to exchange information (Kreutzer et al. 2015, p. 2 f.) as well as create, edit and publish their own content (Froböse and Thurm 2016, p. 148; Schmidt 2013, p. 11). If companies integrate social media into their communication or marketing mix in order to achieve their own marketing goals, this is known as *social media marketing* (Kreutzer et al. 2015, p. 149). The various definitions that exist for this term have one thing in common: the interactivity between users is the central feature.

The German Institute for Marketing predicts increasing relevance in its study on social media marketing in companies of this discipline (DIM 2018, p. 4). One of the reasons for the increased attractiveness of social media is the high accessibility of the target group(s). 87% of Germans use social networks. According to the Bitkom Association, 92% of 30–49 year olds and 80% of 50–64 year olds are represented in social networks. Among 14–29 year olds, the figure is now 98% (Bitkom 2018). The daily use of social media has increased by 53% worldwide over the past 7 years (GlobalWebIndex 2018). Social networks offer their members, including companies, the opportunity to request comprehensive statistics and user data that enable them to address the desired target groups accurately, for example by targeting content to specific groups in the media (Onlinemarketing Praxis, n.d.).

In the B2B sector, decisions are often made by a buying center, which is described in the literature as a multi-personal buyer character. A buying center is a purchasing body that includes all persons involved in the purchasing process. Depending on the purchase, the composition of the buying center can vary and have different roles (e.g., purchasing, finance, technical management, executive management, etc.) (Gabler Wirtschaftslexikon n.d.). This means that each member of the buying center has different requirements and wishes for a product or service, which must be taken into account in B2B purchasing processes. According to the B2B Buyers Survey Report 2018, most B2B buying centers consist of one to six people (Demandbase/DemandGen Report 2018, p. 4). Typical for B2B buying processes is that they deal with complex products and services which require explanation and are often bespoke. Due to digital media and the Internet, customers are increasingly able to obtain information about products and make comparisons themselves. Marketing in general and especially digital marketing is therefore also becoming increasingly relevant for the B2B sector (Backhaus and Voeth 2015, pp. 20–23; Kreutzer et al. 2015, pp. 14–20.).

According to Agnihotri et al. (2012, p. 341), social selling can be understood as a professional sales approach “predicted on the strength of social media allies within a social enterprise.” It emphasizes that salespeople use social media for social interaction, content creation, and networking. The studies of Felix et al. (2017), Holliman and Rowley (2014), Wang et al. (2017) see it similarly. In their understanding, social selling is a sales approach that focuses on the application of the principles of digital marketing. This includes the use of content marketing and social media marketing at the level of the sales staff. Minsky and Quesenberry (2016) argue that from a practical point of view, social selling is the strategy of integrating social media into the salesperson’s toolbox and using it for research, order acquisition, networking, and relationship building by sharing content and answering questions. In sales, social media and digital channels are thus used to conduct effective dialog with buyers, even in industries that are generally not considered “social” (Kovac 2016).

Schmäh and von Essen (2017, p. 51) understand social selling as a management strategy in which not only the seller, but also the buyer profits equally through efficient and value-adding involvement in the sales or purchase process. As a planned, intelligent sales-related use of social media for the sales process, social selling involves building and maintaining relationships in social (business) networks such as LinkedIn and Xing with the ultimate goal of generating leads via the social relationships and ultimately increasing sales of a product or service.

In contrast to corporate influencing, social selling is primarily about using social networks to find potential customers, build relationships with them, and thereby achieve sales goals faster and more successfully. The focus of this approach is less on the sale itself, but rather on leading to it.

19.2.2 Findings from Research on Social Selling

B2B markets are undergoing a profound change due to increasing digitalization and changes in buying behavior. Practitioners and scientists alike see social selling as a new approach to dealing with the changes and the resulting opportunities and new challenges at the sales staff level. But research on this topic is fragmented and still in its infancy. Less research has been done on how salespeople carry out social selling and more recent research on this topic has yet to provide a comprehensible, theoretically sound, and empirically proven definition or detailed description of the activities that characterize social selling (Ancillai et al. 2019). There is already a significant number of studies that have dealt with the business aspects of social selling. A literature analysis of published scientific articles on social selling reveals three major approaches:

- Approach 1: Studies on the *use of Social Media platforms by sales managers*. The use of social media in B2B sales is widespread, with a focus on specific social channels and tools, namely professional network platforms and their application for real-time communication.

- Approach 2: Studies that investigate the *degree of use of social media in distribution*. The studies are concerned either with the intensity of social media usage in sales or the degree of social media integration in the sales process as a whole. These studies offer only limited insight into *how* sales staff use and apply social media in their work.
- Approach 3: More recent studies that have explored the idea of investigating *social selling activities* and gaining insight into how salespeople actually implement social selling. Some of these studies illustrate that social media are used to obtain information that supports better customer understanding (Lacoste 2016) and to interact and network with customer groups (Bocconcelli et al. 2017; Lacoste 2016). Other studies have found that sales managers use social media to build reputation and thus personal branding by joining communities, sharing posts or blogging (Lacoste 2016; Rollins et al. 2014) or by exerting social influence in online communities (Wang et al. 2016).

Scientific studies have also found that the use of social media correlates positively with customer knowledge, sales behavior and the sales performance shown (e.g., Itani et al. 2017; Rodriguez et al. 2016). What both academics and practitioners seem to lack, however, is a solid knowledge of how social media can be used as effectively as possible in sales and how to measure their (added) value for the business (McKinsey & Company 2015).

19.2.3 Functionality of Social Selling

Social selling has three core aspects:

1. Gather insights about potential and existing customers and opinion leaders using social and digital channels.
2. Networking to connect with relevant stakeholders and maintain a constant dialog at relevant touch points.
3. Using appropriate content to activate members in their own network in order to influence their disposition, e.g., with regard to the use of financial resources (Ancillai et al. 2019).

An essential element of social selling is the targeted network building through appropriate action (e.g., sharing content, play self-created content to the target group)—a first step toward sales initiation. The social seller creates a professional profile for himself in social networks relevant to him (Fig. 19.4), in a business context that is usually Xing or LinkedIn. To build up a network, decision-makers, influencers, possible business partners, and contacts of potential customers have to be identified and their relationships to each other analyzed. For this purpose, the social seller can search the networks in which he/she is registered for the target group profiles, taking into account certain criteria, and finally send out a contact request. If the target person accepts the contact request, it is added to the social seller's network.

Based on this, the sales manager can then start a conversation with the lead, initially online. By using social business networks, cold calling, which is very difficult to realize today, can be avoided. Also social business networks help to better understand overall buying center structures with the information that can be found in social networks and to identify decision-makers and other influential players inside and outside an organization (Adamson et al. 2012; Üstüner and Godes 2006). Social sellers contribute to better lead qualification and control the sales process more effectively.

Following the described above, a social seller in a next step provides content to his network. The content should fit to the target group's information needs (cf. Fig. 19.4). Successful social selling and efficiently working social sellers continuously need content with which it is possible to reach the target group on a personal level and to address them at eye level. Through regular interaction with the target group the social seller forces his/her way into the relevant set of the target person. Reading Likes, Posts, Tweets of the lead provides the salesperson with good information about the interests and needs of the lead. Identifying customer needs is becoming increasingly important for effectively contacting and addressing informed customers with targeted measures (Agnihotri et al. 2012; Lacoste 2016). In social networks, one must be aware that pure sales conversations do not and should not take place. Thus the aim should be to move from the digital world to the real world (offline) and to exchange views on more concrete sales issues there. For this purpose, the social seller and the target person agree on a phone call or make an appointment (Fig. 19.4).

19.2.4 Requirements for Social Selling

From a company's point of view, social selling offers companies a strategic opportunity to take account of the changed B2B buying behavior. In order to successfully establish social selling in a company, it requires understanding and sufficient conviction for this approach at the top management level. Clear rules for procedure and implementation are also helpful and, if necessary, need to be redefined. In addition, roles and responsibilities must be clearly defined, e.g., for other departments, sometimes even those that are not part of the sales department. Likewise, clear responsibilities and a clear understanding are required of how individual leads obtained through social selling are handled, whether the customer data obtained is transferred to the CRM and how.

Sales staff must first learn how to use social media and how to carry out social selling. Companies can support this with appropriate training. After all, not every sales manager is a digital native per se and understands and uses the digital channels when sales have tended to take place offline via other channels. A training course on social selling, for example, provides information on how to create a professional profile in social media, what to look out for, what information is needed to create one, the specifics and requirements of different networks for profiling, etc. In order to create a professional profile on LinkedIn, the following aspects should be considered:

- Use a *professional photo*: the person should look nice on it.
- Use *personalized background image*: Such a picture can be but used, but does not have to be. If used, one's own profile gets a personal note and appears more professional. Such a background image can be a header of the company one is working for.
- Create a *profile slogan*: usually, the current job title is given here. However, keywords are more suitable, as these are also taken into account in search engines.
- *Info area*: a concise self-description with crisp keywords and e.g., the indication of interests, supports personal branding.
- *Attach media*: e.g., work samples can be attached in the form of contributions, articles, media files.
- *Specify work experience*.
- *Specify knowledge and skills*: in this area of the profile, use industry-specific keywords to illustrate your own expertise and have this confirmed by colleagues, for example.

If social selling is to be rolled out and used throughout the company, the organization has an important role to play (Agnihotri et al. 2012; Andzulis et al. 2012; Itani et al. 2017). It must support its sales managers in understanding who the ideal target groups for the company are, which channels are best suited to address these target groups, what are typical needs of the own company, which stakeholders are usually involved in purchasing decisions, what concerns individual buyers have, etc. Personas, detailed profiles of the target or buyer groups, can be helpful in qualifying leads and managing social selling activities.

Strong, well-functioning social selling also requires close cooperation between both marketing and sales with a clear allocation of roles in order to effectively manage offline and online conversations with (potential) customers. Marketing should support the sales force in such a way that customers engage with and use the shared content. A key area for which well-functioning collaboration is necessary is content marketing, i.e., the development and, ultimately, sharing of proprietary content (Bocconcelli et al. 2017).

Using technologies to support social selling, e.g., network sales tools such as LinkedIn's Sales Navigator or content management sharing platforms such as Hootsuite, LinkedIn Elevate⁶ or Sharebee⁷ can make the work of social sellers easier. They can easily access already prepared content, e.g., posts, articles, and share them with a few clicks from a central location in their network. Companies are well advised to carefully consider which technical tools they will purchase and make available to sales representatives as support for their social selling efforts. There are a variety of tools that can be used for this purpose today. Whatever they end up being,

⁶<https://www.linkedin.com/elevate/guest?referrerPath=%2Fleap%2Fcontracts%3Fredirect%3Dhttps%253A%252F%252Fwww.linkedin.com%252Fleap>. Zugriff: 30.05.2020.

⁷Access: 05.30.2020.

they are useful and helpful if the sales professional can use them to improve the level of personal contact with existing and potential customers.

19.3 Development of a Successful Social Selling Strategy

In order for a sales force to benefit from social selling in the best possible way, a planned approach is required. A promising social selling strategy takes the following 7 factors into account (Sinning and Falk 2020):

19.3.1 Required Framework Conditions

In order for sales staff to be able and willing to use social media in general and their personal social media profile in particular to achieve the employer's goals, and to achieve the best possible results with social selling, a company must create the appropriate framework conditions for this. This includes, for example, the provision of social media guidelines, suitable training offers, or, if required, the assumption of costs for premium accounts, if the respective networks can be used optimally in this way. Companies should also make sure that the right people are deployed to manage social media.

19.3.2 Integration into The Sales Strategy

Social selling activities are best integrated into the company's sales strategy via a social selling strategy. The social selling strategy describes, among other things, specific goals of the social selling activities, the role of the activities in the sales funnel, metrics, and the company's social media guidelines. In addition, a concept on how the activities can be integrated into the operative sales routine is helpful.

19.3.3 Empowerment of Sales Representatives

It is important to support sales employees that are starting to use social selling. This includes creating a professional profile, explaining how to build a network, network building, creating and posting content, etc. A continuous exchange of experiences with community management and content marketing experts is also recommended and can provide good impulses.

19.3.4 Alignment and Integration with Marketing Planning

Social selling activities are best closely linked to marketing planning. This is especially true for communication activities as well as content marketing.

19.3.5 Effective Targeting

A good understanding of the relevant groups of decision-makers (buying centers) is necessary to develop relevant content to meet the information needs these people have. A concept showing how to identify and best address members in buying centers via social networks is helpful. Contact can be supported and made more effective by using suitable tools such as the LinkedIn Sales Navigator or the Hootsuite Amplifyer.

19.3.6 Setting the Rules of the Game

A clear process on how to deal with contacts made in social networks from a business perspective is recommended. Questions like the following ones need to be clarified: When is a contact entered into the CRM system? When and how can these contacts be addressed by the company?.

Social selling activities should be monitored with meaningful and measurable key performance indicators (KPIs). Content views, content shares, content likes, or the engagement rate, which can result from requests for interviews or further information, are such exemplary KPIs.

19.4 Ingredients for Successful Social Selling

19.4.1 Creation of Relevant Content in a Customer-centric Way

Many studies on the B2B purchase decision process indicate that the majority of B2B buyers use social media to obtain information about solutions to their existing problems. This information is used to prepare the purchase decision. This is where content marketing comes into play. The term is defined differently in the technical literature. Some understand content marketing to mean “helpful content, i.e. content that offers a specific added value” (Steinbach et al. 2015, p. 9). Others define it as “all published content that could be of importance for the successful implementation of marketing goals.” (Steinbach et al. 2015, p. 9; Fürtbauer and Buchenau 2015, p. 72). A definition in which the actual contents are more in focus is by Lieb (2012, p. 1):

[Content marketing] isn't advertising. It isn't push marketing, in which messages are spried out at groups of consumers. Rather it's a pull strategy – it's the marketing of attraction. It's being there when consumers need you and seek you out with relevant, educational, helpful, compelling, engaging and sometimes entertaining information.

As a component of a communication strategy, content marketing pursues the goal of creating relevant, value-added content that is geared to a specific target group,

which is attractive and triggers action.⁸ Content marketing has a wide range of channels and formats at its disposal. Social networks, e-mail, blogs, video platforms, apps, or online communities can be used to distribute content (Lieb 2012, pp. 62–92). In the B2B sector, social media play an important role for content marketing in addition to the company website website. LinkedIn is by far ahead of Facebook and Xing, as the Statista study on Content Marketing Trends 2020 shows (Statista 2020). Podcasts, webinars, e-books, white papers, articles, online training, infographics, etc. (Lieb 2012, pp. 78–95) are suitable formats for distributing content in social media.

19.4.2 Platforms for Social Selling

The following three platforms are the most frequently mentioned and primarily used in connection with social selling.⁹

LinkedIn Started as a job exchange, LinkedIn is today the leading business network where all kinds of content related to companies, industries, and products are shared. LinkedIn has developed very strongly internationally and continues to grow from year to year as the increase in the number of members for selected countries shows (Fig. 19.3). This platform is therefore particularly interesting for globally active companies and internationally active sales staff. In LinkedIn the individual can build up his or her network, in the context of social selling an “art” in itself. LinkedIn is currently growing very fast and is continuously developing its range of services for users.

Xing The trend toward the digital business card is generating user growth for Xing as well as LinkedIn. As a social media platform for business contacts, Xing has been recording a steady increase in user numbers for years. In the German-speaking region (DACH region), Xing is the leading business platform with over 19 million users (Q1/2020). At the end of June 2019, there were 16.3 million members in the German-speaking region. The B2B business at LinkedIn is now overtaking the business with premium services for members.¹⁰ Analog LinkedIn, Xing focuses on professional users, so German-speaking B2B decision-makers can be targeted here.

Twitter In the business sector, interest in this medium is also growing, as are the overall user numbers. Every day more than 166 million active “monetizable” users worldwide, 33 million of them active users in the USA. “Monetizable” means that

⁸<https://onlinemarketing.de/lexikon/definition-content-marketing>. Accessed: May 30, 2020.

⁹For further platforms and a short description see also the contribution of Weinländer in this book.

¹⁰https://www.wuv.de/karriere/xing_mehr_umsatz_mit_firmen_als_mit_mitgliedern. Accessed May 30, 2020.

Country	Number of members (in Mio)
Europe	211M+
USA	167M+
India	64M+
Chinese mainland	49M+
Brasil	41M+
Canada	16M+
DACH Region	15M
Indonesia	14M+
Mexiko	14M+
Australia	11M+
Total: 675 M members in 200 countries and regions worldwide	

Fig. 19.3 Worldwide members LinkedIn network (February 2020). Source: Own based on LinkedIn figures <https://influencermarketinghub.com/wp-content/uploads/2020/02/>

advertising can be played to these users.¹¹ Twitter is considered a news app that allows global exchange with its users, provides a place for brands to showcase their personality, and is a fast medium for real-time communication.¹² Social sellers could use the channel as a complement to other networks to send short posts and refer to content on other platforms. The use of Twitter for this approach is not yet widespread, as many are sufficiently busy building a professional profile and gaining experience with the other available media.

19.4.3 Helpful Tools

There are a number of tools that can be used to support social selling activities. The following are examples of some of the tools known to the authors.

Social (Media) Listening or Monitoring In order to find out which topics are currently being discussed in the social media and are occupying people's minds, what is being said about companies, brands, products, to get impulses for stories and topics, or to search for specific B2B-specific problems, so-called Social Media

¹¹<https://www.futurebiz.de/artikel/twitter-statistiken-nutzerzahlen/>. Accessed: May 30, 2020.

¹²<https://business.twitter.com/de/blog/tips-for-using-twitter-in-2019.html>. Accessed: May 30, 2020.

Listening or Social Media Monitoring tools can be used. These include Talk Walker, Synthesio, Brandwatch, Mention, and others.¹³

Planning, publishing, curating, and analyzing content Tools such as LinkedIn Elevate, Hootsuite, or the Polish Sharebee can be used to plan, publish, and analyze topic-specific content (articles, white papers, social media posts, videos, etc.) or posts. The sales employees enter their accounts, which they have in various social media, on one of these platforms, and link them to it. The digital channels can be accessed simultaneously via a dashboard. Posts can be prepared for publication both textually and chronologically, links, images, videos can be integrated and all posts can be displayed on a daily, weekly, or monthly view.¹⁴ In integrated content libraries, such as the Polish Sharebee, materials can be stored for publication in common media and employees can access them directly. Finished postings can be selected and shared to address target groups in social seller's own networks, thus expanding the expert status. It is also possible to suggest content which, if accepted by the moderator, is added to the other content.

Statements on the success of social selling activities can be evaluated with corresponding key figures. For example, activity-specific key figures can be used to evaluate individual sales performance (e.g., number of generated leads, shared content, number of personal meetings/customer conversations, on-site appointments, or product demonstrations achieved with the help of social selling, etc.). Equally conceivable are key figures that are used in online marketing to measure performance in social media. These are, for example, views, shares, likes, comments, commitment, reach, activation, to name just a few examples. These are considered in the context of posted content and provide information about which content is received by the target group and how, and thus which needs in the target group are met or not. Also interesting are different conversion rates (conversion: from unqualified lead to marketing qualified lead, from online to offline). The metrics should capture quantitative and qualitative aspects of the activities implemented.

19.5 Opportunities and Risks of Using Social Media and Social Selling in B2B

19.5.1 Opportunities of Using Social Media in B2B

Social media are suitable for getting to the right buyers faster and for keeping the effort for closing a deal as low as possible. Even at the end of the buying process, when the deal is closed, they are suitable for customer relationship management and customer retention.

¹³<https://influencermarketinghub.com/social-media-listening-tools/>. Accessed: May 30, 2020; <https://marketingland.com/6-of-the-best-social-listening-tools-for-2019-249953>. Accessed: May 30, 2020.

¹⁴<https://wiki.induux.de/Hootsuite>. Accessed: May 30, 2020.

The fastest way to establish a long-term cooperation is to build up comprehensive knowledge about the customer. Sales remains a relationship-driven activity. The saying “It is important *who* you know” has changed and is replaced by “It is important *what* you know about those you know.” The world of social media is characterized by giving without expecting or being able to expect an immediate return. This is difficult to understand for salespeople who usually only strive to close deals as quickly as possible. And perhaps it does not feel intuitive at all to share white papers, case studies, etc. if there is no guarantee that these efforts will result in a sale. But this is part of a larger behavioral change that needs to take place if salespeople are to succeed in value-based processes rather than transaction-based processes (Giamanco and Gregoire 2012).

Often, salespeople are already active in social media today and use their private profile for business purposes, although in many cases they still act according to the watering can principle, i.e., different people use different tools in very different ways and no one does it consistently. Social media may have their peculiarities. Highly performance-driven and successful companies have defined a clear process and found out how to use the possibilities of social media in a very disciplined way. To implement this in a company, the first step is to start with the sales process that the employees are familiar with. The sales process typically takes place in several stages: Order acquisition, lead qualification, implementing the solution, measuring the results. There is one action that runs through the entire process: relationship management. It is important at every single stage. How do platforms such as LinkedIn and Twitter fit into this process? How can they be integrated and help to achieve better results? Social media unfold their greatest potential at the beginning of a sales process, when it comes to attracting attention, order acquisition, qualifying opportunities, the search for pre-sales talks, which should ultimately lead to a personal meeting. Social media offer a good opportunity to cultivate and maintain customer relationships and build brand loyalty.

In the B2B sector, entry into the buyer journey today often begins with an Internet search query. First contacting a seller or a company, the customer is well informed and, if things go well, already has concrete ideas and preferences. For this reason, companies are well advised to be present at an early stage in the purchasing decision, i.e. also online.

Making products and services known works very well through social media. There are a number of studies that conclude that more than 70% of B2B decision-makers have been using social media as a source of information for several years. For example, social networks can be used to find out who within the customer’s organization is the right contact person for a concern or topic, and it is also possible to see with whom contact may already exist. These insights are helpful to understand which information is relevant and valuable to the customer(s) and clarify what information is needed for the purchase decision process. If the provision of the required information works well, this can become a differentiating factor in competition.

Especially professional networks like Xing or LinkedIn are an important channel for business matters as one can meet many decision-makers from various companies

and industries there. It is therefore advisable to be present and active in these networks. Spreading target group relevant content there helps to build valuable relationships with members of relevant buying centers in target companies. Disseminating content must be done with a certain regularity. Above all, the content must match the information needs of the target group. The added value for the B2B business:

Social networks are an important source of information in the purchase decision process, as they can be used for the distribution of relevant content (*content distribution*). For sales managers, the networks are suitable for positioning themselves, for example, as topic experts (*topic expertise*). They thus become an interesting and important contact point for people interested in making a purchase. Networking in the social media and establishing 1:1 relationships with potential business customers can be seen as a preliminary stage for generating high-quality leads (*lead generation*). And by sharing relevant content in the network and in the groups of these networks, reach can be built up in the target groups and attention for the company, the brand and the range of products and services can be achieved (*media reach*).

An important clue:

Social networks have the advantage that the sales employee does not always have to be the one who starts a dialog. They are often found by potential customers because they are interested in a solution and remember the expert who always shared helpful documents and gave advice in the social channels.

With systematically conducted social selling activities, sales employees can build their own strong personal brand and also develop a position as thought leader.¹⁵ The personal brand is of fundamental importance and helps when a customer has to make a purchase decision and needs a competent advisor. If the salesperson's personal brand is strong (enough), the potential customer will remember whom to approach.

Social selling can also influence the performance of a salesperson. Performance dimensions include lead performance, efficiency in the sales process and turnover. Social selling has a particular impact in the upper part of the sales funnel, where salespeople need to generate a high number of properly qualified leads, achieve higher closing rates and shorten the overall sales cycles in the sales process.

Trust is a very important value for customer relationships. Building trust is successful when salespeople know how well customers know about the buying process. This can be found out through repeated, targeted discussions and by generating valuable insights. Social selling activities then also have an impact on customer satisfaction. This is influenced by the personal brand of the social seller on the one hand and their involvement in the network on the other. Recommendations

¹⁵On the subject see the contribution of Weinländer in this book.

from customers that result from a 1:1 relationship with the sales representative have some advantages for the employer of the social seller (Van Doorn et al. 2010).

For many B2B companies, social media activities are already part of the communication mix. They already have a presence in the social media channels (Erste Arbeitskreis Social Media in der B2B Kommunikation 2017, p. 4; 13). As half of the B2B decision-makers are from the Millennial generation (Marconomy 2018, p. 4), they are familiar with the Internet and social media and have more or less grown up with them. They therefore have an intuitive handling of these media (GS Lexicon n. y.). They are used to responding quickly to requests and expect this from companies, regardless of the channel they use. For Millennials, authentic communication from person to person (Human-to-Human) is the main focus, not from company to person (B-to-B-to Human) (Josche 2017). And yet 85% of them use social platforms for product research (Merit 2017, p. 12).

19.5.2 Risks of Using Social Media in B2B

Although the use of social media is associated with risks it is riskier to not using them and to give away the opportunities they offer. It goes without saying that a company will not automatically become more successful through social selling alone. If you consider the following—buyers today are literally overloaded with information. 350,000 tweets, 290,000 updates on Facebook and 100 h of video material uploaded to YouTube—and all this per minute, and the trend is rising—it becomes clear that in consideration of the enormous amounts of data and information people are exposed to on a daily basis via various channels, it is becoming increasingly difficult to stand out from the mass and to differentiate oneself from competitors.

It is risky for companies to employ sales staff as social sellers if they are not appropriately trained and experienced in dealing with social media. Being untrained in certain behavior and procedures in social media can scare off potential customers. This can happen, for example, if the social seller lacks sensitivity for appropriate behavior in social media. This is not only the responsibility of the sales staff, but also of the management. For example, if they fail to recognize social media as a sales channel and accept that employees use these channels even during working hours. And when employees are not prepared to use social networks.

One important hint:

If a sales representative wants to become active as a social seller in social media, (s)he must be aware that (s)he is transparent in every respect for the entire market and to a certain extent in the public eye. Praise, criticism, and complaints quickly become visible to everyone online. If the reaction is wrong or hesitant, leads can quickly be distanced from the affected provider or are

(continued)

immediately poached by the competition, which does things differently or better. Competitors can and are allowed to get involved in communication and they do so. This way they get confidential information intended for leads and can react to it.

Another risk is the expectations of customers, for example with regard to the response time of a supplier. If the supplier does not act and react appropriately in terms of both time and content according to the customer's understanding, this can lead to criticism or questions in social media.

Misinformation is also risky. In order to contain the rapid spread of misinformation or the "misperformance" from the customer's point of view, it is advisable to work with social media listening and monitoring tools on the one hand, with which possible "shitstorms" can be identified at an early stage. On the other hand, it is also possible to make provisions with a person in the company who is trained in crisis communication and is available 24 hours a day as a contact person. Some "shitstorms" can be nipped in the bud if the response is fast enough.

Risk of loss of control: Since the social sellers should be active on their own initiative, a high degree of control is inappropriate and may hinder the motivation of the individual. Not everything that is posted can be coordinated in long loops within the company beforehand and be approved. This requires trust and certain guard rails within which the social sellers can and may move freely, because they still use their private profile in social networks and voluntarily place it at the service of the company to a certain extent. In this respect, it is quite possible that legal issues may arise from time to time.

Due to their activities, social sellers are also visible to competitors and headhunters. There is a risk that sales staff, if they are good, can be poached by competitors, because recruiting also takes place via social media.

In conclusion: Social media have the potential to overwhelm sales staff in a negative sense and ensure that the customer focus, which is absolutely necessary in social selling, is lost. Studies have shown that a sales approach being too dominant has a negative impact on the relationship between social selling and business performance. In this respect, it is good advice to avoid this.

19.6 Summary and Outlook

Social media are too important today to be left to marketing or use by marketing alone. Sales professionals experienced in the use of social media exceed the success rates of colleagues with no or only basic social media knowledge many times over. It is therefore time to start with social selling and meet potential customers where they spend their time. Social media should not only be considered and integrated into the communication mix for marketing and communication activities with a longer-term orientation but should also be used for sales activities that tend to be more short-term oriented.

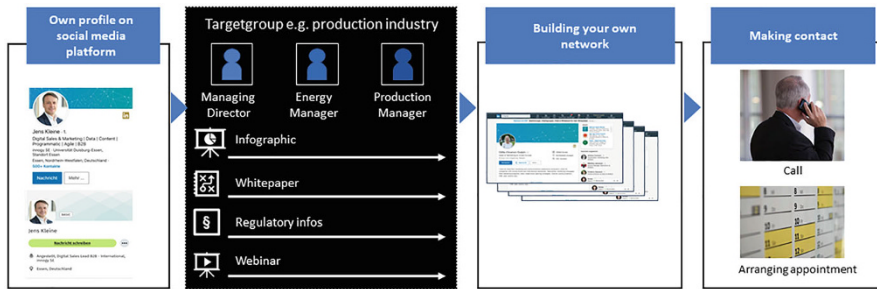


Fig. 19.4 Exemplary schematic representation of how social selling works Source: Own

Social selling is not simply and exclusively sales-oriented communication with a target group but rather aims to reach relevant actors with content appropriate to their interests, goals, and challenges. How successful you are in reaching your target group(s) depends on the relevance and value of the content that you deliver them. The initial focus should be less on the company's products and services and more on solutions to existing business challenges. Confidence-building content, found for example in white papers and case studies of customer testimonials, is suitable for attracting the attention of often well-informed prospective buyers and other key players in a buying center (Agnihotri et al. 2012; Bocconcelli et al. 2017).

Social selling uses social media at relevant contact points in the buying process to gain a better understanding of opinion leaders, potential and existing business customers, about the information needed at each stage of the process, to connect with these people and ultimately build valuable business relationships. This approach is not just another sales channel, but rather a way to accompany the well-informed customer in the purchase decision process. The approach requires a strong customer focus. Its impact also depends on which other sales approaches (advisory, value-oriented) sales managers link with social selling. If implemented correctly, social selling can create a win-win situation for sales, marketing, and the entire business.

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Corporate Influencing in B2B: Employees as Brand Ambassadors in Social Media

20

Markus Weinländer



20.1 Motivation for Corporate Influencing

“I know that half my advertising budget is wasted money. I just don’t know which half.”—there is a famous quote attributed to Henry Ford.¹ Today, companies would probably be happy if at least 50% of their money was put to good use. And especially in the field of social media, it seems to be increasingly difficult to achieve reach, relevance, and resonance. First of all, it is becoming increasingly difficult to position oneself perceptibly in the unmanageable flood of posts, tweets, pictures, blogs, videos, or podcasts: More than 400 h of video material are uploaded to YouTube every minute,² and more than 6000 posts are posted on Twitter every second.³ Secondly, the credibility of “official” corporate communications is declining more and more: According to Clarissa Haller, Siemens, ads, and advertising campaigns

¹Bauer et al. (2006).

²<https://www.brandwatch.com/de/blog/statistiken-youtube/>, Accessed: May 26, 2020.

³<https://www.brandwatch.com/de/blog/twitter-statistiken/>, Accessed: May 26, 2020.

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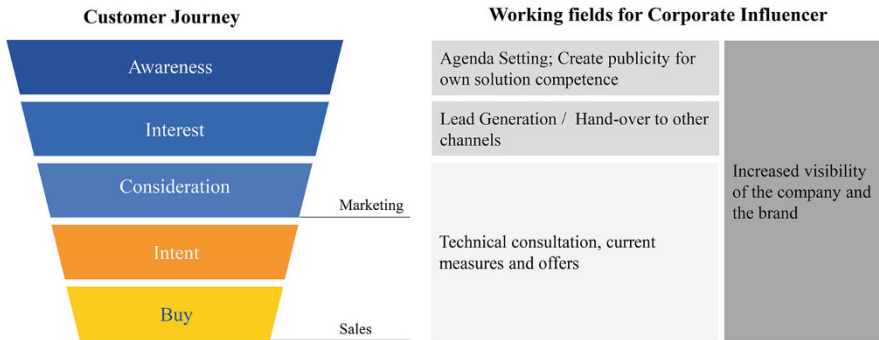


Fig. 20.1 Effect of corporate influencers in the Sales Funnel

have a credibility of only 14%. In contrast, personal acquaintances or at least personal social media contacts enjoy a credibility of 84%.⁴

An opportunity to reach your target group much better lies in influencer marketing. Influencers are opinion leaders on digital platforms who test and recommend products or services. These messages are consumed by the followers of the influencer (his community), some of whom can run into millions. So-called micro-influencers, on the other hand, reach only a few thousand followers, who can be very specialized.

In the B2B sector, the use of influencers appears to be limited. B2B influencers must also be authentic, i.e., they must be actual experts for certain technologies, solutions, or architectures. As a rule, however, these experts are employed by companies so that they can hardly be engaged by other companies. In addition, the reach of individual B2B influencers is often limited (analogous to micro-influencers), so that a single action with a single B2B influencer can quickly fizzle out. Thirdly, the B2B influencer will be careful to maintain his neutrality in order not to damage himself as an expert and will therefore be rather reserved when it comes to (advertising) corporate campaigns.

Therefore, corporate influencers seem to be better suited to act as brand ambassadors in social media. Corporate Influencers are employees who regularly and with a high degree of authenticity share their company's posts or write themselves on topics and offers of their own company.

Corporate influencers can act in different phases of the sales funnel (Fig. 20.1). As thought leaders, they create a certain agenda setting in the first phases (Awareness and Interest) and can put the company in the relevant set of a potential customer. As an expert in the field, they answer specific questions during the detailed selection process (Consideration) or even after the purchase in the use of a product (Buy). As sales managers, they guide the customer through the buying process and draw

⁴<https://www.linkedin.com/pulse/influencer-engagement-b2b-environment-clarissa-haller/>, Accessed: May 26, 2020.

attention to special offers or events. And on a strategic level, corporate influencers lead to a more personal, authentic perception of a company and a brand as a whole.

20.2 Platforms

20.2.1 Overview

Social media platforms are becoming increasingly diverse, but not all platforms are equally suitable for B2B influencers.⁵

Facebook: A corporate presence, on what is probably the best-known platform with 2.38 billion active members,⁶ is indispensable in the B2C sector. For B2B, the evaluation can be different. On the one hand, many B2B customers are also represented on Facebook with a personal profile, but on the other hand, the platform tends to be characterized more by private profiles and networking. However, Facebook thus offers the opportunity for high-reach corporate influencers to add an interesting, personal touch to their posts.

LinkedIn: Originally started primarily as a job exchange, LinkedIn has developed into the leading business platform for posts, videos, and articles. The advantage of LinkedIn is its high degree of internationality, which makes the platform particularly interesting for globally operating corporations. In addition, LinkedIn (like Xing) allows the active development of a network. Thus, the first successes with gaining reach can be achieved quickly.

Xing: Xing (pronounced Crossing) is still the leading German-language business platform with over 16 million active members in Germany, Austria, and Switzerland.⁷ Since Xing (like LinkedIn) focuses on professional users, a German-speaking B2B clientele can be targeted here.

Twitter: The short news service Twitter is becoming increasingly relevant in the business world as well, since corporate leaders such as Joe Kaeser (Siemens)⁸ or Elon Musk (Tesla)⁹ are regularly active here. However, the medium is very fast and does not allow the active development of a community such as LinkedIn. Corporate influencers can make additional use of Twitter by reusing posts from other platforms on Twitter (LinkedIn even offers a specific function for this).

YouTube: YouTube is the leading video streaming platform worldwide. However, without targeted (and paid) advertising, it is difficult to achieve adequate reach. For example, some corporate films (such as video casts of industry trade shows) remain below the 1000 view threshold—which is disappointing given the high production

⁵Hollensen et al. (2017)

⁶<https://de.statista.com/statistik/daten/studie/37545/umfrage/anzahl-der-aktiven-nutzer-von-facebook/>, Accessed: May 27, 2020.

⁷<https://de.statista.com/themen/746/Xing/>, Accessed: May 26, 2020.

⁸<https://twitter.com/JoeKaeser>, Accessed: May 26, 2020.

⁹<https://twitter.com/elonmusk>, Accessed: May 26, 2020.

costs.¹⁰ On the other hand, videos that convey actual, relevant knowledge work well—from the commissioning of a technical device to specific application scenarios to the installation of spare parts.¹¹ These films can also be produced by corporate influencers with comparatively little effort, because here the content is more important than the esthetic quality.

Corporate Blogs: An interesting alternative for your own content are corporate blogs, where employees (possibly under guidance) publish texts on current company topics. They are a hybrid of social media activities and “official” websites: Somewhat more personal and perhaps more pointed, but still in the context of a company. Typical blog posts are significantly longer than the usual posts on social media, but often shorter than specialist articles in print magazines.

Internet Forums: Participation in relevant Internet forums can also be rewarding for corporate influencers, e.g., by providing assistance with products or helping to navigate through a company’s offerings. However, advertising statements and posts are frowned upon here.

20.2.2 Selection of Platforms

Choosing the right platform is not easy because the decision depends to a large extent on the accessibility of the target group. For example, if you want to reach German-speaking customers, Xing is certainly the right place for you—international customer relationships are better maintained via LinkedIn instead. Twitter may be suitable if someone can work on many current topics (e.g., congresses, etc.) and has a large number of followers. YouTube is again recommended if experts want to produce small “how to” videos, e.g., for using their own products. Corporate blogs are suitable for more opinionated and more extensive contributions that complement each other and thus give the blog as such an interesting added value. If the company is also active on the same platform via its corporate channels, a link between articles can be created to increase the impact.

On most platforms, content distribution is controlled by algorithms. Their exact mode of operation is usually a trade secret of the providers, but the goal is always to make the platform as attractive as possible. Thus, an article on LinkedIn passes through three evaluation levels, the highest level being a review by human editors. To get “this far,” however, the early interaction of members with the post is important. As a result, posts may receive significantly fewer views than the Influencer Follower has—but also significantly more.¹²

¹⁰E.g. <https://www.youtube.com/watch?v=xkhkCDGqFt4=11s>, Accessed: May 26, 2020.

¹¹E.g. <https://www.youtube.com/watch?v=9ZDP-NffdXQ> with around 17,000 hits or <https://www.youtube.com/watch?v=Gh2fBLEmXPQ> with over 140,000 hits (26.05.2020).

¹²<https://www.linkedininsights.com/the-linkedin-algorithm-explained-in-25-frequently-asked-questions/>, Accessed: May 26, 2020.

For the activity as a (part-time) corporate influencer, it makes sense to focus: It is better to work intensively on one platform in the time available (i.e., with your own topics and interactions with external posts), rather than only posting to one post from time to time on many platforms.

20.3 Characteristics of Corporate Influencing

Corporate Influencing can take place in various forms, which can also represent a development path for influencers.

1. *Content Sharing*: The starting point is the “Sharing Employee“: Employees interact with corporate content, for example, through re-posts or likes. If these employees are well connected to customers or partners, this can lead to a significant increase in reach and response. In addition, the use of publishing tools helps to quickly start with (seemingly) own posts.
2. *Interact*: At the second stage, the employee begins to comment on the situation himself. Platforms such as LinkedIn reward this commitment more highly than pure likes, as the content is further enriched here. However, the comments must also convey added value, for example, by introducing a controversial point of view or providing additional information.
3. *Posts*: The third stage is the publication of your own contributions, from a snapshot at a trade fair or customer event to references to new company resources (e.g., a white paper) to successful project completion (in compliance with legal and company regulations). The “mentioning” of company channels (@name) and the use of agreed hashtags (#keyword) gives the posts additional reach. Indispensable: good visual material that supports the content.
4. *Thought Leadership*: On the fourth level, an employee establishes himself as an expert or thought leader on company-relevant topics. Here, top managers can present the “big picture,” explain the added value of certain topics for the economy or society or give the company a face on an emotional level. Topic Experts occupy certain specialist topics from technology, working methods, leadership, marketing, etc. and bring the company message into this context. Sales staff and technicians present special products or features and point out new offers (e.g., webinars).
5. *Social CEO*: A special role is played by the top managers of a company who become active as “Social CEO” on the social media. Such people achieve wide coverage (e.g., Joe Kaeser, CEO at Siemens, has over 65,000 followers on LinkedIn and nearly 35,000 followers on Twitter) and can also provide strong impulses for debate through their positions. However, it is important to note the high relevance of their statements, for example, with regard to stock exchange regulations.
6. *Partners and Customers*: Finally, partners and customers can also act as corporate influencers, for example, when they report on a successful project as a reference.

Corporate influencers are significantly changing the role of today's communications departments. Instead of creating and distributing content themselves, the focus will be on providing know-how for use and suitable contributions, as well as curating the contributions of top influencers.

Actually, it only takes one account on a social media platform to start as a corporate influencer. But this is not enough for a sustainable, successful positioning.

20.3.1 Commitment

Corporate influencers are usually employees of a company. However, in order to achieve long-term success, a clear commitment of the employee to his new (additional) role is required. It is neither sufficient to share a post from time to time nor can this be done from an obviously rather private profile. The development of a network must also be based on the motivation of the corporate influencer: Not only the own acquaintances from the "real world" are welcome here, but also potential customers, other influencers in the field, etc. The followers of a corporate influencer channel are thus less the personal network but rather the subscribers of a blog.

20.3.2 Narrative

A crucial component for building your own community in social media is the development of your own profile. In addition to the craft aspects, which differ from platform to platform (for example, profile picture, jewellery picture, professional career, etc.), the most important thing is the positioning in terms of content. Why should other participants on the platform follow an influencer, and who are these participants (target group)? This question must be answered convincingly, authentically, and appropriately for the platform. In addition, the positioning must be consistent with the professional position and experience. A technical expert is authentic when it comes to technological questions, but not necessarily when it comes to questions about corporate strategy. And an experienced manager should not only post the product innovations, since the followers probably expect more a strategic classification than just the text of the press release.

20.3.3 Profile

The personal profile on a platform is something like a business card and presentation documents. This is where your own professional standards and the benefits for the followers must be made clear. What makes an influencer an expert? In addition, some platforms rate the posts of members with a complete profile higher (and thus generate more coverage).

The profiles must be as complete as possible to give visitors a good impression of why an influencer can be considered an expert. On LinkedIn this includes a good

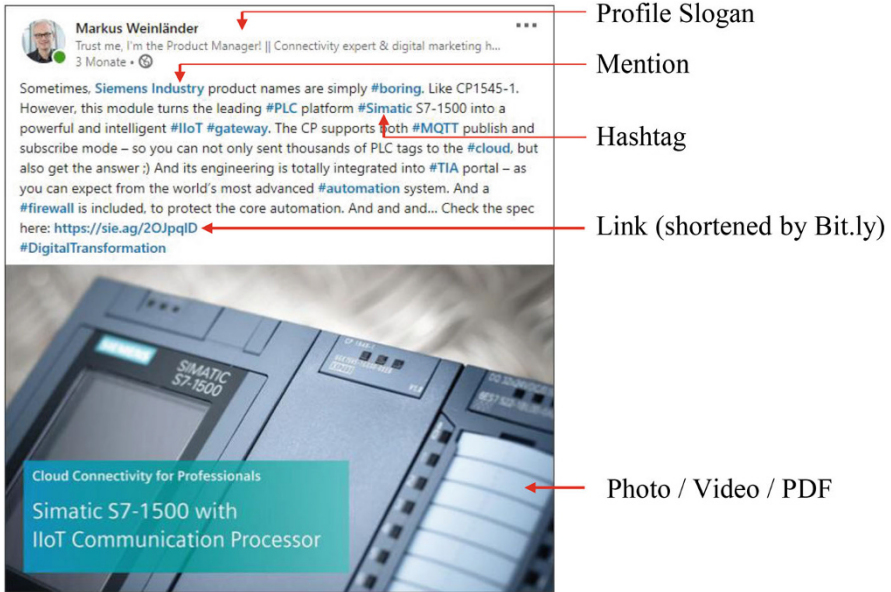


Fig. 20.2 Components of a LinkedIn post

profile slogan that appears with every post. The resume should also be tailored to the target group. With all textual information, care should be taken that no internal terms or abbreviations are used that are not understandable outside your own company. Absolutely indispensable is a professional profile picture that works visually well even in the small formats on social media websites. On some platforms, a decorative picture can also be integrated, which is another good way to show your own positioning or your company.

20.3.4 Components for Posts

The structure of a post differs between platforms, as do the rules for the profile, but many mechanisms are similar. For LinkedIn, a post should contain the following components (Fig. 20.2):

- Since LinkedIn initially only displays three lines of a post, the introduction must be concise and interesting.
- By integrating other members via “Mentions” (@name), networking is increased; in addition, platform members with a wide reach can be invited to interact. Mentions can be used to integrate your own corporate account as well as co-workers, etc.

- Using hashtags (#keyword) works like indexing the post. If members search for such hashtags or click on a hashtag, they will be shown all assigned posts. As a rule of thumb, a maximum of about five hashtags is recommended. The range of hashtags can be checked either via LinkedIn search or via tools like [ritetag.com](https://www.ritetag.com) or [hashtagify.com](https://www.hashtagify.com).
- The photo is the “visual lead”—like in a newspaper, readers enter the topic via the picture.
- A link leads to further information, e.g., to the company’s website.

However, the use of links is ambivalent. On the one hand, of course, they are intended to direct readers to your website, on the other hand, some algorithms “punish” the poster for “pulling” readers off the platform. Therefore, a middle course makes sense: Where a link is incessant (e.g., for registration at an event) it is set. If, on the other hand, the content can be shown completely on the platform (e.g., by uploading a PDF document to LinkedIn), the greater reach is preferable.

20.3.5 Texts

Good posts are characterized by appropriate and active language, conciseness and brevity—longer posts should be published as blog posts or articles. In general, the methods of “storytelling” also apply to corporate influencers, e.g., the well-known structure of the “hero’s journey.” However, classic journalistic forms can also be used successfully, from the news item to feature or interview to commentary.

20.3.6 Pictures

Communication and advertising today are strongly visual—suitable visual material is also indispensable on social media. On the one hand, it helps the reader to grasp the content, and on the other hand, it serves as a lead for the post. Readers often scroll through their stream, and then, as with a newspaper, they first “stick” to the picture before they enter the text. But the visual competition is high, so that an at least semi-professional level is required for one’s own pictures. Besides of own photos, the picture database of the own company (in compliance to the company’s rules) or external stock databases may be used.

Typical image types are:

- Photos of events, fairs, congresses
- Portraits, if necessary, as “Quote Card” with a quotation of the person depicted (Fig. 20.3)
- Machines, plants, technical equipment
- Group pictures, visitor groups

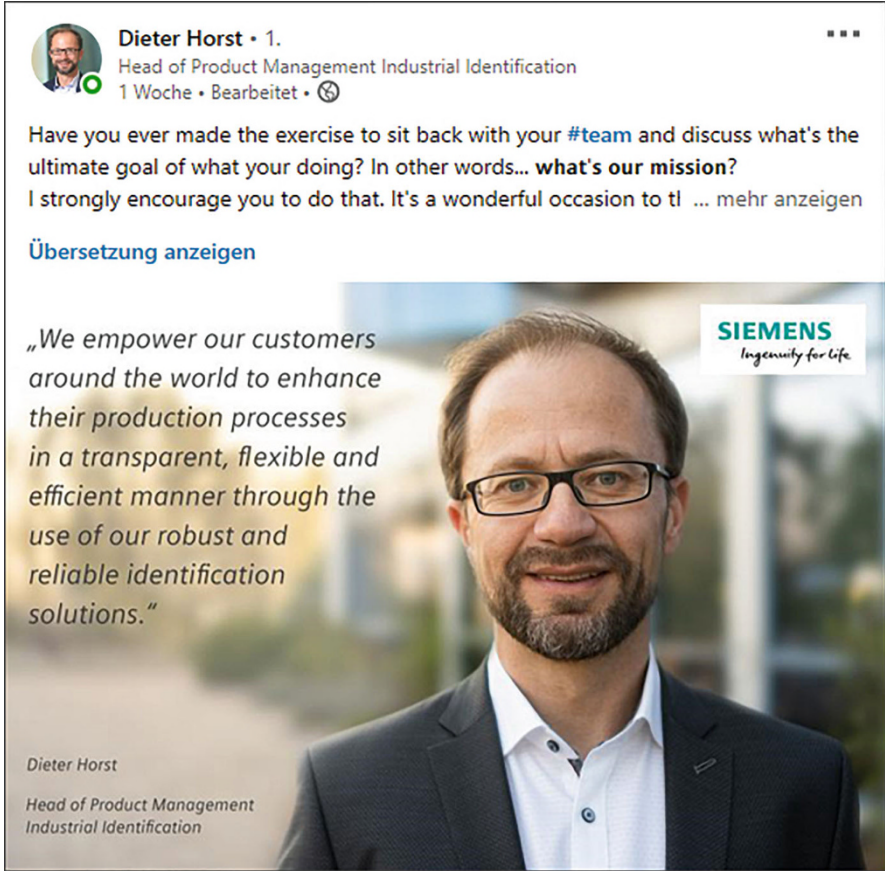


Fig. 20.3 Example of a quota card (https://www.linkedin.com/posts/dieter-horst_team-identification-rfid-activity-6666288299658756096-Z_GH, Accessed May 27, 2020)

- Info graphics
- And much more

Self-portraits (“selfies”) can also be used in the B2B context, but should convey added value for the reader—either with a clear message (e.g., as a quota card) or as an occasional diversion at events that are actually interesting (e.g., meeting the CEO). Used too often, the impression can be created that it is less about real content than about self-presentation.

20.3.7 Videos

For many years now, videos have become increasingly popular as a content format, which is certainly also related to the available bandwidth. Videos are also a popular medium in the B2B sector, from image films to instructions on how to use products. Most platforms now allow the native upload of videos—so it does not have to be just YouTube.

However, videos must meet the specific requirements of the chosen platform. Thus, content and platform must match: While YouTube is primarily suited as a “visual library” and videos are often enough found directly from Google, LinkedIn is more of a news channel that quickly reaches a large number of members, but a video also disappears after a few days (like all other posts). Reports from trade fairs and congresses, the recording of lectures or short animations have proven themselves on LinkedIn.

Further recommendations result from the technical possibilities of the platforms and the user behavior. For LinkedIn, for example, it makes sense:

- Rather short videos (shorter than 2 min).
- Since videos are usually started in “Silent Mode,” subtitles are required.
- An interesting opening image, since on LinkedIn the first frame of the video is always shown as preview image (different from YouTube).

As with photographs, care must be taken to ensure that the quality is sufficiently professional. Shaky mobile phone videos probably do not correspond to the desired self-portrayal, but this leads to elaborate productions (equipment, division into scenes, additional recording material and animations, editing, decorations such as title inserts, etc.). If a corporate influencer has an affinity for such tasks, it often works without an agency—but the time required is significantly higher than for pure text posts. Since the reach of videos is not automatically higher, or in some cases a text post is even better suited due to the faster consumption, a consideration should be made in the concrete case according to the topics and profile of the influencer as well as some practical tests.

20.3.8 Frequency

How often should a corporate influencer publish his posts? This depends on the platform: The faster moving (like Twitter) the more often; on LinkedIn twice a week is a good rule of thumb. On the other hand, the topicality context must be taken into account: Posts from leading trade fairs (e.g., the Hannover Messe Industry) may well come in daily or even more frequently, especially if there is a real added value (e.g., product introductions, references to events, additional offers such as presentation documents for download). However, the frequency must always be weighed against the receptiveness of the followers—who always wants to see the same influencer at

the top of their stream? Some platforms (e.g., LinkedIn) therefore reduce the value of posts in the algorithm if someone publishes too often.

20.3.9 Theme Selection

Almost all company information that is interesting for the target group is suitable as topics. For corporate influencers these can be, among others:

- New products
- Technical information (“Did you know?”)
- Special offers and promotions
- Announcement and reporting on events
- White paper
- Publications of professional articles, books
- Reference Projects
- Cooperation
- “Behind the scene”—how do you work at a company
- And much more besides

For internal events, it must be regulated in advance whether reporting on social media is permissible. In addition, the connection to the followers must always be established—why is a sales meeting important for customers, for example? A successful example is shown in Fig. 20.4: Here, product training was emphasized in the context of a conference so that sales staff can better meet the needs of customers.

With all ideas on topics, the narrative of the influencer must always be considered. What works for the general manager is not automatically the right topic for the subject expert—and vice versa.

20.3.10 Editorial Planning

However, in order to have enough material available, or to keep track of things in hectic times like at large trade fairs, it is advisable to draw up an editorial plan. A simple Excel spreadsheet is sufficient to track topics and their production status via color coding (Fig. 20.5). There is also a list of prepared topics that can be placed at any time. The advantage: materials are organized in good time (e.g., photos), and gaps in the editorial plan can be filled from “the fund.”

20.3.11 Curation

Besides publishing your own content, interaction with other members on the platform is necessary. Thus, one’s own contributions must be regularly checked for

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The role of modern sales is more about supporting our customers as a navigator through complex technology landscapes rather than just taking orders. This is why we invest a whole day of our annual sales conference in hands-on training and talk time with the headquarter experts – making sure that everyone understand the specific benefits of our recent #innovations like #Simatic #Cloud Connect. – For us, this is another building block to create the highest possible #value for our customers!

Siemens Industry, Vivek Roy #DigitalTransformation




Fig. 20.4 A general manager posts about his participation in a sales meeting (https://www.linkedin.com/posts/herbert-wegmann_innovations-simatic-cloud-activity-6592436030618521600-YwnQ, Accessed 29.05.2020)

	A	B	C	D	E	F	G	H	I	J	K
1	2019	Focus	MO	DI	MI	DO	FR	SA	SO		
2	14.10.2019			MBOipfel	Marconomy				CC7 Whitepaper		
3	21.10.2019			CIS	CIS	CIS					Colors:
4	28.10.2019	RIB		Vortrag KM/MM							Done
5	04.11.2019	SPS HeatUp			RTLS Teaser				Quality by Design		Ready
6	11.11.2019	SPS HeatUp		MFK Blog		MFK Blog		Metzler Video			Input needed
7	18.11.2019	SPS HeatUp		Blog khe		Teaser Automation Forum		[A] Sinec NMS			Highlight
8	25.11.2019	SPS Fair	CP1545-1	RTU/DALC	Vortrag Aurnheimer	SCP					
9			Team Siemens - Vorträge	[A] OPC / Iioope	Use Case PrediQ	[A] Wireless O&G					
10	02.12.2019					RTLS		Buchverlosung			
11	09.12.2019	Vortrags-Video							RTLS-Video		
12	16.12.2019	Buch-Gewinner			Systemtest						
13	23.12.2019			XMAS		Walk the Talk - Security					

Fig. 20.5 Example of an editorial plan

comments that require an answer—either because someone asks for further information or because there are critical voices. Freedom of opinion should be respected, i.e., as long as a comment remains factual, critical comments should also be accepted. Commentary battles where it is only a matter of being right are to be avoided. Insulting comments or those with which competitors simply hijack a post to point out their own solutions may be deleted.

But interaction is also important with other members. For one thing, because some algorithms put the “social” before the “media,” i.e., reward some interaction with members with higher visibility. On the other hand, one’s own reputation can be improved if posts by industry influencers are commented intelligently or at least with added value.

20.3.12 Developing a Network

A final, important part of the Corporate Influencer activity is the development of its own network. This is done first and foremost by posting interesting contributions but can be supported by complementary measures. These include actively inviting customers, colleagues, study friends, etc., but also responding to “likes” and comments on your own posts. Especially the quick contact after an interaction promises a high acceptance rate, because the potential contact has just positively evaluated the content.

20.4 The Corporate Influencing Program in the Company

Corporate Influencing can not only be seen as a phenomenon, but also actively developed as a program by a company. For this purpose, the following seven building blocks recommended.

20.4.1 The Seven Building Blocks of Corporate Influencing

- *Develop Objectives and Rough Rules:* What does a company want to achieve, and what rules of the game will there be? The goals should be chosen realistically—corporate influencing can offer a wider reach, but certainly not provide a 1:1 influence on sales or contract conclusions. In addition, it is necessary to embed the objectives in the general communication goals. When it comes to the rules of the game, it must always be remembered that corporate influencers usually act voluntarily—too many rules will become a motivation killer. Moreover, a culture of coordination and approval is not compatible with the speed of social media. It must also be clarified to what extent the influencers are allowed to use company materials (e.g., photos or videos).

- *Consent of Management:* The work of corporate influencers must be covered by management, and ideally should also be noted in the job description of the respective employees.
- *Attracting Employees:* Corporate influencers should be experts in their respective fields and must enjoy writing—this is the only way to ensure a fresh and continuous appearance in social media. Since employees work on their private accounts, the voluntary nature of their work must also be taken into account. Well suited for first attempts are those employees who repeatedly publish in specialist media or regularly give lectures.
- *Training:* Training is indispensable to reduce the learning curve of individual employees. Contents for training courses are therefore both the mechanics of the selected platforms, examples of dos and don'ts and the internal rules. In addition, the essential elements of the brand personality should be part of the training and how an employee can contribute to the further development of the brand as an ambassador.
- *Accompaniment:* Influencers will go through a development over time, from the first attempts at walking to becoming “old hands.” This is where company departments can provide support, e.g., by having their posts and profile reviewed by communication experts or by providing special training (e.g., speaking in front of the camera). The provision of posts or materials is also part of the support. However, this accompaniment must not degenerate into a control, as this can damage the motivation and also the authenticity of the influencer.
- *Networking:* In order to enable the development of individual influencers, networking among each other is useful, also in the context of training courses and workshops. In this way, a community can be built up that exchanges recipes for success, can complement each other in terms of content, or can also help to “push” posts with comments and likes. However, networking also affects the official communication points in the company: Every influencer should know which PR professional he/she can turn to in an emergency (e.g., for critical comments). And even full-time communicators need to know “their” influencers in order to be able to support them when needed.
- *Trouble Shooting:* Influencers should not be left alone in critical situations but may need the support of PR professionals—even if the risk for shitstorms is often overestimated.

When selecting and positioning influencers, it makes sense for companies to cover the different levels of communication well. For example, technical or process-related issues can be communicated well by business experts. In larger contexts, members of middle management can then act, e.g., a head of product management. Finally, the top management addresses the major strategic issues, also in connection with, e.g.,

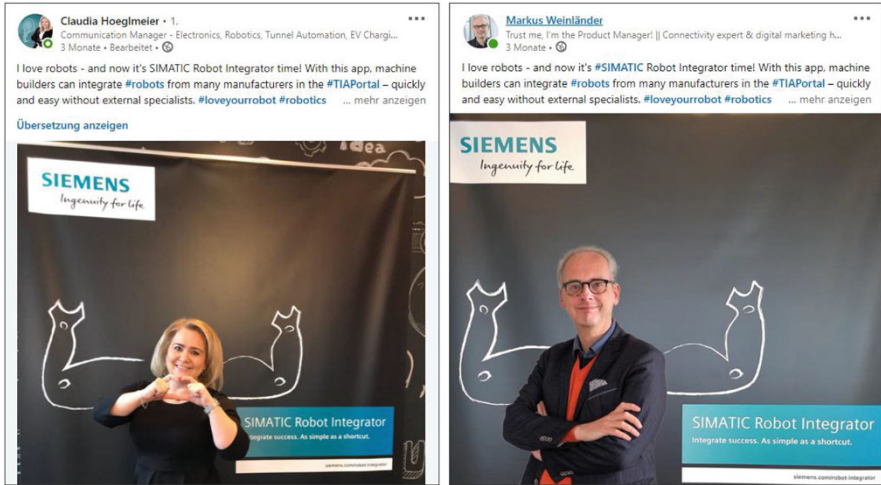


Fig. 20.6 Example of a coordinated influencer campaign: “Simatic Robot Integrator” (https://www.linkedin.com/posts/claudia-hoeglmeier_robots-tiaportal-loveyourrobot-activity-6633268163872079872-AhKi/ und https://www.linkedin.com/posts/markus-weinlaender_simatic-robots-tiaportal-activity-6633266546909163520-HS11/, Accessed: May 27, 2020)

macroeconomic or social trends. Such an influencer structure can be further refined and controlled through sophisticated typologies.¹³

20.4.2 Relevance of Networked Campaigns

Occasionally, the networking of influencers can also be successfully used for combined campaigns. For example, Siemens AG had photographed 24 of its own corporate influencers from the industrial sector with a continuous image motif for the topic “Simatic Robot Integrator” and played out the posts in a concerted manner in just a few days (Fig. 20.6). As a result, the 24 Corporate Influencers on LinkedIn achieved a total of over 134,000 views with over 2700 interactions—at a cost of just a few hours’ effort and expenses of a few hundred euros.

20.4.3 Required Change in the Communications Departments

As part of a corporate influencing program, the communications department will also have to rethink its own role. Whereas the “communications sovereignty” was

¹³E.g. at Deutsche Telekom: <https://www.pressesprecher.com/nachrichten/wie-die-telekom-corporate-influencer-nutzt-162679779>, Accessed: May 27, 2020.

previously bundled there, part of this role will now be handed over to the influencers. Clarissa Haller (Siemens) speaks of a “controlled loss of control,”¹⁴ Philipp Schindera (Deutsche Telekom) predicts the “end of the communications police.”¹⁵ Instead, the communications department is developing into a role of companion, mentor, and coach, as well as support for topic identification and content modules. Posts for top management also often emerge from the communications department, which usually requires close and trusting cooperation with a “personal” social media speaker.

20.5 Evaluation of the Results

What exactly can be achieved through corporate influencing? Evaluation is difficult in that key performance indicators (KPI) for PR work are often of limited value. They are most likely to show how individual measures develop over time. However, there are also qualitative results that can justify their use.

20.5.1 Use of KPIs

Even without paid “pro” accounts, the platforms themselves provide some indicators of the success of posts. From this, further indicators can be derived which may be relevant depending on the objective (see Table 20.1).

In addition, some platforms offer special KPIs. On LinkedIn, for example, the “Social Selling Index” (SSI) can be accessed by every member,¹⁶ which provides a ranking of the member in comparison to other members in the network and the industry, as well as a rating in four defined categories. The basics of such KPIs are usually not comprehensible. Nevertheless, such information is valuable, as it ultimately reflects how the algorithm rates a member. Evaluation over a certain period of time can also provide helpful information on the performance of an influencer.

20.5.2 Qualitative Results

In addition to the KPIs, there are a number of qualitative results that speak for the use of corporate influencers.

¹⁴<https://www.pressesprecher.com/nachrichten/siemens-warum-haller-kontrolle-abgibt-719299336>, Accessed: 27.05.2020.

¹⁵<https://www.youtube.com/watch?v=-r2sTlyF7Yw>, Accessed: May 27, 2020.

¹⁶<https://www.linkedin.com/sales/ssi>, Accessed: May 27, 2020.

Table 20.1 Indicators for measuring success on social media

Indicator	Explanation/determination
Follower	Number of followers of a member.
Views	How often has a post been seen? The exact definition depends on the platform and sometimes even on the content type. Example: For a normal post on LinkedIn, the pure display counts as “view” (even if the user scrolled on in fractions of a second); for LinkedIn videos, the movie must have played for at least 3 seconds.
Likes	How often have users clicked “like”
Comments	How many comments were made on a post. This form of interaction is particularly highly rated on some platforms.
Shares	How many times has a contribution been divided again
Clicks	How often was the link in a post clicked (LinkedIn not available)
Interactions	Sum of all likes, comments, shares, and clicks
Commitment	Indicates how strongly a post has been interacted with (Interactions/Views)
Reach	Indicates how far a contribution was visible beyond the own network (Views/Follower)
Activation	Indicates how strongly the followers were activated for an interaction (Follower/Interactions)

Through their activity and visibility, corporate influencers gain a reputation as experts in their field, which in turn reflects back on the company and the brand. Companies can thus make their expertise clear, e.g., on specific technologies or processes. The brand also gets a “face”—tangible people who bring the brand core to life.

In addition, Corporate Influencer also enables you to address topics that are difficult to place via “official” channels. Especially the evaluation of trends and current developments, the “elaboration” of individual product features, personal opinions on trade fair highlights, or an interesting “look behind the scenes” can be interesting for followers without these topics claiming a place in official corporate communication. Especially in corporations, where it may be necessary to limit the quantity of reports and publications out of consideration for the receptiveness of the media, this can lead to an important enrichment of communication.

Furthermore, corporate influencers can succeed in binding their customers more closely to the company—on the one hand through personal exchanges on posts, and on the other through the relevance and quality of the posted content.

Finally, from the company’s point of view, the contents can be used more widely in a “digital exploitation chain.” Instead of a single publication, e.g., a specialist article, the content can be split up into different posts and tweets and made available to influencers, appear in revised or foreign-language form on the corporate blog or be made available as a PDF download in a LinkedIn post. As a result, this exploitation chain can lead to a significant increase in reach for individual assets.

20.6 Conclusion and Outlook

Corporate influencers can make a significant contribution to the communication impact of a company. They position themselves successfully in the social media by means of authentic and content-wise valuable posts in order to create an agenda setting, to anchor the offer of a company in the decision-making process of customers or to make the company attractive for future employees.

But the landscape of social media will continue to develop dynamically in the future. What today appears to be a recipe for success—even when using corporate influencers—may be outdated tomorrow and replaced by other methods or concepts. To a certain extent, this also applies to the social media platforms themselves.

Nevertheless, corporate influencers are an important step toward more authenticity and customer proximity—advantages that will certainly become even more important in the future.

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Digital Marketing in China: How B2B Companies Can Successfully Expand into the Chinese Market

21

Nils Horstmann



21.1 Introduction to Digital Marketing in China

When the winds of change blows, some people build walls and others build windmills.
(Chinese proverb)

China's economy is booming—the growing middle class and the high demand for “Western” goods offer a great opportunity for foreign companies. However, while brands such as Volkswagen, Nike, or Chanel are highly successful in the B2C sector, B2B companies often struggle to adapt their marketing strategies to the Chinese market.

These days, the “bonus” of being a foreign brand is no longer sufficient for the final purchase decision. Anyone who wants to operate successfully in China needs knowledge of the country's market and specific expertise as well as cultural understanding as central success factors: both are often either not available or only insufficiently available in global marketing departments. On this basis, marketers must develop the right strategy for their business and implement it throughout the

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entire marketing mix. Established marketing strategies from other countries can therefore not be transferred on a 1:1 basis.

A special focus lies on the digital area whose services and tools dominate both private and professional daily life in China. For western companies, however, the Chinese digital landscape is a great challenge. Well-known and popular services from Google (including YouTube and Google Analytics) as well as Facebook or Instagram are blocked in China.

The market in China is dominated by big players like Alibaba and Tencent, who offer their own services and tools. These do not only replace their Western counterparts, but often even outperform them technically. In fact, they are simply better adapted to the Chinese market.¹

21.2 Cultural and Technical Differences

China is not just “another country” in the global marketing strategy, it is a completely different world both culturally and digitally. B2B strategies and B2B success factors, while not fundamentally different, need to be localized and adapted. Even though “classic” offline marketing, with activities such as trade fairs or cold calls, is very important in many regions and industries, the use of online media in B2B is significantly stronger than in Western countries. Virtually every Chinese business contact obtains information about companies, services, and products online in advance as part of their “Buyers Journey.” Therefore, a great deal of effort must be put into digital marketing. In the process, online and offline merge into a “one-channel” strategy—including the popular and intensively used QR codes. So, the question is not whether to do digital marketing, but rather how to do it.

The digital landscape in China is fundamentally different compared to the Western digital landscape. The most popular example is WeChat, which is used by more than 90% of the users²—also in work communication—and therefore strongly replaces emails, which are still very popular in Germany. With its wide range of functions and high degree of distribution, there is no western counterpart to WeChat, and Mark Zuckerberg is right to use it as a role model for his planned “super app.”³ This example makes it clear that strategies not only have to be localized for China, but that vice versa impulses for global marketing strategies are coming from China: So “global to local” becomes “local to global.”

The cultural differences are significant as well: for example, Chinese culture has a strong focus on relationship management (the Chinese magic word for this is “guanxi”), which must be understood and adapted by Western companies. With

¹<https://www.eviom.com/china-marketing/china-b2b-marketing/>. Accessed: June 2, 2020.

²<https://de.statista.com/statistik/daten/studie/360584/umfrage/anteil-der-wechat-nutzer-in-ausgewaehlten-laendern-weltweit/>. Accessed: June 2, 2020.

³<https://www.nytimes.com/2019/03/07/technology/facebook-zuckerberg-wechat.html>. Accessed: May 15, 2020.

offers in English, for example, on the website, you can reach a large part of the Western world, but not many Chinese companies. Even if more and more young Chinese understand English, a Chinese version of your website is a prerequisite for understanding, acceptance, and trust.⁴

21.2.1 Differences in the Digital Landscape

There are two fundamental differences in the Chinese digital landscape: the technical framework conditions and platforms and their importance in B2B marketing. China is surrounded by a “Great Firewall of China,” which monitors data streams to and from China in legislative and technical terms. Accordingly, content hosted abroad is accessed much more slowly and is sometimes even blocked in case of content and/or technical violations. This not only affects websites, but also, for example, videos on the website that are hosted on YouTube, since YouTube as a company by Google is blocked. Companies or subsidiaries located in China should therefore be sure to provide local hosting. The best possible accessibility from all over China is provided by a CDN provider (Content Delivery Networks). For hosting in China, an ICP filing from the Chinese Ministry of State is mandatory, which is only available for Chinese companies.

Many of the western platforms and services such as Google, Facebook, or WhatsApp are blocked and only accessible via VPN access. For all these services, however, there are generally equal or better Chinese alternatives, which are also used frequently by the Chinese B2B target group. The central communication platform—even in B2B—is WeChat, which forms its own unique cosmos with extensive functions, including payment, and has reduced e-mail usage to one third. WeChat can now also be used directly by “oversea” companies outside China, for example, in Germany. Social media is a central component of business communication in China—business cards are still exchanged as a sign of courtesy and respect, but immediately afterward the WeChat QR codes are mutually scanned for further communication.

High-quality traffic is generated by online research, especially from search engines like the market leader Baidu. But Baidu is not just another Google: As the most important and high-performance search engine for Chinese content, Baidu has its own services (“properties”) such as Baike (wiki), Wenku (content sharing), Tieba (forums), Zhihu (Q&A), and of course Baidu Ads (an advertising platform similar to Google Ads), which can be used to build visibility and trust, share content and generate traffic and leads.⁵ The website also plays an important role as information

⁴<https://hbr.org/2010/02/chinas-internet-obsession>. Accessed: June 2, 2020.

⁵<http://ir.baidu.com/Baidu-Core/>. Accessed: June 2, 2020.

hub in B2B marketing, but it should be adapted to local conditions. This includes—in addition to technical hosting in China, e.g., via a mirror solution—the availability in the Chinese language as well as the adaptation of image materials and the integration of videos hosted via Chinese video services such as Youku or Tencent Video. Some Chinese companies are even completely renouncing their website and publishing and communicating exclusively via WeChat. If you want to engage in B2B commerce, you should also not only rely on your own website but use the opportunities and possibilities of the Chinese platforms such as Alibaba, JD, or even WeChat for your own business.

21.2.2 User Behavior and Expectations

You will meet the Chinese consumer and business partner first of all online. For professional presentation, you need to be present at all important touchpoints. This includes a website in Mandarin—ideally with a CN domain for China, alternatively a .COM address, good visibility in search engines such as Baidu and official social media accounts. Your Chinese consumers also expect high-quality, comprehensive, and multimedia content.⁶ Detailed product descriptions and customer reviews in Chinese are essential for your Chinese consumers. In combination with offline stores, you can make a real difference! With the help of videos and live streaming, blogs, the use of “advocates” and recommendations as well as detailed company articles, you can build up credibility and trust. Excellent and fast customer service across all touchpoints will help you stand out from the competition, because your Chinese customer will compare national and international service.⁷

21.3 The Customer Journey in China: Touchpoints and Channels

The average Internet user is younger, better informed, and wealthier.⁸ As a result, the demands of Chinese consumers are increasing, as they expect a consistent user experience across all online and offline channels.

⁶<https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/segmenting-chinas-digital-consumers>. Accessed: June 2, 2020.

⁷<https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/chinas-new-pragmatic-consumers>. Accessed: June 2, 2020.

⁸<https://www.absatzwirtschaft.de/das-sind-die-wichtigsten-werte-fuer-chinas-konsumenten-165393/>. Accessed: June 2, 2020.

Case Study: Trade Fairs

International trade fairs such as the Hanover Industrial Fair are of great importance in B2B business and regularly attract many exhibitors and visitors from China. They should be addressed and informed in advance through digital marketing measures such as advertising in Baidu. The services can go as far as sending out admission tickets and arranging online appointments. On the trade fair itself, QR code and push notifications can be used to provide information. Visitors can be invited to follow the company via WeChat. This way, you will receive valuable contacts directly in your CRM and can continue to nurture them after the trade fair—ideally also via WeChat. By doing so you create a consistent experience and set yourself apart from the competition.

The multitude of online platforms makes it difficult for international companies to enter the Chinese market. Maintaining one website is seldom enough: combining essential platforms makes the real difference. The Chinese market has a variety of online platforms that are used by consumers. Figure 21.1 shows the main Chinese platforms grouped by category.

21.4 Digital Success Factors and Important Touchpoints

21.4.1 Domain and Hosting

As mentioned in the introduction, a so-called “Great Firewall of China” (GFW) has been established.⁹ This makes it difficult for foreign companies without a registered business location in China to host their website via a local hosting provider in order to enable Chinese users to use the website more quickly and conveniently. This is because before hosting in China, a so-called “Internet Content Provider” (ICP) Filing for the website must be applied for at the Chinese Ministry of Industry and Information Technology (MIIT).¹⁰ All websites that are hosted in China have such an ICP Filing and have to display it in their footer at the bottom of their website.¹¹

The graphic shows an example from the Chinese Mercedes Benz domain www.mercedes-benz.com.cn. The ICP Filing is identified by the registration location (the first character) and the following letters ICP. Web sites that have such an ICP Filing are registered on a server or a so-called Content Delivery Network (CDN) on the Chinese mainland.¹²

⁹<https://www.bloomberg.com/quicktake/great-firewall-of-china>. Accessed: June 2, 2020.

¹⁰<https://www.eviom.com/icp-filing-china/>. Accessed: June 2, 2020.

¹¹https://medium.com/@Alibaba_Cloud/web-hosting-in-china-what-you-need-to-know-1b050374c61b. Accessed: May 27, 2020.

¹²<https://nhglobalpartners.com/what-is-icp-license-how-to-get-one/>. Accessed: June 2, 2020.



Fig. 21.1 Overview of important Chinese digital channels

ICP Filing is also called “Bei’ An” in Chinese and is a basic requirement for any website to be hosted in Mainland China. This registration enables the hosting purely for the dissemination of information. For example, universities or purely informative websites that provide marketing information require ICP Filing. Whereas websites with a digital payment connection require a so-called “commercial” ICP license. This is called “ICP Zheng” in Chinese and allows to sell goods and services directly through the website.¹³

Applying for an ICP registration and hosting your website in Mainland China ensures that your website will load faster. Especially information-intensive or resource-intensive websites will definitely benefit from hosting in China.

¹³<https://www.quantil.com/content-delivery-insights/icp-certification-china/>. Accessed: June 2, 2020.

Simultaneously, a faster loading speed and a stable website will generate more traffic and a higher ranking in the search result pages of search engines such as Baidu, Sogou and 360. In addition, some Baidu properties such as Baidu Wenku or market-specific distribution platforms such as 1688 from Alibaba require an ICP registration.

In recent years, many international companies have tried to work around the legal problem by hosting in Hong Kong. Although Hong Kong is also located outside the firewall, it is the logistically the closest possible hosting option without an ICP registration. Hosting a website in Hong Kong, which is very easy for Western companies, is therefore an alternative solution and the accessibility of data there is often faster and more convenient for users from the Chinese “mainland” than content from Europe or the USA.

Many businesses that have been active in the Chinese market for several years have developed a Chinese language website, which is not hosted in China. This results in slower content, long loading times, and sometimes even unreachable image, video, or text content. Therefore, if you want to provide your Chinese target group with complete and country-specific content, you must first create a solid basis for the website by hosting it in Mainland China.¹⁴

With regard to the choice of a domain name or a domain ending, it is important to distinguish between the technical perspective and the user perspective. This has changed in the last few years. For your understanding: search engines like Baidu are in Chinese with completely Chinese interfaces, made by Chinese for Chinese. Therefore, content that is written in Chinese and hosted in China is prioritized. However, this does not necessarily apply to the actual domain ending (TLD = Top-Level Domain). The official country TLD for China is .CN, although Baidu itself is operated under a .COM address. A .CN domain is therefore a sign for the users, which ensures that this website is optimized for Chinese users. However, both from the point of view of users and search engine optimization (SEO), avoid hosting content for the Chinese market under other country TLD such as a .DE or .FR domain. Also generic or sponsored TLDs such as .INFO or .WEB should be avoided.

Case Study: International Domain Structure

Many companies use a .COM domain internationally and maintain the translated/localized content either as a sub-domain ([cn.name.com](#)) or as a folder ([name.com/cn](#)). Technically, a sub-domain is a separate website, whereas a folder is a “part” of an entire website. Both solutions are not ideal for the market leader Baidu, although for Google this is not a big issue. For example, Baidu does not support the usual country-specific content labeling (“Hreflang”) and loses focus on Chinese content when indexing. The best solution is thus separate hosting and a separate domain for the Chinese market.

¹⁴<https://worldsites-schweiz.ch/blog/google-ads/baidu-marketing-china/hosting-in-china-mit-icp-lizenz.htm>. Accessed: May 26, 2020.

21.4.2 Search Marketing and Baidu

Of China's 800 million Internet users,¹⁵ over 650 million regularly use search engines. In Europe, it is unthinkable to develop a search marketing strategy and leave Google out in the cold. But in Mainland China, the leading global search engine is used far less than its Chinese counterpart Baidu, which specializes in indexing Chinese content. Baidu is one of the largest internet companies in China and is considered the most important search engine in China with a market share of 74.63%, followed by Shenma with 13.52% and Sogou with only 4.78%. Google's share is negligible at 2.03%.¹⁶

The small market share of Google as a search engine is not surprising, since many search queries are blocked from the first attempt and Baidu probably simply gives better results when indexing Chinese content. For example, if you try to type in a search term on google.cn, you will be forwarded directly to the Google interface google.com.hk in Hong Kong. Nevertheless, there are of course ways to work around the "Great Firewall of China:" with a virtual private network (VPN) it is relatively easy to gain access to Google and Co. But companies operating in China should focus on the Chinese search engine Baidu and its properties.¹⁷

The following overview provides you with the most important facts for successful search engine marketing in Baidu:

- *Search Engine Services*
Cloud computing, mobile payment, travel portals, maps, music and video search, online encyclopedias, and advertising.
- *Language Settings*
Baidu and its interfaces like Ads are only available in High Chinese (or also: Mandarin), so it is very important to realize the whole marketing process in cooperation with native speakers.
- *Baidu Properties*
Baidu offers "vertical search engines" similar to Google Maps or Google Shopping. Among the most important Baidu properties are Baidu Baike, Wenku und Zhidao. Baike corresponds to the German Wikipedia and is China's largest online encyclopedia. Wenku is a document sharing platform. Private users as well as companies publish detailed information on specific topics online. Zhidao (literally "knowledge") provides a platform to ask questions and provide answers, similar to Quora.¹⁸

¹⁵<https://www.statista.com>. Accessed: May 17, 2020.

¹⁶<https://de.statista.com/statistik/daten/studie/761665/umfrage/marktanteile-von-suchmaschinen-in-china/>. Accessed: June 2, 2020.

¹⁷<https://de.statista.com/infografik/5471/suchmaschinenmarktanteile-usa-europa-china/>. Accessed: June 2, 2020.

¹⁸<https://www.dragonmetrics.com/baidu-seo-guide/>. Accessed: June 2, 2020.

- *Advertisement (Baidu Ads)*

Ads are usually placed on the right side but may also appear in random order in the SERPs and are generally clearly recognizable as ads. In addition, there is the possibility to provide information about brands in the so-called “Brand Zone”. Setting up a Baidu account, however, is very complex and time-consuming and is also only available in High Chinese. Sometimes ads are so prominently and comprehensively displayed in the search results that the actual, “natural” and organic results (via SEO) are displaced from visibility. The use of Baidu Ads is therefore even more important than the use of Google Ads if you want to ensure visibility in Baidu.¹⁹

- *Search Engine Optimization (SEO)*

Baidu uses its own crawler Baidu spider. Relevance, content, visual design, and backlinks play an important role in the ranking of the websites in the SERPs. Sites hosted outside the country and the “Great Firewall” often have very long loading times, which has a high impact on mobile Internet use. A high-performance hosting is therefore an essential requirement in China. Indirect ranking signals such as a high bounce rate, i.e., when a user leaves their site quickly and returns to Baidu because the search results were not optimized for their (Chinese) needs, are also becoming increasingly important. Offsite SEO—especially through strong and topic relevant backlinks—is also important. Technically, Baidu is a bit lagging behind Google in this area, which means that backlinking in China is often even more “aggressive” and that techniques which no longer function for Google still work for Baidu. For a long-term and stable visibility of your website, you should avoid “offensive” link building measures and should support and optimize the natural link building process.

- *Sogou, Shenma and Co.*

Sogou is one of the most important search engines on the Chinese market.²⁰ But regardless of the ranking position, Sogou plays a key role in search marketing in China. It is crucial that Sogou is originating from Tencent and is used as the standard search engine on QQ and WeChat (!) as a result. Nevertheless, there is no general statement that Sogou is more important than other search engines. While the Chinese search market is clearly dominated by Baidu like the Western search market is dominated by Google, there are several competitors for the second place depending on the use and platform. These include Shenma, a “mobile-first” search engine from e-commerce giant Alibaba. In addition, in the B2B context, the search engine Haosou (formerly known as 360) is particularly important and roughly mirrors the role of Bing in Germany.

¹⁹<https://www.eviom.com/baidu-so-unterscheidet-sich-die-chinesische-suchmaschine-von-google/>. Accessed: June 2, 2020.

²⁰<https://www.searchenginewatch.com/2017/11/02/what-do-you-need-to-know-about-chinese-search-engine-sogou/>. Accessed: June 2, 2020.

21.4.3 WeChat

The lifestyle app “WeChat” (Chinese “Wēixìn”) by Internet giant Tencent already has more than 1 billion daily users and is THE (digital) center of life for many Chinese people—especially due to the strong mobile use.²¹ WeChat offers different account types with individual menus, mini program integrations and games, e-commerce functions as well as payment services and therefore combines many functions of western platforms like Facebook, WhatsApp, PayPal, and Amazon in only one “all-in-one”—App.

It is this combination that opens up great opportunities for B2B and B2C companies, because users do not need to leave WeChat in order to contact and communicate with brands, find shops or products and can also pay directly—online AND offline! Easy-to-use sharing functions ensure that your content is quickly distributed by your followers, e.g., in their “moments,” and establishes trust with third parties. Official accounts can even integrate their own apps (mini programs). A WeChat profile is therefore more important than a website for many Chinese companies. Especially popular is the use of QR codes in online and offline marketing such as on flyers: this is the easiest way to add new accounts/companies and friends, advertising campaigns, pay the taxi, or even make a donation to a street musician.

Thanks to extensive controls during the account registration process, WeChat avoids fake accounts just like Facebook and therefore ensures the professional use of the app. After the registration, users have access to free chat services as well as telephone and video call functions. For private and business use of WeChat, there are different account types that allow for individual authorization and marketing activities via API interfaces. Each corporate account is an “Official Account,” which is subdivided into different platform versions (China or International), account types (subscription and service), and verification status (verified and unverified).

There are essentially two options for businesses:

1. Subscription Accounts

These accounts focus on information and brand communication and are used as a daily news feed. Only these types of accounts can be used by individuals like bloggers and celebrities. They are well suited for companies that wish to communicate with their customers and publish content on a daily basis.²²

2. Service Accounts

Service Accounts offer many functionalities such as API integration, e-commerce, and CRM features. Verified accounts can also be used for WeChat Pay and WeChat Stores. Although companies can only post up to six articles four times a month, these appear—in contrast to subscription accounts—as “push

²¹<https://de.statista.com/statistik/daten/studie/311381/umfrage/anzahl-der-monatlich-aktiven-nutzer-von-wechat-weltweit/>. Accessed: June 2, 2020.

²²<https://kf.qq.com/faq/120911VrYVrA130805byM32u.html>. Accessed: May 29, 2020.



Fig. 21.2 Example Chinese Mercedes Benz domain

notification” in the follower’s chat list. The frequency is reduced, but the visibility is much higher!

Service Accounts are therefore the preferred choice for most companies with a larger audience or customer database and are perfectly suited for customer service, as users can send messages directly to the account. In addition, they offer significantly more data and information for companies in the back office, such as the use of QR codes.

Furthermore, there are so-called “Enterprise Accounts.” These can be used primarily for internal communication within companies, similar to, for example, Slack. These accounts are not publicly accessible. They can be extended by third-party APIs to include functions such as video conferencing and content sharing. Figure 21.2 illustrates the requirements for a subscription and service account of WeChat.²³

Case Study: WeChat Accounts for “Oversea Companies”

WeChat is one of the most popular apps in the world. Nevertheless, the use of official accounts has been possible only for companies with a “Chinese business licence” for several years. Since 2018, it is also possible for so-called “Oversea Companies” to open an official account as a foreign company. Numerous features can be used, such as the use of WeChat Ads, Chatbots, and Customer Services. Some core functions such as WeChat Pay or WeChat Store are (currently) still exclusively for Chinese companies.

In addition to the setup of a WeChat account, the promotion of the new account is very important in order to build up a new community in China. You have already made the first successful step into the market with frequent articles about your

²³https://kf.qq.com/faq/120911VrYVrA150918fMZ77R.html?scene_id=kf3386. Accessed: May 29, 2020.

Features & conditions	Subscription Account	Service Account
Number of messages	1x messages per day	4x per month 1–6 articles each
Push notifications	no	yes
WeChat menu	yes	yes
QR-codes	yes	yes
WeChat advertising	yes	yes
API/ pay / store / e-commerce	no	yes

Fig. 21.3 Requirements table subscription and service account WeChat

company and products in Chinese, but what is an account without a community anyway?

With WeChat Targeting you can reach your target group in China. WeChat offers three different types of advertising²⁴:

1. Moments Advertising

The advertising is broadcast in the news feed of private users. Video as well as image or text formats are possible.

2. Official Account Advertising (Banner Advertising)

The advertisement is positioned in another official WeChat account. There are two different types of ads: in article ads and page bottom ads. This means that the advertisement is either displayed in the middle of the article or at the end.

3. Mini Program Advertising

This advertising is broadcast within mini programs (mini games) in WeChat. You can use bottom banner ads (advertising at the end of the mini program), incentive ads (mini game videos), or pop-up ads. Figure 21.3 shows how a WeChat landing page can look like using the example of a Coca Cola mini program in the mobile version.²⁵

In order for a company account to advertise via WeChat, a so-called WeChat promotion account must be applied for.²⁶ You can do this via the WeChat interface. Please make sure you meet the requirements of WeChat, because certain industries and products are not allowed to be marketed via WeChat. This includes, for example, media or the chemical industry. In addition to the classic WeChat advertising

²⁴<https://kf.qq.com/faq/161221FJZZrA1612213AbqUj.html>. Accessed: May 29, 2020.

²⁵<https://ad.weixin.qq.com/guide/107>. Accessed: May 29, 2020.

²⁶<https://t3n.de/news/wechat-official-account-844214/3/>. Accessed: June 2, 2020.

options, there is of course also the possibility of working with KOLs (Key Opinion Leaders).

21.5 Social Media Marketing

As a marketing platform, social media is becoming more important than ever in China and is an integral part of day-to-day life. Due to the high number of users, the Chinese social media market is very appealing. The social media landscape is very diverse, complex, and rapidly changing. Chinese social media platforms often have a lot more functions and are used more intensively due to the higher mobile affinity of the Chinese.

However, there are still certain similarities to Western social media networks, such as the intention of the user to exchange information with other users and companies. Influencer marketing is an important part of marketing for large companies nowadays. The industry is worth billions and continues to grow. Unlike in other countries, opinion leaders in China are not known as influencers, but as KOLs—so-called key opinion leaders.²⁷ They have an even greater influence on buying behavior than the influencers we are familiar with.

In the following section you will find an overview of the most important social media channels in China:

21.5.1 WeChat

WeChat provides all functions of WhatsApp, Facebook, Instagram and PayPal combined in one single channel and features more than 10 million third-party apps. Similar to Facebook, individuals and companies can create an account on WeChat or even create their own individualized Mini Program within the WeChat app. In Fig. 21.4 you can find an example of the Coca Cola Mini Program, which is a customized app within WeChat. In the B2B sector, WeChat is used essentially to build and strengthen customer relationships. Especially the payment function is extremely popular and replaces cash and credit cards (for more details see chapter “WeChat”).

21.5.2 Douyin (TikTok)

In Europe, the short video app is known as TikTok. Originally, Douyin is a Chinese video portal for lip-syncing music videos and other short video clips, which additionally offers social networking features. Douyin Marketing is especially interesting for B2C companies with low-priced everyday products. TikTok is currently one of the fastest-growing social media services and is conquering the western market more and more.

²⁷<https://www.eviom.com/china-marketing/influencer-marketing-china/>. Accessed: June 2, 2020.

Fig. 21.4 Coca Cola Mini Program—WeChat Landingpage (Official Coca Cola WeChat Account. Accessed: May 29, 2020)



21.5.3 Kuaishou

Kuaishou is a Chinese short video app that is structured similar to TikTok. With over 700 million registered users, Kuaishou is the second-largest short video app and the biggest competitor to TikTok. While TikTok mainly promotes consumer goods and fashion products, Kuaishou is especially known for marketing services and gaming apps.

21.5.4 Red

RED, also known as “little Red Book”, is a lifestyle and fashion app. With around 85 million monthly users, it is particularly interesting for companies with a female target group. Besides livestream functions, products can also be directly sold and marketed via an integrated shop. Especially KOL Marketing is very effective and recommendable on RED. In Fig. 21.5 you can see the start page of Nivea Brand Account on RED.



Fig. 21.5 Homepage Nivea Brand Account on RED

21.5.5 Weibo

Weibo is a microblogging platform and is a combination of Facebook and Twitter. Weibo is used to get and share information and communicate with other users. For companies, Weibo is a very important platform to promote their public image. Weibo is also the most popular platform for KOL Ads.

21.5.6 Video Platforms

Everyone who uses Chinese social media or has looked at a Chinese website before knows that Internet users in Mainland China are used to visually moving content. Since YouTube is a Google service and therefore blocked from the Chinese mainland, content on the popular video platform from the USA cannot be displayed or integrated on websites hosted on the Chinese mainland. This is a challenge for many international companies, especially when implementing corporate videos on the Chinese website. In China, the functions of YouTube are carried out by platforms like Youku, iQiyi, or Tencent Videos. These Chinese video platforms offer similar services to YouTube. Company videos can be uploaded, embedded, and distributed beyond the own website. On Youku and Co. you can also set up a company account, but the requirements for a verified company account are complex and restrictive. For example, Tencent Videos only allows Chinese companies to open a company profile.

Another special characteristic of a Chinese video platform is the significantly increased penetration with advertisements. Video platforms such as Youku insert advertising which may be off-topic or even from a competitor before the start of a video clip. But there is a workaround! If you pay an annual fee, no advertising will be displayed on your own videos in Youku.²⁸ But if you do not want to spend money on it, then you should use Tencent Videos to publish videos. Advertisements will be shown there as well, but much less offensive than on Youku. Furthermore, Tencent Videos offers the advantage to implement the videos in WeChat. This is not possible for videos on Youku, because WeChat is provided by Tencent and does not cooperate with the competitor Alibaba.

In addition to the mere availability of video content on your website or social media channels, the linguistic localization of the videos needs to be considered. Even though most of the Chinese population has learned English at school, the Chinese are rather reluctant to learn foreign languages. This means that it would be best if videos in the Chinese language were available to users. For many international companies, adding Chinese subtitles to their videos and using an English voice-over is sufficient.²⁹

An overview of the most popular video platforms in China follows:

21.5.7 Youku

Youku is the largest video sharing platform in China and acts as a counterpart to YouTube. Users can stream or download films and TV shows on Youku. Especially

²⁸<https://interculturecapital.de/online-marketing-china-firmenvideos-auf-chinesischen-webseiten-und-videoplattformen/>. Accessed: May 26, 2020.

²⁹<https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/succeeding-in-chinas-online-video-market> . Accessed: June 2, 2020.

companies can use Youku to reach their target group with video content, which is becoming more and more popular with users, or Youku Ads.

21.5.8 Tencent Video

Tencent Video is one of the most frequently used video platforms in China. As the name suggests, Tencent Video is part of the internet giant Tencent. In contrast to Youku, they also broadcast short films or TV clips. Furthermore, Tencent offers numerous other advantages in comparison to Youku. For example, only Tencent Videos can be integrated into WeChat, since both companies belong to Tencent.

21.5.9 iQiyi

iQiyi, also known as Aiqiyi, is similar to the American provider Netflix in many functions. Besides movies and series, there are music videos and other short videos uploaded from private accounts.

21.5.10 Bilibili

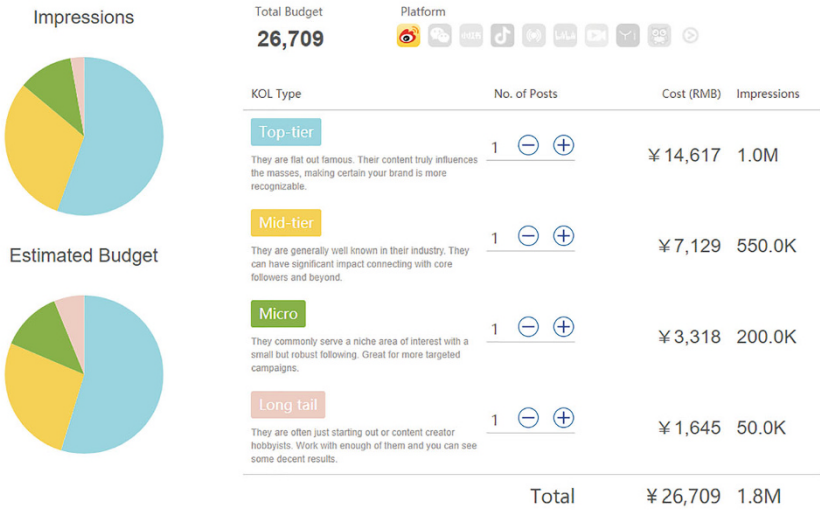
Bilibili is another video sharing platform that focuses on cartoons, comics, and online games in China. A big advantage of the platform is the comment subtitle function for videos.

21.6 KOL: Key Opinion Leaders

Influencer marketing has become an established part of the marketing mix for many Western companies in recent years. However, what many companies do not realize is that the Chinese influencer market is much larger and of greater importance for the marketing of products in China. With around 650 million social media users³⁰ that is no surprise at all! Unlike in other countries, the stars of the internet in China are not known as influencers, but as KOLs—so-called Key Opinion Leaders. They have even more influence on their social media followers than the influencers we know.

³⁰<https://www.statista.com/statistics/277586/number-of-social-network-users-in-china/>. Accessed: May 29, 2020.

PARKLU



* Estimated budget and impression are based on aggregated averages as of Jan 31, 2019. Final confirmed prices and Impression may vary.

Fig. 21.6 Example Chinese KOL network “Parklu” (<http://app.parklu.com/calculator>. Accessed, May 26, 2020)

That is why KOL marketing in China is often the first and also the most effective way to increase sales of certain products or raise brand awareness.³¹

Along with a high number of followers and clicks, the high level of trust of the users is a big bonus of KOL marketing. Statistics show that 49% of Chinese consumers have made a purchase decision based on KOL recommendations. For younger generations, the percentage is even higher! In China, there are different types of KOLs. Unlike in Germany, the influencer market is much bigger and more complex. There is another group of influencers besides KOLs, the so-called KOCs—Key Opinion Consumers. The main difference between KOLs and KOCs is that Key Opinion Consumers do not declare themselves as influencers, but test and evaluate products and services as “private individuals.”

The highly advanced integration of social media, e-commerce, and digital payment providers enables influencers in China to have a variety of opportunities to promote, evaluate, or sell products directly. WeChat, for example, offers the connection of e-shops while e-commerce platforms (e.g., Taobao) integrate social media functions such as live streaming. Using this know-how, the integration of the various online channels and functions offers enormous potential for the market entry of foreign companies (Fig. 21.6).

³¹<https://www.eviom.com/china-marketing/influencer-marketing-china/>. Accessed: May 28, 2020.

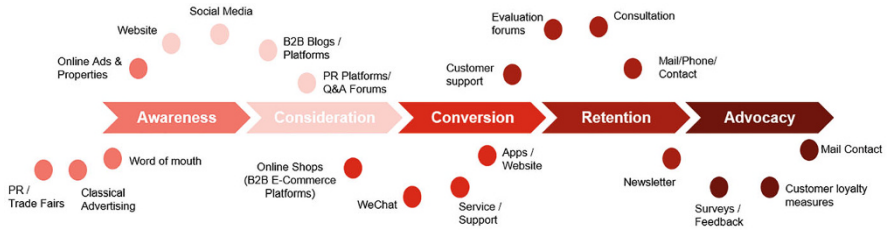


Fig. 21.7 B2B Customer Journey

21.6.1 B2B Commerce

If you want 10,000 new customers you have to build a new warehouse and this and that. For me: two servers. Jack Ma, Executive Chairman of Alibaba

The digital landscape in China is much more diversified and complex than the digital landscape in Europe, as has already been indicated. This also applies to online B2B marketplaces. In contrast to shopping platforms such as Amazon, where you simply enter a search term and make a purchase in the shortest possible time, the research phase and the purchase decision in B2B takes up significantly more time and, above all, individual advice. For this reason, it is necessary for each B2B company to analyze the potentially suitable online marketplaces in China in detail. Depending on the industry, type of production, and/or sales and pricing strategy, different platforms should be selected. For some western B2B companies, niche marketplaces in China may be particularly interesting, as they offer an individual experience as well as a more specific target group.³²

In addition to the time-consuming analysis for specialized B2B marketplaces, there are some more general B2B platforms, such as Global Sources. These platforms are not limited to selling products but help to increase visibility in, for example, Baidu and attract more qualified traffic to other important touchpoints, like the website. Some marketplaces allow the establishment of a so-called Brand Store, which gives users the opportunity to learn more about the company and its products. Most of the time there is also the possibility to contact a representative of the company directly to discuss questions or details. These brand stores and advertisements on B2B platforms in China are the most important channels to generate qualified leads and should definitely be integrated into your digital marketing strategy for China (Fig. 21.7).

³²<https://www.sana-commerce.com/de/blog-de/top-b2b-e-commerce-trends/>. Accessed: May 27, 2020.

21.7 Important B2B Commerce Platforms in China (Excerpt)

21.7.1 1688 Alibaba

1688 is a B2B specific sales platform operated by Alibaba. Companies can register a shop to sell products directly or to place advertisements. Additional to conventional advertising options, such as banners or display ads, 1688 also offers integrated payment services (Alipay) and support for logistics issues.

21.7.2 Global Sources

Global Sources is a specific platform for B2B, which offers a variety of advertising opportunities in addition to the direct sale of products. The special feature of Global Sources is the cooperation with offline magazines and PR institutions. It is also possible to advertise your own products without having your own online shop. This is especially suitable for companies which have no standard products and need qualitative leads for their sales team in China.

21.7.3 Made-in-China

Made-in-China is a particularly well-known platform for foreign companies in China. In order to sell products, a membership on the platform must be completed. As soon as a company has become part of the “community”, it is also possible to place advertisements directly. In addition to the classic advertising formats, Made-in-China also offers participation in offline fairs for its members.

21.8 The Localization of Global Marketing Strategies

The world is growing together, but to be successful internationally, companies still need a marketing strategy that not only needs to be translated, but also adapted and localized to regional requirements and market conditions. Localization requires sensitivity: on one hand, it is necessary to ensure that globally important corporate values and guidelines such as corporate identity are lived uniformly across the whole organization and that individual exceptions, which can have a negative impact on the brand, are avoided. On the other hand, however, it is important to allow as much freedom internationally as necessary in order to take local conditions into account and integrate them into the company.

The focus thereby should always be on (potential) target groups or customers and their—depending on the Buyer Persona—individual “Customer Journeys”. These begin with the research phase, an increasingly important part of B2B, and extend through lead and customer acquisition all the way to the further development of customer relationships and customer loyalty and finally to the enthusiastic

“advocate”. One important success factor: (central) marketing and (local) sales must work closely together from the very beginning in a targeted manner and thus create a shared customer experience.

The following typical topics and questions are typical in the context of China Marketing:

- Which country-specific resources are available in global and local marketing, which know-how is required, can this be provided internally or is support from external experts with international and Chinese B2B competences required.
- How should color schemes (for example, black and white photos of people are negatively associated with death), motives (for example, Chinese people and not only “Western” archetypes), cultural references, customs, and taboos be adjusted.
- Which significance do important “must-have” services like WeChat have in the Customer Journey and how can a company present itself in a professional manner.
- Which systems and tools are used globally and locally in marketing and sales, e.g., for CRM, lead management, web controlling and monitoring? Can or should global solutions be used? Which KPIs and metrics are relevant and how can they be aligned internationally.
- Are all important data and documents for collaboration available and technically accessible from anywhere (e.g., is access to Google services such as Google Analytics or Google Drive from China blocked).
- How can country-specific strategies be used internationally, e.g., to connect with Chinese customers at important B2B trade fairs using QR codes and iBeacons technologies? How can learnings and technical innovations from China be transferred to other countries (local to global).

Case Study: Teamwork in China

An important success factor when entering the field of (digital) marketing in China is the cooperation between global marketing, which is often influenced by western standards, and the local sales units in China. Despite the traditional Chinese collectivism, teamwork often leads to difficulties and to a different understanding of collaboration. This includes, among other things, unclear task distribution as well as restraint and insufficient exchange of information. The reasons for this are numerous: Chinese people often focus on their own business activities, face greater competitive pressure, and are used to clear hierarchies and responsibilities. It is also essential to avoid losing one’s own face, e.g., by criticizing others in front of the team. This applies equally to our behavior and habits, which may be incomprehensible to Chinese people. These are just a few examples of cultural differences, which is why it is essential to create a certain basic understanding for each other in advance and, if necessary, to include internal or external partners as “bridge builders” in order to ensure constructive and goal-oriented cooperation.

21.9 Summary

China is a gigantic market and offers many opportunities for B2B companies. However, a successful market entry also requires a localized marketing strategy that takes into account the cultural and technical characteristics of the Chinese market and includes central, digital platforms such as WeChat and Baidu from early on.

You should take the time and, with the help of experts, analyze the market conditions, the potential, the strong competition and the specific challenges for your business model in detail beforehand. Plan for the long term and have patience, because, despite the rapid developments, China is not a market for short-term money-making. The culturally important relationship culture requires trust and time to develop sustainably. If you take these points into account, you can avoid unnecessary pitfalls, skip learning curves, and lay the foundation for a sustainably successful business in Mainland China.

21.10 Important “Take Aways”

- *The Chinese consumer is well informed and wealthy*
Make sure to create an individual customer journey for the Chinese market and operate key digital touchpoints.
- *Respect cultural rules, values, and customs*
Starting with a polite bow instead of the handshake we are familiar with, up to appropriate small-talk topics, and the much-appreciated business dinner.
- *High Chinese (Mandarin) as central language*
Native speakers should be employed for content creation and all communication on the website.
- *Online channels in China are strongly intertwined*
Users exchange experiences, for example, in WeChat, research in Baidu, and then buy from Tmall or JD.
- *Ninety-eight percent of Internet users in China are using their smartphone*
Since the use of smartphones is extremely high, an optimized mobile version of the website and the use of mobile services and, if applicable, mobile payment is of special importance.
- *Tmall, WeChat & Baidu replace Amazon, Facebook and Google*
It is essential that online strategies are adapted to the relevant search engines and platforms, as many Western platforms are blocked.
- *WeChat is the digital center of life*
Communication with customers, advertising opportunities, e-commerce, and payment integration in WeChat can replace your website in China.

Nils Horstmann is one of the founders and managing partners of eviom, a management consultancy specializing in digital marketing with headquarters in Germany, Switzerland, and China/Hong Kong and operational focus in areas such as lead management and performance marketing.

As a passionate “onliner” with over 20 years of experience, the trained banker experienced the “bubble of the internet” at the beginning of the new millennium before he became responsible for online marketing at the “pure-online” Lycos subsidiary united-domains in 2004. As the Head of Online Marketing Strategy, the graduate in business administration worked for 3 years on strategic control and management of the Scout24 Group until he became self-employed with eviom in 2010.

In 2018, he founded eviom Ltd. in China and has since then been supporting companies with his German-Chinese team in localizing international sales and marketing activities in China by building cultural and technical bridges between the different cultures.

Part III

Case Studies and Showcases: Applied Success Featuring the Ambitious

Finding the Right Path: A B2B Marketing Journey SME Showcase

22

Stefan Prath



22.1 A Marketing Journey?

Going on a journey for me means creating paths. Going somewhere new, finding something new, doing something new. So why not try to comprehend a journey or the process of finding or creating a new path with doing marketing at my company? For me, working in marketing always means to reinvent. This does not mean that at my company, we constantly throw our plans and methods overboard. However, we always try to find out, which methods and campaigns work and what we need to improve or maybe eliminate from our marketing schedule. By doing so, we are able to compete with companies with much higher budgets.

When I joined the company, we were just a business unit of a special machine construction company. By now, about 2 years later, we are an independent company. At the beginning of the second chapter, I am going to describe this entire process. Following, I will try to explain and point out the difficulties we had and partly still have until now within our company and the holding as well as the difficulties and challenges that are external.

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In the third chapter, I am going to show what we did during my first year at the company and why this chapter is called “Finding the path.” Following the finding process comes Chap. 4 “walking the path” where I will describe what our goals, ambitions, and marketing mix look like in the year after the finding process.

Marketing is fascinating and very exciting. It seems like nearly everyday something new happens, some new trends or strategies appear, or Google suddenly changes its algorithm again. This is why we spend a lot of time checking and adjusting our plans and goals and analyzing our campaigns and methods. This is what Chap. 5 will be all about.

In Chap. 6, I will summarize the previous chapters as well as our learnings in these 2 years and I will also try to issue an outlook about what the future might bring and where the journey might lead us.

22.1.1 The Emerging Market of 3D Printing and Additive Manufacturing

First, it has to be said, that 3D printing can be seen as something like a collective term for several technologies in which something (e.g., prototypes) is created. Josef Prusa, the founder of one of the most successful companies in the B2C market, describes 3D printing as follows:

3D printing is an automated additive manufacturing process, where a 3D printer creates a physical model based on digital data (a 3D object). There are a number of various 3D printing technologies, but the most commonly used one, called FFF (Fused Filament Fabrication), is simple: an object is created layer by layer by melting a strand of plastic. Imagine that you would take a 3D object and slice it into thin pieces—like a potato into potato chips. Then, you would take a glue gun and “draw” each layer with hot glue. This is generally how objects are printed—it is an additive method, because we are adding material. It’s directly opposite to the subtractive method, which consists of machining of existing material. (Střiteský 2019, p. 5)

3D printing already started back in the 1980s. Over the years, different technologies appeared in the field of 3D printing, and all technologies kept on developing, becoming easier to apply, and cheaper in production. So, over the years, especially in the last few years, the applications shifted from prototyping to more and more areas like operating materials, fixture construction, and even (small-) serial production, just to name a few. 3D printing successfully took the step from being seen as some kind of gimmick to being accepted as a manufacturing technology among different kinds of industries.

The company I work for produces 3D printing machines for the material extrusion, an extrusion-based sub-discipline of additive manufacturing. Due to the material extrusion, a wide variety of molding compounds can be processed, such as

granules or filaments. By now, we are able to manufacture many kinds of polymers as well as metals and even ceramics and concrete (ceramics and concrete on an experimental basis).

During the last years, the 3D printing market has seen very strong growth. And it keeps on growing. Many new companies appear, and more and more companies start with 3D printing or expand their 3D printing section.

The thesis of the market growth is also pointed out by one of the most renowned, recognized, and accepted reports, the “Wohlers Report.”

The 369-page *Wohlers Report 2019* includes wide-ranging data on AM materials development and consumption. The overall materials segment of the industry saw record growth in 2018. Revenue from metals grew an estimated 41.9%, continuing a 5-year streak of more than 40% growth each year. Such strong activity among materials suppliers and customers is a telling indicator of the increasing use of AM for production applications.

The report highlights notable AM-related activities in many industries, including aerospace. The team collected insights from the likes of Airbus, Boeing, Honeywell Aerospace, and United Technologies Corp., to gain perspective on using AM to produce end-use parts. These companies, along with BMW, Deutsche Bahn, FIT, Jabil, Oerlikon, UPS, the U.S. Marine Corps, and others shared emerging trends from their vantage points. Among the trends are knowledge and skills development, cyber security, post-process automation, materials development, partnerships, and industry standards.

Wohlers Associates tracked growth and sales of 177 producers of industrial AM systems, which are those priced at \$5000 or more. This is nearly one third more than the 135 system manufacturers reported a year ago. While industrial system manufacturers grew notably, desktop 3D printing systems (those that sell for under \$5000) saw significant decline in annual growth. The overall AM market continues to trend upward, with many new players, hundreds of millions of dollars invested, and innovative new products designed for AM that few envisioned years ago.¹

You can also see the market growth at the figures of Europe’s leading fair in additive manufacturing, the Formnext. Formnext takes place every November at Frankfurt/Main, Germany. In 2019, 852 exhibitors presented their 3D printing related products (machines, materials, services. . .) to 34,532 visitors on a space of 53,039 square meters.² In 2018, 26,919 visitors passed the gates to see the products of 632 exhibitors on 37,231 square meters.³ This steady growth on the one hand of course is very good for our company as well as for the entire market. However, it also brings some new difficulties and challenges, such as a lot of new competitors, a lot more investor money, and thus fast-growing companies and a fast development of the technology and machines.

¹<https://wohlersassociates.com/press77.html>. Accessed: May 06, 2020.

²<https://formnext.mesago.com/frankfurt/de/zahlen-fakten.html>. Accessed: May 06, 2020.

³https://plasticker.de/Kunststoff_News_33987_Special_fn18_Formnext_2018_26919_Besucher___632_Aussteller_aus_32_Nationen?special=fn18. Accessed: May 06, 2020.

22.2 Organizational Analysis

22.2.1 The Early Years and Developments

Before I come to the challenges and difficulties our company faces, I want to describe the founding process as well as the development process of the company I work for. In my opinion, this may help in understanding the steps we take and took and may deliver better insights into how we operate and why we do so.

It was back in 2013, when an engineer of a special machine manufacturer in Upper Styria started to build a 3D printer. As soon as his prototype worked, the board of the company realized the potential of those kinds of machines. In 2014, the first 3D printers were sold. Soon, the company established a business unit that kept on developing those 3D printing machines and created more and bigger machines. In addition, the business unit engaged experts in the field of plastics technology and worked closely with universities in order to produce better machines and enhance the range of printable materials.

Over the years, the business unit became one of Europe's technological leaders and could even win some technical awards. However, as the market kept on growing, many companies were founded—and many of them got supported by big investors—also the business unit had to grow in order to keep asserted in the market, especially in the DACH-region, which is the main market.

This is why the business unit expanded in 2018 and founded a second location at Styrian capital Graz. This step was necessary in order to hire experts and academics as well as engineers, who mostly did not want to move to Upper Styria or commute there. The original location at Upper Styria is home to machine assembly, software engineering, accounting, and the board. At Graz, you can find a newly installed complete material processing and application center as well as the department's support, sales, and marketing.

In 2019, the location at Upper Styria started the construction of a new production hall, including offices and even a gym. In the same year, the company expanded to China and France, both in cooperation with local sales partners. Also, in 2019, the business unit became a stand-alone company under the umbrella of a new founded holding. By now, it has 18 employees and it is—according to the holding board—financially secure for the period of the next 3 years. Until then, the company should latest be break even. In our case, financially secure means, that the company has money to develop slowly and steady, e.g., to hire some new employees over this period, to be able to purchase materials for the production and so on. However, we do not have unlimited money as many investors supported competitors have. We do not have money to attend every fair, place ads at every online and offline media, sponsor events, or hire 160 engineers and technicians like some other companies.

22.2.2 Challenges for an SME in a Global, Investor-Driven Market

So, like in any other market, there is a lot of competition in 3D printing. Moreover, it is getting more and more on a nearly daily basis. In addition to external challenges like the huge competition, there are also internal challenges we have to face.

22.2.2.1 Internal Challenges

The company I work for was founded back in the 1980s, by a single person in a small, garage-like room. Later, his two sons took over the business and made it to over 120 employees by today plus the 18 persons of my company, that too are under the umbrella of their holding. The entire holding thus can be called a family business. The company is state of the art and I love working there. As an employee, you get many benefits like free fitness lessons, BBQs in summer, much support in continuing vocational education, or even a bonus at the end of the year. The familiar atmosphere, on the one hand, is something I like and the board of CEO's (the two sons of the founder plus two "external" CEO's) is still fascinated with every new machine, idea, and invention. On the other hand, the company in some cases acts a little bit conservative, meaning, that some things could last a little bit longer to be authorized and when it comes to spending money or creating a budget, you have to have really good arguments and be very convincing. The accounting department is very strict, what, on the one hand, I would not consider as a bad habit. On the other hand, this behavior can slow your work down as you have to be very convincing to get the money. In most cases, it works out, but it may last a little bit longer and thus, our plannings may be delayed. However, until now, we (nearly) got everything we wanted and could do everything as planned.

Another internal challenge is the fact that we have two locations. It does not affect daily work. However, if you have to coordinate marketing activities across both locations (for example, when creating a video), it makes things more difficult and time-consuming. The main problem turns out to be communication and coordination as well as different priorities. For example, while for marketing and sales it is important to get good footage of new machines, for the production department the main importance lies in testing and punctual shipping. If there is time pressure (delivery date, media deadlines), it makes things more difficult to arrange.

22.2.2.2 External Challenges

As I already pointed out, the 3D printing market is growing fast and many companies are able to expand rapidly thanks to venture capital. For a company like us, this is a huge challenge. As I already said, we have the promise of the holding to be financially safe for at least 3 years. During this period, we should be break even or maybe even enter the profit zone. However, we are miles away from having as many financial possibilities as many investor-supported companies have. For example, I talked to a person from an American start-up that could raise more than 400 million dollars in venture funding. Of course, more money does not automatically mean better technology or better marketing and more sales, but it makes it a lot easier to

achieve more sales and achieve technological progress. Or how does hiring about 160 absolute engineering experts sound to you?

I see two main external challenges we have to face: Less money for marketing than many other competitors and less money for research and development than many other competitors. This makes it difficult for us to keep on the leading technological edge as well as to sell this technological leadership in the market.

So, as we do not have as much money to spend as most of our competitors, we have to work smarter and set focal points on how we spend the money we got. By doing so, I think we are working more effectively than others do, as we have to analyze which marketing activities are working for us and why.

Besides those two main external challenges, there are also some small challenges we—as well as many other competitors—are facing. One of them is a common thinking in companies, that 3D printing is plug and play. Many think, they just plug the machine and generate a great outcome. In fact, you need a lot of knowledge and training. For example, we offer a minimum 2 days training with one of our experts and a lot of support, especially in the first months. Another issue is the thinking of many end users, that they can create anything with a 3D printer, no matter which format and geometry. In addition, 3D printing is often compared to other technologies, like injection molding. Injection molding and 3D printing are two different pairs of shoes and thus have their advantages and disadvantages. What may be fitting for one application may not be fitting for another application.

22.3 Finding the Path

I started working for my company back in 2018, when it was a business unit of a special-purpose machine manufacturer. The first budget planning I was involved, was in spring 2019, as our business year runs from April first to March 31st. So, when I joined the company, the marketing year was already planned or at least the budget, and most events, fairs, and actions were fixed. At that time, we did not have an own website, so my first big task was to create a website. Thankfully, I had created some (also business-) websites in the past and had know-how in SEO and with content management systems. As you already can imagine, I could not spend much money on that website as the budget was already fixed back in spring. However, this was the first time, when it became clear to us, that we may not have as much money as others, but two highly more important skills: a lot of expertise and knowledge as well as creativity in finding solutions. By creating this website, we discovered that we are able to create good things also with a small budget.

22.3.1 Off the Path: Texting and Valuating but Still Competing Well

First of all, by saying “the first year” I mean the period from Fall 2018 until the end of 2019 as the first months till the end of 2018 was something like a finding phase as nearly everything “big” was already settled.

This period I call the first year, was all about testing out marketing actions and finding out, which ones work and which we could cut. All in all, we exhibited 13 fairs and events, generated about 25 offline ads and clippings in magazines and newspapers, and started our online activities. In this first year and with my first budget, I got some more money than usual to spend to test out which activities get us the most output and best ROI (Return-on-Invest). For me, output means leads and furthermore sold machines.

The first part of our marketing mix and the biggest part of our marketing budget were fairs and events. In this first year, we spent more than €70,000 on exhibiting at fairs and events. For many (big) companies, this may be the budget for one fair. However, we managed to attend 13 fairs and events with this amount of money and a team of about five people. How did we do it? As a first step, we set very small budgets for every fair we wanted to attend. So, we had to optimize everything to hold those budgets. First, we did well in negotiating with the fair organizers. As I recall, we hardly ever paid the official price per square meter for our booth but less. As a second step, we thought about how we could save money or spend our money smarter. We looked very closely at all cost factors (booth, logistics, etc.) and figured out, how we could optimize the costs (for our booth or transport, e.g.) in order to minimize our expenses. Another outcome of reconsidering all cost factors was that it became apparent to us, that fairs and events cost loads of money. So, right from the beginning of the year, we had some kind of a suspicious look on fairs and events. Why? In our opinion, fairs are way too expensive compared to the outcome as you pay lots of money for exhibition space, logistics, staff, and marketing.

Example

In this first year, we started online marketing and online advertising. All in all, our expenses for online advertising were 10% of our expenses on fairs and events. With those 10% we generated far more than 100 mid-stage and late-stage leads. So, we spent ten times less money on online advertising and created half as many leads as with events. In addition, events cost us a lot of time organizing and a lot of working hours for our staff. Of course, not everything went well right from the start of online advertising. However, as long as you draw the correct conclusions, mistakes may happen when trying something new.

We tried out a lot of fairs and events. Some turned out to be more successful, some turned out to be less successful. Simultaneously, we started—as I already mentioned—with additional marketing activities. We launched a new logo, reworked our corporate design and wording, reconsidered our buyer personas, launched our first website, started with online marketing and online advertising. So, in contrast to the previous years, we did a lot of marketing with lots of new actions and methods.

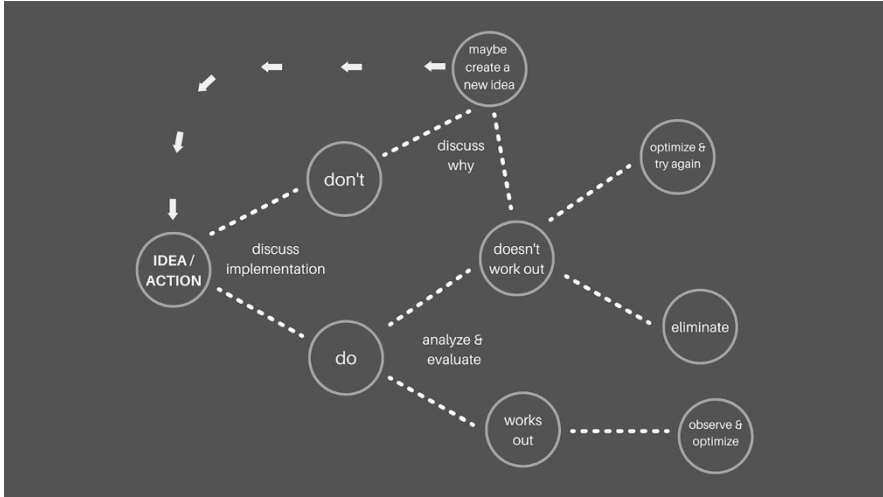


Fig. 22.1 Our Marketing Journey

22.3.2 Mistakes May Happen

Here I have to say, that it was very important that my boss knew that we would make some mistakes and that not everything would turn out to work as easy or as good as we would have thought. In my opinion, this is one important issue: When working in marketing, sooner or later you will make some mistakes. Maybe you misestimate the market or maybe you focus on wrong actions and a wrong marketing mix. For me, such mistakes that happen to at least 99% of all people in marketing are not even that bad (except you set the comma wrong at Google Ads and spend 10,000 instead of 1000 Dollars and thus lose lots of money). Why? Because by analyzing mistakes, you get the chance to reconsider everything. Every step you made, every process within your marketing actions as well as every “how” and “why” you or your co-workers did this or that. If you analyze your mistakes right, you usually also create new ideas and solutions and find new ways to solve problems. I try to show this process on the following graph (Fig. 22.1).

22.3.3 The Path Becomes Clearer

As you can see, in this first year, we tried to find the right path for our marketing journey. In better words, we had to create this path. We tried a lot and we made some mistakes, but in the end, we could draw our conclusions for creating the path we wanted to walk the next year.

We figured out, that fairs and events are losing importance as many companies and decision-makers find all regarded information online and are willing to get in touch by e-mail or phone. In more and more cases, they want to get a test component

so that they can compare the machines of different companies. Why? Because they are doing a lot of research online so that they do already have knowledge about the different technologies, materials, and sometimes know the relevant players in the market.

With all of this in the hand, they often exactly know what they want and which quality they can expect. According to Roger Voland from T-Systems, buyers have already completed 57% of their decision-making-process before they first contact a company (U. Hannig 2017 in Voland 2018, p. 166). So, they do not necessarily need to visit fairs as they can get lots of information online. Fairs may become a later step on the customer journey, when they want to make personal contact or want to see different machines, they would prefer to compare them. However, to get a step on the journey, fairs have to be chronologically fitting in this journey. If a person or company wants to buy a machine and start producing in June, they will not wait until November to visit a fair.

Thus, we are putting our focus more and more on online marketing as we get a much higher Marketing-Return-on-Invest (MRoI) from online marketing than from fairs (Seebacher and Güpner 2011). Of course, we do not cut all fairs and events from our marketing mix, as they still play a role and generate well-qualified leads. However, we only focus on some well-chosen fairs and events that are either good for getting leads or fairs we have to show up for increasing our brand awareness as the entire market is there. A famous example for the second reason is Formnext at Frankfurt/Main, Germany, where nearly the entire industry attends.

As I already explained, companies and decision-makers are more and more likely to search the web for finding the right machine. During this first year of finding our path, this thesis was verified more and more with each day. This is why we started with online marketing and online advertising. We set up our own website and YouTube channel and started with Google Ads. Nearly right from the beginning, our online activities can be seen as a success story, as we could generate many new leads with little money. Of course, not everything we did was successful or at least as successful as we would wish it were. For example, we started a project called “Print of the week.” The goal was to create a video of 3D printed applications every week. Although we managed to put a video online every week, it did not work out as good as we wished it would.

Which problems occurred? At first, the content was not good enough. It was very hard to produce parts that correspond to our key messages and USP(s) (for example, they have to be big) in a short period of time and in addition to more important projects like sales parts or work for research and development. The chapter “internal challenges” elaborates in more detail on that topic. We also did not have many channels to spread those videos and, in the beginning, we did not have a good enough equipment and expertise. So, after the first year, we decided to bury the “print of the week” and create more quality video content. Until now, we already could increase views and interaction rate though we published less videos, but with higher quality.

22.3.4 Our Seven Key Messages

In summary, I try to put our main conclusions from the first year in seven points:

1. Closer cooperation between marketing and sales: all activities and actions have to be coordinated, almost daily exchange between marketing and sales.
2. Generally closer cooperation between all relevant departments for better coordination of projects (like producing product videos, e.g.,) for better marketing documents, better content, and easier sales activities.
3. Shifting the main focus of our marketing budget and activities away from fairs to more and more online marketing.
4. Still, but less advertising offline (like in magazines, e.g.,).
5. Spend more time to analyze and adapt campaigns and activities. Thus, more marketing and sales meetings (also for checking; what was implemented, where are we now compared to our plans and goals ...)
6. Creating a new website as well as optimizing the content and the landing pages in order to add more value for (future-) customers.
7. Further optimization of our customer journey. For example, for the after sales part of the journey creating a login-section for customers where they can download manuals, get tips and tricks, and order spare parts and component parts as well as get in touch with one of our experts. In addition, better control of the journey by a new CRM software.

22.4 Walking the Path

In 2020, we are going to walk the marketing path we created in 2019 (and late 2018). However, before you are ready to go and start walking the path, you have to prepare yourself. In our case, preparation stands for meetings, planning, and setting up a budget.

22.4.1 Let Us Start with a Marketing Session

So, we did draw our conclusions from the first year. In our heads, we already started to make plans for the upcoming year during 2019. This is why we set up a marketing and sales meeting in the final weeks of 2019 to discuss our ideas and make plans for 2020. In this first meeting, we spoke about everything and it was totally ok to bring in all ideas, even if they seemed to be out of the world.

Based on this session, we set up a marketing plan as well as a budget. By doing so, we also optimized our customer journey and revised our S.W.O.T. analysis. We also made sure, that we would keep the focus of all marketing activities as well as of all content on our key messages.

22.4.2 Marketing Mix and Budget Breakdown in 2020

As the result of our meetings and based on the conclusions of 2019, we could create a—in my opinion—very good marketing plan for 2020 as well as a solid budget for 2020. As you can see in the following diagram, our budget puts its main focus on fairs and events and online marketing. Our CRM is not listed in the budget as we are using a very intelligent and big ERP software where CRM is included. Thus, there appear no costs in the marketing budget (Fig. 22.2).

Coming to our marketing mix: As you can already see in the budget, we spend much money on fairs and even a little bit more money on online marketing. According to the current developments in 2020 (Covid-19-pandemic), the budget will be modified as there are many fairs and events being cancelled. According to this development, the shift away from fairs and events to online marketing will be happening faster than planned. In the following graph, you can see our marketing mix. In addition to the marketing mix, I created an editorial plan that also includes all events as well as all online and offline marketing activities. So, we can easily check which activities are planned and coming up. As I already mentioned, we did a S.W.O.T. analysis, reconsidered our key messages and recreated our buyer personas. All our marketing activities are adjusted to those key messages and buyer personas (Fig. 22.3).

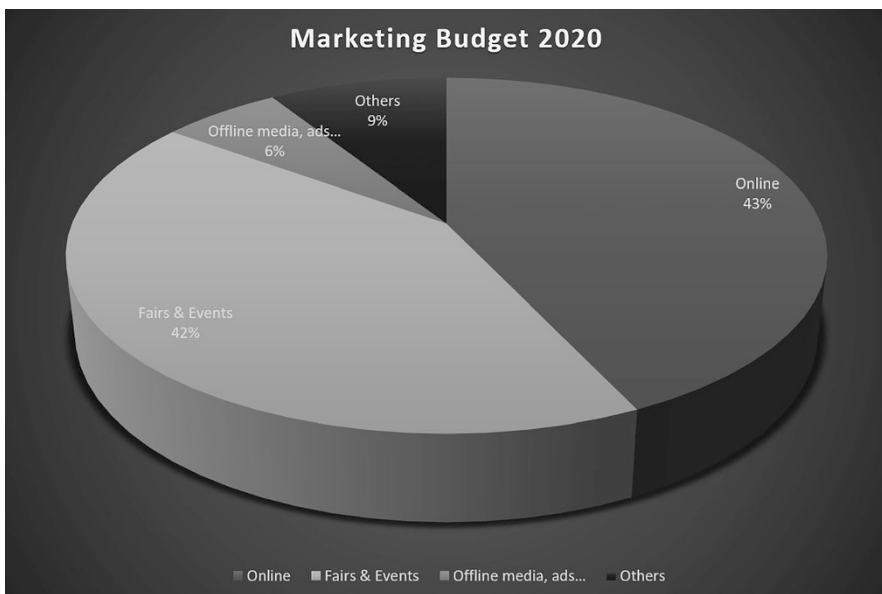


Fig. 22.2 Marketing budget breakdown 2020

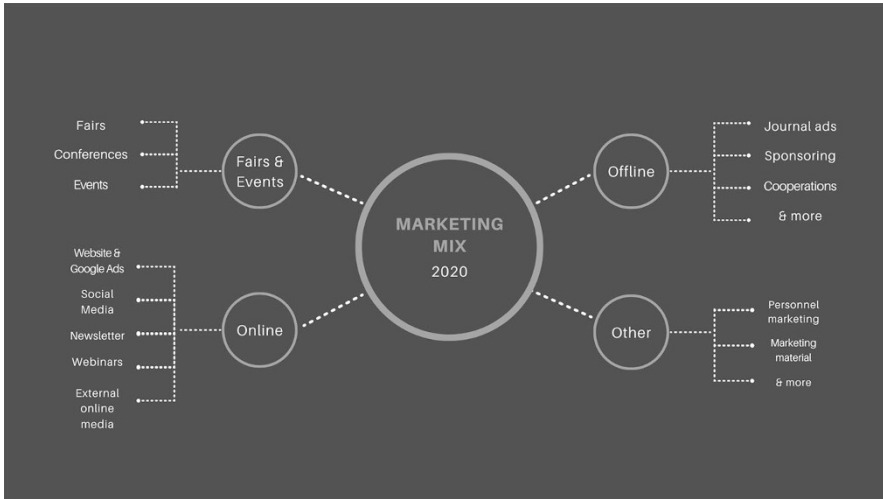


Fig. 22.3 Marketing mix in detail

22.4.3 Our Marketing Mix in Detail

As you can see, the main part of our marketing budget is online marketing. We figured out, that online marketing brings us more leads and brand awareness than fairs or articles and ads in journals.

Thus, it is only logical that we put the focus and most money in online activities. The main focus of our online activities lies on Google Ads and belonging to ads, of course our website. However, also social media is becoming more important in our marketing mix. In 2020, we started with LinkedIn and Facebook and, especially LinkedIn works very well. Although we can look at a very good and steady organic growth, we also started with sponsored content on LinkedIn. Our YouTube channel also keeps on growing regarding views and subscribers. However, YouTube for us is primarily for uploading videos we can embed to our website, share to external websites (journals, e.g.,) and to show them to (future-) customers. In addition to the named channels and tools, we also successfully send out newsletters on a regular basis. Why do I say successfully? Because we have an average opening rate of over 30% bringing us requests and sometimes sales as well as much positive feedback. In addition, most content is helpful or consists of value for its reader. In 2020, we also start with Webinars and thus delivering content that is even more helpful to the 3D printing community. In contrast to many (or moreover most) companies in the market, our webinars are aiming to deliver tips and tricks and knowledge about process settings and materials instead of being commercial webinars.

The second biggest focus lies on fairs and events. Although online is becoming more important every day, fairs do have relevance and importance. However, we are exhibiting less than last year and picked out only three to four fairs. As we figured out a very smart booth concept, we are able to save costs in logistics, which is a huge

cost factor regarding fairs. In addition, some of our experts are invited as speakers to conferences and little events. Those discussions and talks push our reputation and brand awareness a lot. The good thing about them is that our experts often do not talk about the company or the machines, but about technology and possibilities. Therefore, listeners are setting an indirect connection to our company and our machines when talking and listening about 3D printing in the future.

Print is dead! Print is dead? Print is not dead! Although printed media lost relevance in the last decade, journals, and magazines still play a role in the marketing mix. As you can see in the budget diagram, we spend about 6% of our marketing budget for advertising in journals and magazines. This guarantees us to be present in printed media the entire year. There are still many managers, engineers, and decision-makers that like to read printed journals. I myself have to admit that I also like reading print media. And the figures show us, that we have a nearly even ROI with journal ads as with fairs.

All other activities and cost factors are summarized under “Others.” This can be all printing and designing costs (for example, flyers) or personnel marketing.

22.5 Destination Unknown: Reinvent the Path

As I am writing these lines, we are at the end of a nearly complete lockdown due to a pandemic that rapidly spread around the world. Many people are working from home since about 1 month, many have lost their jobs and many companies struggle because they do not have any revenue. Of course, the current situation does affect marketing. Many fairs and events have been canceled or postponed. In order to survive during this pandemic and ecological difficult period, many companies cut their investment budgets and their budgets for research and development departments. Some even canceled or postponed already placed orders.

22.5.1 Why Our Marketing Mix Is Not Written in Stone

Those developments affect all of us. Due to this changed situation, we also have to reconsider our marketing activities and rework our budget. This is why we had some meetings to discuss not only the adverse effects but also chances offered by this situation. Regarding our marketing budget, we shifted some money from events (that will not take place) to online. For example, we are offering webinars, implemented a booking calendar for digital expert discussions and sales meetings and increased our Google Ads activities. I am noticing, that many companies are now discovering the digital world and I believe that for the future, many marketers and managers will be rethinking their budgets and activities in order to digitalize it. I also talked with some marketing managers and people working in marketing that share my thoughts and observations.

Apart from this current situation, it is always our aim to rethink everything we do as well as to analyze our steps and activities. In my opinion, a marketing plan is

never definitive. If some actions and activities do not work as planned or external influences affect them (like a pandemic for example), it is necessary to adapt the plan—and sometimes the budget too. As I already mentioned, mistakes may happen and sometimes it is good that you are making mistakes. The world is always turning and so is marketing. Activities that may have worked very well in the past may not be working tomorrow.

22.5.2 Our Actions to Reinvent the Path

There is a saying “if you don’t go forwards you go backwards.” For me, this perfectly fits for marketing. You always have to try to improve your actions and activities in order to increase sales, brand awareness, or whatever your goals are. I try to sum up our actions for a constant improvement in five points:

1. Analyzing on a regular basis, which actions work, and which do not work. How can we optimize our activities regarding effectiveness and costs.
2. In my opinion, there is no gap between marketing and sales anymore. What I want to say is that it is a mistake to see and handle marketing and sales as two different departments. So, we aim to have a very close cooperation between marketing and sales to get insights in customer thoughts (provided by the sales department) and to create optimal marketing material and content to reach the market and increase sales as well as for after sales.
3. Trying new things.
4. Personal improvement: Attending workshops, courses, classes, events that improve our marketing skills.
5. Looking at other companies and other industries. What are they doing? Could some of their actions work for us.

22.6 Conclusion

I hope you liked that I took you on some kind of a B2B marketing journey of a young company in an evolving market. By the metaphor of a path, I tried to explain how we developed our marketing plan and our marketing mix. In the first step, it is necessary to analyze your actions and activities. What do you spend your marketing budget for? Which activities and actions work, and which do not work very well. What are you missing? How do you pick up potential customers? Talk to the different departments in your company. Are new projects planned in the R&D department? Are new products coming this year? It is important to get an overview about the upcoming year or the next 2 years in order to create a sustainable marketing plan. This marketing plan should be something like a guideline during the marketing year. However, please do not take the marketing plan for granted. Do not be afraid to change it if necessary. In contrast, changes are welcome.

After we literally created this path, we have to walk it. This is what we currently are doing. All actions and activities we figured out in the creating phase, we tried to

implement in our marketing plan. This is what we are currently doing. Of course, there may appear some steps and stones on our path. For example, we have an epidemic that shot down nearly the entire economy in our country. Although you may never be 100% prepared for such situations, you have to be able to set some actions to adapt your plan.

The last chapter on our journey was all about recreating the path we found in the first year. Why? Because times change and so does the market. Thus, it is necessary to always keep an eye on your marketing (and sales) goals as well as on your marketing plan in order to be able to change it timely. The sales figures in 3D printing (B2C and B2B) were already decreasing in Q4 2019. Ok, in industrial 3D printing, they were not exactly decreasing, but they were only increasing by 1% compared to 2018.⁴ In 2020, the figures are—of course due to the Covid-19-pandemic—even worse.⁵ In contrast to this trend, our company could increase sales during this period. So where are we heading? Where does this journey take us? I cannot tell. . .

What I can say is that we are heading more and more in direction online (–marketing) as well as digitalization in general. However, fairs and personal events as well as print will not die. What may come is some kind of market shakeout. Due to the Covid-19-pandemic, the shakeout might come even faster than I thought. In my opinion, it has already started. So, you never know what the future might bring, but you can prepare and thus react quickly and quicker than your competitors. So, pack your stuff and take the journey!

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Stefan Prath studied European ethnology and cultural anthropology at the University of Graz. Besides studying, he had his first jobs in the media industry for several magazines. After completing his bachelor’s degree, he did an internship in marketing and public relations at an international operating company in the tourism and leisure industry. After the internship, he worked in this company for about 3 years as a PR manager. In addition, he became the head of communications at a worldwide operating sports association. After around 3 years and a very successful time, it was time for a new chapter. Since 2018, he is working in B2B marketing at a leading company in the 3D printing business.

⁴<https://contextworld.com/web/guest/covid-19-concerns-make-2020-3d-printer-sales-outlook-challenging>. Accessed: May 06, 2020.

⁵<https://www.mission-additive.de/markt-fuer-industrielle-3d-drucker-wird-von-der-krise-schwer-etroffen-a-928280/?cmp=nl-428&uuiid=>. Accessed: May 06, 2020.

Digital Transformation in Shipping: The Hapag-Lloyd Story

23

Jenny Gruner



23.1 How to Bring Digital Marketing on Board a Traditional Company

Hapag-Lloyd is one of the largest liner shipping companies in the world. The long-established company has existed for 173 years and has around 13,000 employees in 129 countries. Of course, such a tradition does not protect from future challenges. But through all these years, Hapag-Lloyd has proven that it can overcome the storms of change. The last 6 years alone have been marked by two mergers and one IPO.

Now we are entering the next phase of transformation—digitization. Our challenge is to digitize a big steamer in such a way that it turns into an agile business speedboat. This case study shows how this can be achieved.

On the one hand, digital transformation means the digitization of the value chain and the associated development of digital products. On the other hand, it is about taking the organization and the people along on the journey of change. Hapag-Lloyd's recipe for success is based first of all on changes in structure, which are intended to support and drive forward the cultural change.

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Digital marketing plays an important role in the transformation. This case study will use the Quick Quotes product to show how we have made digital marketing an integral part of this company within 2 years and what hurdles and challenges have to be overcome in pursuing the ambitious goal of establishing a global and scalable marketing model.

To achieve this goal, we have introduced agile structures, OKRs, and 90-days plannings and are focusing consistently on customer centricity and continuous optimization of all measures. Our ambitious target was to ship one million containers using the online quotation tool Quick Quotes.

23.2 Hapag-Lloyd: Fifth Largest Shipping Line in the World

Hapag-Lloyd's origins date back to 1847, when the Hamburg-Amerikanische Packetfahrt-Actien-Gesellschaft was founded. In 1970, this company merged with North German Lloyd.

Here are the most important facts: Hapag-Lloyd's fleet comprises 248 modern ships. With a total transport capacity of 1.7 million TEU, Hapag-Lloyd is one of the world's leading liner shipping companies, offering connections between more than 600 ports on all continents. The container stock totals approximately 2.6 million TEU. Hapag-Lloyd is one of the leading operators in the trades Transatlantic, Middle East, Latin America, and Intra-America.¹

Revenue in the first quarter of 2020 amounted to US\$3.68 billion and earnings before interest and taxes (EBIT) to US\$176 million.² The shipping company is therefore anything but a start-up or a light water dinghy. Accordingly, the entire company is still rather traditional. Hapag-Lloyd is a public limited company with an Executive Board, Supervisory Board, and all regular accountable obligations. The transformation process in such an organization has to be different—more cautious—than in a young company, which investors allow to make high losses in the first few years.

23.2.1 Challenges of the Market and the Company

There is a reason why media reports on global economic issues are so often illustrated with photos of container ports. They have long since become one of the most important hubs of global logistics. Container shipping companies are a central component of global supply chains.

Since its beginnings in the 1950s, the container has become the dominant technology of liner shipping.³ However, since the financial crisis in 2009, however,

¹<https://www.hapag-lloyd.com/en/about-us.html>. Last accessed on 28 May 2020.

²<https://www.hapag-lloyd.com/de/ir.iry-2020.ired-1964253.html>. Last accessed on 28 May 2020.

³<https://www.forschungsinformationssystem.de/servlet/is/11171/>. Last accessed on 28 May 2020.

the growth of this economic sector has slowed down. At the same time, the capacity of container ship fleets has also grown, with ever-larger ships being able to transport increasingly more freight. The result: higher productivity, falling prices. This in turn promotes the formation of global alliances. The 25 largest shipping companies have long since covered around 90% of the total market capacity. Only the top five have a market share of around 65%.⁴

Hapag-Lloyd itself describes the current changes in the industry as follows:

Our industry has undergone significant changes within the last years. Since 2014 the industry has gone through a strong wave of consolidation resulting in today's landscape of fewer and larger players. Hapag-Lloyd has been a very active driver in this process and today is more than two times bigger than four years ago, after having successfully integrated CSAV and UASC. We are now looking ahead and embark on the journey of implementing and living our 'Strategy 2023'. Once more we are setting course to be an active driver of change in our industry."⁵

The next logical step in this highly competitive market situation is digitization. It will provide the next steps in efficiency and consolidation.

In a recent survey, eight out of ten decision-makers assume that automation or digitization in shipping will increase dramatically in the next few years (one of the keywords in this context is "digitized bridge").⁶

Despite its over 170-year tradition, Hapag-Lloyd is once again one of the first movers in digitization. As we will see later, this initial advantage has given us some tailwind compared with our competitors.

In recent years, Hapag-Lloyd has repeatedly shown that it is necessary to change, adapt, and transform. Only in the past 6 years, for example, has the Group coped with two mergers and an IPO—this alone testifies to a certain flexibility—and a considerable will to succeed.

23.3 What Digital Transformation Means for Hapag-Lloyd

The digital change does not stop at any company. Not even shipping companies with a tradition like Hapag-Lloyd. Even such a container mega-vessel has to adapt to and accept modern conditions—and the Group has been doing so for a long time.

So, what does digital transformation mean for us at Hapag-Lloyd? The simple answer: We take a quite pragmatic view. We are digitizing everything that can be digitized. Everything that can be made intelligent is made intelligent. Making every employee a little better every day.

⁴<https://de.statista.com/statistik/daten/studie/223205/umfrage/markanteile-von-container-reedereien/>. Last accessed on 28 May 2020.

⁵<https://www.hapag-lloyd.com/de/about-us/our-strategy.html>. Last accessed on 28 May 2020.

⁶https://www.pwc.de/de/transport-und-logistik/assets/pwc_studie-perpektiven-fuer-deutsche-reedereien.pdf. Last accessed on 28 May 2020.

When we talk about digital transformation, we are fundamentally talking about two things. One is the technical side. It is the most obvious facet of this process for all of us. It is about optimizing everything that can be automated and digitized to do exactly that. Algorithms should take as much work off our shoulders as possible in order to win and retain customers better, increase quality, and make business more efficient and thus more successful.

On the other hand, there is also the cultural side, which requires people within a company to keep up with the changes in digitization. Because one of the most decisive factors for the transformation is the question of how I manage to take people with me. Algorithms can be programmed—it is about investment and resources to get them to do a given job. But this principle does not work for people. They cannot be programmed. We have to convince them in order to achieve a real change in behavior and culture. That takes time and structure.

23.3.1 Customer Centricity, Collaboration & Co.: Clear Mission as a Signpost and Beacon on the Path of Transformation

So how did we go about it practically? We created lighthouses. They should be clearly visible to all employees and show them the way.

One of these lighthouses is our vision, which we understand as a motivating, positively formulated statement of what we want to achieve with our company. Our vision is intended to point the way forward. It reads:

*To be the benchmark of the container shipping industry, setting the quality standard, thereby offering unrivalled levels of reliability and service quality to our customers.*⁷

The vision is part of our Strategy 2023, which determines our journey for the upcoming years until 2023. One of its main objectives is to deliver a high-quality service to our customers. To be number one for quality is the ultimate promise to our customers and a strong differentiator from our competitors.

Customer centricity and the associated concentration on the wishes and needs of the customers play a key role on the way to quality leadership.

In addition to the Group-wide Vision, we have also defined a mission for our Digital Business and Transformation Unit (DBT). It reads:

By empowering digital transformation, we provide customer solutions to unleash the potential of the future of logistics.

Although we do not yet know exactly what the future of logistics will look like, we want to play an active role in shaping it, take a leading role in the digital transformation and thus “empower” our customers in the sense of strengthening them.

⁷<https://www.hapag-lloyd.com/en/about-us/our-strategy.html>. Last accessed on 28 May 2020.

In order to actually live this mission, we have defined our principles in the next step. They are based on five Cs:

- *Customer Centricity*: We always put ourselves in the customer's shoes.
- *Curiosity*: We love to discover unknown spaces.
- *Collaboration*: We work and succeed as a team.
- *Confidence*: We are not put off by ambiguity.
- *Courage*: We empower people and lead by example.

The change does not occur when principles are defined and written down. It is created by trying out, experiencing, and living them out and by seeing oneself as a role model from which others can learn. Then others can follow and so come out of their comfort zone.

23.3.2 How Special Unit DBT Accelerates the Transformation and Online Marketing

At Hapag-Lloyd the DBT is responsible for digital transformation. We are responsible for the digital business and transformation by mapping the digital value chain and are closely embedded in the organizational structure as an “embedded team”.

In order to be able to really act as a speedboat within the group's thick ship, we have organized ourselves into four agile teams. Digital Products, Data and Insights, Digital Marketing, and Customer Growth. However, they do not work autonomously, but always cooperatively in a project-related and agile manner, thus forming a team with a strong business impact.

It is precisely this structure that enables us to break open silos and achieve a considerable increase in transparency. The result: we can share knowledge faster and with fewer barriers yet and still function as four independent divisional units.

In order to be able to control such a mobile construct, which is designed for speed, in a structured manner, we consistently use agile working methods such as Kanban, Scrum, 90-days plannings and clear Objectives & Key Results (OKRs) (Fig. 23.1).

We want to progress steadily in small steps as a team and to proceed in a goal-oriented manner. To this end, we derive our MOAL—the mid-term goal for the next 12 months—from the Strategy 2023, the vision, and mission already described above. This period in turn is divided into 90-days plannings and various initiatives to achieve the MOAL. With standardized monthly and weekly plans, we define the individual steps to achieve the initiatives. In monthly reviews, we check in a standardized manner whether we are still on the right track. Retrospectives help us to continuously reflect on our approach and incorporate what we have learned into further steps. Only this structure will help us to achieve our goals and to optimize our actions sustainably.

DBT and its mix of lighthouse and agile structure is the foundation on which we can develop digital and scalable products. In this way, we are able to drive forward the digital transformation within the Group.

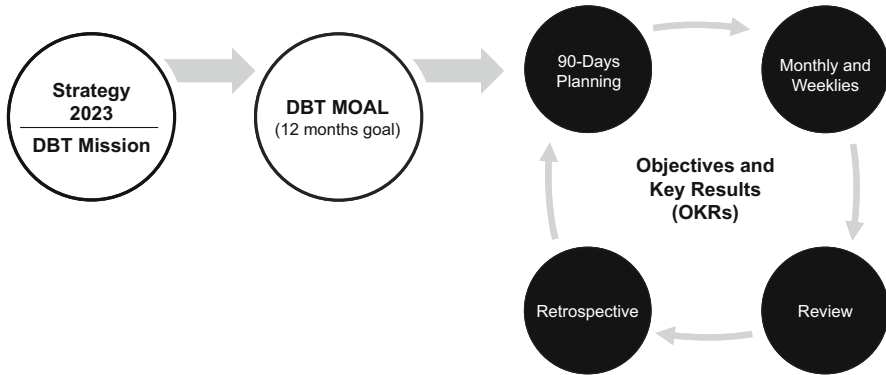


Fig. 23.1 Interaction of strategy and agile structure as the basis for digital transformation

23.4 Role and Objectives of Digital Marketing at Hapag-Lloyd

Our vision and our mission form the foundation of our strategic work. The OKRs, in turn, define our goals derived from them, which in turn consistently lead us to our marketing goals. Basically speaking, we have set ourselves the goal of supporting Hapag-Lloyd with our digital marketing expertise and the right marketing mix on its way to becoming a leading global digital company in the shipping industry.

To ensure that this can be achieved, we have again defined three growth targets:

- Increase brand awareness and website traffic.
- Expand the online acquisition of new customers.
- Increase digital product activity.

Our role in this is very easy to describe: Our job is to market the digital products in the online business area, i.e., to attract more customers to the web offerings and thus drive forward the digital transformation of Hapag-Lloyd.

23.4.1 Convincing and Raising Awareness: Solutions and Challenges in the Buildup Phase

Anyone can have ambitious goals. The challenge is to achieve them. Especially in online marketing, it is often the case that the way is the goal.

But first, let us take a brief look back: When we started with online marketing and advertising in 2018, we found a blank sheet of paper at Hapag-Lloyd. There was little experience, preparatory work, or existing resources from which we could benefit. At the same time, this situation gave us the opportunity to set up and structure everything from scratch.

In this development process, we focus on tech stack, customer experience, and company culture.

All three topics are always about raising awareness and creating an awareness of why and for what we need something. For example, what conditions do we need to create so that we can measure the entire customer journey? Why do we need to measure certain events on the website or conduct customer surveys?

We do our best to convince people to design assets such as the website and advertising material in a way that increases usability, but also to find out why it is so important for every product owner to discover what makes customers tick and how they use the products. In this way, we can also work together to develop products that convince the customer.

All these actions require a certain cultural change. We are accelerating this by showing what great potential a genuine growth mindset can unlock. One of our main concerns was to develop structures and frameworks that are strong enough to support a cultural change, so that we can credibly demonstrate and teach our colleagues what success a customer-centric approach can bring.

23.5 Quick Quotes: Hapag-Lloyd's First Global Digital Product

However, setup and mindset are only as good as the products that are created with their help. We would like to explain this in more detail here using Quick Quotes as an example. Behind the name is an online quoting tool on our website, with which you can obtain a quote for a container transport in real time within 30 seconds—worldwide—24/7.

In terms of consumer offerings, this does not sound very spectacular at first. In container logistics, however, Quick Quotes is a real digital innovation boost. Such an offer did not exist before.

When developing Quick Quotes, we strictly adhered to the principles already formulated above and created a feedback loop that allows us to improve the product with each round (Fig. 23.2).

The starting point for development was a large-scale customer survey as part of our Strategy 2023, in which customers were asked what they would like from a liner shipping company and where their pain points were. Based on the customers' needs, we started with the conception and development of Quick Quotes. The needs we address here are empowerment, flexibility, speed, simplicity.

The next step was to prepare the product marketing and product communication. The benefits of the product, its USP, and reason why were also derived from the customers needs. In this way, we create a stringency between customer expectations, product development, and marketing. Quick Quotes was then rolled out as MVP (Minimum Viable Product) country by country. We were always in close contact with local colleagues and other departments in order to create as much transparency as possible and obtain feedback from customers and colleagues. With the help of this feedback, we were able to improve the product continuously.

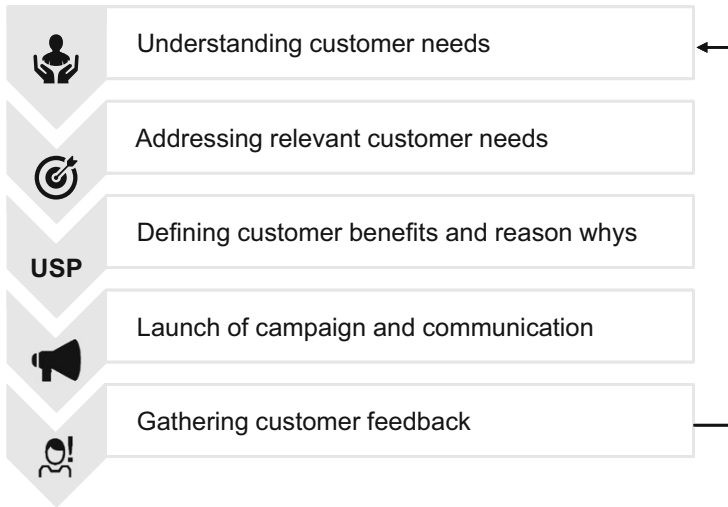


Fig. 23.2 The customer at the center of product development and communication in an iterative cycle

23.5.1 A Global Scalable Marketing Model for Quick Quotes

Let us turn to the marketing of Quick Quotes. The global rollout took place in August 2018. It was accompanied by an integrated marketing campaign across a variety of internal and external channels. The claim of the product “Simply Faster” conveyed the tool’s unique selling proposition and special user-friendliness. This launch also raised the question of how we could scale the product. We use performance marketing in particular for this purpose with the aim of acquiring new customers who use Quick Quotes to obtain an offer and then book a container.

Our first performance marketing activity after the global rollout was a first flight on LinkedIn—literally a blind flight but also a maiden flight. We did not know whether we could scale the product through advertising. No platform was able to provide us with any experience in this area, as no liner shipping company had ever done anything like this before. But we made the decision for LinkedIn very carefully, because we wanted to use its potential of very precise targeting for the launch.

And accordingly, we did not know whether the target group would even accept this and consume through these channels. We only assumed here that the target group has the online maturity and uses the internet in its private environment and would be able to transfer this behavior to our products. Because even though we are in B2B, in the end, we are still addressing our message to people.

Our goal was to create awareness for the product and to educate the target group, as there had been no such product before. For this educational approach, we used different ad formats. Each format served a different purpose. If we imagine the classic funnel, then video ads create awareness, carousel ads arouse interest, and

image ads lead to conversion. In addition, we used different variants of videos and images to perform A/B tests.

Similar to the product launch, we also proceeded with the LinkedIn campaign country by country. In this way, we were always able to transfer the learnings of the previous countries to the next. As a result, we were able to minimize our wastage and improve targeting.

After a good 8 weeks we had gathered a great number of insights. We were ready for the next step: global performance marketing. From the very beginning, we wanted to set it up in such a way that we would be able to make it as scalable as possible.

The plan worked. Within 3 months, we succeeded in establishing a presence with our marketing activities in 144 countries. In this ambitious project, we are benefiting considerably from the structured preparatory work and the experience we have already gained at LinkedIn. Once again, we proceeded step by step, channel by channel, and country by country.

We relied on a triad of push activities via display networks and social networks such as LinkedIn and Facebook to create awareness for the message, and search engine advertising at Google and Bing, i.e., pull measures when the user explicitly asked for the message.

We now concentrate on a selected set of focus markets with a strong channel mix and specific country strategies. In the remaining countries, there is a background noise. Over the months, we continued to expand the campaign. For example, we also developed a testimonial campaign with quotes from satisfied customers. In this way, we were able to strengthen the trust in the product even more.

All these measures are only stations. As explained above, we have trained our mindset to always follow the build-measure-learn-principle. This means: We try out new things every day, gather new knowledge, and then use this knowledge in our work and campaigns.

23.5.2 The Three Phases of Scaling Quick Quotes

We have divided the process of scaling Quick Quotes into three phases.

Phase 1, the first 6 months, was the pioneering phase, which was mainly about trying out different channels, ad formats, and target groups. Here we gathered the initial knowledge about the countries to see how differently they function. It was also a matter of eradicating the teething troubles in tracking.

The next step now was the transition to the growth phase, in which we defined target KPIs for the campaigns, improved data measurability, and data quality, and entered further attractive country markets. We also wanted to develop effective country strategies. In the pioneering phase, we had already collected data over several months and discovered that markets functioned differently. We clustered the data and thus identified three types of country strategies, which we are now working on with corresponding strategies:

- Growth Countries
- Optimize Countries
- Hold Countries

The result of these strategies are country-specific multichannel media plans. An example of this is shown in Fig. 23.3. Using the data, we develop all campaigns and target groups step by step to reach exactly the right users even more effectively (Fig. 23.4).

The growth phase is followed by the exploitation phase. In this phase, we will increase the degree of localization in advertising as well as content dynamization and also market additional new digital products. At this point, we are also preparing ourselves for the fact that competitive activities will increase and have started developing strategies for this.

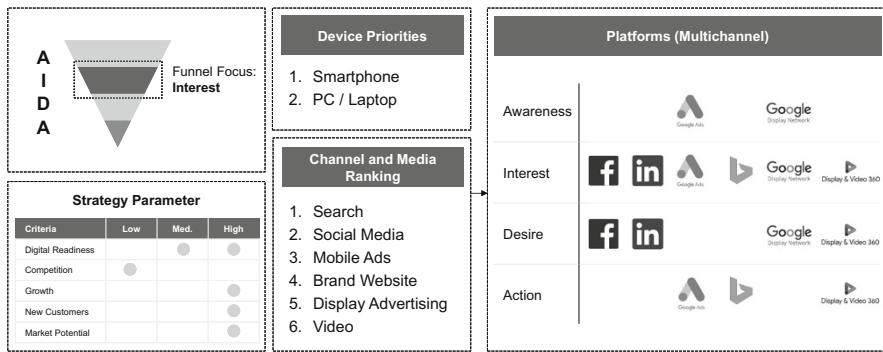


Fig. 23.3 Run localized cross-channel media strategy based on data and country insights

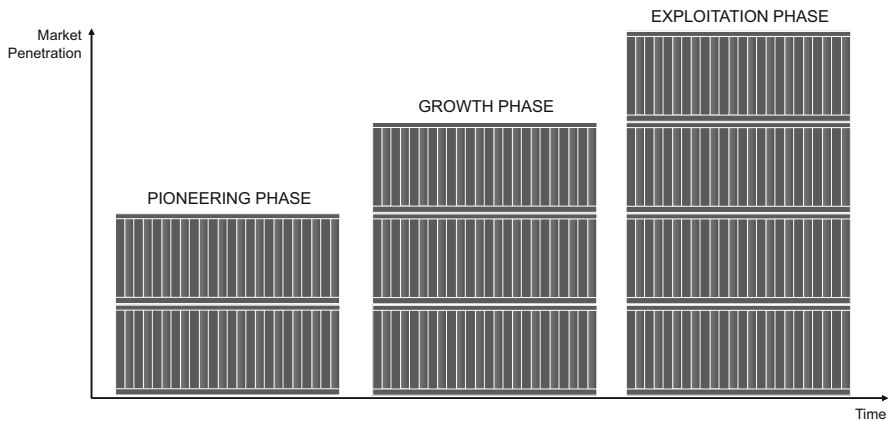


Fig. 23.4 Three-phase marketing model for scaling Quick Quotes

23.6 The Internal Influencer Program: The “Digital100”

Performance marketing is an important scaling lever in the online marketing of Quick Quotes. Another important lever is our Digital100. The Digital100 at Hapag-Lloyd are one hundred digital managers and coordinators who work in sales or customer service worldwide. They are our interface to the local sales organization with a focus on digital products, conduct product training for local colleagues, and thus boost the offline sales of Quick Quotes. As they are close to the customer, they can always provide us with valuable input, suggestions, and direct feedback. We are virtually dependent on their feedback in order to adapt our marketing measures to local conditions at all times. On the other hand, we train them on the new digital products to make it easier for them to sell these to our customers.

At the same time, the Digital100 also act as ambassadors for the DBT and are our multipliers. Thus, it is also part of their internal tasks to carry on our mission and the 5C Principles, to set an example and thus help shape the digital transformation.

In order to keep in touch with our ambassadors, there are regular calls and online trainings. Once a year, however, all Digital100s meet at Digital Week to learn together, share best practices, and build teams.

Why do we go to all this trouble? Because we are convinced that it is extremely important to take people with us and introduce them to digitization. We have to empower them. Only then will they support the digital transformation and only then will Digital100 grow into Digital1000.

23.7 Annual Report Proves: Online Marketing Strategy Works

Our strategy and our approach work—that is the most important insight when we talk about results. Our work as one of the first players in this field bears fruit. This is now stated in Hapag-Lloyd’s Annual Report 2019:

The introduction of the web channel at the end of 2018 represents the successful establishment of a new sales channel that accounts for around 9.4% of the total transport volume at the end of the year (as per Q4 2019, previous year quarter: 5.2%). With its web channel, Hapag-Lloyd believes it provides its customers with an uncomplicated and faster method to obtain quotes and book container transport. The range of services and products available with the web channel is continuously being expanded. For example, it is now possible to take out insurance for a shipment immediately.⁸

Our core product Quick Quotes is a real success story. For example, the Investor Relations Report reveals that almost 1 million (950,000 to be exact) TEU

⁸https://www.hapag-lloyd.com/content/dam/website/downloads/ir/HLAG_FY_2019_EN.pdf. Last accessed on 29 May 2020.

(containers) were booked via our quick online tool. That is already 7.9% of the total volume.⁹ A top result for such a traditional industry.

This success is also reflected in the excellent customer feedback we receive through our Digital100. We also regularly collect the NPS (Net Promoter Score) for Quick Quotes, which consistently produces very positive results.

23.8 Exploitation Phase and Increase of Scaling as Next Steps

The foundation is laid. Now it is time to enter the third phase. The exploitation phase. We have also set ourselves clear goals for this stage of our path. We are currently working hard to establish Hapag-Lloyd as number one in the digital market in the long term.

In order to achieve this, we want to increase the localization of individual products and, above all, marketing measures. For performance marketing, this means that we want to tap into additional data sources and then link these intelligently to our existing inventory. The same applies to online marketing in container shipping: data is the most important fuel for every successful campaign.

We are also using the know-how we have already built up to develop even more products even faster. We want to increase scalability in both development and online marketing.

As a matter of principle, we are already preparing ourselves today for increasing competitive pressure. It is only a matter of time before other groups will try to attack Hapag-Lloyd's online marketing lead. This is likely to cause advertising prices to rise very quickly—but we are well prepared for this too.

23.9 How Digital Transformation Can Succeed

One of the first lessons we have learned in recent years is that the agile structures we have developed can support the transformation. The development of Strategy 2023, vision and mission as well as OKRs, 90-days plannings, and agile approaches provide a solid framework for the necessary changes—always provided that they are actively practised. Our framework also provides security for those who are skeptical about change. Thanks to the small-scale methods, they can approach the transformation in short and manageable steps.

Our second learning is to focus radically on the customer. Customer centricity is king! We have consistently aligned both our product Quick Quotes and its campaign to the needs of the customer. The best proof of this is the claim “Simply faster,” which clearly emphasizes the product's greatest benefit.

⁹https://www.hapag-lloyd.com/content/dam/website/downloads/ir/HLAG_Investor_Presentation_FY_2019.pdf. Last accessed on 29 May 2020.

Today we know that even very traditional industries in a clear B2B environment follow the same customer centricity logic as a typical consumer product. This is something we have learned, too. At the other end is a person whom we address and he or she does not differentiate between B2B or B2C—he or she wants simple solutions. Our job is to understand their needs and to satisfy them as simply as possible.

Last but not least, our most important learning is: transformation is teamwork. Only if everyone pulls together you can transform a heavyweight corporate into a business speedboat. A growth mindset is essential for this. Ours says that we identify the courageous, curious, and confident team players, and then empower them to fulfill their ambassadorial role as accelerators of transformation. It is also elementary for us to take small steps and question them again and again and learn from them together. Our mantra Build-Measure-Learn has helped us on every step we have taken for the first time and will support us in all further first steps, to continuously develop each individual, as well as the whole company.

Our formula for success is therefore: Agile Structures + Customer Centricity + Growth Mindset + Build-Measure-Learn = Digital Transformation Success!

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Choosing the Right Marketing Automation Platform: A SME Success Story

24

Mariana Romero-Palma



24.1 Introduction

Digital transformation among marketing teams is steadily influencing the way we do marketing in the B2B world. This transformation usually starts with the need of marketing teams to operate their diverse marketing channels more efficiently and most importantly to measure their positive impact on sales. When the marketing team has the internal buy-in from the organization to invest in marketing technologies, the investment can potentially bring with it other important benefits besides the optimization of work processes such as: improvement of data quality, enhancement of communications as well as enrichment of customer intelligence and customer experience. However, the plethora of existing marketing technologies in the market continues to grow and becomes an ever more complex landscape that sometimes can make the investment a tough decision. In such a scenario where an organization has decided to invest in a marketing automation platform as part of their digital transformation plan, how does it invest in the one that is right for the organization?

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Marketing automation (MA) is potentially the central piece of MarTech (Marketing Technology) investments. It orchestrates marketing activities and also serves as a docking station for supportive marketing technologies. Therefore, it is of great importance to undertake a comprehensive decision-making process of what solution is ideal for your organization. Among the key features offered by most marketing automation vendors, the following are included:

- e-mail marketing
- Landing pages
- Campaign management
- Prediction/scoring
- Lead management and nurturing.
- CRM integration
- Social marketing
- Marketing analytics
- Infrastructure for a central marketing database

Why would these marketing automation features be important to B2B organizations? As mentioned previously, usually the goal when implementing marketing automation is to increase operational efficiency within marketing teams and measure the impact of marketing on the company's revenue. One of the key features within a marketing automation platform (MAP) is lead nurturing. Research shows, that companies that excel in lead nurturing generate more sales-ready leads at lower costs. In the B2B industry, the impact of marketing automation might be of even greater significance since often the benefit of marketing is not widely understood within organizations in comparison to other functions (i.e., such as product development, engineering, and sales). This lack of understanding usually is the reason for limiting the resources available to marketing teams such as budget, people, and expertise. If you are leading a marketing team or marketing activities within a large B2B organization, it is most likely that these challenges are familiar to you.

This case study describes the decision-making process, up to the purchasing, and initial kick-off of a marketing automation solution. The case takes place within a B2B organization that will be here referred to as "Engineering Inc.," This company is a global supplier of industrial equipment, systems and services for various industries. These industries also define the structure of the organization, which has production sites in more than 200 countries and more than 28,000 employees worldwide. Over 100 years of experience has positioned its business as a key partner for customized solutions from engineering to service. With this in mind, the purchasing process of a new marketing technology had to take into account the diversity of the organization considering the different business areas, each with a different maturity in terms of marketing, sales processes and work dynamic with sales.

24.2 Background and Challenges

This case spans within an approximately a year and half-time frame; from the third quarter of 2018 and up to the first quarter of 2020. Global economic growth was considered stable in 2018 with a reported 3.6% growth rate. However, the global economy was already experiencing the effects of trade tensions between the USA and China. At the same time, the European Union was anticipating the future exit of the United Kingdom from its member states. These conditions prevailed during 2019, marking a slowdown in the global economy with a reported 2.9% growth rate. (Engineering Inc. Financial Report, 2019).

Many B2B organizations were also witnessing the slowdown, including Engineering Inc. As mentioned previously this organization has a longstanding presence and leadership in industrial engineering, serving customers in the special industries, for example, pulp and paper. Within the pulp and paper business, for example, the economic slowdown weakened the demand for pulp. Indirectly, this created opportunities for modernization projects in pulp and paper plants. (Engineering Inc. Financial Report, 2019).

The expertise and global operations of these business areas positioned Engineering Inc. as a very diverse organization, which was also true for its wide range of customers. Adding to this diversity, Engineering Inc. was active in the acquisition of companies that offered complementary products and technologies as this was part of its growth strategy. This supports the organization's goal to become a global full-service provider and a single source from engineering to design, manufacturing, and service partner for its customers. This certainly can be an asset in many ways and a driver of innovation, yet likewise represents important challenges in terms of synergies and efficiencies across business areas and their business processes that are so unique. Regarding this case concerning the acquisition of a marketing automation technology, the diversity of the organization represented the following challenges:

- *Diverse Technological Landscape*: this was greatly influenced by the different internal processes of each business area and the acquisition of new companies together with their existing software systems. This is applicable to the number of solutions that the organization had in place, for example, for internal trainings, which at one point summed up to seven different technologies offering a similar service. However also, to the Customer Relationship Management (CRM) system in place and level of adoption within each business area. This represented a cultural challenge and also a technical challenge in this case as the CRM used was a customized system.
- *Maturity of Marketing Tams Across Business Areas*: depending on the business area each marketing team had a different level of maturity in the use of marketing technologies which was also related to the specific needs of their business area and the communication with customers as well as potential customers. While some marketing teams focused on marketing communications via modern online channels, such as Google AdWords and social media, others were more driven by

offline communications, for example, via trade shows and traditional post. Likewise, some teams worked with external agencies to manage these channels while others preferred to develop the skills internally within their teams instead.

- *Types of Customers and Sales Processes:* each business area offered a unique type of solutions, therefore also had unique customer types, product lifecycles and sales approach which were taken into account in the marketing strategies of each team. For example, while some customers require the acquisition of specific products, others require a whole system like a pulp and paper plant which contains many processes and products. For these two types of customers, either product-based marketing, solution-based marketing strategies or perhaps account-based marketing was more appropriate. In other business areas, the focus was on more complex projects involving direct and indirect customers at the same time. This is the case, for example, in tender-driven industries such as hydro, whereby governments or financial institutions invite manufacturers or EPCs (engineering, procurement, and construction companies) to bid on a project. In most of these cases, the buying decision of Engineering Inc. customers was driven by a buying community involving cross-functional areas, from engineering to product development, quality management, maintenance, and procurement.

Even though the internal organization of business areas, their business processes, offerings, and expertise were very much diverse, all were facing to some degree a slowdown in the market and a need to increase efficiencies not only in marketing yet also in other functions like sales and service. With this in mind, one of the common goals across the organization was the constant improvement of communications with existing customers and the potential of cross-selling. This was aligned with top management's vision of offering full-service to customers and the purpose of becoming a more customer-driven organization. Furthermore, there was a strong interest in strategies that focused on nurturing and retaining customers. Research shows that acquiring a new customer ranges from five to 25 times more costs than retaining an existing one. Likewise, there are studies that show that improving customer retention rates have a positive effect on profits. In this context, marketing teams saw the opportunity to contribute by the use of a marketing automation platform.

24.3 Why Marketing Automation and Where to Start?

Now that we have learned more about Engineering Inc. as an organization and its challenges, we can use this context to understand why it would consider acquiring a marketing automation solution at the time when this case took place. By now, we know that increasing efficiencies in marketing operations as well as supporting sales was a common goal to some extent across business areas. Considering the offered features in most marketing automation solutions, the assumption was that this tool had the potential to support such goals. These assumptions and considerations were happening initially only within a couple of marketing teams within the organization.

Yet the demand for such a solution needed to be shared if not by all, by most of the marketing teams within the organization and the purchase of such a solution needed to be backed by management, sales and IT. Marketing automation is a Software as a Service (SaaS), so the term “purchase” used here refers to acquiring a license for such software.

24.3.1 An Organizational Perspective

The buying decision, as with most purchases within B2B organizations, involved a greater internal buying community which would need to reach alignment. Even though this would not be an easy task to accomplish, having the diverse stakeholders onboard was crucial for the future success of the implementation of such technology. Marketing automation was considered a cross-functional endeavor. Research shows that ownership of such system included in the MarTech stack is sometimes a gray area within organizations, whereby in most cases a dedicated team is not defined (i.e., marketing operations). Here is an overview of the key stakeholders who were involved in this case:

- *Marketing*: each business area and its belonging divisions or subareas had a marketing team of its own. The size of the marketing teams and marketing budgets naturally were bigger in those areas with greater representation of overall sales. Even though marketing directors were the drivers, in this case, each had a different degree of influence on the purchase decision and diverse needs for such a technology. For example, the Pulp and Paper business area represented 43% of sales from the entire organization and thus most of the new technologies used in Engineering Inc. were first introduced by this area. This applied to those technologies used in marketing among other functions. The key purchase drivers for marketing were software features supporting their marketing strategies, usability, improvement of data quality of customers, and license costs. These costs would be allocated to the budget of each marketing team involved.
- *IT*: within the Engineering Inc. organization, IT was a large department with around 500 employees. The priority of the department was not only to drive innovation through technologies within the organization, but also to have a strong focus on ensuring the security of its data and communication systems in place internally and for customers. This department was in charge of purchasing and managing all software implemented, serving as a central and global function within the organization. As a cost center, any software license and maintenance costs would not be allocated to IT. However, this department would need to allocate people within its team to support the implementation of new technologies. This would represent an especial challenge to this department. As with IT in most large B2B organizations, this department had more than enough projects on its desk and more often than not too little resources for the implementation of such projects. The key purchase drivers for IT were aligned demand

from marketing teams, security, and reliability of the software and compatibility with the internal CRM system and existing technologies.

- *Sales*: the sales teams just like the marketing teams were likewise representative in size and resources of the order intake they generated. The collaboration between marketing and sales teams varied across business areas. One of the factors that influenced this collaboration was the use of CRM as a base to manage customer data and intelligence. The input of this data and maintaining its good quality was mainly a task of sales teams, which was eventually shared with service teams within the customer lifecycle. Marketing teams aimed to support sales and service teams with this task by introducing marketing automation as a measure to maintain and improve the data quality of customers. Although sales was not so invested in which marketing solution should be purchased, they would be the internal customers of marketing and would mainly value the integration of this new tool with CRM.
- *Management*: in Engineering Inc. each area of business had a CEO of its own who reported to the board. This was also the case for other global functions like HR or IT. Functions like sales and marketing existed within every business area and reported to their respective top management. Buying decisions regarding software technologies however would be recommended to the board by IT, with the backup of the demand generated in each of the business areas. For the respective business area top management, the key decision driver for acquiring a new technology was returned on investment and the potential alignment between their marketing and sales teams.

Considering this internal landscape of stakeholders and their key drivers in regard to this case, marketing was the most invested in reaching an alignment and moving forward. However, even the marketing organization across business areas needed to reach alignment first on what kind of tool would support the company's goals and their teams. The marketing director of one of the divisions belonging to the water business area took the initiative of testing a marketing automation software in a trade show as a proof of concept. This would help to get an internal experience with marketing automation in a marketing channel that was key across business areas.

Traditionally 40% to almost 60% of marketing budgets were invested in trade shows each year, whereby a given business area would attend to more than one trade show per week throughout the year. In most cases, it was an important channel for sales to meet not only potential customers but also customers and partners. The challenge was that at that time the data of these visits to the company's booth were recorded on printed paper forms which usually also entailed a manual and time-consuming task during and after the trade show for the sales teams. The use of marketing automation could ease the process for the sales team and also enable a more efficient follow-up process with booth visitors. Features supported by marketing automation used in this case were business card scanning via smartphones used by booth staff, e-mail marketing, a landing page with a contact form to set up a short customer journey. As Engineering Inc. had an ongoing enterprise agreement with Microsoft, the solution tested was the marketing module of Dynamics 365 which had

some of the basic functions of marketing automation solutions. The goal of such a test was to support sales in processing visitor's data at the Singapore International Water Week trade show and identify quickly what type of follow-up was needed in each case. As a result an RFP (i.e., request for an offer proposal) was received from this event, which presented a first showcase to share with internal stakeholders.

24.3.2 A Tool Perspective

Internal presentations took place in order to first get marketing internal stakeholders onboard. Even though marketing directors across the different business areas were convinced that marketing automation could be beneficial, there was no agreement or commitment on budgets and which tool this should be. On the other hand, IT was too busy on ongoing projects with no availability for evaluating and implementing a new software until the upcoming year. To solve this issue the piloting business division team did a thorough evaluation of the top marketing automation vendors while considering the needs across marketing teams. This evaluation was the basis for reaching alignment and contained the following aspects:

- *Evaluation matrix* considering features, usability as well as alignment with the organization and existing infrastructure among other key areas.
- *Three-year budget forecasts* including fixed and running costs.
- *Marketing return on investment scenarios* based on increased conversion rates and time efficiencies when supporting sales teams.
- *Product demos* from top-ranking marketing automation vendors.
- *Considerations for a custom CRM integration.*
- *Architectural review* considering legacy systems and security standards within the organization.
- *Definition of first use cases* or campaigns by business area.
- *Implementation project.*

24.4 The Evaluation Process

The evaluation of marketing automation mainly took into account the top vendors listed in the Gartner's Magic Quadrant (MQ) of 2018 for two categories that were valued as relevant: CRM Lead Management and Multichannel Marketing Hubs. The MQ is a compilation of market research reports combined with qualitative data analysis published every one or 2 years by Gartner (IT consulting firm). Additionally, the evaluation considered existing enterprise agreements managed by the IT department with vendors that also offered marketing automation solutions. This was probably a challenging factor within the evaluation, as it was not driven by the marketing automation solution itself, yet by their compatibility with the existing technological landscape in Engineering Inc. and the potential benefits that this would

bring.¹ Within these criteria, the marketing module from Microsoft's Dynamics 365 and SAP Hybris was considered as Engineering Inc. had existing enterprise agreements for several Microsoft and SAP products in place. This also meant that the IT team had a focus on developing a knowledge base on these technologies internally to better support and solve issues in the future. However, Microsoft Dynamics 365 was discarded at the early stages of the evaluation due to its limited marketing automation features.

24.4.1 The Alignment Challenges

After the process of information gathering and a series of product demos, the analysis and alignment took place between marketing and IT stakeholders. These two departments would need to agree on a preferred solution that would be presented to top management. During this period, it was rather clear that from the marketing side there was a preference for top-ranked solutions like Marketo and HubSpot. Yet there were some critical points where alignment within marketing and with IT proved to be especially challenging:

- *License Fees:* most marketing automation vendors based their pricing structure on the number of marketable contacts that would be stored in the software's database. A marketable contact is in this case understood as a person with a valid and unique e-mail address. Vendors argue that this is not the only factor of their pricing models and that add-on features are as important in understanding the pricing structure. On this matter, there was a relatively high difference between the top runners considered by the marketing team. As license fees were going to be allocated to the respective business areas based on their usage of the license, this factor naturally draws a divide between the marketing teams that prioritized costs over features or other criteria.
- *Internal IT Landscape and Know-How:* usually the choice for a marketing automation solution takes into account what type of CRM system is in place within the organization. This is because most MA products offer out-of-the-box integrations for the most used CRM systems. In Engineering Inc. this was not a critical factor as it used a custom CRM system that required in any case a custom integration. Therefore, the main consideration regarding the existing IT landscape here focused on a system's architecture standpoint. In other words, an examination of what other systems would this new technology would be connected to or communicating with (i.e., other cloud services, databases, and middleware). Also, the existing IT landscape, that was heavily driven by SAP and Microsoft products.

¹Please compare with the article in the first section of this publication on "MarTech 8000" authored by Seebacher and his described process for vendor screening.

- *Security*: Engineering Inc. was an early mover in regard to the Industrial Internet of Things (IIoT) and well aware of the benefits of interconnected networks as a competitive edge in industrial manufacturing. Partly influenced by this, there was likewise a high focus within the IT department on ensuring data security. This raised up the following type of questions: Where is the data going to be stored? What are the security measures each vendor ensures to keep data centers safe? What security certificates do they have for stored data and data in transfer? How to avoid potential misuse of the software? How is a single-sign-on supported? For example, in terms of the location of the data centers, the IT department had a strong preference for those located within the European Union. This was supported by Marketo at the time, whereby its data center was located in London, UK. Yet this case took place during the forthcoming UK's exit of the EU and represented a potential risk if Marketo was chosen. Within a very risk-averse environment, the marketing team would be in a challenging position of relying on IT's demands and recommendations on this key topic that is usually quite foreign for marketeers.

Alignment required a thorough documentation on the different options that included the information gathered in demos, market reports, and multiple alignment calls with vendors. An evaluation model was already developed internally by the business division's team for a CRM re-launch project and was used as a base for evaluating the MA options. This had more than 30 evaluation criteria in the following eight categories: alignment with the organization and existing infrastructure, functionalities, usability, platform requirements, security, compliance, total cost of ownership, and five-year outlook.

24.4.2 Selection Key Criteria

Table 24.1 below summarizes the key findings of the evaluation, whereby the preferred solution by the marketing team resulted to be Marketo. The listed vendors were accepted as valid solutions according to the requirements set by the IT department, yet marketing teams still had disagreements regarding the license fees. As part of the alignment process on this topic, the following points were considered and added to the evaluations:

- *Three-year budget forecasts*: these estimations were important during the alignment process across marketing teams. Each of these teams would commit to investing an important part of their annual budget based on their usage of the license and the size of their business area within Engineering Inc. Even though this was a point of continuous discussion it was the main point for bringing the teams together to an agreement. The factors considered within the forecast were: fixed costs such as the license fee and running costs which would be internal or external technical or consulting support covering mostly the needs for a custom CRM integration, as well as training for key users and potential add-on features

Table 24.1 Summary of evaluated marketing automation solutions

	Hubspot	Marketo	SAP Hybris
Market evaluation (Gartner's Magic Quadrant, 2018)	Niche player	Leader	Niched player
Market segment	B2C	B2B	B2B
Price category	Economy	Premium	Economy
Custom CRM integration	<ul style="list-style-type: none"> • Standard REST API • Manual import/export of flat files supported 	<ul style="list-style-type: none"> • Standard REST API • Required middleware supported (i.e., Talend) • File transfer protocols supported • Manual import/export of flat files supported 	<ul style="list-style-type: none"> • Standard REST API • File transfer protocols supported • Manual import/export of flat files supported
Security	<ul style="list-style-type: none"> • Required data center certifications • Required data transit encryptions • Authentication signatures 	<ul style="list-style-type: none"> • Required data center certifications • Required data transit encryptions • Authentication signatures 	<ul style="list-style-type: none"> • Required data center certifications • Required data transit encryptions • Authentication Signatures • Location of data center in EU mainland
Demo ranking	9/10	8/10	8/10
Main strengths	<ul style="list-style-type: none"> • Lower license fees • Friendly user interface • Unlimited number of users per license 	<ul style="list-style-type: none"> • Advanced ABM features • Multiple work environments under one license • Deduplication and cleansing of data • 365+ integrations supported for additional MarTech 	<ul style="list-style-type: none"> • Easier integration with ERP and CTM systems • Internal IT knowledge on SAP products • Multiple work environments under one license
Trade-offs	<ul style="list-style-type: none"> • Limited ABM features • Data deduplication features on development • Separate licenses potentially required per business area 	<ul style="list-style-type: none"> • High license fees • Data center located in London, UK • Higher level of training required 	<ul style="list-style-type: none"> • Need of add-ons for data management and content creation • Costs of additional features • Higher level of training required

needed in the feature. These costs were distributed among marketing teams based on the estimation of number of marketable contacts needed in each case. Although a basic cost distribution model, this helped to have an initial picture and start key discussions.

- *Return on marketing investment (ROMI)*: an estimation of the return on investment (Seebacher & Güpner, 2011) was asked by top management as part of the evaluation process. A few sources offered models to calculate such return based on an improvement of lead conversion rates. In this case, a model was used which considers an increase conversion in lead generation campaigns by 20% and a 5% increase in conversions of opportunities to sales. In this case, conservative conversion rates were taken into account as a starting point as a precaution and with the mere objective to use the model as an exercise. This exercise would be redone once the data on conversion improvements was internally available yet served as a basis for further discussion. Additionally, an estimation was made based on potential time savings from the sales teams when counting with the support of marketing automation during and after trade shows. The experience so far with trade shows indicated that an average of 45 minutes needed to be invested by sales to follow up with each lead or booth visitor. With an average of 30 leads per trade show, this represented nearly half a week-time to process leads after the event. On the other hand, based on the experience of the marketing automation proof of concept (POC) done by the team suggested that this process could be supported by the marketing team to identify sales-ready leads which were considered to be about 15% of booth visitors. If only these leads were to be managed by the sales team right after the event while the remaining leads were approached by marketing with nurturing campaigns, the estimated time needed to follow up would be reduced from half a week to about 3,5 hours for the sales team. Even though these estimations were optimistic and somewhat general, they were also a base for further discussion and consideration of the potential value of such technology and coordination within the organization.

Finally, an agreement was reached after rounds of pricing negotiations with Marketo and it was chosen by the marketing team and endorsed by the IT department.

24.5 The Implementation Process

While the approval from top management and contracting via the IT procurement team was taking place, a steering committee and a project team for the implementation were assigned. As in most big B2B organizations, the involvement of a steering committee was needed in order to reach consensus on decisions that could not be decided within the project team or to bring up issues that needed the attention of top management. The members represented the diverse business areas as well as group functions needed to be involved, such as the IT and corporate communications departments. Also, within this group, a unit related to all Industrial Internet of Things (IIoT) solutions was involved, which offered automation services and control systems to customers from all Engineering Inc's business areas.

24.5.1 Additional Key Requirements

The implementation kicked-off and considered the following additional requirements together with the support of the steering committee and the project team:

- *Key user network within the marketing organization*—each business area nominated 2–3 key users to build a network of 15+ users. This would help to create an internal knowledge and support base for marketing and sales teams. This network was connected internally via collaboration tools such as Microsoft Teams for constant experience exchange.
- *Implementation partner certified by Marketo*—this ensured the system stand-up, the delivery of on-site Marketo trainings for key users, and the support of technical consulting experience on custom CRM integrations with Marketo.
- *Phased CRM integration*—as the integration between Marketo and CRM was in this case a custom integration, the work could only be done internally by the IT department. Therefore, it was important to plan the integration in phases due to the limited time resources of the IT team. The synchronization between these two systems would be for some data fields bidirectional and for others unidirectional, posing for the former case important decisions on which system had priority when updates of the databases were performed.
- *Regular training, monitoring, and reporting*—regular internal training driven by key users and supported by building up cases in the Marketo’s Center of Excellence. This is a workspace within the Marketo software to share best practices internally across teams. Along with this, it was also planned to enable a consistent reporting method to share the results of marketing activities with management.
- *Marketo premium support*—Marketo offers a customer portal for the support that works 24/7 through different support centers in different time zones. Also, support via telephone was available with high response times for top priority issues.

24.5.2 The Four Project Phases

The project of the implementation of Marketo was structured in four phases in a time span of nearly 4 months. The description of each project phase and a general overview of the relevant tasks or work packages for each phase were as follows and as summarized in Table 24.2:

1. *System setup*: this phase focused on customizing the Marketo environment, from creating corporate templates for e-mails, landing pages, and forms to defining and creating key user roles.
2. *Operational setup*: almost happening in parallel to phase 1, this setup focused on creating workspaces, a naming convention for all campaigns and marketing assets, subscription center, a double opt-in process to manage the preferences of marketable contacts. These last two things would be especially important to

Table 24.2 Overview of phases and work packages of the implementation project

Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
System setup	Operational setup	Training	Launch of campaigns	Integration
<ul style="list-style-type: none"> • Setup of e-mail deliverability • Setup of CNAME for landing pages, e-mails • Define and create permission structure (users and roles) • Create corporate templates in Marketo (i.e., e-mail, landing page, and forms) • Embed Munchkin tracking code on website 	<ul style="list-style-type: none"> • Define naming convention and folder structure • Create a double opt-in process • Create preference center/ unsubscription • Define and create lead lifecycle • Date management program • Define and create lead scoring 	<ul style="list-style-type: none"> • Finalize concept for initial campaigns • Create event program template in Marketo • Create nurturing program template in Marketo • Prepare content for initial programs • Launch and support initial programs 	<ul style="list-style-type: none"> • Onsite training for key users • Internal key user manual • Weekly support calls • Ongoing monitoring 	<ul style="list-style-type: none"> • Import and export flat files (csv) • Define CRM sync • CRM workshop • Phased CRM integration
Stakeholders: project team, internal IT team, and implementation partner	Stakeholders: project team and implementation partner	Stakeholders: project team, key users, and implementation partner	Stakeholders: project team, key users, and implementation partner	Stakeholders: project team, internal IT team, and implementation partner

ensure compliance with the General Data Protection Regulations (GDPR) from the European Union put in effect in 2018.

3. *Training*: an onsite 2-day training took place with the established key user network, driven by the Marketo certified implementation partner. The training focused on introducing key Marketo concepts such as programs, assets, and flows. The knowledge level of marketing automation and its potential was somewhat diverse among key users, therefore the training served also as a leveling ground on understanding the tool and its use for the business. Lastly, the knowledge was applied to a common use case or campaign done by all key users, which was an event program for a webinar to be delivered for a segment of customers within the EU market.
4. *Launch of First Campaigns*: each business area had predefined a couple of use cases or campaigns driven by marketing automation that could be simple enough to implement, measure, learn from and scale or apply to different products, services, or markets. These would use most of the marketing assets featured in Marketo and use the basic program or campaign types as setup. Examples of these were webinars, newsletters, or lead generation campaigns via gated content.

5. *Integration*: this phase mainly focused on the custom CRM integration. Pre-built integrations such as Adbridge or GoToWebinar, were mostly done as part of the operational setup. A CRM workshop was done together with the implementation partner, marketing directors, and internal CRM experts from the IT team in order to define the different data fields on both systems, CRM and Marketo, that would be considered for the integration project. This consideration required first an agreed lead lifecycle model that was flexible yet detailed enough and that would work for the different business areas alike. Although the groundwork and workshop were done during phase 2, the integration work was scheduled later on as the last phase due to the limited availability of the internal IT team involved.

24.6 Fast Results and Many Happy Internal Clients

The main goals that the marketing teams set were to operate the diverse marketing channels more efficiently and most importantly to measure their positive impact on sales. These goals were considered to be realized in the medium to long term for two main reasons:

1. The sales cycle within Engineering's Inc. B2B industry usually ranged from a year up to a year and a half.
2. This project involved internal change management for marketing and sales teams.

However, each business area defined early on what kind of use cases or campaigns could be implemented in order to report initial progress on their goals. Increasing operational efficiency of marketing channels was evaluated by factors such as the capitalization of existing marketing content, the easy replication of templates for marketing assets and campaigns as well as the qualification of marketing leads. Although this goal still would take some time as the level of marketing automation matured within the marketing organization, these were quick wins that were enabled by Marketo features. The first-time setup of campaigns or programs required initially a learning curve and more time, however once set they could be reused and adapted within nearly three to four work hours by a Marketo key user. Previously this would involve nearly a couple of workdays involving support from other marketing team members that would take care specifically of individual tools serving e-mail marketing or landing pages on the corporate website. By centralizing these tasks in one tool such as Marketo, time savings could be achieved and likewise important knowledge transfer, as well as best practices, could be shared more efficiently across business areas. All this while ensuring alignment with corporate brand guidelines in different channels, which sometimes can be challenging in large B2B organizations.

On the other hand, the lead life cycle model defined during the implementation project was considered as the groundwork for the measurement of the second goal in regard to the positive impact of marketing efforts on sales. The lead life cycle model

is understood here as the process in which persons go through up to the point when they convert into customers and also recurring customers. This was implemented together with a lead scoring logic that would score persons based on demographical and behavioral data. The lead life cycle model was agreed on the following different lead or person's statuses:

- *Anonymous*: a person that is not yet known to the company has shown initial interest in its products and/or services. For example, a website visitor who has accepted the site's cookie policy yet has not provided personal data such as name, last name, and e-mail address.
- *Known*: a person that has provided personal data to Engineering Inc. This could have been, for example, via interaction in a trade show, the company's website, or social media.
- *Marketing Accepted Persons (MAP)*: a known person that based on demographical or company data matches the target set of criteria agreed by the marketing and sales teams. The lead scoring logic would help in this case to identify these persons easily. An example would be a person whose job title is a consulting engineer within a given market and industry.
- *Marketing Engaged Persons (MEP)*: based on a set of behavioral criteria, a person that is engaged and has shown interest as a result of marketing campaigns. This might be, for example, a person that has attended a webinar delivered together with sales or product experts.
- *Marketing Qualified Persons (MQP)*: based on the previous two statuses above, a person that is scored highly due to demographic and behavioral data altogether. In this case, the marketing team considers that this person is ready to talk with sales.
- *Sales Accepted Lead (SAL)*: an MQP which has been validated by the sales team and represents a potential business opportunity.
- *Opportunity*: the SAL is converted to a business opportunity that could be won or lost.
- *Customer*: a person and/or company associated with a won opportunity and purchased a product or a service.

A fast track of the process was also possible in the case of Account-Based Marketing initiatives or for recurring customers. Usually, this framework is reviewed and adjusted during the first months or year when implementing marketing automation. This ensures adjustments based on more experience and data to validate the model, especially in regard to the lead scoring logic. In this case, this framework helped to start to measure the results on the impact of marketing over sales. After the first month of operations, the project team reported on campaigns targeting more than 3000 marketable contacts, whereby about 9.4% were identified as Marketing Engaged Persons. This was only the beginning of the path of measuring marketing's contribution to later stages of the lead lifecycle model described above, yet already considered as a positive start.

24.7 Lessons Learned

The implementation of marketing automation can be a great driver of digital transformation among marketing teams, with the potential to redefine the structure and roles within a marketing organization and therefore its collaboration with sales. The process of getting ready for such implementation can start since the evaluation of marketing solutions available and how these better support your company’s goals. Like in the B2B world the buying journey of such technology took about 10 months that involved research, evaluation, and much internal alignment among stakeholders. Marketing automation vendors are sometimes likely to underestimate the time frame needed within big organizations or are often more acquainted with B2C customers. Usually, vendors target marketing departments that need to do much alignment with IT, sales teams, and management before reaching an agreement. The launch of marketing automation can be just the beginning of a great learning process ahead. The maturity of its usage and its integration within the organization will continue to evolve most likely after the launch phase; ensuring that marketing evolves from single isolated campaigns to more coordinated multichannel communications (Table 24.3. Marketing automation and its maturity phases). Limited KPI measurement in the marketing team and silos between departments are sometimes characteristics of most B2B organizations. However, this is changing, moving toward a more optimized collaboration between marketing and sales.

In this case, the learning curve and path toward maturity was perhaps less linear across teams. Some marketing teams from the different business areas within Engineering Inc. were more used to measuring KPIs than others. Which was also the case in regard to the alignment with the different sales teams. However, the launch of marketing automation contributed to knowledge transfer and alignment

Table 24.3 Marketing automation and its maturity phases; Source: The Definitive Guide to Marketing Automation, Marketo Inc. (2020) (<https://www.marketo.com/definitive-guides/marketing-automation/>. Accessed May 22, 2020)

1. TRADITIONAL MARKETING	2. DEMAND GENERATION	3. INTEGRATED PIPELINE	4. REVENUE PERFORMANCE MANAGEMENT
<ul style="list-style-type: none"> • Low targeting • Immature sales and marketing alignment • Limited marketing ROI measurement 	<ul style="list-style-type: none"> • Manual campaigns • Basic lead management • Sales and marketing remain in silos • Operational marketing metrics only 	<ul style="list-style-type: none"> • More sophisticated segmentation • Lead nurturing and scoring • Integrated marketing and sales processes • ROI and revenue impact 	<ul style="list-style-type: none"> • Coordinated, optimised, multi-channel campaigns • Single revenue team (marketing and sales) • Sophisticated lead management across the revenue-cycle • Disciplined multi-touch ROI measurement

among best practices that benefited the teams involved. Some lessons learned from the purchasing process up to the first couple of months after the launch of marketing automation are:

- *Reinstating the Business Goals:* Have in mind that a MarTech solution should solve an identified business problem or enable the business to achieve its goals. Not having a tool, is not the issue in itself. Not having a hammer is rarely a problem if driving nails is not part of your business. This may sound simple-minded, yet often due to a lack of focus a great technology can be lost, redundant, or misused within the daily inertia of an organization.
- *B2B Features Matter:* Marketing automation has been in the market already for about 20 years, yet it is still a relatively new technology for some B2B industries. As the market has been driven by the fast-paced B2C world, some marketing automation tools are likewise more oriented toward B2C organizations. One of the factors that influenced the decision toward Marketo at the time was its ABM features that include account mapping, scoring, and reporting.
- *Early Involvement of the IT Team:* Even though the marketing department is the user, a great part of the buying process depends on a close collaboration with IT. This was especially true for Engineering Inc. whereby IT had a great say on procurement and implementation. At the same time, it was important that marketing got involved in technical topics and had a better understanding of the buying-drivers of IT. (i.e., security, compatibility, and scalability of the system).
- *Considerations When Having a Custom CRM:* Most marketing solutions come with out-of-the-box integrations with the most popular CRM systems. Some of their features might also work best with these pre-built integrations. It was important to consider how having a custom CRM system would change the approach of the integration work with marketing automation and if any features would be compromised due to this.
- *A Fair Cost Distribution:* In order to move forward with purchasing, the alignment on the distribution of license fees played an important role among marketing teams. Cost allocation models are a subject for case study of their own, yet an initial agreed framework was key to ensure fair funding and use of the license.
- *Alignment Across the Marketing Organization:* Within big organizations, it might be somewhat tempting to start solo initiatives from one area or department with the aim of moving faster. Alignment alone can prove to be a time-consuming endeavor. Yet in this case, having the whole marketing organization onboard, enabled more resources and impact within Engineering Inc.
- *Establishment of a Key User Network:* Even though key users did not need to get involved much before the implementation kicked-off, it was important that each marketing team nominated their key users early on. This contributed to learning the future demand of users that needed training and access to marketing automation. Key users have a big role in making the implementation of such tool a sustainable success. Therefore, it was key to establish at the same time means for constant collaboration and learning to foster a work environment of curiosity, patience, confidence, and perseverance.

Depending on the size, culture, and industry your organization operates in, these learnings may also give a hint in regard to common pitfalls that usually are encountered when choosing a marketing automation solution and its implementation process such as:

- Missing to connect business objectives with the use of new technologies.
- Buying a marketing automation solution that is designed for B2C businesses.
- Disregarding the importance of technical related matters and the internal IT landscape.
- Involving sales or all marketing teams at a later stage.
- Unclear responsibilities among IT and marketing regarding system management and maintenance.

24.8 Conclusions

Choosing the right marketing automation solution or any other technology of the MarTech stack will probably continue to be a challenging process in the future. Research shows that the market has grown more than 5000% in the last 9 years, with now 8000 marketing technologies available (chiefmartec.com, 2020).² Such variety of solutions seem to evolve into a deeper specialization, covering the areas from advertising, content, social media, e-commerce, to data and project management. Perhaps as this specialization continues and broadens into more domains that are key to marketing operations, it will also demand more and more the design of such solutions as part of a greater ecosystem. This is perhaps why marketing automation solutions are an important piece of the MarTech stack, as they offer the potential to serve as that docking station of other marketing technologies with the benefit of centralizing operations and data management.

This ecosystem approach was one of the motivations in this case, besides B2B features, to choose Marketo as the marketing automation solution for Engineering Inc. This is believed, after the few months of its implementation, to have been the right choice considering the goals and needs of the business. Yet this type of MarTech investment specially is one that is done with a medium to long term time span and asks to be reevaluated on perhaps a yearly or biennial basis. Furthermore, this is also the duration of most software license contracts from marketing automation vendors. Building an integration with internal data systems such as CRM is no light-minded task, which is desirable when implementing marketing automation.

Such task is specially challenging within a risk-averse IT culture that is sometimes common in the B2B industry. The upcoming 2–3 years will serve to validate if this was a successful investment.

²<https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>. Accessed May 22, 2020.

So far, this process has been an agent of alignment, change management and digital transformation that has been experienced first-hand by the marketing organization. It has served as a reinstatement of the business goals within the teams and the contribution that marketing departments can make to reach them. Along questioning the status quo, the experience was seen as an opportunity for reassessing roles and team structures in charge of marketing operations. This can be a catalyzer for growth that permeates marketing departments, their teams, and individuals alike. And potentially influence in a positive way other departments and functions that work closely with marketing, such as sales and IT.

The endeavor, from purchasing to implementation, has called for a more coordinated and collaborative work across these departments after all. The marketing teams learned to be more comfortable with meetings and decisions regarding data management and security or systems' architecture, for example. Likewise, IT or sales are more familiar with marketing-related terms such as customer journeys, customer intelligence, customer experience and content management. Such collaboration as a result may foster a more customer-centric culture, with a greater understanding of customer relationship lifecycles and serve to onboard the organization into contributing to the customer journey. Marketing automation makes all this more measurable by centralizing data from diverse marketing and communication channels into one marketing database. This in turn is expected to encourage a culture that is driven by meaningful data insights to make smarter and better business decisions that understand and serve the customer better. Research shows that customer-centric businesses report a greater growth in revenue in comparison to their market averages. Through global economic slow-downs, or when high market competition is part of the daily business, the edge of customer-centric organizations might become of even more importance.

Lastly, this process showed that technological innovation can be initiated by different departments or functions within the organization. In Engineering Inc., the initiative was taken by the marketing team who played an active role in the purchase and implementation of marketing automation. If such approach is encouraged in large organization perhaps this could contribute more actively to the vision of digital transformation that is mostly lead by IT departments. Digital transformation might also mean a good deal of transformation in regard to processes and work culture. Having the end users of a new technology involved in the early stages of evaluation can help to ensure a successful adoption and implementation of such technology. As seen hopefully in this case, initiatives with some level of digital transformation are a team endeavor that helps ensure a better implementation and as well as growth.

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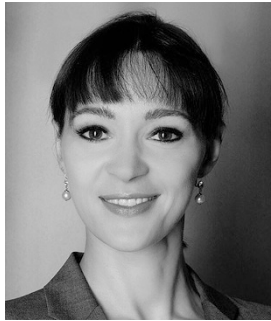
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How to Improve with a Strategic Lead Management: The Go-to-Market of Innovative Energy Solutions—Case Energy Industry

25

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25.1 Introduction

The energy industry has changed a lot over the last decade. The energy turnaround initiated by the Federal Government in 2011 is considered the biggest break in the history of the German electricity industry (Anhelm and Tuttlies 2020). The aim is to phase out nuclear energy gradually by 2022. At the same time, renewable energies are experiencing strong growth, while wholesale prices for electricity are falling on the stock exchanges. With the market entry of new competitors, the market power of the established energy supply companies is dwindling. New business models are developing as a result of the redesign of the electricity market. They relate, for example, to support services to achieve efficiency targets and the expansion of renewable energies. innogy SE builds smart grids and offers innovative energy services, e.g., in the fields of storage technologies, electromobility, and energy efficiency.

The activities of the energy company focus on more than 20 million customers, who are offered innovative and sustainable products and services, e.g., to use energy more efficiently. One such complex product that requires explanation—a so-called non-commodity product—is the bit.B energy monitoring solution. Marketing and selling this, also internationally, is a challenging task, because the environment for B2B sales is also becoming increasingly complex (Koponen et al. 2019). The increasing digitalization and the changed media usage behavior also affect purchasing processes (buyer journey) in companies. According to various studies, B2B transactions are increasingly taking place on digital platforms and more than 50% of the purchasing process is completed before the first contact with a sales employee (Arli et al. 2017; Baumgartner et al. 2016; Roland Berger 2015; Accenture 2014). B2B customers have to make decisions on the acquisition of increasingly complex services and solution offerings. Trusting and personal buyer–seller relationships are crucial for success (Viio and Grönroos 2014, Viio and Grönroos 2016). The

adaptation or realignment of lead management processes¹ and their effective design is therefore becoming increasingly important.

This case study from the energy industry provides the reader with a brief overview of industry developments, the origins and development of the company innogy SE and its iconic brand. Current challenges that the company has to face in the development of so-called energy+ or non-commodity solutions and a customer-centric (re)orientation are outlined. Using the energy monitoring solution bit.B as an example, the challenges (e.g., the marketing of solutions and are described² and the relevance of lead management and lead nurturing in this context is discussed. Furthermore, the role of content marketing and content formats will be examined, the development of a lead-nurturing program (incl. lead scoring) and the intention behind the use of such a program will be shown. why a close interaction between marketing and sales is necessary will also be explained. The case study thus provides a good complement to the practical concepts and models presented in Part 2 of this guidebook. The reader gains insight into an industry that is otherwise less in focus.

25.2 Historical Development of innogy SE and Its Characteristics

Listed in the MDAX on the stock exchange since October 7, 2016, innogy is a leading German energy company with a turnover of around €37 billion (2018). With more than 42,000 employees, innogy serves around 22 million customers. The distribution networks are the backbone of the energy turnaround. innogy's distribution network currently covers five countries and is one of the most efficient in Europe. innogy also plans, builds, and operates plants for the generation of electricity from renewable sources. The aim is a rapid expansion of renewable energies in Europe and other parts of the world by own efforts and with partners in order to achieve the energy turnaround. innogy has been operating since April 1, 2016 and emerged from a reorganization of the RWE group. The reorganization of RWE and the foundation of innogy was triggered by a tsunami in Fukushima, Japan, in 2011 which caused the cooling systems of a nuclear power plant to collapse. The tsunami was the effect of one of the strongest earthquakes ever measured. The fuel rods of the nuclear power plant threatened to overheat, causing a meltdown with unforeseeable consequences in densely populated Japan. Due to the events in Fukushima, the discussion about the future of nuclear energy became more heated again in Germany. Shortly after the events, the German Chancellor, Angela Merkel, finally announced a

¹Compare for the chapter by Seebacher on the B2B Marketing Eco-System in this publication.

²While the topic of solution selling is currently receiving a lot of attention in research (Ulaga and Kohli 2018; Ulaga and Loveland 2014), little attention has so far been paid to the necessary communication skills of a salesperson involved in international solution selling (Koponen et al. 2019).

moratorium on the extension of the operating life of German nuclear power plants, which had been decided a few months earlier.

The energy turnaround initiated by the German government is described as the biggest break in the history of the German electricity industry (Anhelm and Tuttlies 2020). Linked to this is the goal of restructuring Germany's energy supply to make it more energy efficient and to increase the share of renewable energies in gross electricity consumption to 35% by 2020. In the course of the energy turnaround, the aim is still to phase out nuclear energy gradually by 2022 and to reduce primary energy consumption by 50% compared to 2008 (Anhelm and Tuttlies 2020). At the same time, energy policy is striving to ensure a secure, environmentally compatible, and affordable energy supply (BMWi 2014, p. 5). The pressure for change that these developments have brought to the energy system in Germany is massive. RWE, one of the Big Four energy companies (Anhelm and Tuttlies 2020) along with E.ON, Vattenfall, and ENBW, was also facing a major challenge and an unforeseeable future with its core business at the time. The phasing out of nuclear energy was one of the driving forces behind the developments surrounding the energy turnaround. And the transformation into a sustainable, decentralized, and democratized energy system is one of these developments to which innogy is contributing. In its three functionally separate business areas (Grid and Infrastructure, Sales, and Renewable Energies) the company addresses the requirements of a decentralized, decarbonized, and digital energy world and works daily to offer innovative, sustainable products and services for this. Products and services with which energy can be used more efficiently and the quality of life of its users increased. As a solution provider, the company's sales department today manages the various interfaces between the various market players.

Customers should have the opportunity to actively participate in the energy revolution. The spectrum ranges from green energy tariffs, photovoltaic systems, the storage of regenerative energy, and the withdrawal of this energy in charging points for electric vehicles to solutions that help to avoid unnecessary energy consumption and high loads. In order to develop these products and services, the company benefits from the broad know-how of the energy technicians and engineers working in the company and its digital technology partners. In the period from 2017 to 2019, a single-digit billion Euro amount was invested in the expansion of the energy market of the future and the further development of the energy turnaround. innogy is active in 16 European countries. Important markets are Germany, the Netherlands, Belgium and some countries in Central Eastern and Southern Europe, e.g., Poland and Hungary.

What must the brand do for innogy to lead the company into the future? An essential question the brand has dealt with. The credo was a fresh start, in the spirit of Hugo Stinnes, who had the vision of nationwide electricity at the turn of the century. Picking up on Stinnes' vision and inspired by the urge to do everything differently, innogy wants to help people (individuals, companies, regions): in the intelligent use of energy, which, according to the brand's belief, is available anytime and anywhere. innogy's vision is to inspire people, to create solutions and to use technology,

progress, and innovation to shape the future with it and the skills and experience available in the company.

25.3 The innogy Brand

The brand name innogy is a symbiosis of the terms innovation, energy, and technology. The brand itself consists of three pillars (see Fig. 25.1): the six motivators that describe innogy’s perspective on the world in which the company exists today; the three-part mission statement that defines the role innogy sees for itself in the world; and a brand conviction that embodies the vision of the brand.

The six drivers are topics that are crucial for the brand and motivate it: *Decentralization* describes the development that instead of large power plants, more and more small systems such as combined heat and power plants, citizen wind farms, or photovoltaic systems are moving in. They supply people with green electricity. In addition, more and more customers are becoming energy producers themselves. The proportion of these prosumers—customers who consume and produce energy at the same time—continues to rise and they will share their resources with family, friends, or neighbors. In order to control the resulting widely ramified network, energy companies are increasingly developing into energy managers and are in demand as such. To this extent, this development is changing the role of large energy

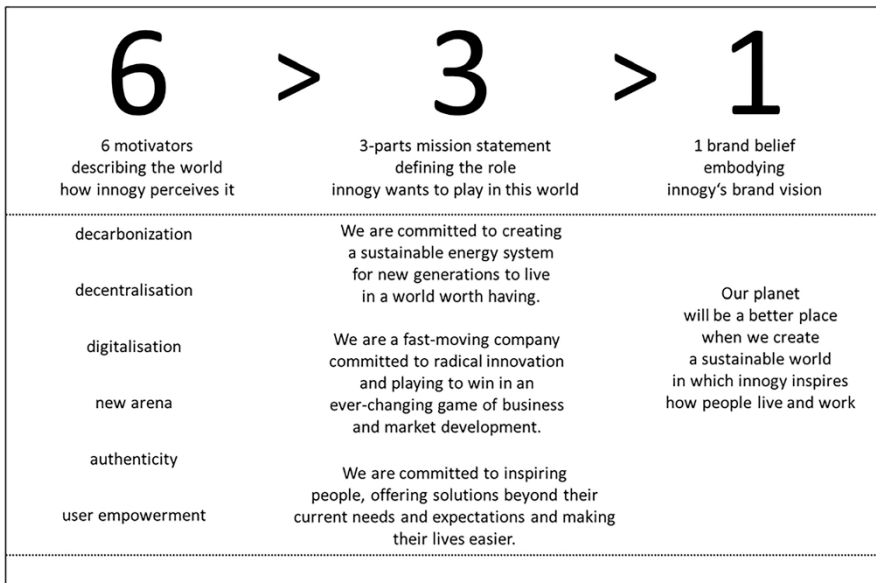


Fig. 25.1 The three pillars of the innogy brand. (Source: own presentation in general to innogy)

companies. At the climate summit in Paris in 2015,³ a radical departure from the use of fossil fuels such as oil and coal was decided upon, thus supporting *decarbonization*.

The days when environmental and energy awareness was little more than a marginal phenomenon of a small group of ecological masterminds are long gone. innogy strives to make its contribution to the creation of a sustainable energy system that makes the world worth living for us and future generations. *Digitization* also plays an important role in this, because the energy system of the future will be digital. It combines many small parts into a large whole. Smart grids will provide a secure power supply. Smart products will make people's everyday lives easier. The world is developing by leaps and bounds, and with its technologies, markets, business areas, and models. It is becoming more and more complex and networked, and in a world like this everyone wants the security of supply, functionality, and efficiency combined with a high level of convenience. Technological progress—it can be used to make people's lives better, easier, and more sustainable (*user empowerment*) and to open up undreamt of new possibilities. Many future business fields are only just emerging. A *new arena* is developing and is also attractive for other market participants. In order to help shape the market instead of just walking along, changes are desired. Opportunities are to be seized and implemented with agility, determination, and the joy of innovation. Networking and the right to have a say have become standard in the New Arena through the Internet and social media. The unhindered access to information and communities offers new possibilities to exert influence. innogy responds to people's desire to be asked and involved. Transforming customers into ambassadors and fans succeeds through credibility and authenticity.

The mission statement brings the brand to life in a certain way. It describes what the company does or will do to be successful. At innogy, everything starts with the people. Employees think about how they can help other people, (potential) customers, with what they do, so that they become (even) better. The business then follows accordingly. The mission statement also suggests thinking about what is not yet possible and could be better and to work on it. In terms of product development, the effort put into developing useful and easy-to-understand products is valuable and worthwhile. Information that is available and can be used for this purpose should be taken into account, as well as helpful know-how from our own ranks and data from market research. If the latest technology is capable of creating convincing customer experiences and helping people to become even better in what they do, it should be used.

Testing, learning, and improving, being courageous and daring—this is the kind of behavior the innogy brand wants to develop. Besides functionality, there is a concern to create joy that customers have when they receive and use products and solutions from innogy. These should inspire. To succeed in developing such products and

³https://ec.europa.eu/clima/policies/international/negotiations/paris_de, Accessed May 20, 2020.

solutions it is important to listen to the people (potential customers and existing customers) and to lead them into an honest, efficient, and user-oriented dialog.

25.4 Strict Customer Centricity as a Starting Point for bit.B

innogy has been developing answers to questions and problems of its customers since its foundation and puts them in the center of attention. From the customer's perspective, innogy tries to understand the challenges and to develop solutions in dialog with the customer. This is how, for example, bit.B was created. Customers reported that in order to be able to operate more energy efficiently, they first of all need to know where energy is used inefficiently in the operating process. They lacked transparency about their energy consumption (electricity, gas, water) and production processes. In order to get this transparency, they were looking for a retrofit (retrofitable and expandable at any time) solution that could be easily installed and integrated into their processes and that could measure various conditions and flows at different locations (meters for main consumption, at machines, in warehouses, sales areas, etc.). The measurement results should be available in real time and for every employee involved, transparent, and easy to understand. With the energy monitoring solution bit.B, which takes these requirements and wishes of customers into account, all relevant energy flows, quality, and production data of a company can be recorded and analyzed.

In addition to load profile data, the solution's hardware can be used to flexibly integrate and evaluate additional data via manual inputs or interfaces to third-party systems. With bit.B, company managers have the possibility to call up the (live) data of the locations at any time and from anywhere and to quickly recognize savings potential by analyzing this data. The presentation of all location data in one overview enables comparisons. All in all, a company can be better controlled with regard to its energy consumption in this way. bit.B is BAFA-listed and supports the certification according to the guidelines ISO 50001 and DIN EN 16247, thus securing state subsidies. It can also be a prerequisite for companies in the energy-intensive manufacturing sector when it comes to electricity tax remission, refund, or reimbursement.

As a relatively young product bit.B as well as the young energy company innogy is not yet part of the relevant set of⁴ interested parties for energy monitoring solutions, i.e., product and brand are not yet anchored in the consciousness of a consumer. In addition, energy management does not have a primary function in the value chain of companies, but the attention for it is increasing. In a market potential analysis commissioned by innogy and carried out by an independent market research institute in its European markets, application areas for energy monitoring in various industries were investigated. The objective of the investigation was to gain a better understanding of customer needs and to find out, for example, which consumption

⁴<https://wirtschaftslexikon.gabler.de/definition/relevant-set-45378>, accessed May 20, 2020.

parameters have what significance in which industry and what the reasons are for recording these parameters. In addition, the study also focused on information about the target groups, i.e., what type of company is most interested in acquiring energy monitoring systems. Furthermore: Are there any differences between the European country markets and if so, what are they and how is the offer evaluated by the individual industries, e.g., in terms of performance characteristics (helpful, less helpful, reasons)? The results of the market research showed, among other things, that the demand for commercial customers for partnerships in which energy costs and consumption can be reduced is growing. The market for systems that support energy monitoring and management is made up of large electronics companies that produce the hardware (e.g., sensors) and corresponding software for control. Hardware and software are either sold directly to the end user or via energy companies or other intermediaries. Another finding that emerges from the study is that the buying centers for energy monitoring solutions are more differentiated than the buying centers for commodity products (electricity, gas). For example, technical opinion leaders and decision-makers have to be taken into account. And companies are relying more and more on central responsible persons for energy management issues. They play an important role in the buying decision process, which can often take several months to a year. Decision-makers obtain information on the solutions on offer through various channels—the Internet, product demonstrations, and by recommending other companies in the same industry.

With the knowledge gained from the market potential analysis and the goal of successfully scaling bit.B., it was necessary to redesign the approach to market cultivation (go-to-market). The previous approach was associated with high costs and efforts for sales. Thus, there were only few sales opportunities: the sales funnel could only be filled moderately with high internal effort and the conversion rate (first contact to closing) was clearly too low, measured against the objective. bit.B was presented to the buying centers responsible for commodity purchases by the field sales force. These often involved technical contacts and decision-makers and/or energy managers. The product presentation and expression of interest by those responsible were followed by the development of a technical solution, which was presented at a new meeting. Only then, after the agreement was reached with the various persons responsible at the (potential) customer, was the contract concluded.

The following aspects were therefore taken into account for the redesign of the go-to-market approach:

- *Target segments and buying centers:* Identify the right ones early on.
- *Purchase decision process and communication:* Identify as early as possible the phase in which the interested parties are in and act with adequate communication in the right communication channels.
- *Lead qualification:* Enrich leads as efficiently as possible with the information gained.
- *On-site appointments:* Prepare appointments so efficiently that customer interest and quality are ensured, the right contact person is at the table and a field service appointment is worthwhile.
- *Sales process efficiency:* Ensure and keep manual effort to a minimum.

Strategic lead management should ensure that bit.B's target segments are automatically addressed with a communication relevant to them in the right communication channels and that their interest in the solution offering is awakened. Furthermore, the interest of the target customers should be automatically evaluated and, based on the findings of this evaluation, further training should be provided with follow-up measures. Only when a lead reaches the status "sales ready" should bit.B's specialist sales team become active and contact the buying centers with the aim of arranging an on-site appointment. For the on-site appointment, the customer's use case is then already understood, and the technical implementation is worked out together with the customer's buying centers, so that a concrete offer can be made directly after the appointment.

25.5 Setting Up a Strategic Lead Management Including Lead Nurturing

Setting up strategic lead management requires some preparatory work. This includes the development of a clear and meaningful value proposition, the review and sharpening of the USPs, the definition of the target market, and the corresponding buying centers as well as the analysis of the competition, the buyer journey, and the definition of suitable marketing channels. It must also be ensured that bit.B is reliably found by potential customers. For this reason, a new website was developed, search engine optimization and advertising (SEO, SEA) was used, and display advertising and social media marketing was carried out. The implementation of these measures was aimed at increasing the product's level of awareness and creating opportunities to communicate with interested parties at various touchpoints. It was taken into account that B2B buyers⁵ experience the much-cited ZMOT ("Zero Moment of Truth, Google") before they even come into direct contact ("First Moment of Truth") with potential suppliers.⁶

Digitalization therefore has an impact on classic sales work. Whereas the traditional push logic, in which information is actively provided to the recipient through sales and in the form of direct acquisition, the mailing of marketing brochures or sales presentations, has proven its worth over many years, the pull logic has been gaining in importance since the turn of the millennium.⁷ Accordingly, the customer decides when he obtains which information from where and when he contacts the company. 80% of B2B purchasers research on the Internet before making a purchase and obtain information via this channel. (Körner, 2017) It is therefore crucial to meet

⁵<https://www.thinkwithgoogle.com/marketing-resources/micro-moments/zero-moment-truth/>, Accessed May 21, 2020.

⁶https://www.rolandberger.com/publications/publication_pdf/die_digitale_zukunft_des_b2b_vertriebs.pdf, accessed May 21, 2020.

⁷<https://www.kopp-online-marketing.de/marketing-evolution-von-werbung-zu-content-von-push-zu-pull>, accessed May 21, 2020.

(potential) interested parties with relevant information—also online—right at the beginning of their purchase decision process and to accompany them in order to reach the relevant set of⁸ their target group already in the information phase and to present the advantages of the product in a user- and benefit-specific way.

25.5.1 Importance and Development of Strategic Lead Nurturing

The digitalization of society is also changing purchasing processes (buyer journeys). This means that lead management processes in the company must be realigned. The use of strategic lead nurturing within the framework of holistic lead management is an effective and efficient approach to acquiring new customers and developing them step by step to the point where they are ready to buy. bit.B also decided to introduce strategic lead nurturing as part of the redesign of its lead management. Since then, interested parties have been receiving suitable, relevant content for their respective purchase decision phase via automated e-mails. The goal of this approach is to increase the number of qualified leads and the conversion rate at the individual stages of the sales funnel. The first step for bit.B was to increase in particular the conversion rate of Marketing Unqualified Leads (MUL) to Marketing Qualified Leads (MQL), as the losses were greatest at this stage. If it is possible to increase the conversion rate from 20 to 50%, this will also have a quantitative effect on the other levels in the Sales Funnel and thus on Sales Qualified Leads (SQL) and Sales (Sale) (see Fig. 25.2).

A lead-nurturing program, regardless of the marketing automation tool used, consists of the three elements content program, engagement program, and *lead scoring model (LSM)*. Content programs contain the content defined for the different information needs of the target groups, which is prepared in the form of videos, infographics, or white papers, for example. The engagement program defines the logic for the efficient delivery of this content to the respective target groups. The LSM reflects the value of individual contents. The value of leads changes depending on the interaction with the content played. Since each product has its own specific buyer journey and a sales process that is aligned with this, a concrete understanding of the process is required for each product. In this way, weak points and thus the potential for improvement can be identified.

For bit.B, the process used to be that new leads were initially transferred directly to the sales department, which then tried to arrange customer appointments by telephone. This procedure was crowned with little success. If a lead-nurturing program is used right at the beginning of the buyer journey, it should be possible to qualify new leads in such a way that the sales department can achieve higher success rates in making appointments if it continues to work with these leads. The first step in redesigning strategic lead management was therefore to understand the buyer journey. A buyer journey describes the three phases that a customer goes

⁸<https://wirtschaftslexikon.gabler.de/definition/relevant-set-45378>, accessed 20 May 2020.

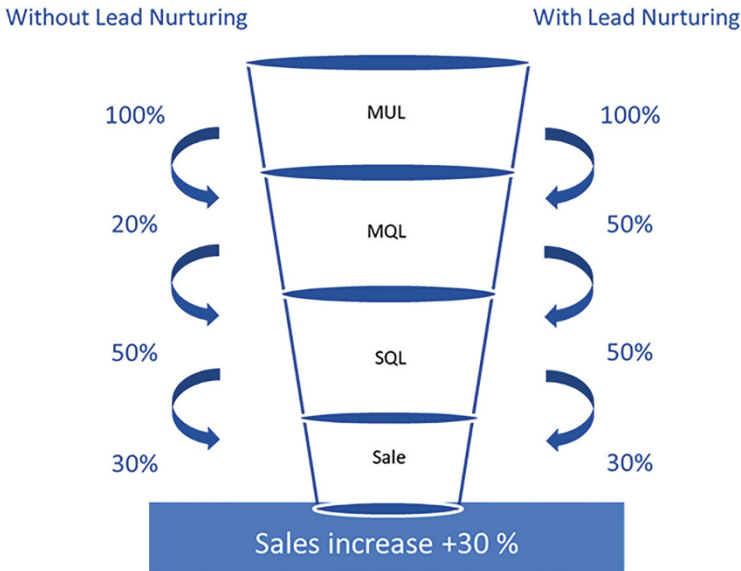


Fig. 25.2 Quantitative effects of lead nurturing on conversion in the sales funnel (Source: own illustration)

through on the way to making a purchase decision. In the first phase (Awareness), the customer becomes aware of a particular problem and searches for suitable information to narrow down the problem. In the second phase (Consideration), the customer has defined his problem and decides to take action. He looks at all possible solutions or available products and weighs them up to find the ones that help the fastest to achieve the goal. In the third phase (Decision) the ROI for the solution acquisition is evaluated and finally, the decision for a solution is made. This phase is about managing opportunities (Archer 2015). On the content level, the Buyer Journey clarifies which questions the Buyer Persona deals with and when, and which content in this context can create added value. In terms of processes, it clarifies at which touchpoints the buyer persona can be picked up or encountered and in which phase it is possible to interact in or via which channels with which content formats (infographics, checklists, white papers, etc.) (Körner 2017, p. 124).

25.5.2 Development of Buyer Personas for bit.B

For bit.B Marketing and Sales developed the buyer journey for the Buyer Persona “Energy Manager” in a joint workshop (see Fig. 25.3).⁹ Good Buyer Personas are

⁹For approaches to the development of buyer personas (see e.g. Burgholz 2017, p. 53ff).

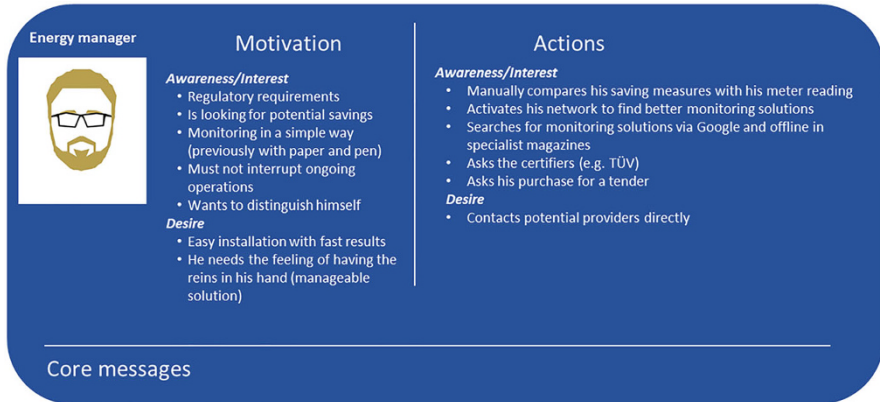


Fig. 25.3 Core messages of the buyer persona “Energy Manager” (Source: own representation)

the foundation for successful, customer-oriented content or inbound marketing.¹⁰ The Buyer Persona is a research-based, archetypal representation of the buyer/buyers. In this representation, in the example here of the “energy manager,” relevant and typical characteristics are summarized, such as the goals that drive a certain trade, how the persona thinks, how he/she buys, where he/she does so and what the reasons for his/her buying decision are. Creating such models is useful for the marketing of products and solutions that are preceded by more or less extensive and conscious decision-making before the purchase (Burgholz 2017, p. 49 f.). In order to determine the needs of the persona “energy manager,” the workshop participants answered the following questions from a customer perspective:

- “How do customers describe their problem?” (Phase 1).
- “What kind of solutions are they looking for?” (Phase 2).
- “What are the criteria customers use to evaluate offers?” (Phase 3).

With the results, it was then possible to first define suitable content for each phase of the purchase process, then develop it and finally distribute it to (potential) customers in order to influence their decision-making to the advantage of bit.B (Fig. 25.4).

Buying centers, a purchasing body comprising all persons involved in the buying process, are considered complex in B2B business. Each member of the Buying Center has different requirements and wishes for a product or solution, which must be taken into account in the purchasing process. For this reason, the bit.B team developed further personas and determined the respective buyer journey for them. Next, the team then defined a program structure. This structure (Fig. 25.5) is based

¹⁰<https://www.marketinginstitut.biz/blog/inbound-marketing/>, Accessed May 21, 2020.

Buyer Stages	Awareness	Consideration	Decision
User Behaviour	I need transparency about my energy consumption.	I choose energy monitoring.	I decide on bit.B as monitoring solution.
Research	How can I reduce my energy consumption effectively? / How can I implement digitisation meaningful in my company? / What evidence do I have to provide regarding energy consumption?	What effect does energy monitoring have on my energy consumption? / How can I gather and analyse data at different locations? / How can I implement energy monitoring in my company?	What experiences and references do different providers have? / What does energy monitoring cost and what amortisation can I expect? / How fast and easy can a solution be implemented?
Channels	Google, Energy consultant, Newsletter, Trade magazines, Business associations, Management consultant...	Google, Energy consultant, Newsletter, Trade magazines, Business associations, Management consultant...	Energy consultant, Management consultant
Key terms	"Reduce monitoring effort", "Allocate energy costs", "Automatically record meters", "Evidence of energy audit"	"Metrology provider", "Energy monitoring provider", "Energy management", "Energy management service provider"	"Price comparison for energy management solutions", "Implementation effort for energy monitoring"
Content Offers	Landing page, White paper, Webinar, etc.	bit.B Explanatory video, Flyer, Website, etc.	References, bit.B packages, Price overview, Demo access, USPs, etc.

Fig. 25.4 Buyer journey for the buyer persona "Energy Manager" (Source: Own representation)

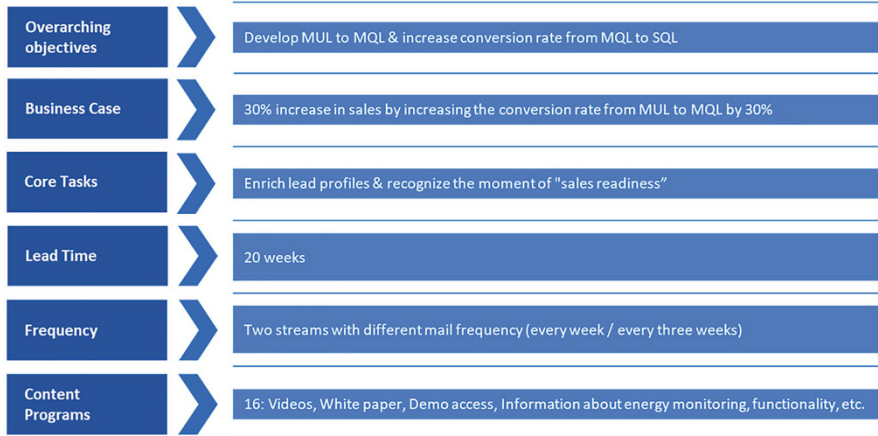


Fig. 25.5 Program structure (Source: Own representation)

on the results of the sales process analysis, e.g., with regard to the following questions: What is the overall objective, what are the core tasks of the program, what effect is to be achieved at the end of the buyer journey, with what frequency the leads are regularly addressed and what scope the content programs should have.

Content Program

Liebe Frau oder Herr (Vor- und Nachname),

in unserem Whitepaper "In 4 Schritten zum Energiemonitoring" haben Sie sich möglicherweise schon über die Grundlagen des Energiemonitorings informiert.

Heute möchten wir Ihnen in einem kurzen Video die Funktionsweise eines Online-Monitoring anhand der bit.B Monitoring-Lösung von innogy vorstellen.

Erfahren Sie in unserem kurzen Video

- wie bit.B funktioniert
- welche Daten Sie beim Monitoring messen können
- aus welchen Komponenten bit.B besteht
- welchen betriebswirtschaftlichen Nutzen Sie durch Monitoring haben

bit.B - Das Monitoring-System für Energie, Produktion & Qualität

[Jetzt Video ansehen](#)

Installation im laufenden Betrieb

Eine Monitoring-Lösung wie bit.B lässt sich in der Regel im laufenden Betrieb installieren und schafft die nötige Transparenz, um Energieprobleme zu erkennen. Dadurch lassen sich unnötige Stillstände vermeiden und der Energieverbrauch im Betrieb langfristig senken. Besuchen Sie unser digitales Knowledge-Center und informieren Sie sich zum Thema Energiemonitoring mit bit.B.

[Mehr über bit.B erfahren](#)

Exemplary contents of the programs

In 4 Schritten zum Energiemonitoring

Webinar In 4 Schritten zum Energie-Monitoring

Die bit.B Software – Übersichtlich und individuell

bit.B - Das Monitoring-System für Energie, Produktion & Qualität

Mit Energiemonitoring zu mehr Effizienz - Rungelager für die Logistik

Fig. 25.6 Exemplary representation of the content program and content for bit.B (Source: innogy)

Once the buyer journeys have been understood and it is clear what information the prospective customers are looking for in the individual phases of the purchasing process, the aim is to create relevant content and sufficient of it to accompany potential customers over a longer period of time. For the bit.B lead-nurturing program, suitable content was prepared in many different formats (see Fig. 25.6): in product videos, white papers, webinars on energy management topics and on how the solution works, product information, information graphics, website content, customer examples, use cases, etc. An important finding of the bit.B marketing team: in an organization, a lot of useful information is often already available, but you only have to use it for the content programs and prepare them accordingly.

25.5.3 Development of the Lead Scoring Model for bit.B

The next step is to develop the lead scoring model. This helps to evaluate the leads with regard to their lead profile and their reaction to the communication. The value of the lead changes with the addition of further profile information and the interaction of the lead with the content played out. bit.B distinguishes between demographic aspects (lead profile) and behavioral aspects (reaction) (see Fig. 25.7). For example, leads receive a higher demographic score if the job/function description is “Energy Manager” instead of “Product Manager”. A higher behavioral score is awarded if the prospect has watched a video and not just read the e-mail or an article on energy

Demographic aspects (Lead Profile)	Behavioral aspects (Reaction)
- Industry	- Read Website content (general)
- Region	- Read Website content (product-specific)
- Function	- Watch Product video
- Department	- Request Demo access
- Power consumption	- Webinar registration
- Company size	- Download flyer
- Number of company sites	- Download White paper

Fig. 25.7 Overview of the aspects taken into account when setting up the lead scoring model (Source: Own representation)

Demographic aspects (Lead- Profile)		Behavioral aspects (Reaction)	
Name	Value	Name	Value
- Industry (high)	+ 5	- Read Website content (general)	+ 1
- Industry (medium)	+ 2	- Read Website content (product-specific)	+ 5
- Industry (low)	+ 0	- Watch product video	+ 10
- Function (high)	+ 5	- Request Demo access	+ 25
- Function (medium)	+ 2	- Webinar registration	+ 10
- Function (low)	+ 0	- Download flyer	+ 5
- Company Size (high)	+ 5	- Download White paper	+ 10
- Company Size (medium)	+ 2	- Forward email	+ 5
- Company Size (low)	+ 0		

Fig. 25.8 Overview of concrete scoring values assigned for certain aspects of the lead profile (Source: Own representation)

management, because a higher score was attributed to the video format (Fig. 25.8). The demographic and behavioral aspects together give the “Sales Readiness Score.” This is an overall value that qualifies the lead as “ready to buy” and ensures that the lead is handed over to the sales department in Marketing Automation, which has the task of taking appropriate measures to ensure that it is processed further. Ideally, marketing and sales define the evaluation criteria for lead scoring together, i.e., they assign scores for each demographic and behavioral aspect and determine the overall value at which the status of “ready to buy” is reached.

Once the content programs and LSM have been created, the lead-nurturing program is set up in the Marketing Automation Tool.¹¹ For bit.B it was decided to set up two content strings with different frequencies. Depending on the activity, the leads can switch between these strands in the system. For example, if a lead has

¹¹On marketing automation, see also the contributions of Mrohs and Klaus in this book.

reached a certain score after running through four content programs that are played out with a weekly frequency, it remains in this strand and continues to receive new content on a weekly basis. This continues until the score for “Ready to buy” is reached. If the defined score is not reached, the lead slides into the second strand, in which the playing of content in a three-weekly rhythm is set. If the lead increases its activity, it can be moved back to the first strand at any time. Once the lead is “ready to buy,” the system automatically generates an e-mail to the sales department so that the lead can now be contacted by phone. Before contacting the lead, it is advisable to check which demographic and behavioral aspects have led to the lead score being reached. For example, if the lead has watched the product video for bit.B, it is possible to enter content during the telephone call and thus better focus the conversation on the (potential) customer. During the telephone call, the lead is offered a product presentation, which can also be conducted as a web session if desired. In this way, on-site appointments can be reduced. If interest in bit.B remains high after the web session, an on-site appointment is arranged, which can be optimally prepared on the basis of the previous telephone call and product presentation.

To complement the buyer persona “Energy Managers”, additional journeys for relevant personas were added. In the run-up to the concrete implementation, the framework conditions are recorded in the form of a program structure. This structure results from the previous analysis of the sales process and includes various aspects. For example, the overarching goal is defined as developing marketing unqualified leads into marketing qualified leads and increasing the conversion of these into sales qualified leads in the further course of the process. The program structure also defines the core tasks of the program, the desired effect at the end of the buyer journey, the frequency with which interested parties are regularly addressed, and the scope of the required content.

25.5.4 Content Programs and Contents

In the content programs, content relevant for interested parties is compiled. Two aspects are decisive here: (1) To create sufficient content to accompany interested parties over a longer period of time. (2) To offer suitable content to pick up potential customers in the respective phase of the decision-making process according to their information needs. The content can consist of product videos, white papers, or technical product information. It is important that it is relevant and valuable for the receiving person. Content for the website was also produced for bit.B. Examples of content are datasheets, customer examples, or articles on energy management topics.

Lead scoring is used to define when a lead is sufficiently qualified and can be handed over to sales. In the lead scoring model, the value of individual contents (explicit characteristics of the lead profile, interactions such as website visit, opening an e-mail, etc.) is mapped, these are assigned a point value and thus form the basis for evaluating the commitment of interested parties. The value of leads changes depending on the interaction with the content played. With bit.B, a distinction is

made between demographic aspects (business area region, company sector, company size, job description) and interactions (e.g., which content was called up “general information” or “price models” or was a link clicked in the e-mail). The sum of the scores awarded for demographic aspects and interactions results in an overall value (Sales Readiness Score), which says something about “readiness to buy.” Ideally, marketing and sales also define this together, for example, by agreeing on how many e-mails must be opened and how much content must be consumed in order to reach the level of “sales readiness.”

25.6 Results and Achievements

Some *success indicators*, e.g., the success rate in making an appointment for a telephone call, efficiency in the coordination of on-site appointments, improved early on after the introduction of the new lead management. With regard to other indicators, such as the “conversion to purchase” or the “costs per sale,” a statement can only be made at a later date, since the purchase decision processes—as explained at the beginning—are lengthy and measured values are currently only being recorded. In addition, the bit.B team is now in a position to continuously play out suitable content to significantly more leads. The contact rate with interested parties (First Moment of Truth) has increased tenfold since the start of the Lead-Nurturing program, which can be attributed to the automated communication and carefully selected times of address. The product is presented for the first time in a web session when customer interest is clear based on the scoring achieved. If the prospective customer continues to clearly signal his interest and his concrete problem definition is recorded, the call center agent will arrange an on-site appointment. In this way, he ensures that the entire buying center attends this appointment and that the seller’s time on-site is used in the best possible way. Whereas before the lead management process was reorganized and the lead only program was introduced, several visits were needed to introduce the product, address the customer’s problem and present the solution, today deals are often concluded after one visit to the customer. Overall, the realignment of the lead management process has led to an improvement in the acquisition of new customers, more efficient processing of customers and a higher conversion rate (call to on-site appointment), i.e., the sales funnel has improved qualitatively and the processes in the team are now much more efficient overall. The Sales Funnel is mainly made up of interested parties in the target segments (production, logistics, trade, hotels, and system catering with the corresponding energy intensity per location) with problems that bit.B can usually solve with its current setup. The target groups for bit.B are much easier to reach via the channels and contact points used (topic-specific landing pages, social media). It was helpful both for the design of the lead management process and the orientation of the marketing and sales activities for bit.B to understand the Besser industry for the different buyer personas in the team and to make it transparent.

25.7 Conclusion

As a result of this case study the following points can be noted:

1. For the market launch of complex products that require explanation, such as bit.B, a clear, understandable, and comprehensible value proposition and a go-to-market approach is essential. The value proposition must provide clear answers to the pains and gains of the target groups.
2. A clear framework (value proposition, budget, communicative guidelines, sales targets) and staying power of the participants helps to revise or redesign a lead management process. It can be assumed that some learning curves are necessary for a successful redesign. Internal processes, interfaces to external partners, content adjustments are variables that need to be adjusted for a successful process. It can take a few months until the first successes are achieved.
3. The lead scoring model, which helps to systematically qualify leads and signals when the right time has come to contact a lead, should be developed together with sales. Only together can all important criteria be identified that are necessary for a high-quality scoring.
4. Also, in the B2B sector, it is advisable to use Marketing Automation Software for the sale of data-based products and services in order to design campaigns intelligently and control them efficiently. Before using MA software, the Nurturing processes should be controlled and executed manually in order to learn as much as possible about critical success parameters. As soon as the process is clear, it makes sense to support it digitally in order to increase efficiency.

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Marketing and Sales Excellence: A Practical Showcase for Organisations 26

Stefan Schulz



26.1 Why Marketing and Sales Excellence Is Key

Customer centricity is a central element in the business-to-business (B2B) environment. As soon as the customer is looked at more closely, the topic revolves around changing customer behavior and the resulting expectations. Almost always the Figs. 67% and 57% are quoted in this context and that B2B sales can only “go down the drain” if 67% of its customers embark on the digital journey and 57% have already made the purchase decision before they themselves are included (Google and Berger 2015).

It is clear to every B2B company that it must adapt to these changing customer expectations in order to continue to achieve its sales targets. One of the biggest success factors in achieving sales targets is an effective marketing and sales partnership (Heinz Marketing 2017).

Marketing and Sales Excellence is a fundamental factor, which in many studies clearly shows the difference between successful and less successful companies. B2B companies with a close and interlocked alignment of marketing and sales have proven to have better customer loyalty and better sales results. The teams often

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have higher customer knowledge (customer insights) and also have the full support of the management, in contrast to teams that do not work together. If collaboration is neglected, this quickly leads to missed business opportunities and duplicated processes (LinkedIn 2016).

Of course, the focus on cooperation between Marketing and Sales is nothing new, but it is an even more important factor, especially in difficult economic times, such as the current spring 2020.

If one draws on studies from the years of the last great global economic crisis, it becomes clear that it was precisely those companies that placed great value on “Marketing and Sales Alignment” that were particularly successful. On average, the companies had a 20% higher sales growth, and 47% of the sales pipeline was generated by marketing. Compared to the laggards, only 5% of the sales pipeline was generated by marketing (Aberdeen Group 2010).

Even back then, the great pressure on the global economy meant that Marketing & Sales had to work together more closely, and this will not change now: Marketing programs must be developed even faster, with smaller headcount and smaller budgets.

In addition, the purchase decision process is in principle becoming longer and longer. For the clear majority of B2B customers, this is due to more extensive ROI analyses and more sources used for the search. In general, more time is being invested in selecting vendors (DemandGen 2017). In 2019, many B2B customers also indicated that the length of the purchase decision process will continue to grow (LeadMD & Drift 2019).

26.1.1 Challenge “Omni-Channel” Context

Basically, the shift of the early customer journey phases toward digital touchpoints is good news for all marketers, as online interactions can of course be tracked very well. But the salesperson still has a significant influence on the purchase decision. According to studies, the majority of B2B buyers and members of the buying cycle stated that they talked to the sales department within the first 3 months. Almost half of the respondents even contact the company within the first month (DemandGen 2019).

The decisive factor for personal contact and thus the choice of channel is whether the buyer makes an initial purchase or not. The majority of B2B buyers find it helpful to talk to a seller when they are looking for a new product or service. For repeat purchases of products with new or different specifications, only about half of buyers seek personal contact. When buying the exact same product, the majority would certainly not want to involve a salesperson anymore, just like a small group of people who basically do without. The greatest frustration of B2B buyers is slow response times when they are looking for personal contact. For example, about 30% of buyers in the industrial sector stated that they prefer to buy from dealers because the manufacturers’ sales staff take too long to respond. This is not to say that dealers generally have better response times than manufacturers, but it does show how

important speed is. After all, long response times in particular also lead B2B buyers to generally look for alternative suppliers (McKinsey 2016).

If marketing and sales alignment is already a challenge in the own company, then it will be even tougher if indirect channel partner are added. This results in many more external online and offline touchpoints, which are even more difficult to orchestrate and thus require effective software support.

Although there is an overwhelming willingness in many companies to digitize, this has resulted in a large portfolio of systems, databases, and processes that ultimately neglects the customer's perspective. Analog instruments and personal contact are also more strongly represented than expected (KPMG/Hochschule Esslingen 2017). Modern, digital tools have not yet established themselves everywhere.

But the customer expects a consistent customer journey across all channels. His experiences have a major influence on his purchase decision, so it is important to have as much information as possible visible and seamlessly integrated.

- Reactions in different communication channels
- Reactions to e-mail and content
- Contact with Inside Sales and External Sales
- Past and current projects
- Involved channel partners
- Quotes and orders
- Online purchases

26.2 Conflict Between Marketing and Sales

Traditionally, sales in B2B companies is very strong and influential, due to solutions and products that often require a lot of explanation, leading to a sales-heavy orientation. The marketing department is set up differently depending on the size of the company—centralized, decentralized, with demand center, business development, etc. Both departments have their core function along the customer journey: selling and demand generation. It should be noted that sales also generate demand, the same as selling via e-commerce or through marketing campaigns.

But the influence of marketing on the sales funnel is increasing. In the past, the marketing function has concentrated on the top-of-the-funnel and the early phases of lead management and then quickly passed on leads to sales. Today, marketing plays a key role in designing and executing the customer journey and has a central role in ensuring that customers are effectively engaged and developed on their way to purchase (Boston Consulting Group 2018).

26.2.1 The Infamous “Silo Thinking” and Famous “Mini-Max Principle”

The sales department closes the deal and brings in the turnover, which can be measured exactly and therefore also creates a certain dependency on the company in the sales department. In marketing communication (MarCom), part of the money is then spent on future sales, which is not immediately visible.

If the “mini-max principle” really existed, the objective would be as follows: The goal of sales is to make as much turnover as possible with as little effort as possible. The goal of marketing is to generate and convert as much demand and, in the case of MarCom, as many leads as possible with as little effort as possible.

The dilemma in marketing communication is now, the pressure on advertising budgets on the one hand, and the pressure to generate more leads on the other hand—additionally in an environment with increased advertising pressure in all digital channels. Looking at it from this side, marketing actually has no choice but to work closely with sales: Together with sales, it is better to pick up the target group in the customer journey through customer-oriented content in order to achieve higher conversions.

The same applies to sales, the pressure on the figures is high. A large industrial plant project cannot simply be repeated next year and the budgets on the customer side are also finite. Simply getting more leads can quickly mean more work without countable results. So, on the sales side, too, there can only be the motivation to work much closer with marketing to increase lead quality and automate the recurring “nurturing” tasks.

So, if the “mini-max principle” existed, Marketing and Sales would be even more interested in working together and breaking up the silos or not letting them arise at all. Unfortunately, the reality looks different and it means a not to be underestimated effort of both teams to work together consequently. Both teams always have to make an effort to get their respective benefit from the partnership and to be successful in the interest of the company.

The top priority of marketers in 2020, however, will continue to be, as in recent years, to generate more leads for the sales teams (Hubspot 2019). In addition to lead generation, the focus is on converting these leads into customers. The orientation of Marketing and Sales comes only in third place (Bizline/Marketo 2018).

Marketing has also made it its main task to optimize the customer experience along the customer journey. However, it is much less mentioned to tackle this project in cooperation with sales (DMA 2018).

Anyhow, the focus should always be on the alignment of marketing and sales. More leads also have to get qualified accordingly and in the next step processed by sales. Without effective cooperation, “more leads” can quickly mean wasted advertising budget. And the better the teams work together, the more successful the conversion of these leads will be.

26.2.2 But How Good Is the Alignment Really?

In this context, one repeatedly hears “Marketing is the new Sales” (Google, 413,000 results),¹ while the sales side naturally claims to get the customer on board and to place the decisive hits (Sybit 2018).

These three theses fit in with this

- Marketing is the new sales
- Sales is doing the knockout punch
- It does not work without friction either

Marketing and Sales alignment is considered a standard. According to a Salesforce study, as many as 54% are actively empowered to collaborate (Salesforce 2018). Nevertheless, studies show that there are still different views of assumption and reality. Often the management evaluates the alignment better than it is visible in the common goals (LeadMD & Drift 2019).

Especially in the operational departments, alignment is rated as significantly less good than by the management. It was stated that there is little contact between the departments apart from a coordinated strategy. The larger the companies are, the less emphasis is placed on interdisciplinary teams for optimal alignment. The most common way of cooperation is through regular meetings. More than a third of the respondents stated that some work has already been done to improve cooperation, but that there is still room for catching. Different objectives of the departments are the biggest challenge (Microsoft & Techconsult GmbH 2015).

Most marketers are rather reluctant to focus on sales, but the focus tends to be on the “aligned” side (Bizline/Marketo 2018). After all, many teams believe that a culture of cooperation exists, and that alignment is improving. Approximately 2/3 of the teams say that they have the same understanding of the customer journey, but only about half of them believe that Marketing and Sales work as a joint team with a “we” feeling. Many miss clearly defined processes for collaboration and that the teams do not work together at every stage of the customer journey (LinkedIn 2016).

A challenge in alignment is also seen in the different “language” of the departments (Microsoft & Techconsult GmbH 2015). To counteract this, it is helpful to always be aware of the communication effect. Stuart Hall’s sender–receiver model provides the basis: what is important is not what is said, but how it is understood. Both parties must work together and have the same “code.” Different attitudes and motives easily falsify the understanding—the code. Therefore, in practice, it is elementary to work out this understanding together and to look at the processes from the other’s point of view. It is not relevant whether “marketing is the new sales” or who is doing “the knockout punch.” The research shows that the influence of both departments in the customer journey is great and B2B companies are more

¹[https://www.google.com/search?q="Marketing+is+the+new+Sales](https://www.google.com/search?q=) Accessed on May 19, 2020.

successful the more both functions work together. Marketing and Sales can and may “love” each other, but there must also be some friction. Because in every good relationship, there are also points that “hurt.” Targeted friction is important, with the aim of constantly improving the customer experience, which ultimately has a positive effect on the company’s goals.

26.2.3 Digital Disruption in Sales

Digitization in combination with changing customer behavior naturally also has a great influence on sales. According to a Forrester study in B2B sales, the profile of the “order taker” and the “explainers” is particularly endangered and will drop by up to 56% (one million jobs!!!) in the USA (Forrester Research 2015). In the course of digitalization this is not surprising at all.

These three theses fit in with this

- Time waits for no one.
- Digital media—Unknown by Anton, not needed by Anton.
- Marketing and sales must digitize together.

In B2B sales, five key elements have been identified which are particularly relevant in the context of digitalization. In the optimization of sales processes and individual channels as well as cross-channel integration, all companies scored above average, with the maturity level in “Customer Journey Insight” rated lowest, followed by the “Sales enablers” (BCG/University of Bochum 2016).

In general, there is still potential in B2B sales in the field of digitalization. Very few attribute great importance to digital contact tools and social media. Despite the fact that CRM is now part of the “basic tool set,” only a smaller group of salespeople consider activity and opportunity management to be particularly important. Poor data quality and lack of support in contact and lead management quickly lead to frustration in day-to-day business. Incidentally, salespeople in the field are significantly faster than those in management, which is of course also due to the dependency of processes and data in day-to-day business (IFSMA 2019).

In any case, it is clear that the added value must be shown to the sales department again and again. In every organization there are colleagues who can already be excellent role models. These success stories must be used, and the colleagues must be used as “enablers” for the entire sales force. Marketing must support sales in the digital transformation. And, of course, to keep its finger on the pulse of the times and pick up customers digitally. After all, the famous quote “Time waits for no one” ultimately applies to both functions.

26.3 Success Factors of Marketing and Sales Excellence

Studies and surveys of many B2B companies show that common goals and KPIs as well as free access and exchange of customer data between teams are the basis for successful alignment (Heinz Marketing 2017; Salesforce 2018). The more closely both functions are aligned in terms of goals and tasks, for example, the close integration of marketing activities with sales goals, the higher the Marketing and Sales Excellence rating can be (Aberdeen Group 2010).

The number of opportunities, for example, is considered an important key figure when evaluating the success of Marketing and Sales actions—even higher as revenue and the number of “Sales Accepted Leads” (Heinz Marketing 2017). The opportunities are also suitable as a very good KPI, as the sales department already sees a realistic business opportunity and can make valid forecasts. “Sales Accepted Leads” are important for the workload of the sales teams and of course the basis on the way to the opportunity, both of which require effective alignment. Ultimately, revenue is the decisive factor, but the length of the purchase decision process must also be taken into account, which makes a short- to medium-term evaluation difficult.

Data is one of the most important pillars of a successful alignment, because only by having a complete view of the customer good decisions can be made based on this data. But at the same time, one of the greatest challenges is to integrate the data of the various platforms (DMA 2018). After all, up to 15 data sources on average are used in marketing organizations (Salesforce 2018). It is therefore not surprising that data and analysis pose major problems for a large proportion of marketers (Drift/Heinz 2020). In addition, many marketers are not convinced of the quality of their data in CRM and marketing automation systems (Bizline/Marketo 2018).

Not all data can always be recorded automatically. However, if marketing and sales work together on one database, several goals can be achieved at the same time on the way to better alignment. In any case, it is important to provide the sales department with important campaigns and customer activities, which allow them to organize their daily work more efficiently.

Clear communication and joint processes, which require regular proactive coordination on both sides, are necessary (Drift/Heinz 2020). Through a formal planning process between marketing and sales and a stronger involvement of marketing in sales activities, tasks, and goals can be interlinked much more easily (Aberdeen Group 2010).

Marketing and sales both work for the same goal: turnover. In order for marketing to be seen as an equal partner, it must also take on corresponding responsibility. “Just” generating more leads is not enough: Leads must convert and also generate sales and campaigns must demonstrably support the customer on his customer journey. Often this is certainly the case, but it must also be visible.

Finally, both departments need the strong support of the management. Alignment must not only be actively promoted by Marketing and Sales (DMA 2018), but also encouraged and challenged by management (Salesforce 2018). The responsibility here is also clearly with Marketing, not only to promote alignment with Sales, but

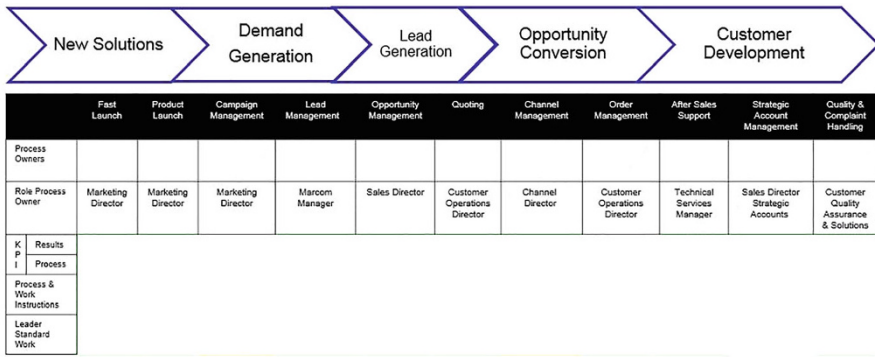


Fig. 26.1 Complete customer journey of all touchpoints and responsibilities (Source: Own representation)

also to always clearly point out the important marketing contribution to the management.

26.4 “Customer Journey Management”

“Customer Journey Management” is a huge area and affects the entire company. As can be seen in Fig. 26.1, the Customer Journey extends throughout the entire company, with many different points of contact with the customer. But this should not deter us from starting small and mapping more and more touchpoints to make the “map” more and more precise. Being able to track all interactions of prospects and customers in your customer journey is a very ambitious goal, which most people do not achieve—and do not need to achieve at all. However, it is important to be as close as possible to the most important steps and to know how to react to them.

In order to finally present the customer journey from the customer’s point of view, 5 phases have proven to be important. The most appropriate model is the one shown in Fig. 26.2, which shows the phases in an infinite cycle, divided into prospect and customer. Because at the end of the “buying cycle” or “sales funnel” the journey continues as a customer, and the customer should be kept natural and won over again and again for new solutions and products.

26.4.1 Lead Management: Defining the Processes with the Sales Department

It can be said that lead management as an important first part of the customer journey forms something like the basis. Without clearly defined processes and task distribution in Lead Management, a customer journey cannot be processed from the

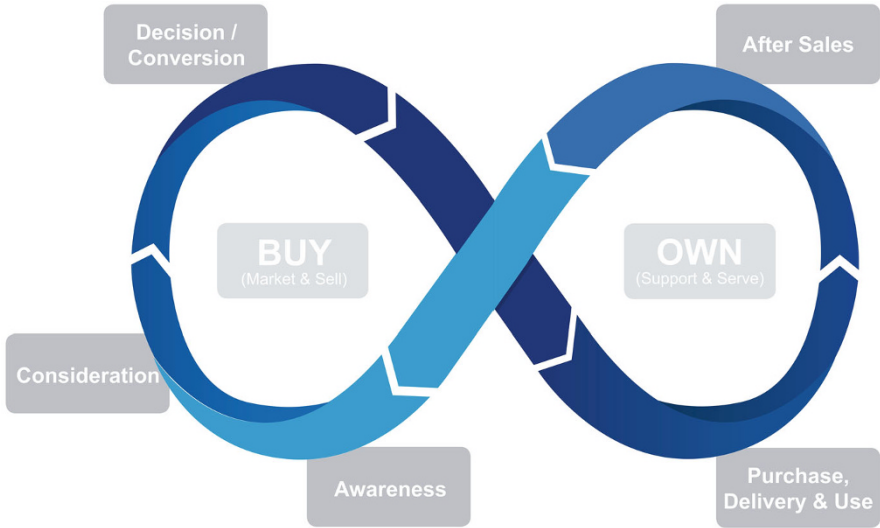


Fig. 26.2 Customer Journey with the 5 phases divided into Prospect and Customer (Source: Own representation based on existing models)

customer's point of view. This also includes a common understanding of all process steps (Lead, MQL, SAL, SQL/Opportunity), and key figures.

As a first step, the ideal lead management process should be created together if this is not yet available. Classical project management tools such as the PDCA cycle (Plan-Do-Check-Act) from LEAN management are suitable for this purpose, in order to create clear problem descriptions and identify the potential for optimization.

- Review of all processes
- Interviews of all process stakeholders
- Interdepartmental workshops
- Uniform definitions of all-important terms
- Process steps within the Sales Funnel

The problems or current difficulties in the process must be clarified in detail and should be broken down and broken down further. The following problems are frequently encountered:

- Too few qualified leads.
- The response time is too long.
- The current status of the lead is unclear.
- Many leads get stuck in one phase.
- Many leads are not sale-ready.
- Lead records are not complete enough for optimal processing.
- Leads are closed too quickly as unqualified.

- Many non-value-adding process steps on new leads.
- The follow-up by the sales department is very time-consuming.

Afterwards, each of the points can be further analyzed using the “5 Why” question method: Why are the leads closed as unqualified? Why is the processing time-consuming? Why are the lead records not complete? Why is it difficult to reach the contact persons? Why is the lead not ready for sale? Why is the lead not scheduled for later follow-up? And so on . . .

In the next step, solutions and ideas are evaluated on the basis of costs and the cost-benefit ratio. The first step should be to focus on measures that can be implemented quickly. It is important to have the support of top management, because only then will the issue receive and retain the right attention.

In cooperation with channel partners, there are also solutions that can be integrated into the company’s own CRM and can be efficiently managed across channels with the help of lead management.

If the processes between Marketing and Sales are already clearly defined and the corresponding SLAs (Service Level Agreements) are signed, then a very large piece of work is already done. In this case, optimization potential can be identified directly, for example, which steps can be automated by marketing automation systems.

26.4.2 The Implementation: Tracking and Automating Customer Journey Interactions

The lead management process should already document the channels through which prospects and customers make their inquiries, as well as the channels through which the inquiries are recorded. Which touchpoint is used for which type of inquiry and in which case the customer service, field service, or technical service is contacted? The touchpoint usage and preference can also be very well queried in customer satisfaction questionnaires or similar surveys.

All digital touchpoints are relatively easy to track if tracking codes are used consistently and uniformly and every click on an advertising medium is registered right down to the completed web form. Campaign codes, sources, and request types, such as product information, offers, samples, demonstrations, or brochures/catalogs are important fields. The product groups or solutions that are requested should also be recorded precisely so that they can be used in further processes. If the interested party or customer is known, the reactions to e-mails, newsletters, website visits, etc. should also be made visible as further touchpoints of the Customer Journey.

It is important to enable the sales department and actively involve them. Not all interactions are directly recorded digitally and require manual intervention and entries. Of course, the sales department also makes its own acquisitions or is contacted directly via various channels, such as social media. Capturing precisely these interactions requires far more discipline from all those involved. This will only succeed in the long run if the understanding and the so-called buy-in of the stakeholders is available.

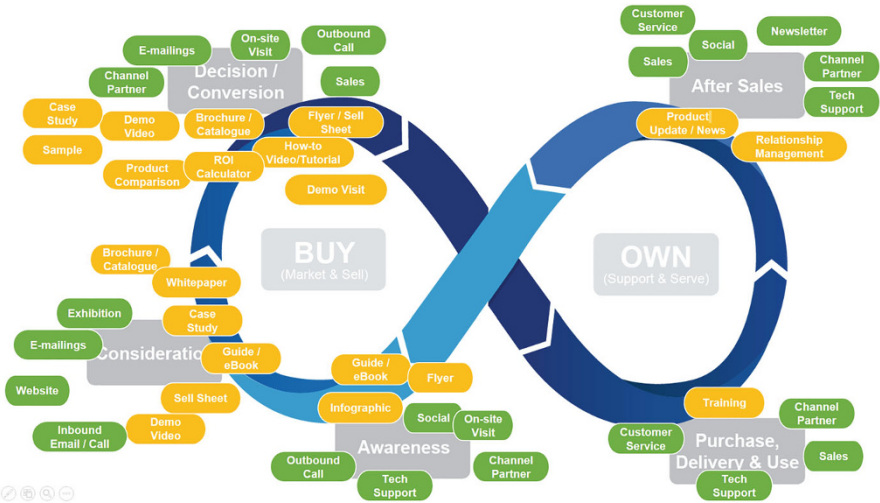


Fig. 26.3 Customer Journey with touchpoints and content (Source: Own representation)

Antoine de Saint-Exupéry very aptly said that if you want to build a ship, do not drum up men to fetch wood, but rather teach them to long for the endless immensity of the sea. And every salesman, just like every marketer, definitely has a great longing for many qualified leads and recurring customers.

In joint workshops with the sales department, determine which responsibilities and actions as well as which tools are important in each step of the customer journey and can support or influence the customer in his purchase decision. The result can be a Customer Journey as shown in Fig. 26.3.

This coordination takes time—much more than one might think at first—but it is the only way to ensure that all parties are on board. Even though “online” takes up a very important part of the customer journey, in B2B sales is still the function that strongly influences sales.

In an ideal situation, the marketing automation system can “access” touchpoints such as telephone calls, meetings, or manual e-mails in addition to automated responses to digital touchpoints (content usage, interests, purchases, etc. . . .). It is important for all parties involved in the process to make the responses accessible at a central location. In practice, this is often the CRM system, which can provide a 360° view of the customer. In order to ensure that the “involvement” is maintained in the long term, the advantages and the resulting added value must always be demonstrated.

26.4.3 Sales Enablement

It was shown that especially in B2B sales, there is still a significant influence on the purchase decision throughout the entire customer journey. They can convince

mainly through knowledge of customer needs, fast and punctual reactions and easy to “consume” content with high information content (DemandGen 2019).

B2B companies must ensure that they position salespeople to provide buyers with the information they need to continue on their path to purchase. Investments in digital assets (such as marketing automation, sales enablement tools, etc.) will indirectly help salespeople meet these needs and relieve them from handling routine inquiries (when prospects do not want to talk to them anyway). Instead, they can spend time helping prospects with more complex requirements or taking care of their key accounts. Sales must be prepared to work with marketing to develop useful content such as ROI calculators or case studies in order to always provide the buying center with useful content that keeps the own brand in the top-of-mind set in the ever-longer buying decision process.

For industrial companies that also sell via the trade channel, it is important to be as well informed as possible about end-customer use. Recording and analyzing product registrations, software activations, service, or repair orders or services is a good way to do this.

However, the customer journey should not only focus on the past, i.e., which actions have been carried out, but also which actions will be carried out in the future. Keyword cross- and upselling or simply the classic re-purchase time based on the products purchased.

26.4.4 Evaluating Contacts: Lead Scoring and Contact Engagement Funnel

In lead scoring, it is important to consider both levels—explicit and implicit attributes. Both are equally important for sales. With explicit attributes, for example, it is important to know whether the contact is already a qualified account or still a lead. On an account, it is important to know whether there have already been projects and whether the account is a customer. Also, corresponding industries or functions or company sizes can be interesting. For leads, the completeness of the data set must be emphasized. Especially a telephone number is a significant increase in efficiency for the personal initial contact through inside sales.

Within the implicit attributes, it is the behavior of the contact that is decisive. Which web form was filled out: a “sales-ready” contact form or “only” a form for a content download? If the comment field was also filled in, this increases the value further, the same as whether and how often e-mails or web pages got used.

All these characteristics determine when the sales department is informed about a lead and must be verified together with the sales team and further refined in practice.

Especially the regular exchange of information provides further important insights. For example, certain content can already indicate a project interest to such an extent that other behavioral attributes can be neglected. Thus, by adding another possible element (“high value content”), the lead score can be increased to such an extent that the lead is transferred to the sales department much faster than “sales-ready.” But all other leads should never be neglected either.

26.4.4.1 Contact Engagement Funnel

Although it is advisable to link the capacity utilization of inside sales in a capacity planning with the campaign activity plan and to align it, in practice it is not always possible to plan for the required number of “sales-ready” leads. Since the CRM should be the data master, all leads are directly available in the CRM and the Marketing Automation software always transfers all relevant data and acts as a gate and trigger for the lead management.

Now a “Contact Engagement Funnel” can be additionally established. A classification, which contacts are in which stage:

- Visits websites
- In e-mail campaigns
- Opens e-mails
- Clicks on e-mails
- Uses content
- MQL
- SAL
- SQL/Opportunities
- Lost opportunities
- Current opportunities
- Won opportunities
- Recurring orders
- After-Sales Service/Tech Support

The clusters should show an entire view without time limit and a dynamic view based on the last 45 days. This gives important insights into what potential each group has further. One goal is to “engage” as many contacts of the entire rear funnel as possible so that they are always at the beginning of the dynamic 45-day funnel.

All leads should always be available in the CRM, even those that are not ready for sales. If the sales department searches for specific accounts, they will always see the corresponding contacts with all their activities (which content, which e-mail, which behavior, etc. . . .). If the sales department has free capacities, they can search for potential and interesting companies in this lead pool (shark tank). This is the only area in the entire lead management process in which “cherry-picking” may be permitted.

But sales must also be able to reject leads to marketing automation that are not “ready.” Setting them as unqualified is not the correct action in this case. It is important to distinguish whether the lead has general potential or whether it actually cannot be qualified at all. All this requires agreement between Marketing and Sales, which is what makes a quality lead, as well as regular discussions and feedback on whether the leads from Marketing meet the requirements. No one wins if marketing meets its Marketing Qualified Leads (MQLs) targets while sales misses its revenue targets. This shows how important it is that marketing is also responsible for sales targets. A key indicator of good alignment between marketing and sales is the conversion of MQLs to SAL—if this ratio falls below 50%, it is a sign that marketing

is not sending enough leads that sales consider valuable (Boston Consulting Group 2018). It has also been mentioned that opportunity is an important metric for both departments.

26.5 Marketing and Sales Excellence in Practice

“Marketing and Sales Excellence” is based on the successful alignment of marketing and sales. Now the difficulty lies in practice, precisely in the different motives of the two types of “Marketing and Sales,” which, despite the best intentions, still act humanely.

The behavioral scientist Konrad Lorenz has listed in this quotation exactly the six points which always cause difficulties when working together in practice:

Thought is not yet said, said is not yet heard, heard is not yet understood, understood is not yet agreed, agreed is not yet applied, applied is not yet maintained.

Much is thought, said, heard, and understood. But that is always the easy part. Agreed, applied, and above all maintained are the most difficult points. If you are always aware of the six phases, you can break them down to pure project management: planning, alignment, processes, and review.

26.5.1 Planning

Thought is not yet said.

Sales must be involved in the planning from the very beginning and campaigns must be planned based on the customer journey and the sales funnel. The objectives, segments, and personas are defined and aligned together. All contents and the most important topics should be recorded transparently in a central briefing document. Each party must understand and approve the objectives and work results. In the briefing, the target markets and personas are further defined, and the required content is developed based on the phases of the customer journey.

The result is the Customer Journey Model with the respective action points (Fig. 26.4), which are divided between the two departments. Since several campaigns in similar segments often run at the same time or similar solutions may be suitable, it is necessary to link these “flows.”

It must be clear to the sales department that the “journey” of the customers cannot be controlled, but that many phases can be supported digitally. However, this requires much more work in preparation and much joint teamwork. As with the example of Antoine de Saint-Exupéry and shipbuilding, the desire for more qualified leads must be awakened. Qualified leads that are easier to convert into opportunities, but above all the prospect of less own work with (as yet) unqualified leads. This

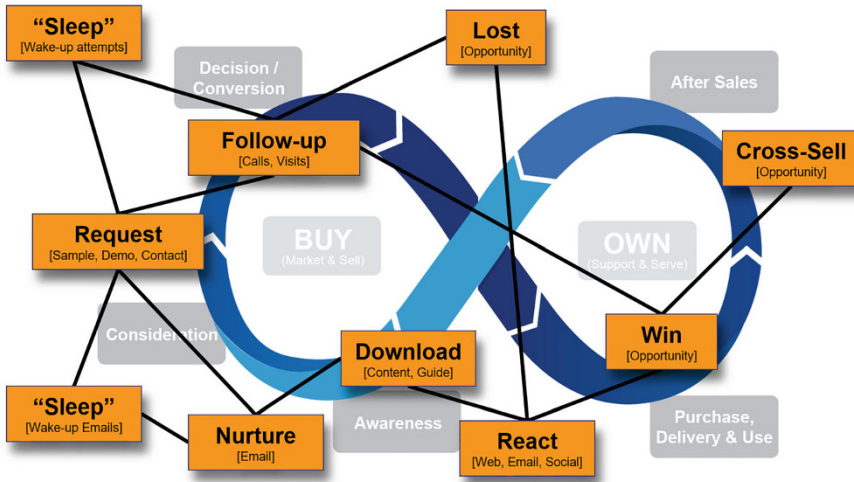


Fig. 26.4 Example view of the Customer Journey with action points (Source: Own representation)

creates time for their own key accounts instead of developing the leads to sales maturity themselves at the beginning of the customer journey.

26.5.2 Alignment

Said is not yet heard, heard is not yet understood, understood is not yet agreed (Fig. 26.5).

After planning, it is important to discuss the current status in regular meetings and to avoid possible coordination problems in the first place. This also helps to better plan for any necessary adjustments. It is important that both parties know their respective tasks and can carry them out as planned. The process should be visually displayed with the respective content and all necessary documents should be made available to the sales department. They should also always be able to retrieve the latest data themselves. Especially in an international environment with sales teams spread over many countries, this is not always easy. But there are enough collaboration tools that enable simple and efficient collaboration on the same data basis in real time. As part of the various process steps, the KPIs should also be defined and who is responsible for which KPI in each phase of the sales process (Fig. 26.5).

Awareness	Consideration	Decision / Conversion	Decision / Conversion	Purchase, Delivery & Use	After Sales
Lead Management	Lead Management	Lead Management	Opportunity / Quote Phase	Customer Service	Cross-/Up-Sell
Eloqua	Eloqua (Forms) SFDC (Leads, Tests)	Eloqua (Forms) SFDC (Leads, Tests)	Eloqua (Forms, Deals) SFDC (Opqs, Tests) SAP (Quotes)	Eloqua (Opqs, SAP Orders, Web Orders) SFDC (Opqs, Tests) SAP (Order, Ship-to)	Eloqua (Opqs, SAP Orders, Web Orders, Prod-Regs) SFDC (Opqs, Assets, Cases, Tests) SAP
Lead	MQL	SAL	SQL	Customer	Customer
	0% - Open 0% - Pending	10% - Contacting 25% - Needs Analysis Unqualified Qualified	30% - Solution Development 40% - Solution Proposal 50% - Quote/Price Proposal 75% - Oppoction Treatment 90% - Verbal Agreement Closed Cancelled Closed Lost Distributor On Hold By Brady On Hold By Customer	100% - Closed Won	

Fig. 26.5 Stages and Sales Funnel with responsibilities (Source: Own presentation)

26.5.3 Processes

Agreed is not yet applied.

To ensure that processes are consistently adhered to, an understanding of them must be created. The processes must be simple and efficient, but above all, precise documentation must be available.

Often the sales department lacks the background knowledge that future promotions will be better the more precisely individual touchpoint reactions are entered. But marketing does not always make it easy for sales, because CRM often asks for a lot of information that grows over time but is used less and less.

Excursus

Process simplification in practice.

Often, leads from trade fairs get more attention than leads via other channels. Even if the follow-up processes are clearly defined, it is important to follow the process in detail together with the sales department during the trade fair. If time is short, however, e-mail is used as the first means of contact and unfortunately not as personalized as it could be. These e-mails are a perfect example of automated follow-up in the first contact step. In the run-up to every trade fair, e-mails are prepared with the most important documents, videos, and information and then personalized with a team photo of the trade fair stand. At the stand, the trade fair lead is transferred directly to the CRM via the Marketing Automation software using a special trade fair lead form. Every visitor to the stand with a lead form thus receives all the

(continued)

information he needs in the first step, personalized with a picture of the trade fair team and a survey of his experience at the stand, by e-mail to his inbox—even while he is still at the trade fair or on his return journey.

In the post-processing phase, the sales department can therefore continue to work with the leads that have already shown “commitment” to the content in addition to the visitors who have already formulated concrete inquiries and requests for offers.

26.5.4 Review

Applied is not yet maintained.

KPIs must be retrievable via several channels and always be easily accessible. Via dashboard and report in CRM, but also, for example, as an individual report via e-mail. The respective managers are also responsible for ensuring that SLAs are met and must intervene if processes are not adhered to as defined. Open requests or tasks must be clearly visible to every salesperson, as well as which contact is currently in which campaign. In regular meetings and reports with the teams and the management all KPIs are discussed, such as leads per status, opportunities with the respective response times, and the respective workload.

It is always difficult to directly assign sales to marketing campaigns, because no purchase decision is made in complete isolation. As a rule, recurring sales are not visible in the project pipeline either. However, it is relatively easy to show what proportion of the project pipeline campaigns have influenced. How and to what extent the contact or the buying center reacted directly to campaigns (e.g., via completed forms), consumed content (e.g., guides or catalogs), or interacted with digital media (e.g., e-mail, web, social). In addition, the sales trend can be linked to the campaign reactions over the entire account. The proportion of new customers generated via marketing campaigns is also an important key figure, because depending on the customer value, this is an important basis for the future.

26.6 When the “Dream Trip” Suddenly Becomes a “Horror Trip”

Fewer than 8% of sales management and only 12% of sales staff are convinced that their marketing department is making effective use of key earnings figures (Heinz Marketing 2017).

CRM and marketing automation systems generate a lot of data and information and the systems have the habit of “growing” over time. New organizational developments or orientations cause the systems to set different priorities and to request and collect additional information. Sales and distribution understand the

importance of better data, but they must also be able to find their way around in day-to-day business. For marketing departments, too, complexity can quickly increase the more granular the data becomes. It is therefore important to regularly check whether and in what level of detail corresponding data is still needed in the strategic orientation. If details are no longer needed, they should be summarized or hidden completely to reduce the number of choices so that data can be collected more quickly.

However, the following difficulties will also arise again and again: sales rarely want to participate in what marketing is planning, communication with sales about goals and priorities is unclear, meetings with sales are unproductive or irregular, and silos are formed again as a result (Drift/Heinz 2020).

Just as too few qualified leads put a strain on the relationship between marketing and sales, it is similar to too many sales-ready leads. It must be possible to process the leads promptly, otherwise it has a negative influence on the conversion when hot leads “cool down.” In both cases, good and regular coordination and monitoring are absolutely essential.

New or different priorities arise quickly as a result of economic pressure or when responsibilities shift due to management changes. Fluctuation and new employees should never be underestimated. New circumstances change attitudes and motives and can have an impact on the common understanding. If one is always aware of the communication effect and the sender–receiver model, it is easier to take countermeasures and work on the common understanding—because that is what matters.

Despite common goals, the cooperation is put to the test time and again. It is not enough to define the process once—it must be lived. It is important to maintain momentum. As with any good journey, one must not want too much, otherwise the journey will turn into stress and stress in turn quickly leads to frustration.

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Winning and Retaining Customers Successfully Through Lead Management: The Intralogistics Provider STILL Success Story

27

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27.1 STILL: A Strong Brand

At six locations STILL produces innovative counterbalanced forklift trucks and warehouse trucks that can be adapted to the requirements of its customers. Today, with over 9000 employees in 70 branches distributed over 22 subsidiaries and 245 dealers in 73 countries on the road, STILL was founded in 1920 in Hamburg and quickly made a name for itself as a manufacturer of innovative industrial trucks and as a pioneer for electric mobility.

Electric drive and electric mobility are inseparably connected with STILL. The introduction of the first electric forklift truck in 1949 or the use of fuel cells and lithium-ion technology are only some of the milestones with which STILL has established itself as an innovative partner for successful intralogistics solutions. Again, and again STILL demonstrates a fine feeling for the needs of its customers and converts this knowledge into new products: The introduction of the first free-view mast in the 1970s, for example, significantly increases the safety of the driver and his environment. A further milestone is the introduction of lateral battery exchange on electric counterbalanced forklifts. STILL thus significantly improves the efficiency of the trucks and once again sets new standards in the industry.¹

Quality, service, and customer orientation were the maxims of the company's founder and are still one of the most important pillars of the company today. With more than 3500 highly qualified service technicians, STILL guarantees 24 h a day, 7 days a week that the customers' trucks are always ready for operation. The introduction of digital service portals, such as the web-based fleet management tool STILL Report or the web application STILL neXXt fleet, are only two examples of the innovative power in the service sector.

STILL has been part of the KION Group² since 2006. The KION Group is a leading global integrated supply chain solution provider. Its range of products and services includes forklift trucks, warehouse technology, and supply chain solutions, including related services. With its logistics solutions, the KION Group optimizes the flow of materials and information in factories, warehouses, and distribution centers in more than 100 countries. The Group is Europe's largest manufacturer of industrial trucks, the world's number two, and also the leading provider of automation technology in terms of revenue.

27.1.1 What Drives This Market?

The worldwide logistics business is dominated³ (Pflaum et al. 2017) by international groups. These customers are increasingly concentrating on their core business,

¹<https://www.still.de/loesungskompetenz.html>. Accessed: May 22, 2020.

²<https://www.kiongroup.com/de/%C3%9Cber-uns/KION-im-%C3%9Cberblick/>. Accessed: May 22, 2020.

³<https://www.scs.fraunhofer.de/content/dam/scs/de/dokumente/studien/Transportlogistik.pdf>. Accessed May 22, 2020.

which does not include the internal flow of materials, but is an indispensable prerequisite for a well-functioning value chain. As batches become smaller and smaller, *on demand* is becoming a decisive competitive advantage. In addition, the issue of sustainability in relation to the environment is also a profitability and image driver. This increasing dynamism and the resulting greater competitive pressure place greater demands on⁴ (Kersten et al. 2017) logistics providers. In addition, the equality of construction of the products among the competitors is increasing more and more. This leads to ever more intense price wars among suppliers and a relatively high degree of product interchangeability. In this cut-throat competition, it is existentially necessary to keep generating new customers in order to grow and compensate for migrating customers on the other side. The means of continuous telephone lead generation is an important and efficient method for this. A decisive prerequisite for this successful marketing activity is that the salesperson sees it as support, not as internal competition and clearly recognizes its benefits.

27.1.2 Focus on the Customer

The basis of STILL's success is its regional strength, meaning that regardless of location, customers, and partners can always rely on the availability of STILL employees. This is done with the help of the worldwide network with its own locations and partners. This ensures that a competent local contact person is available at all times to provide support in a spirit of partnership. Accessibility, reliability, and integrity are global virtues on which every STILL customer can rely.

STILL has opted for direct sales in its core markets and is represented there by its own branch network and field service. Another sales channel for industrial trucks is online trading. However, this is limited to preconfigured trucks in new business, as well as to rental and used trucks. The products and services are complex and thus require personal expert advice. Almost every industrial truck is unique and is specially configured for the customer. This form of sales is very cost-intensive for every company, because the most expensive resource is and remains the sales consultant. Therefore, it is clear that the sales representative should concentrate on his core task, selling, if possible. At STILL there are over 800 salesmen in the field to be managed. STILL has always taken care to strengthen the sales consultants in the consulting process and to give them more time to be active in sales.

For example, the decision to strengthen the sales representatives in the consulting process resulted in the award-winning STILL EASY APP.⁵ This iPad app with the gamification⁶ approach, high-quality design, and intuitive operation supports the effectiveness of the consulting process. Highlights are the interactive 360° exterior views and the gyrosensor-controlled interior view of the products. High-quality

⁴<https://www.bvl.de/thema-tus2017>. Accessed May 22, 2020.

⁵<https://apps.apple.com/de/app/still-easy/id600835254>. Accessed May 22, 2020.

⁶<https://wirtschaftslexikon.gabler.de/definition/gamification-53874>. Accessed: May 28, 2020.

images and videos are stored for all product devices—a total of more than 1400 individual views. In the app, the salesmen can easily and conveniently show the appropriate vehicles and inspire the customer on site instead of leaving brochures.

Another approach to give the sales representative more time to actively sell is to have the time-consuming processes taken over by third parties. The following case deals with the introduction of a lead management process to relieve the sales consultant in the pre-acquisition phase. In the case of STILL we can now look back on 20 years of telephone lead generation with the main focus on securing sales.

27.1.3 Where Does That Come From?

A typical question of a salesperson when looking at his e-mail account at the beginning of the millennium. The background was an e-mail that he had received from a call center and simply could not assign it. When asked, he suddenly remembered that a telemarketing campaign was running in his area and he had heard about it. Other questions that came to his mind spontaneously included: How do they do it? Who is calling my customers? What do they tell them? How does it work exactly? What is my job now?

There are also recurring questions on the management side, especially in view of the relatively high costs compared to other communication media. Closely related to this is the question: Do we sell more with it? This question usually comes either before the campaign or shortly after it has started. This is because management is usually measured by short-term success and is therefore also interested in these key figures. However, successes from lead campaigns take time.

There are many input variables that decide on success or failure and this article deals with exactly that. In addition, this case study provides answers and implementation tips for continuous, successful telephone lead generation in the B2B sector. If you take a closer look at what this situation means to the company, it quickly becomes clear that there may be a lot of unrealized sales involved. The question now arises of how this can be optimized. First of all, the integration of the sales department and the clarification are crucial. A clear process with a detailed task description—similar to or even as part of the Marketing Process Library (MPL) according to Seebacher⁷—must be implemented and followed up and the sales people must be clearly shown their personal benefit. In order to convince the management, a clear and coordinated evaluation is required, which at best has already been approved internally by the controlling department. Overall, all parties involved should have a uniform understanding and congruent expectations with regard to the overall result. Additionally, on the part of the telephone agency, intensive training with regard to the products and the company is required, as well as a clearly defined goal for each individual telephone call.

⁷See the article by Seebacher on the topic “Marketing Maturity Model.”

27.2 The Golden Rule of Lead Generation

If it was sold on a lead, it was the sales rep. If it was not sold on a lead, it was the lead.

Whoever is not aware of this fact has already lost. A lead is a partial result of a long and complex sales process. This means that the person responsible for the lead has the task of permanently advertising his or her own services and, above all, making them transparent throughout, in order to permanently demonstrate the benefits of working together according to the model of “achieving more together.” In the long term, this point decides on the success or failure of every lead campaign. This aspect is described in more detail under the point *Lead Acceptance*.

Frequently, the part of the lead generation by telephone is taken over by external service providers. For them, the term “customer” has two meanings. In this article, the term “customer” always stands for the opportunities identified for the principal to generate new business for his products and services. This can involve both lead generation for existing and new addresses. The term “new addresses” is often the subject of discussion between marketing and sales, and the following definitions have proven to be very helpful in this context:

- *Stock addresses* are all data owned by the company. These are usually customers and prospects for whom an interaction between sales or marketing has taken place with the known address in the past. The address is therefore in the company’s inventory, from which the term is derived.
- *New addresses* are therefore all other addresses that are not in the company’s possession, i.e., are not managed in a central CRM. These may well be known to the sales department. Because this address information is not stored centrally, it remains by definition new addresses.

27.2.1 Lead Management

The word “management” stands for a permanent monitoring of the lead process with the associated interim results. The aim of this support is to avoid, as a matter of principle, that an action burns up only as a short-term “sales actionism.”

Many companies use the closed loop approach for this. A closed loop (Kreutzer 2009) is the closed control cycle of analytical (Leußer et al. 2011) and operative⁸ customer relationship management (CRM). Important components on the analytical level are data warehouse and data mining.

⁸<https://www.enzyklopaedie-der-wirtschaftsinformatik.de/lexikon/informationssysteme/crm-scm-und-electronic-business/Customer-Relationship-Management/Operatives-CRM/index.html>. Accessed May 21, 2020.

The data warehouse⁹ refers to the systematic recording of customer contacts and interactions.

Data mining¹⁰ refers to the application of statistical methods to the data stock with the aim of identifying promising patterns of customers and applying them to other databases.

In operational CRM, it is particularly important to support the dialog between customers, companies, and the business processes required for this. The aim is to obtain relevant customer information and to maintain it systematically. By linking analysis and operative implementation, targeted customer addressing via the preferred media channel is possible.

Thus, the respective contact person only receives information packages that are tailored to his or her interests in terms of content and channel. These can vary considerably for different products. A systematic return of information is correspondingly important.

The closed loop implies a process that is continuously improving itself, which enables an increasingly targeted customer approach and thus significantly increases success rates. The decisive factor here is the necessary networking between all those involved: management, sales, service, back office, marketing, and the external companies involved must receive the necessary data and make it available to the “system” again.

27.2.2 Lead Definition at STILL

At STILL a sales lead—or sales qualified lead—is an address with a concrete need and potential that can be passed on directly to the responsible sales representative. In addition, marketing leads are also determined, this includes the determination of the company and contact person data without immediate concrete purchase signals.

27.2.3 The Range of Services of STILL Lead Management

In addition to analysis tools for target group segmentation, transparent, and immediate lead transmission in a suitable process is particularly decisive here. As one of the pioneers in this field STILL had a simple and self-explanatory online tool programmed and introduced over 15 years ago, as the in-house CRM tool was not able to map these processes (Fig. 27.1).

In this system, the lead is immediately transferred from the service provider to the salesperson based on predefined questions. These include checking address data, data of the responsible contact person, existing competitive information regarding the industrial truck fleet as well as results of the demand analysis according to certain

⁹https://de.wikipedia.org/wiki/Data_Warehouse. Accessed: May 20, 2020.

¹⁰<https://wirtschaftslexikon.gabler.de/definition/data-mining-28709>. Accessed: May 20, 2020.

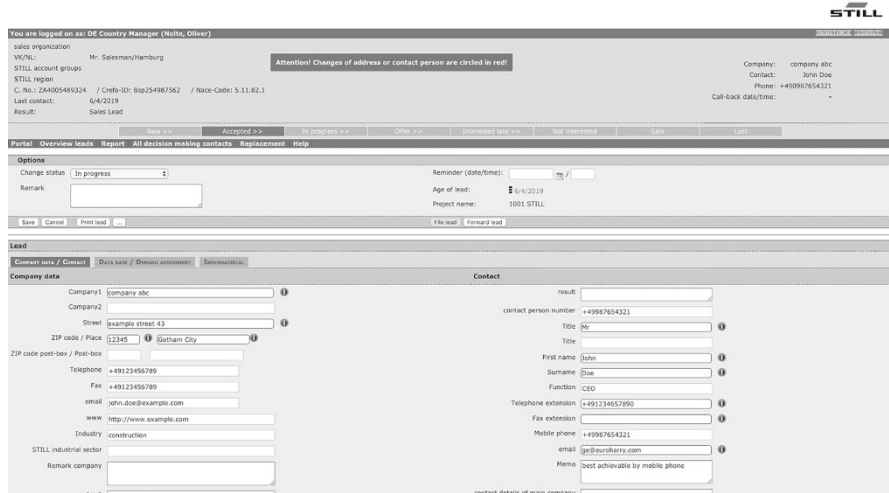


Fig. 27.1 Screenshot details lead, lead management system STILL, sample data

criteria. This already provides the responsible sales representative with valuable information about a possible product.

Not only outbound activities were transmitted relatively quickly in this system, but also all inquiries from online media such as web forms, inquiries to central e-mail addresses, and telephone inquiries to the service hotline. Visit reports from trade fairs that are transmitted online are checked for accuracy and completeness and transferred accordingly to the central lead management system for distribution.

In addition to online availability and fast access and processing time, a key factor here is the integrated monitoring function for supervisors, who can view the processing status of all leads posted by their employees in a one-click control (Fig. 27.2).

The introduction of the lead management system has enormously improved the response time until further processing. The lead loss rate was reduced to 0% compared to the previous processes. By integrating all agencies into this system via a company interface, STILL has also created a simple way of monitoring the success of all marketing campaigns.

Active customer approach, outbound, with the aim of determining requirements and generating leads has proven itself as a pure call or in several stages with a letter (mail) as a call–mail–call or mail–call action. In the case of customer satisfaction surveys, the call is made on the basis of business events, such as service executions, sales, or loss of orders.

In inbound, reactive processing of customer approaches directly via telephone, the Internet, by e-mail, or classically via mailing or fax is summarized. The importance of the hotline area has been greatly increased by the stronger networking of campaigns and media. A cost-intensive customer service has been transformed into a profitable organizational unit. The first step was to implement a clear focus on leads

The screenshot shows the STILL lead management system interface. At the top, it displays the user's role as 'EU Manager (Caro, Sönke)' and a 'Welcome to the lead reports' message. Below this is a navigation bar with tabs for 'Portal', 'Overview leads', 'Report', 'Leasing contracts', 'Replacement', and 'Help'. The main content area shows a 'Lead report for STILL Europe: 4/29/2020 2:38:55 PM All leads (Without info leads)'. The data is presented in a table with columns for Country, Total, and various lead status categories: P New, P Accepted, P In Progress, P Offer, P Interested later, P Not interested, P Sale, P Lost, and Option. The table lists data for Germany, Germany Service, France, Italy, Austria, Poland, Romania, Russia, and Ecuador. A detailed view of the 'France' data is also shown below the main table.

Country	Total	P New	P Accepted	P In Progress	P Offer	P Interested later	P Not interested	P Sale	P Lost	Option
	33071	392	626	1059	8598	5702	7626	4720	4478	
Germany	8420	31	9	20	2	77	25	44	8	
Germany Service	536	17	15	2	0	86	30	37	19	
France	2137	14	5	2	7	96	30	37	19	

Fig. 27.2 Screenshot one-click-control, lead management system STILL, sample data

and the resulting sales successes. All entrepreneurial inbound processes with potential (hotline enquiries, internet enquiries, reply letters, trade fair reports, etc.) were centralized. Since then these initial requirements of interested parties have been recorded centrally and consistently and given to the responsible sales consultant, rental, or service manager throughout STILL via the successfully established channel of lead generation (the lead management system).

27.2.4 Definition of Lead Types at STILL

The continuous expansion of lead sources, especially in the online area, results in leads of very different types. An online enquiry often differs significantly in terms of lead or potential hardness (how concrete is the actual demand) from an agreed appointment to discuss the offer on site.

If both are transmitted as a lead with the same name “lead,” this may result in possible disappointments of expectation on the part of the lead recipients, the salesmen, which in turn have a negative effect on lead acceptance and conversion. The higher the lead acceptance by the salesperson, the higher the sales probability.

By introducing a lead definition, sales consultants were able to identify and differentiate the lead or potential hardness much better. This resulted in a higher acceptance and thus led to demonstrably increasing success rates.

The leads at STILL are defined as follows (Fig. 27.3):

- Late lead later potential >12 months
- Info lead potential with the desire to receive concrete information material
- Event lead commitment to an event
- Callback lead potential contact with callback request of the sales consultant
- Offer lead concrete request for an offer
- Appointment potential contact with fixed date
- Hot lead potential contact with immediate action required

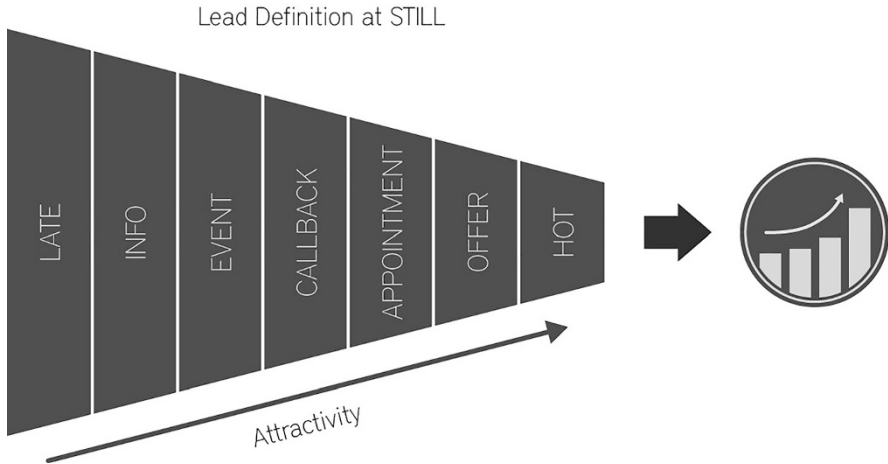


Fig. 27.3 Lead definitions at STILL

27.3 The Phases of Successful Lead Generation at STILL

Many companies see lead generation as an isolated component and purchase it in isolation. This has a positive effect on the purchase price, but a serious, unfortunately negative, effect on the total revenue.

Companies provide the agencies with their names and addresses and the result is the beginning of a sales communication between the target customer and the sales consultant.

STILL has recognized this from the very beginning and regards lead generation as a fully integrated component in sales support and this pays off in the end.

The building blocks build upon each other, and the more successfully they are networked, the more successful the entire action will be. The advantage of the phase approach is the possibility to achieve a clear definition and separation of an intrinsically linked process. This definition and separation make it possible to tackle realistic sub-steps in concrete terms at the start of a project or to optimize an individual phase again and again in the ongoing process. These steps again help to continuously improve the closed loop in a targeted manner without slowing down the sensitive overall process (Fig. 27.4).

27.3.1 Phase 1: Strategy

In general, the first phase is about finding a strategy that takes into account influencing factors such as internal or external resources as well as the formulated goals. In addition, it is essential to determine the current situation. This is possible, for example, with an environment analysis according to Pestel (Johnson et al. 2011).



Fig. 27.4 The phases of lead generation.

In a campaign for the launch of a new product, the sales of the previous model can also play a role, for example, in terms of call center and sales capacity. Which customer segments are to be addressed with the predecessor and which with the new product? How large is the market for this product in which region? What are the main sales arguments for this product and how is the competition positioned here? It is important to define quantities that provide both capacity and budget.

Effective, well-coordinated timing is also crucial, e.g., when does production start, when are good sales phases for the product, how are seasonal fluctuations and how are regional holidays to be taken into account in terms of accessibility and personnel resources. All these influencing factors result in both internal and external quantity and capacity planning.

27.3.2 Phase 2: Addresses

The next decisive step is the analysis of the target group. How to find the potentials and where to find them. To do this STILL uses various methods to find the right addresses both in the area of new addresses and in the existing ones, in order to act as purposefully as possible and without wastage.

The efficiency of lead generation campaigns in the new customer segment depends largely on the available address data. There are no available addresses on the free market that contain correspondingly detailed information on the fleet of industrial trucks. For this reason, data mining (Wirtz 2003) is used to generate the selection of addresses with an affinity to industrial trucks in order to support the

targeted generation of leads. In this way, scattering losses in the addresses can be reduced, the lead quota increased and the costs per lead reduced. This is based on the so-called profiling.¹¹

STILL forecasts the probability of the use of industrial trucks in the individual companies and can use this information to determine how many industrial trucks in the product groups would have to be statistically available in the individual companies.

For this purpose, profiles of existing customers are derived from the own database. The criteria determined are now applied to reference databases in order to find out the new addresses with high affinity. In addition, web crawling is carried¹² out via a data mining agency. This means that websites are searched for buzzwords that indicate a connection with the use of industrial trucks. Here, too, existing customers are regarded as suppliers for the buzzwords. The intersection of these two methods provides a highly reliable segmentation. In the case of STILL several tens of thousands of addresses are identified each year, which can be determined in a targeted manner according to the various product groups. The customer profiles determined in this way are much more differentiated than the conventional sector classification.

In addition to lead generation in the area of new addresses, the second decisive factor in optimizing the sales result is better utilization of existing addresses. Sales efficiency is increased with customer value prediction¹³ for targeted addressing. The segmentation of existing addresses has the advantage that addresses can be addressed in a customer value-oriented manner. High potentials are thus contacted in a prioritized manner, which leads to a higher return on investment. For this purpose the existing addresses are first evaluated according to sales potential, segmented according to value for STILL and the potential is determined according to product groups.

The following data is used to evaluate customer addresses:

- Sales history of the last years according to products
- Truck fleet data
- Industry
- Number of employees
- Company size
- Buying behavior
- Lead rate

¹¹<https://wirtschaftslexikon.gabler.de/definition/profiling-44749>. Accessed: May 24, 2020.

¹²<https://de.wikipedia.org/wiki/Webcrawler>. Accessed May 24, 2020.

¹³https://www.haufe.de/finance/finance-office-professional/customer-value-prediction-am-beispiel-des-intralogistik-5-welche-erfahrungen-hat-still-mit-der-customer-value-prognose-gemacht_idesk_PII1525_HI9485289.html. Accessed: May 24, 2020.

All STILL customers are analyzed and corresponding scoring models are developed for the product areas of electric forklift trucks, IC forklift trucks, warehouse pedestrian trucks, warehouse riders, used trucks, rental and service (Hannig 2017, p. 437). These are created in such a way that, starting in the past, they determine the forecast year by year, compare it with the actual status and update it further. In this way, the forecast becomes more precise from year to year, comes closer and closer to the actual behavior, and is thus able to provide a reliable forecast for the coming year. The existing addresses are evaluated with regard to their potential and sales expectations using over 20 forecast formulas for the individual product areas (Fig. 27.5).

Advantages of the analysis of the target groups are: On the one hand, each customer can be viewed holistically across all sales, and on the other hand its affinity to individual product groups can be determined.

Top customers are processed directly by the sales department, medium potentials with the marketing instruments mailing, telemarketing, and newsletter, low potentials are only addressed with mailings and newsletters, very low potentials not at all. This leads to a more precise control of sales and marketing and thus to lower wastage. In addition, the customer value determined enables certain product groups to be pushed at short notice, on the one hand through dialog marketing

DEVELOPMENT



VALIDATION



USAGE



Fig. 27.5 Customer value: rolling forecast, learning from the past

measures and on the other hand through personal contact with the responsible sales employee.

27.3.3 Phase 3: Dialog Marketing and Lead Management

The next question is how to increase the lead rate in the production phase. This is more than just a benefit-oriented objection handling -why does it make sense to purchase this device now but rather used to build up a continuous customer relationship based on partnership. Successful methods for this are elements of proactive communication and targeted emotional appeal (Häusel, 2009). This is all about the real interest in the other person. Although the aim is to prepare a business transaction, the first step in terms of content is to get to know the contact person and his or her current situation in a dialog that is pleasant for both sides. Even if formulations will always differ, methods are always clearly recognizable. The following methods with exemplary formulations have proven to be target-oriented:

- Method of interest in the contact person.
- This includes phrases like “Do you have a moment?” instead of “It won’t take long.”
- Method of using “feathers” (meet objections with approval).
- This includes phrases such as “I can understand that. You didn’t know I was calling. When is a better time?” instead of “It won’t take long.”
- Method of using “power words.”
- This includes phrases such as “Your advantage in the offer is our best price guarantee.” instead of “But we have the best price guarantee.”
- Method of “say it positive” in the sense of consistently avoiding “negative stimulus words” (but why, wrong, no. . .) and “softeners” (had, would, could. . .).

Another point is the preparation for successful further processing by the sales department. At STILL the contact person for a quotation enquiry is always prepared for the sales consultant to call again if necessary for more detailed questions. If the sales consultant decides to take this step, he can refer directly to this preparation when dialing. In the comments field of the lead, he will find all the contents of the conversation, the name of the employee responsible for this lead, and can thus seamlessly follow on from the previous conversation.

27.3.4 Phase 4: Completion

What are the key points that lead to increased conversion rates from lead to offer and later to order? First of all, a lead must be realistically assessed: it is a sales opportunity that a sales consultant should appreciate and work on accordingly. He also has the opportunity to provide feedback or to ask questions directly to the person in the call center who identified this lead. There is a regular exchange of information,

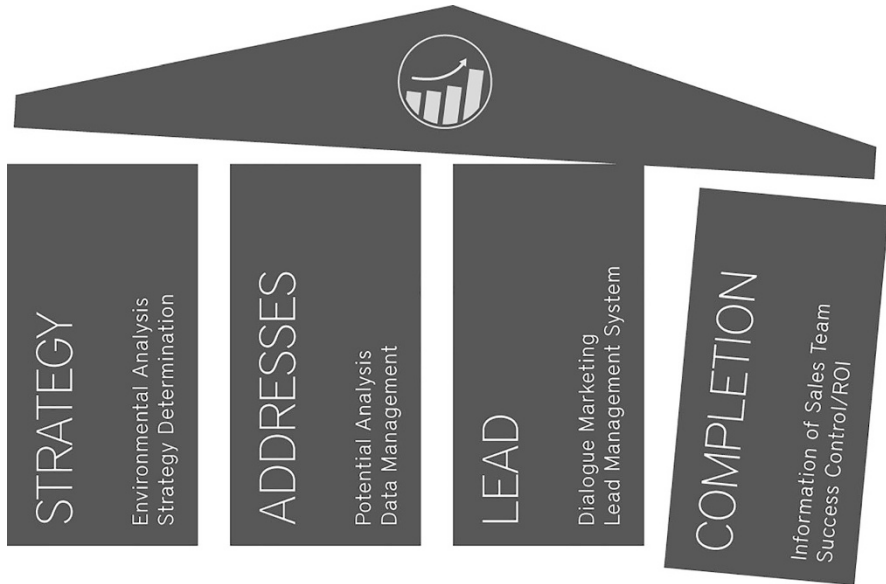


Fig. 27.6 Phases of lead generation with a disturbed phase

which gives a mutual understanding of the approach, assessment of identified information, and goals. If the agent in the call center identifies a well-qualified lead, it is easier for the sales person to follow up on this telephone call. Even a *late lead* is then perceived and processed differently in the eyes of a salesperson. Salespeople who have understood the process and the shared way of working are happy to accept this support as an extended workbench in terms of customer contacts and are therefore more successful in their conversion than others.

All phases decide on the success or failure of a campaign, as mistakes in the strategy, address, or lead phase have a direct impact on the conversion. An unclear strategy leads to unclear target group selection and addressing. The results—leads and lead conversion—can therefore only be average. However, the sales consultant is the interface with the greatest impact. If the sales consultant is not positive about the leads because he has not been informed or involved, this is harmful to the project (Fig. 27.6).

Pay twice as much attention to this point as to any other measure of success. Because there you will count the successes you have or have not achieved before.

27.4 Decisive Success Factors in Lead Management for STILL

Several factors are decisive for a successful conversion of leads. These are to be regarded as equally weighted and ensure the desired success when fully developed (Fig. 27.7).



Fig. 27.7 Key success factors in lead management

27.4.1 The Lead Quality

Lead generation by telephone is a service that is provided by people. Every budget cut inevitably affects their room for maneuvers. This is often intensified by the fact that the agency employee is paid on a performance-related basis (commission) for achieving a lead.

The lead is a partial result and can by no means be valued neutrally like a completed sale. If an employee fights harder in the conversation to achieve his commission, lead loyalty decreases. This means that a customer has been persuaded by the agent in a telephone conversation and later distances himself from this decision to the sales consultant. This in turn leads to a conflict situation between the agency and the sales consultants. This results in declining lead acceptance.

STILL has made the decision to work only with agencies that pay a fixed salary without profit shares and carry out a settlement per net contact or decision-maker contact. This ensures that every customer is addressed with consistent quality—regardless of their current needs.

The customer who currently has no need is the customer of tomorrow and here the billing form per net contact can successfully prepare business of tomorrow already today.

The following forms of the settlement have established themselves on the market. But what exactly do they pay into?

Price per net contact (decision-maker discussion): With a price per net contact, the decision-maker was spoken to and a clear result was achieved. This can be either positive or negative.

Price per sales hour: With a price per sales hour (fixed flat rate per working hour), remuneration is deliberately separated from individual success criteria. The difference between the first two models is the number of contacts (100 or 100,000) or the complexity of the task.

Price per lead: In the case of settlement per lead, a fixed flat rate per agreed lead is negotiated. From the client's point of view, this is often chosen in order to reduce his own risk and to have a fixed basis for calculation. Unfortunately, this is often accompanied by the outsourcing of the sales risk from the client to the agency or a

management responsibility for sales (agency and sales compete). As understandable as the motivation is, the result is unsatisfying: average success with high conflict potential.

If the budget is seen as the communication energy that a company wants to give to the target group, the billing model and the sum total decide how much energy is received.

With a low price per lead, the energy is solely in the leads. Target customers with later interest are hardly or not at all considered. At a good price per net contact or sales hour, the energy arrives at every contact, even at those prospects who will not need it until next year. This shows which decision is more successful in the long term or more sustainable.

27.4.2 The Lead Acceptance

Without the conversion of the lead, there is no success in terms of sales or incoming orders. The conversion of a lead is always performed by the sales consultant. If the sales consultant does not recognize the advantage or is even controlled by the leads, the lead acceptance decreases as described above and the “golden rule” comes into effect.

If it was sold on a lead, it was the sales rep. If it was not sold on a lead, it was the lead.

To increase lead acceptance the STILL sales consultants were invited to visit the telephone agency. This—at first viewed very skeptically—action had such an enormous impact on lead acceptance that in the branches that visited the agency, the number of leads converted rose sustainably in the following year. The costs for this visit were therefore a worthwhile investment to increase earnings.

In addition, there is a regular exchange between STILL and the agency. New employees of this agency take part in factory tours at STILL. Meetings are regularly held at trade fairs for mutual exchange. Four times a year the employees are trained on the products and services by STILL’s in-house product trainers.

27.4.3 The Lead Transparency

Leads are valuable, sales-supporting information with a short lifetime. Why is this so? It is in the psychology of every person, if you want something, it should happen as soon as possible. Interested parties do not like to wait. Leads should be processed quickly according to their value and lifetime. Just like the expectation of an absolute top quality of every lead, this also requires a consistent lead tracking. At STILL this was already successfully implemented 15 years ago by using the lead management system.

The system has a feedback loop for continuous improvement of the leads. By getting to know the sales and service provider personally, the feedback loop has been increasingly accepted. Important factors here are a quick reaction time and honest words. If a lead is incorrectly or inadequately identified, it is a matter of processing disappointment and clarifying the causes. Often leads with lower or later potential are evaluated as “bad leads” by sales. This can often be explained by references to the target group (e.g., C customers with lower potential) from which the lead was generated.

“Bad” is a lead if the criteria (qualification, status analysis, and needs assessment) were not met or the content does not match the interview. This quota may not exceed 1% of the leads and requires immediate follow-up. A further 2–4% of leads with a “poor” rating fall into the areas of deadline or lead loyalty. The service provider receives a “yes” from the contacted customer and the sales department is later told it was a “no”.

This is a disappointment, but not a “bad” lead quality and is part of the process. After all, these dialogs still take place between people.

27.4.4 The Lead Conversion

The identification of potentials does not accelerate the actual purchase decision process in any way. This refers to the time in which a prospective customer recognizes the need for himself, expresses it, and has made a decision to buy. With leads, more sales are made in the long term, as more needs are identified—but never faster, as the customer has to go through the respective purchase decision process. Leads and lead generation take time. If the three factors mentioned above are of high quality, a high lead conversion can be predicted.

This process can be accelerated by a new product or other motivators, such as discounts or personal benefits in the form of bonuses. If this natural purchase decision process is not taken into account during the project period, the project may fail because the period of time until success has been chosen too short.

27.4.5 The Success: Sales and Return

How do you convince managers and controllers of the benefits of a marketing tool such as telephone lead generation? With a marketing success control which STILL has developed to look at the conversion rates of the individual phases such as lead rates, offer rates, and order profits. On the other hand, the success of the overall campaign is examined.

For the entire process, the conversions from the address to the purchase are decisive. At STILL the Return on Investment (ROI) (Scott 2013) based on

Contribution Margin II¹⁴ has established itself as the measure of success. For this purpose, the contribution margins of the generated sales are set in relation to the costs of the campaign. In the case of industrial trucks, the purchase decision process on the customer side takes an average of 3–9 months. Measurement is carried out from the time the lead is submitted. For this reason, a period of 12 months from the time the lead is handed over to the sales department has been defined as the basis of assessment.

If a customer purchases during this period, this revenue is attributed to the lead. The decisive argument is that outbound addresses in particular are processed that a salesperson does not usually contact himself for capacity reasons. He concentrates on the big potentials in his protected sales area, saves himself time-consuming cold calling, and receives corresponding current leads via dialog marketing (Krummenerl, 2005).

A ROI of over one is usually already worthwhile. For new customers this is in the lower single-digit range, for existing customers it is significantly higher. The values of very special, individual promotions can sometimes even go into the double-digit range.

However, the pure amount of the ROI is not the most important thing. It should of course be above one in order to get back more than the invested capital in the long run. However, too much concentration on the pure amount will always lead to a selection of target groups that have an even higher probability of a good ROI. This in turn reduces the total amount of available potential contacts.

In theory, you would actually have to invest as long as the ROI is larger than one. However, it decreases again with a larger target group due to worse quotas. This means that you could also consider what contribution margin you want to achieve and then calculate how large the target group would have to be to achieve this. Conversely, you can calculate very reliably with which budget you can generate which sales and contribution margins. The following simplified numerical example can be used for this purpose:

- 100 T€ investment with a ROI of three results in 300 T€ contribution margin.
- 20 T€ investment with a ROI of five results in 100 T€ contribution margin (Fig. 27.8).

¹⁴<https://www.erfolgskennzahlen.de/controllers/deckungsbeitraege-bedeutung-berechnung/>. Accessed: May 28, 2020.

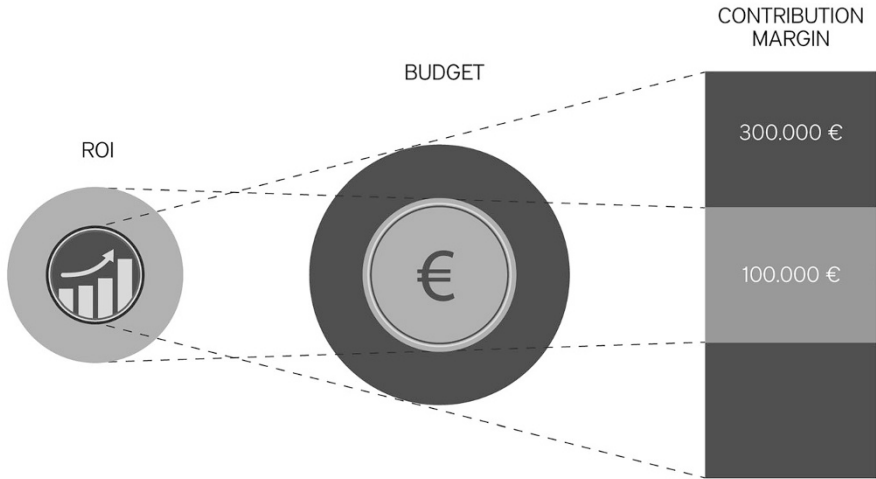


Fig. 27.8 Investment and return with different ROI

Although the ROI five is significantly higher, in this example 200 T€ less contribution margin is achieved. Less industrial trucks are sold, which in turn results in less high-margin service revenue. The actual value thus depends on the amount of investment and the ROI.

27.5 Outlook and Conclusion

In the strategy phase, the method of customer value management in the sense of customer value analysis for the efficient exploitation of sales potentials was already explained, with the help of which target group addresses could be permanently improved with regard to sales expectations.

With the customer value prediction, not only the marketing budget and sales resources can be used in a more targeted manner, but a sales forecast can also be made. In the meantime, these models can be used to determine sales revenue in various forecast horizons.

The customer value method not only allows the prediction of future sales cross- and up-selling potential per address. It also provides a reliable aggregated forecast for sales planning.

Each salesperson can see what turnover he would have to generate with each individual customer, i.e., conversely, by comparing the actual and target values, it is possible to determine immediately which addresses still have potential. If you add up the customer values of all individual customers and customer segments, you get a

forecast for the total sales revenue. On a product group basis, this can then also be a plan for sales figures and thus provide a relevant input for production planning.

The secret of good sales qualified leads is a good dialogue. In this dialogue, the interest of the other person comes first, above the interest of direct selling. If you show real interest in your interlocutor, every dialog will be successful and will result in more and better leads.

Leads are valuable, sales-supporting information with a short lifetime. With leads, more is sold permanently—but never faster. “If it was sold on a lead, it was the sales rep. If it was not sold on a lead, it was the lead.” Success factors for leads are

- A high lead acceptance in sales.
- A clear lead transparency and.
- A high lead quality.

If these three factors are fulfilled, a high lead conversion can be expected. Companies provide the agencies with their names and addresses and the result is the start of a sales communication between the target customer and the sales consultant.

The customer who currently has no need is the customer of tomorrow. If you see budget as a communication energy that a company wants to invest in a target group, it also determines how much energy is received.

The right partner also plays a decisive role. How does this partner work? Which remuneration system is used? How responsible are the employees? How do the call center agents identify with the client?

But how do you find the right partner? It is easier than I thought. Just think about the environment in which you can successfully make 6–7 h of phone calls. Add to this the factors working atmosphere and payment and you have the most important things together.

The next step is to go and listen, not to management, but to employees! Are you allowed to do this at all, if so, do the employees act independently, are they laughing, do they feel comfortable, or do they seem rigid and controlled?

In a further step, you listen in to the calls. You will quickly notice whether the employees are self-confident, open and curious, or only stereotypically trained and act, simply ignore objections and stubbornly phone on quota. You will be surprised how easy it will be for you to decide on the right partner for your successful lead management.

One thing you should always keep in mind: When you work with a service provider, you hand over your two greatest company treasures to them: Your company name and your customers.

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Oliver Nolte is a service provider with passion. For over 30 years, Oliver Nolte is the managing director of lead on GmbH, based in Potsdam. Together with a team of around 70 highly motivated communications experts, he supports well-known companies with professional dialog marketing in the B2B sector, in over 20 languages. With his concept and the company credo “Communicate more successfully & sell more!” he has set new standards in lead generation as well as in direct dialog with customers. The range of lead services offered now extends from sales-supporting lead generation, customer satisfaction surveys, communication training to tailor-made software solutions for sales.

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User Experience and Touchpoint Management: A Case Study for the Mechanical and Engineering Industry

28

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28.1 Profile of an International Industrial Technology Group

With over 100 years of experience in engineering, the presented technology group looks back on a long tradition as a supplier of equipment, systems, and services for a wide range of different applications and industries.

The analyzed market the technology provider is operating in is a highly competitive, fragmented, and mature market with the top 20% of manufacturers having more than 80% of the market share. The global demand in the respective market is closely related to levels of fixed investment and patterns of growth in key industries. However, based on broad growth across major industries, the market the technology provider is operating in is projected to continue its expansion. Moreover, business opportunities arise from increasing investments in developing economies owing to rapid industrialization, urbanization, and infrastructure development.

The market is highly price-sensitive due to rising competition from low-cost product manufacturers. Price volatility is predicted to be one of the major restraining factors in the market in the near future. The increasing pressure on the profit margins of the product manufacturers is likely to lead to an increasing degree of consolidation in the market. Market consolidation through mergers and acquisitions is forecast to continue driving the growth and increase of the market share of major players. Additionally, growing awareness about compliance with regional environmental regulations is anticipated to limit the demand.

For a long time, the market has been characterized by steady growth and slow technology change. Global key competitive factors within the market included price, delivery period, brand reputation and service. However, today's business environment is more dynamic and complex than ever as it continuously keeps undergoing change at an accelerating speed—whether it comes to technological innovations or changes in buying behavior—which results in companies being confronted with increasing market uncertainty. New technologies and concepts such as the Internet of Things, intelligent and internet-enabled devices and sensors, cloud computing, 3D printing, predictive maintenance or smart service currently prevail in the industry and shape the way business is done.

The major players in the market are focusing on growing their product portfolio and technological innovation to attain competitive edge over others. The market will continue to witness technology development, for example, 3D printing technology combined with computer modeling for spare parts. However, as B2B customers start demanding a better experience, leading industry players increasingly put unique experience at the heart of their strategies like their B2C counterparts. In order to make buying for decision-makers easier and to create such unique experiences, marketers need to understand the purchase journey and identify the most significant challenges at each touchpoint throughout their path-to-purchase. Touchpoints are the critical moments when (potential) customers make their purchase decision or the decision on their future relationship with the provider in terms of loyalty. For this reason, the marketing department of the technology group aims to identify and evaluate the customers relevant touchpoints, to be able to optimize marketing

resource allocation per touchpoint and improve touchpoint effectiveness, to ultimately increase the number of new customers.

28.2 The Challenge: Which Touchpoints Are the Most Effective?

Today's amount and speed of information as well as the variety of choice alternatives are increasing rapidly, leading to B2B decision-makers being overwhelmed by the load of information and choice they are confronted with, and therefore struggling to make the right purchase decisions. In order to win these customers, suppliers need to create strategies and tools to make buying easier and help (potential) customers at every stage and every touchpoint of the purchase process (Toman et al. 2017, p. 120).

Unlike the majority of B2B companies, the technology group has already uncovered industry typical customer journeys and the respective touchpoints. However, up to now the identified journeys are solely based on internal findings, as (potential) customers have not been integrated yet in the mapping process, which raises some fundamental questions.

At the moment, it is unclear if the identified maps are valid in terms of reflecting the customers' perception as no verification check has been done whether the internal view coincides with the external view. At this point, the questions arise which touchpoints customers actually perceive and whether all touchpoints relevant to customers have been detected or if any important customer-influencing touchpoints are still missing in the illustrated journeys.

Furthermore, it has not been crosschecked with customers how relevant each of the identified touchpoints is for them along the customer journey. The questions of which impact each touchpoint has on the opinion-building and decision-making of the customers and which touchpoints are the most effective ones have not been clarified yet.

In a first step, the technology group decides to focus on the current customers of the organization to derive findings for the fulfillment of the following objectives:

- Identify and evaluate for the customers relevant touchpoints.
- Optimize marketing resource management (Seebacher and G pner 2011) and allocation per touchpoint.
- Improve touchpoint effectiveness in order to increase the number of marketing-qualified leads.
- Increase the number of new customers.

28.3 The Solution: Touchpoint Evaluation Project

In order to meet the outlined objectives, the technology group decides to conduct a touchpoint evaluation project. With the help of the B2B touchpoint evaluation tool presented in the article *User Experience and Touchpoint Management—A*

Touchpoint Performance Management Toolkit for The Buyer Journey, an analysis of which touchpoints need to be considered, with regards to their awareness and relevance to customers, shall be carried out. Then, the touchpoint quality and their impact on the purchase decision shall be investigated. Based on the findings of the touchpoint evaluation, decisions, and measures for the future management of the company's touchpoints shall be derived. Having analyzed the touchpoints from the customer perspective, the currently outlined customer journey can be reviewed in terms of comprehensiveness and be compared and aligned with the internally identified customer journey.

28.3.1 Research Design

As declared in the objectives of the technology group's marketing department, the for customers' relevant touchpoints shall be identified and evaluated in order to be able to derive marketing measures for the improvement of touchpoint effectiveness and the optimization of marketing resource allocation per touchpoint. Therefore, customers shall be asked how they experience the touchpoints they encounter with the technology provider on their purchase journey. To find out which touchpoints shall be focused on, the industrial B2B touchpoint evaluation tool shall serve as a basis for the development of the research instrument as well as when evaluating the identified and examined touchpoints toward their performance from the customer point of view. Before customers can be involved in the research, the following questions need to be answered based on internally available information:

- Which touchpoints have been identified so far?
- Which customer journeys have been identified so far?

Once these questions have been answered, in-depth insights into the customers' actual perception of and view on touchpoints within the industry shall be provided to close the following knowledge gap:

- (Potential) customers' perception of touchpoints throughout the industrial customer journey.
- Relevance and impact of touchpoints on (potential) customers' opinion-building and decision-making throughout the industrial customer journey.

To close the outlined knowledge gap, the following questions need to be answered:

- Which touchpoints do customers actually perceive?
- How relevant are the identified touchpoints for customers with regards to opinion-building and decision-making along their customer journey?

As in this case, the information deficit is very specific and limited to a certain target group which has not been examined in literature so far, a two-stage research design is required. First, a secondary research in the form of an internal analysis on which touchpoints and customer journeys have been identified internally so far needs to be carried out. The second step is a primary research required to be able to answer the respective research questions from the customer point of view. The internal analysis is based on the collection of internally available information gathered from marketing and internal databases.

Once the secondary research has been completed, in an external analysis the customer perspective on touchpoints shall be captured in form of a customer survey and interviews within the framework of the primary research. As the research questions and the objective of this research are targeted toward gaining an in-depth insight in the customers' perception, view, opinion, thoughts and feelings on touchpoints within the industry, an explorative approach is required, leading to the decision for the qualitative research method of in-depth customer interviews, substantiated by a quantitative online survey. This multi-methodological approach might not deliver representative results; however, the present research design is primarily meant to provide first valuable insights into customers' perception and view on selected touchpoints. However, in order to back up the findings of the interviews, the online survey offers a possibility to collect some quantitative data.

28.3.2 Secondary Research

As a basis for the primary research, a secondary research in the form of an internal analysis on which touchpoints and customer journeys have been identified so far needs to be conducted. For this purpose, all internally available documents of previous work on issues related to customer experience, the customer journey, and customer touchpoints need to be analyzed. These documents are mainly drawn from the marketing department of the technology provider, as marketing is responsible for the strategic development related to this topic.

The information sources and materials for the secondary research include a few customer journey maps and persona descriptions that have been developed within the framework of a currently running marketing automation project. Together with the data strategist responsible for the marketing automation project, an overview of all currently identified touchpoints can be created. Furthermore, the materials include some sources from published research on customer touchpoints the marketing department relies on, for example, on the question of which touchpoints are most effective for lead generation.

28.3.3 Primary Research

The analysis of customer experience along the path-to-purchase needs to be done from both perspectives: The company and customer view. Only this two-side approach allows a company to identify all touchpoints along the customer journey and their relevance for customers and their information and purchase experience (Keller 2017, p. 41). Therefore, to be able to measure the importance and quality of touchpoints from the customer perspective, customers need to be surveyed within the framework of a primary research (Schüller 2016, p. 185).

28.3.4 Target Group and Sample Selection

As the research aims to detect potential differences regarding touchpoint behavior among different customer segments, customers of both product categories, *Standard* as well as *Engineered* products, and of different company sizes need to be surveyed. Customers can be categorized into industrial and institutional customers. Industrial customers include manufacturing companies, engineering, procurement, and construction contractors (EPC) and agents. Institutional customers can be public utilities or governmental institutions. Figure 28.1 exposes the planned structure of the research target group.

According to Schüller, for a touchpoint survey, 50–100 persons are sufficient for the beginning (Schüller 2016, p. 185). Therefore, the research aims to involve at least 50 customers in total. This number is divided into two different survey approaches. The customer contacts for this research are drawn from the internal customer database as well as from sales representatives.



Fig. 28.1 Target group of primary research (own presentation)

28.3.5 Research Instrument and Field Research

The research is comprised of two different approaches. A standardized quantitative questionnaire is designed to generate answers in a rather quick and simple way. However, this does not mean that the questionnaire is targeted toward collecting a general impression only. Therefore, the questionnaire also includes open questions giving participants the possibility to share their thoughts in their own words. The quantitative questionnaire is exposed to participants as an online survey. In total, 40–50 questionnaires shall be the basis for the later touchpoint evaluation.

Qualitative in-depth interviews require more time but allow gaining an even more profound insight into the customers' motives and views. Depending on the availability and geographical distance of the participants and the interviewer, the in-depth interviews can be held personally or via telephone or video chat. Led by a semi-standardized interview guide, in total, seven to nine in-depth interviews shall be held. Finally, the results of the secondary and primary research, the internal and external view of existing and potential customers, can be compared to find answers to compensate for the technology provider's knowledge gap.

Drawing on the inputs gathered through the literature review and internal analysis, an interview guide is developed for the semi-standardized qualitative customer interviews which are structured into eight sections. Having asked for the interviewees' declaration of consent to both, the recording of the interviews as well as the storing and processing of the gathered data, Section 1 in Table 28.1 begins with some introductory questions to break the ice, asking how the interviewees became aware of the technology provider, when and how their customer relationship with the company started. Section 2 in Table 28.1 is targeted to find out about the information sources customers usually use when searching for certain technologies as well as their awareness of current touchpoints of the company. Section 3 in Table 28.1 continues with questions on the importance of various touchpoints to the customers along their purchase journey before Section 4 in Table 28.1 deals more in-depth with the touchpoint impact on the customers' purchase decisions. Section 5 in Table 28.1 is again related to touchpoint importance, crosschecking Section 3 in Table 28.1 by asking which touchpoints are the least important for customers during their decision-making process regarding technology investments.

Section 6 in Table 28.1 focuses on the perceived touchpoint quality, examining customers' best as well as worst experiences when being in contact with the company in the past. Section 7 in Table 28.1 is the last content-related section of the interview guide, including questions on the importance and satisfaction with the touchpoint mix the technology group currently offers, examining the customers' view on touchpoint variety, the logical connection of touchpoints, the flow of information and ease of navigation as well as cohesive design and appearance across touchpoints. In order to ensure the interviewees have the possibility to express everything they want to say, they are finally asked if they want to additionally mention or point out anything which has not been discussed during the interview, before the interview is ended with some questions on structural data to identify the underlying personas. Structural data include the company location, the industry the

Table 28.1 (continued)

3 Touchpoint Importance		
3.1	<p>Which <u>five</u> contact points are the <u>most important</u> for you in each stage of your buying decision-making process regarding <type> technologies?</p> <p><i>Select for each phase the five most important contact points from the list of question 2.2. Displayed as matrix in online survey.</i></p>	
	<p>Before the purchase Looking for information, considering and contacting potential suppliers for proposals, comparing and evaluating offers received</p>	<p>During the purchase Selecting a supplier from the short list, negotiating and finally closing a purchase contract</p>
4 Touchpoint Impact on Purchase Decision		
4.1	<p>Which <u>five</u> contact points finally convince you to <u>make a purchase</u>?</p> <p><i>Select five contact points from the list.</i></p>	<p><i>Referring to the five chosen contact points:</i></p> <p>Why are <selected contact points> of such high relevance to you?</p> <p>What is important for you with regards to these contact points?</p> <p>What are your expectations towards these to you especially important contact points?</p>
5 Touchpoint Importance		
5.1	<p>Which <u>five</u> contact points are generally <u>the least important</u> for you in your buying decision-making process regarding <type> technologies?</p> <p><i>Select five contact points from the list.</i></p>	
6 Touchpoint Quality		
6.1	<p>With which <u>five</u> contact points at <company name> do you have the <u>best</u> experience so far?</p> <p><i>Select five contact points from the list.</i></p>	<p>What made your experience with these contact points outstanding?</p>
6.2	<p>With which <u>five</u> contact points at the company do you have the <u>worst</u> experience so far?</p> <p><i>Select five contact points from the list.</i></p>	<p>What made your experience with these contact points dissatisfying?</p> <p>Which negative moments do you remember when getting in touch with <company name>?</p> <p>What are the minimum expectations you have when getting in touch with <company name>?</p>

Table 28.1 (continued)

7 Importance of Touchpoint Mix																																									
7.1	<p>To what extent is a mix of contact points important to you?</p> <p> <input type="radio"/> Not at all important <input type="radio"/> Less important <input type="radio"/> Neutral <input type="radio"/> Quite important <input type="radio"/> Very important </p>																																								
7.2	<p>How satisfied are you with the mix of contact points of the company? <i>Mark level of satisfaction on scales.</i></p> <p>Variety of contact points and information sources:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> </tr> <tr> <td style="text-align: center;">Very bad</td> <td style="text-align: center;">Bad</td> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Good</td> <td style="text-align: center;">Very good</td> </tr> </table> <p>Cohesive and logical flow of information across different contact points:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> </tr> <tr> <td style="text-align: center;">Very bad</td> <td style="text-align: center;">Bad</td> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Good</td> <td style="text-align: center;">Very good</td> </tr> </table> <p>Cohesive design and appearance across different contact points:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> </tr> <tr> <td style="text-align: center;">Very bad</td> <td style="text-align: center;">Bad</td> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Good</td> <td style="text-align: center;">Very good</td> </tr> </table> <p>Logical connection and easy navigation among different contact points:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> <td style="border: 1px solid black; width: 20%;"></td> </tr> <tr> <td style="text-align: center;">Very bad</td> <td style="text-align: center;">Bad</td> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Good</td> <td style="text-align: center;">Very good</td> </tr> </table>						Very bad	Bad	Neutral	Good	Very good						Very bad	Bad	Neutral	Good	Very good						Very bad	Bad	Neutral	Good	Very good						Very bad	Bad	Neutral	Good	Very good
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Very bad	Bad	Neutral	Good	Very good																																					
7.3	<p>Do you have anything else to add or want to mention anything we did not discuss within the framework of this interview? <i>For interviews only</i></p>																																								

company is active in, the company’s size in terms of employees and turnover, the interviewees’ department and job position as well as their involvement and authorities in buying decision-making. Ultimately, some questions on the structure of the buying center of the respective companies are included, examining the number of decision-makers and departments involved, and the time it takes until a final purchase decision is made.

In order to be able to compare the results of the two methodological approaches, the standardized questionnaire for the online survey is based on the same questions as the interview guide, however, in order to prevent a high dropout rate of respondents due to the length of the survey, the questions of the “additional” section in the guide are excluded. However, the survey does still include open questions to achieve as many qualitative insights as possible within the framework of a survey of more quantitative nature. Both instruments shall undergo an internal pre-test to find possible sources of misunderstandings or errors and to test the duration of completion to be expected. The tables on the following pages summarize the questions of both instruments. In the separated columns of the Table 28.1, the questions in the left column are the standard questions, which were included in both instruments. The questions in the right column are additional questions that have been asked in the interviews, but not in the online survey to prevent the online survey of being too long which could have a negative influence on the completion rate (Tables 28.1 and 28.2).

responsible sales managers. For the online survey, a link was sent out directly from the marketing department but also from sales managers via e-mail, depending on current projects and the relationship with the client. The online customer survey was sent to more than 150 customers in total, including end customers, agents, and EPCs across the globe. In all, 66 questionnaires were started of which 43 questionnaires were completed, resulting in a return rate of 44% and a completion rate of 65%. For the customer interviews, in total 31 customers were contacted of which eight were willing to participate during the time period of April to June 2019. As all customers, whose contact data were available and authorized to be used for the purpose of this research, were either contacted for an interview or for the participation in the online survey in order to achieve as many returns as possible, representativeness is not given due to the necessity of random sampling because of the uneven demographic structure of the available customer data and the dependency on the return of respondents of the online survey. The demographic distribution of the responses of the online survey therefore cannot be controlled and the likelihood that a particular element will be sampled cannot be determined. The arbitrary random sample is therefore not suitable for deriving inferential statistical statements. In terms of representativeness, it is not possible to specify the population to which the sample relates.

For the purpose of transcription, the customer interviews were audio recorded. The interview transcripts were analyzed with the help of a qualitative data analysis software program. The quantitative results of the online survey were analyzed with statistical analysis software, the qualitative content of the open questions included was analyzed with the same qualitative data analysis program used for the interviews.

28.4 Results and Outcomes

Before starting with field research, both instruments, the interview guide, and the questionnaire, have undergone an internal pre-test within the marketing department which has helped to estimate the duration of the participation, leading to some questions to be simplified, and indicated items that were incomprehensible or equivocal. Moreover, the pre-test led to improvements regarding user-friendliness.

In total, eight customer interviews were conducted, and 43 online questionnaires were completed. 66 online questionnaires have been started, but not completed successfully. The findings provide an overview on which touchpoints are relevant to customers during their purchase decision-making journey and how the company's touchpoints are perceived by customers.

28.4.1 Internal Analysis

In 2018, the technology provider has begun to focus more on customer experience management, performance marketing and marketing automation in order to increase

customer excitement when getting in touch, while at the same time aiming to lower marketing overhead costs and improve sales productivity. Within this framework, the company has started to analyze customer journeys and touchpoints, having identified a range of touchpoints customers seem to come across during their customer journey of finding the right technology supplier. However, no customers have been directly involved in the touchpoint and customer journey mapping process yet. Therefore, the question arises if all touchpoints relevant to customers have been detected or if there have been overlooked any important contact points from the customer point of view that are now missing in the internally illustrated customer journeys. Furthermore, it has not been assessed from the customer perspective, which touchpoints are the most important and effective ones regarding their impact on (potential) customers' opinion-building and decision-making when evaluating supplier alternatives. These questions shall be examined within the framework of the primary research.

As the technology provider aims to improve lead generation to increase order intake, published research on the most powerful and effective lead generation touchpoints and channels in B2B was studied as presented in Fig. 28.2.

Until today, the company was guided by a from external research proposed touchpoint ranking shown below. However, the validity of this research has not been tested yet. The technology provider already annually takes part in more than 40 fairs globally, generating about 1400 valuable leads per year. When these leads are not yet sales-ready, they represent a great opportunity for lead nurturing through timely and value adding-marketing campaigns orchestrated along the touchpoints throughout the customer journey.

Based on a review of internally available materials and documents concerning customer interactions and customer experience management, the following touchpoints, presented in Figs. 28.3 and 28.4, have been identified.

For the touchpoints in Fig 28.5, an estimation on the importance of the (from company view) key touchpoints for customers throughout the stages of their path-to-purchase has been made by the marketing department of the technology provider.

The graphic structures the customer journey into six stages, starting with the awareness phase, leading to the knowing and liking phase, followed by building a preference before a customer is convinced and makes the ultimate buying decision. Some of the for the technology provider currently most important touchpoints in the marketing strategy were then analyzed toward their impact on opinion-building and decision-making at each stage of the customer journey. Touchpoints labelled with a green arrow are highly important. Touchpoints labelled with yellow are of medium importance and touchpoints marked by an orange arrow are of low importance in the respective stage of the purchase decision-making process.

The marketing department has already mapped some specific customer journeys for trade shows, as such events require relatively high marketing investments, but also on lead generation via third party contacts, lead mapping and nurturing via LinkedIn or EPCs, and after sales cross-selling, service and technical support.

Furthermore, the marketing department has developed some persona descriptions. Defined personas include the proposal and process engineer or business



Fig. 28.2 Most effective lead generation touchpoints (Wong 2015)

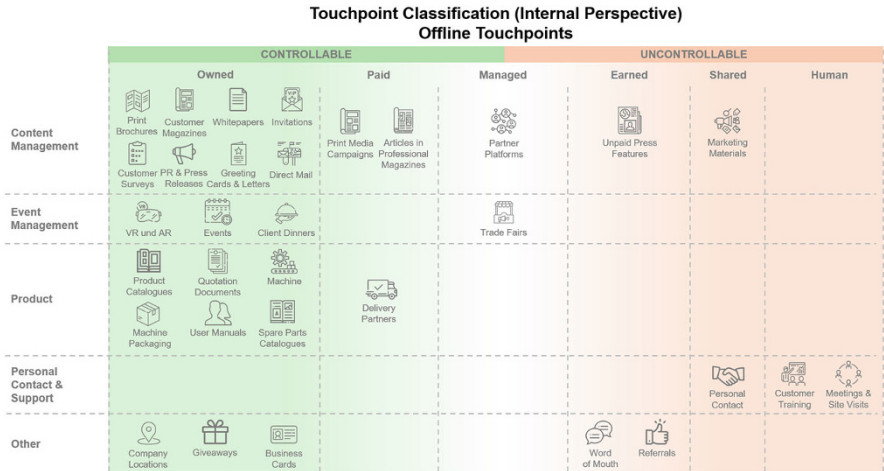


Fig. 28.3 Internal offline touchpoint identification map (own presentation)

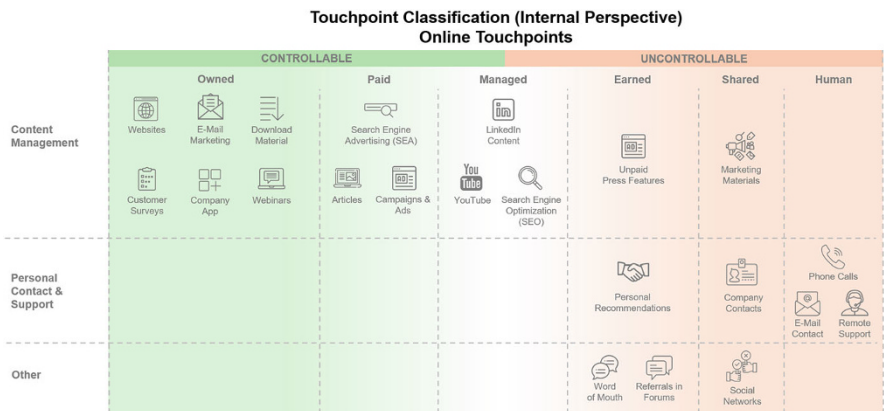


Fig. 28.4 Internal online touchpoint identification map (own presentation)

development manager. Figure 28.6 shows the persona template the marketing department currently works with.

To sum up, the marketing department has been more focused on the mapping of processes from the internal view rather than the identification of relevant touchpoints from the customer perspective yet. For this reason, instruments for both, a customer survey as well as customer interviews, were designed to help the marketing department to work toward a more customer-oriented and targeted touchpoint and customer experience management.



Fig. 28.5 Importance of touchpoints along the internally defined customer journey (own presentation)

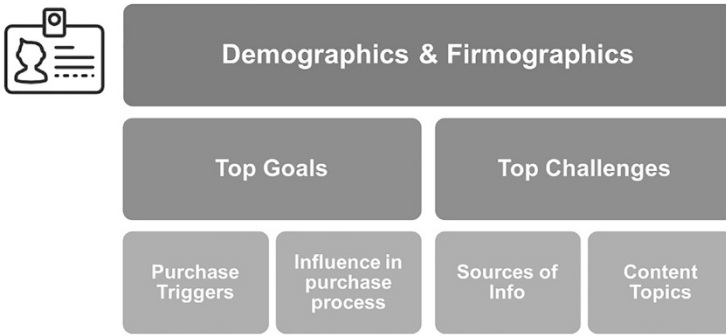


Fig. 28.6 Persona template (own presentation)

28.4.2 External Analysis

The external analysis was comprised of customer interviews and an online survey. Based on the interview guide, eight customer interviews were held via telephone during the time period of April to June 2019. Interviewees included end customers, EPCs, and agents coming from different countries, including Austria, Germany, Egypt, Rumania and Vietnam, and industries, including the pulp and paper, water and wastewater, oil and gas, chemical, pharmacy, construction, and manufacturing industry. The interviewees come from companies of different sizes, reaching from 30 to 26,000 employees and sales revenues from 15 million up to more than €7 billion. The interviewees come from the procurement and materials management department, maintenance, the technical and commercial department, sales (in the case of a distributor or agent) and construction holding the following job positions: buyer, production planning manager, general manager of regional sales, engineer,

category manager spare and wear parts, and project manager. Seven out of the eight interviewees are directly involved in buying decisions at their companies. Two of the interviewees thereby have full sole buying decision-making power (decisive), three of the interviewees have partial decision-making power (co-decisive), and two participants have an influence on decision-making in their company (advisory). Considering buying center roles, respondents therefore included influencers, deciders, buyers, and users. No initiators or gatekeepers were identified during the interviews.

The findings of the customer interviews show that direct contact with sales representatives is still the most important touchpoint throughout all phases of their purchase decision-making process along the customer journey in the analyzed industry. The Internet and recommendations and referrals from work but also industry colleagues as well as (potential) customers' own professional experience and industry knowledge also play an important role when it comes to searching for information on potential suppliers, products, technologies, and solutions before the purchase. While the interviewees are aware of various touchpoints of the technology group, throughout all questions they have been asked, they kept highlighting the importance of the communicational behavior of sales representatives and personal contact when it comes to convincing them due to the desire for detailed technical information on individual projects, transparency, responsibility, legality, commitment, and trust. Some pain points identified during the interviews are a lack of transparency regarding the responsibilities of contact partners, the slow response time on requests, confusing documentation, and the website which does not include sufficient technical information and, in terms of user-friendliness, can be hard to navigate. The interviewees had different views on the importance of the touchpoint mix, as some aim to keep the process as simple and efficient as possible, while others enjoy having a choice of various touchpoints. Overall, the interviewees were quite satisfied with the offered variety of touchpoints and information sources as well as the information flow and design across the examined touchpoints.

Besides the interviews, an online survey was conducted during the time period of the beginning of May until the beginning of June. In total, the survey link was sent out to more than 150 customers. Sixty-six participants started the online survey resulting in a return rate of 44%. As the survey was successfully completed by 43 participants, the defined sample of at least 40 participants and a completion rate of 65% were achieved. The completion of the survey required about 15–20 min.

Among the respondents 93% are current customers of the technology provider, 5% are non-customers who know the company and 2% are non-customers who do not know the company yet. With regards to their current job position, there were managers (47%), head of departments (21%), owners (19%) as well as operators (5%), C-level executives (5%), one partner (2%) and one treatment plant manager (2%) among the participants, mainly coming from procurement and supply chain management (33%), followed by project management (21%), sales and commercial (16%). A broad international mix was achieved as the companies the respondents currently work for are located in 19 different countries. However, the majority of participants comes from Germany, India, Italy, and Austria.

Forty-four percent of the respondents are currently working in the water and wastewater industry, followed by the pulp and paper industry (16%), energy (14%), manufacturing (14%) and other industries (14%) including the pharma industry, oil and gas industry, electrical engineering, and service. 9% each come from the mining and minerals and food industry. The respondents are from companies of different sizes, while the majority comes from small and medium-sized companies, with 44% working in companies of up to 99 employees, and 28% working in companies of up to 499 employees. Some also work in large companies with 19% of companies counting up to 2499 employees, and 5% each counting up to 4999 or more than 5000 employees respectively. 44% work for companies that generated a turnover of up to €500 million, 26% up to €1 million, 19% up to €1000 million and 12% more than €1000 million.

Almost all of the participants are involved in buying decisions as only 2% stated they are not. 26% stated to have full sole decision-making power, 53% of the respondents have partial decision-making power, 19% have an advisory function while 2% have no influence on decision-making. Identified buying center roles were influencers, deciders, buyers, and users. Again, no initiators or gatekeepers were identified in the survey answers. With regards to the buying center size, on average five colleagues and three departments are involved in buying decisions. The time until a buying decision is made varies, 23% stated that in their company it usually takes up to 6 months, 21% said it takes up to 1 month, and 16% each reported that it can take less than 1 week, up to 3 months or up to 1 year.

Summarizing the results of the online survey, in the phase before the purchase, information sources such as corporate websites, Google searches, brochures, and product catalogs play an important role. According to the surveyed customers, these are still relevant during the purchase, but not as much as before the purchase. Instead, test reports gain relevance as a touchpoint during the purchase, while recommendations from industry colleagues stay almost as important during the purchase as they are before the purchase. Unlike in the first two phases, the respondents begin to show interest in company newsletters and customer magazines after the purchase. In comparison to during the purchase, corporate websites gain importance again after the purchase, while test reports, product catalogs and direct mail stay similar important as during the purchase. Company events, social media, and industry websites gain relevance in the post-purchase phase. However, according to the survey results, the contact to sales representatives is again the most important touchpoint for the customers as it ranks as number one touchpoint throughout all the three phases of their buying decision-making journey. Correspondingly, the top three touchpoints regarding the respondents' best experience are related to sales representatives. Most of the respondents have no bad experiences with the technology provider. Still, 13% of the participants made bad experiences with e-mails and 10% with contact with sales representatives. While recommendations of industry and work colleagues have an influence on the respondents' decision-making, family and friends do not. Other touchpoints ranked rather low regarding their importance along the customer journey are publications in print magazines, industry blogs and forums, company apps, and whitepapers.

Regarding the importance of a mix of different touchpoints, 74% of the respondents answered with “quite important” or “very important.” As none of the respondents rated any touchpoint mix dimension as “very bad,” satisfaction across all dimensions including touchpoint variety, the flow of information, design, and navigation was rather high.

Comparing the findings of the interviews and the online survey, no significant differences can be observed, as both methodologies led to the result that personal contact to sales representatives is the most important touchpoint across all phases of the customer journey in the examined industry.

Regarding the comparison of the internal and external perspective, the touchpoints identified during the internal analysis covered the touchpoints noticed by customers to a large extent. Some additional touchpoints have come up during the primary research: references from other customers, bidding documents and proposals, the spare parts catalog, service and maintenance team and service hotline, price, terms and conditions, and the product itself. Up to now, it was assumed that industry or region-specific media campaigns, advertisements and ads, social media, events, conferences, and trade shows, the company website, search engine optimization, e-mail marketing, and webinars are the most important and effective touchpoints. However, primary research showed different results.

28.5 Interpretation of Research Results: Touchpoint Evaluation

To find out which touchpoints were rated best across all touchpoint performance dimensions, the results of the primary research were transferred into the developed touchpoint evaluation instrument. Having listed all of the identified touchpoints, the touchpoints were rated in every touchpoint performance category, based on the results of the primary research. All touchpoints which achieved a rating of 67% or more across the different categories during the customer survey, are high-performance touchpoints and were therefore awarded three points in the respective category in the instrument. All touchpoints which achieved ratings from 34% to 36% were given two points. All touchpoints which reached a ranking of less than 34% were rewarded only one point as their performance was rather low. Once all the ratings per touchpoint in each category were done, the sum of the rewarded points was built, clearly showing which touchpoints performed best and which ones performed worst across all the categories examined during the primary research.

Regarding the research question “*Which touchpoints do customers actually perceive?*,” the research showed that the currently most well-known touchpoints of the analyzed technology provider are the contact to sales representatives and e-mails, meetings with sales representatives, brochures, and phone calls with sales representatives. Furthermore, many of the respondents know the organization’s website, are aware of the company’s presence on Google, have already seen a product catalog or already visited a trade show, fair, or conference where the technology group has been represented. The most unknown touchpoints are industry forums, the company’s apps, newsletters from professional magazines, test reports,

and consultants. None of the respondents has seen the technology provider on any industry blogs, webinars, whitepapers, or the company newsletter.

With the help of the touchpoint evaluation across all three purchase phases, the research question “*How relevant are the identified touchpoints for customers with regards to opinion-building and decision-making along their customer journey?*” could also be answered. With a total of 17 points, the general contact to sales representatives is the most important touchpoint with the biggest influence on purchase decisions throughout all the phases of the identified customer journey, explicitly underlined by phone contact and personal meetings. Other quite important touchpoints are the corporate website, e-mail contact, brochures, Google, industry websites, product catalogs, company presentations, trade shows and events, and recommendations from industry colleagues.

Figures 28.7 and 28.8 show the first-time application of the developed touchpoint evaluation tool on the touchpoints identified for the technology provider. Based on this, Fig. 28.9 provides an overview of the most relevant touchpoints in each phase of the purchase decision-making process along the identified customer journey.

28.6 Lessons Learned

Reflecting on the results and findings of the touchpoint evaluation, it becomes clear that in times of digitalization and change human connection and therefore personal contact between customer and supplier has remained the most important touchpoint to succeed in a B2B environment, especially in the industrial sector. Some touchpoints are more important, and some are less important regarding their influence on customers' decision-making throughout their path-to-purchase. Based on these evaluation results, decisions on the focus on selected touchpoints and the respective allocation of marketing budget can be derived. However, the results also showed that the retention of a mix of different touchpoints is essential in order to be able to meet individual preferences and offer (potential) customers various possibilities and alternatives to choose from when trying to get in touch with a potential supplier. Ultimately, to be successful in the analyzed industry, the top marketing priority needs to be the creation of a unique, flawless experience across all touchpoints (potential) customers perceive along their purchase journey. By identifying love points, pain points, and critical moments of truth having a major impact on the final purchase decision, marketers can tailor their communication channels and activities to catch the customers' attention and evoke excitement at every single touchpoint throughout the path-to-purchase.

In a first step, the technology group decided to focus on the current customers of the organization. In order to achieve representative results and to derive more reliable conclusions, also regarding the examination of cultural differences and differences among various customer segments, it is recommended to extend the research to a broader sample and also include non-customers. The key to touchpoint transparency is the combination of all available data sources to verify the touchpoint performance from all aspects. For this purpose, either the KPI catalog of the internal

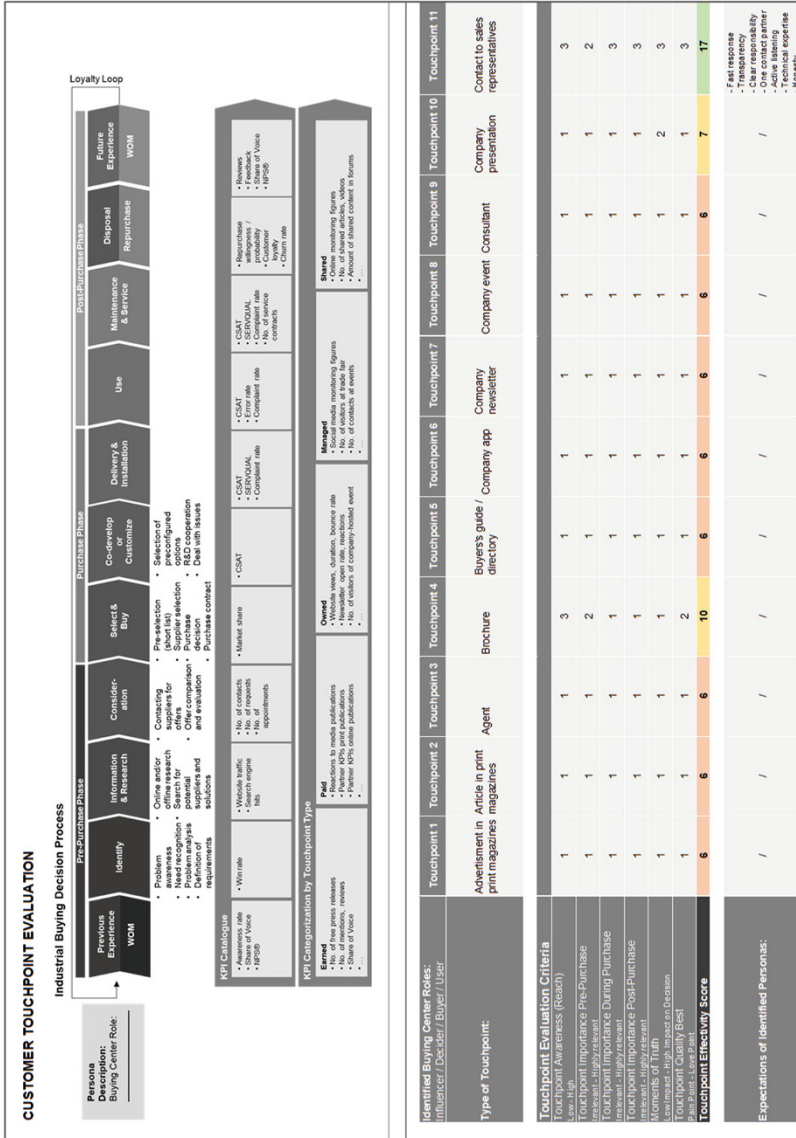


Fig. 28.7 Touchpoint evaluation 1–11 (own presentation)

Touchpoint 12	Touchpoint 13	Touchpoint 14	Touchpoint 15	Touchpoint 16	Touchpoint 17	Touchpoint 18	Touchpoint 19	Touchpoint 20	Touchpoint 21	Touchpoint 22	Touchpoint 23	
Corporate website	Customer magazine	Direct mail	E-Mail	Face-to-face meeting with sales reps	Google search	Industry blogs	Industry forums	Invitation to company tour	Industry website	Newsletter from professional magazine	Phone call with sales reps	
Touchpoint Score												
3	1	1	3	3	2	1	1	1	2	1	3	
2	1	1	1	1	2	1	1	1	1	1	1	
1	1	1	2	2	1	1	1	1	1	1	2	
2	1	1	2	1	1	1	1	1	1	1	2	
1	1	1	1	3	1	1	1	1	1	1	2	
2	1	1	1	2	1	1	1	1	1	1	2	
11	6	6	10	12	8	6	6	6	7	6	12	
- More tech details - Product configurator - Easy navigation - Overview on business structure												
- Fast response - Technical expertise												
- Reliability - 24/7 service												
Touchpoint 24	Touchpoint 25	Touchpoint 26	Touchpoint 27	Touchpoint 28	Touchpoint 29	Touchpoint 30	Touchpoint 31	Touchpoint 32	Other Touchpoints Identified			
Press release	Product catalogue	Referrals / recommendations work colleagues	Referrals / recommendations industry colleagues	Referrals / recommendations family & friends	Social media	Test report	Trade show / fair / conference	Webinar	Whitepaper	- Customer references - Bidding documents - Product literature - Service team / hotline - Spare parts catalogue - Price - Terms and conditions		
Performance Index										Other Touchpoints Identified		
1	2	1	1	1	1	1	2	1	1	- Proper project documentation - Documents in native language - Quality, price, delivery time - Technological fit - Terms and conditions - Customer references - Proactive after-sales activities		
1	1	1	1	1	1	1	1	1	1	Low = 0% - 33% Average = 34% - 66% High = 67% - 100% Low = 1 Point Average = 2 Points High = 3 Points		
1	1	1	1	1	1	1	1	1	1			
1	1	1	2	1	1	1	1	1	1			
1	1	1	1	1	1	1	1	1	1			
6	7	6	7	6	6	6	7	6	6			
- Proper project documentation - Documents in native language - Quality, price, delivery time - Technological fit - Terms and conditions - Customer references - Proactive after-sales activities												

Fig. 28.8 Touchpoint evaluation 12–23 (own presentation)

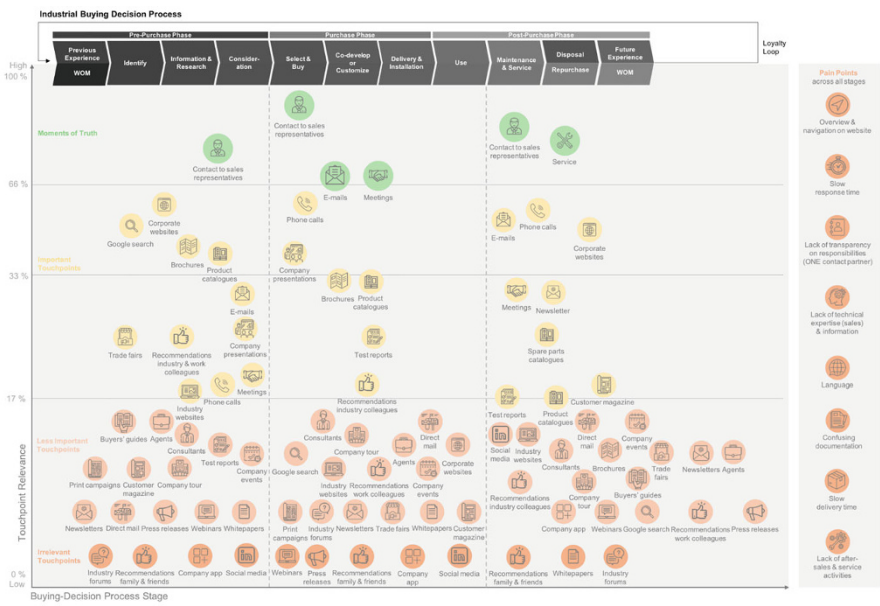


Fig. 28.9 Touchpoint relevance along the customer journey (own presentation)

check block presented in the touchpoint evaluation instrument can be drawn as a basis, or there are already some customer experience software programs, being able to amalgamate data from different sources in dashboards, available.

As the research has shown, personal contact with sales representatives is still the number one critical touchpoint in B2B decision-making. Hence, close cooperation between marketing and sales is of utmost importance to be able to create unique experiences along the path-to-purchase. Marketing needs to integrate sales in customer experience analyses, and vice versa, sales should listen to strategic insights marketing can provide. During the research phase, the typical inner organizational issues, barriers, and pitfalls of lacking cooperation and trust between those two departments showed. No customer experience initiative can be successful if sales is not willing to share their contacts and knowledge on key accounts. Marketing must accept the fact that no one is closer to the customer than the sales representatives. Only when joining forces, a real customer-centric and experience-led focus is possible to deploy valid touchpoint evaluations and successfully derive effective strategic decisions.

28.7 Summary

The results of the internal analysis covered the touchpoints perceived by customers to a large extent, however in terms of touchpoint relevance, the results of the external survey showed differences. According to the research results and the subsequent touchpoint ranking as an outcome of the application of the developed touchpoint evaluation instrument, personal contact with sales representatives, a touchpoint that has not been emphasized in the customer experience materials of the technology provider's marketing department yet, turned out to be the most important touchpoint for customers across all touchpoint dimensions, including touchpoint awareness, importance across the three main phases of the purchase decision-making process, impact on the purchase decision and quality, throughout all buying process phases along the customer journey. However, the assumption that events, conferences, and trade shows, the company website, search engine optimization, e-mail marketing, and webinars are relevant touchpoints is not wrong. Additional touchpoints to consider, which were not identified within the framework of the internal analysis, are references from other customers, bidding documents and proposals, the spare parts catalog, the service and maintenance team, and the service hotline, price, terms and conditions, and the product itself.

Finally, it needs to be pointed out that the presented research was only one part of the entire customer touchpoint management process. The research results deliver the first contribution from an external view, however, in order to generate more reliable results, it is recommended to extend touchpoint research activities to gain a more reliable picture of the as-is-situation, before the next steps of the touchpoint management process are followed. Having gathered enough data and insights on the current situation, touchpoint targets are to be defined in order to be able to plan respective marketing measures. Once the measures have been implemented, their

success can be monitored again by a touchpoint analysis as presented in this thesis, complemented by a cross-check of available analytical data with the help of the KPIs presented in the evaluation instrument, and further measures for continuous touchpoint and resulting customer experience improvement can be derived. Once enough data on touchpoint performance is available, a real-time touchpoint dashboard combining customers' feedback and internally measured KPIs, such as website or online advertising performance, can be designed for continuous monitoring.

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Prof. h.c. Uwe G. Seebacher holds a Ph.D. in economics and business administration. He is known worldwide for more than 35 published books, 80 keynotes, and the B2B Marketing Podcast heard in more than 60 countries. As a consultant, manager, and entrepreneur with over 25 years of professional experience, he has worked for renowned companies such as Allianz, Andritz, Banco Santander, BASF, Bayer, Commerzbank, DaimlerChrysler, Deloitte, European Union, Generali, Hilton, Intercontinental, Perot Systems, UBS, or even the Austrian Federal Economic Chamber.

Uwe Seebacher is internationally known as a methodologist and his work is also the basis for the Template-based Management (TBM) approach, which was first published in 2003 and continues to shape corporate practice today.

Seebacher is the editor of standard works in the field of management development, organizational development and marketing but also the world's first book on the subject of predictive intelligence.

Sales Channel Management: A Low-Cost Quick Win Showcase for External Salesforce Excellence

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29.1 Introduction

Markets and industries are developing ever faster. In conjunction with this, customers' demands on companies and their product and service portfolios are changing just as rapidly, sometimes even several times during an ongoing project. Such or similar scenarios can occur in any industrial sector. The probability of occurrence depends on how time-consuming meetings and arrangements of various points of contact between the customer and the company, such as sales, product management, quotation, or project management, have been in advance.

The more carefully the consultation and coordination are carried out *ex ante*, the less likely short-term changes become. Depending on the type of company, product range, earnings, market relevance, this challenge can take on different dimensions. This challenge is easier to master for large companies with corresponding capacities in the respective departments, especially the sales force. However, how can smaller companies and those that rely more on external sales partners, so-called sales partners or sales agents (Weese 2015), in their sales network, better anticipate the wishes and needs of customers and meet them in the best possible way?

This was the situation of the company that is the subject of this case study. In order to be able to take countermeasures against the background of enormous competitive and cost pressure, the medium-sized company, after a thorough internal analysis, increasingly devoted itself to the implementation and execution of channel management (Gorchels et al. 2004). Channel Management¹ is defined as:

The term Channel Management is widely used in sales marketing parlance. It is defined as a process where the company develops various marketing techniques as well as sales strategies to reach the widest possible customer base. The channels are nothing but ways or outlets to market and sell products. The ultimate aim of any organization is to develop a better relationship between the customer and the product.

A sales channel can be direct or indirect if an intermediary, such as a dealer, is involved in selling the product to customers.² In the following section, we will not only take a closer look at the example company, but in particular at its channel management project and the results and findings to date.

29.2 Structural Presentation of the Case Studies Company

The example company is a division within a listed, globally active large corporation. The corporation supplies a broad portfolio of technologies for the mechanical engineering sector, ranging from complete plants to individual pieces of equipment. In addition to its headquarters in the DACH region, the group has a further

¹<https://economictimes.indiatimes.com/definition/channel-management>. Accessed: May 20, 2020.

²<http://www.businessdictionary.com/definition/sales-channel.html>. Accessed: May 20, 2020.

300 branches around the world. Together, these locations currently employ around 30,000 people. The division that is subject of this case study is also globally active.

The focus is on the development, production, sales, and service of a defined product range. The industrial focus is on the four areas of environment, pulp and paper, mining, and process industry. The coverage of the respective value-added chain varies greatly in the different industries, which is a great challenge for the sales department. Against this background, the strategic orientation of the business unit is to close the gaps in the various value chains step by step through product development but also through company acquisitions in order to develop from a product supplier to a system provider.

With its products, this division is known in various countries and different industries and is one of the market leaders in these special segments. This is evidenced by the market volume, which in certain industries is covered by this company to the half. The fact that this division is one of the oldest divisions of the company, which is now listed on the stock exchange, and can look back on more than 165 years of experience, underlines the importance of this division, which is *per se* a medium-sized company, and its significance for the entire company.

29.2.1 The Product Portfolio

The product portfolio ranges from standard products, which account for around 80% of the project volume but only generate a relatively small margin, to custom products, characterized by low volumes but extremely high investment volumes and long lead times. In the area of standard products, the price range for spare parts extends from a few euros to high six-figure euro amounts per unit. Success factors in this segment are quality, delivery times, and above all product performance.

However, the business unit is also able to score time and again in the field of large-scale plant construction, thanks to its long tradition and experience, but also its outstanding technical expertise. The pronounced engineering competence can certainly be considered one of the most important success factors of the division.

In all areas, the service business is an important source of revenue and profit with high margins and good planning, especially against the background of Big Data,³ Internet of Things, or Predictive Maintenance (Lughofer and Sayed-Mouchaweh 2019). The field of standard products is characterized by high price sensitivity, which is further aggravated by low-price suppliers from the Asian region. In order to counteract this, the company established a branch in China some 20 years ago, which today represents an essential part of the global supply chain.

³https://en.wikipedia.org/wiki/Big_data. Accessed: May 20, 2020.

29.2.2 The Organization

The mentioned division itself has more than 500 employees and branches in five different countries. The organization follows a conservative linear organizational approach with classic management functions. The marketing department consists of a global team based at the Group's headquarters and individual local marketing managers at the various subsidiaries. The sales team comprises about 70 employees worldwide. In the EMEA area, the SME has around 40 sales experts actively working in the market, who are supplemented and supported by around 30 external sales partners, so-called sales agents.

Against this backdrop, the marketing team developed a new sales strategy as part of a sales strategy project. The management set the following four targets for the project (Fig. 29.1).

The focus of this project was a solid continuous growth strategy. It was the clear task to realize latent and unused potentials in the market—i.e., “low hanging fruits”—as quickly as possible by means of exact analyses from the Market and Business Intelligence (MI/BI) department.⁴ In this way, the investors' specifications were to be met, and on this basis, further investments in the development of personnel, especially in the area of sales, were to be approved. The project team, led by the global director of marketing, communications, strategy, and analytics, developed a position paper in 4 weeks, with the following contents (Fig. 29.2).

A comprehensive structural analysis of the entire sales area was carried out as well as an evaluation of the external sales channels. In this context, structures of competitors in terms of number and orientation of agents and sales generated by them in relation to the company's own situation in the area of sales channels were realized. Benchmarking analyses were also carried out in relation to previously defined competitors, both qualitatively and quantitatively. The analyses showed that the network of agents and distributors was not sufficiently actively worked on and supported by the previously described orientation toward the own organization. The analyses showed the following picture:

- No clear responsibility for actively managing and supporting the external sales force.
- The “Commercial” department was mainly responsible for Sales Partner Management, with a focus on contract design, monitoring, and controlling, which was congruent with the activities of the department concerned and its orientation.
- No clear annual targets.
- Many “exclusive contracts” with agents in regions, but most of them were proven to generate only small revenues.

⁴See Strohmeier's contribution on the topic of Predictive Intelligence with regard to the structure of such an application or department in this publication.

PROJECT OBJECTIVES ARE SET TO REALIZE QUICK WINS BUT ALSO LONGTERM STRUCTURAL CHANGES



Fig. 29.1 Targets for the sales strategy project

CHAPTER OVERVIEW

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. EXECUTIVE SUMMARY – PROJECT OVERVIEW 2. AS-IS ANALYSIS – INTERNAL SALES FORCE 3. AS-IS ANALYSIS – EXTERNAL SALES FORCE 4. BENCHMARKING ANALYSIS 5. SALES PARTNER EXCELLENCE FRAMEWORK | <ol style="list-style-type: none"> 6. KEY ACCOUNT AND KEY SEGMENT EXCELLENCE FRAMEWORK 7. ADDITIONAL RESEARCH 8. KEY FINDINGS 9. KEY STEPS 10. BACK UP SECTION COMPLETED WORKING SHEETS |
|--|--|

Fig. 29.2 Contents of the position paper

A touchpoint analysis⁵ also provided valuable information regarding the user-friendliness of the various contact points with the external Salesforce, but also latent deficits with regard to the corresponding support of sales activities in the respective regions as demanded by the external sales partners. Thus, long response times or even no updates and information from the company were the most important findings.

The analysis of the competitors also showed that they all performed above the market trend in terms of the Compound Average Growth Rate⁶ (CAGR) and had a significantly higher density of external distribution partners than the case study company. All of the analyses, their evaluation, and correlation were analyzed and interpreted by MI/BI’s marketing staff (Fig. 29.3).

⁵See the article by Halb and Seebacher on the topic of customer experience and touchpoint management in this publication.

⁶<https://www.investopedia.com/terms/c/cagr.asp> Accessed: May 21, 2020.

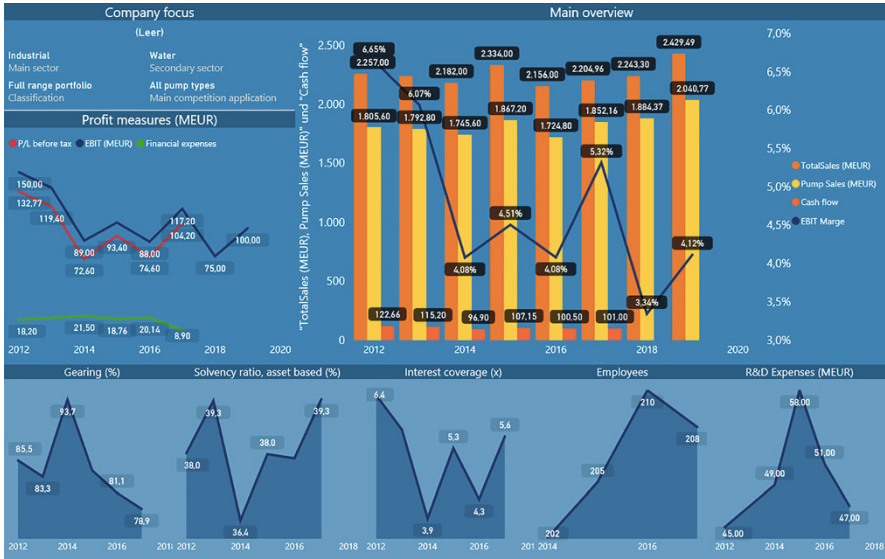


Fig. 29.3 Example of an MI/BI evaluation of a competitor from the company’s Market Intelligence Cube (MIC)

Based on the 4-week analysis phase, a sales strategy project with four relevant sub-projects was submitted to top management as a recommendation for action (Fig. 29.4).

On closer inspection, the result was always the same—channel management is an important tool for achieving the necessary revenue targets without additional costs. With the support of the entire management team, the global marketing team was given responsibility for the implementation and establishment of an active Channel Success Management. A study from 2015 shows that B2B companies in general do not perform brilliantly in the area of channel management if 65% of the external sales partners do not coordinate their strategy with their contract partners and thus act completely detached in the market on their own. According to the PDA study, the goal must therefore be to establish and ensure intensive regular communication, an intensive exchange of information and marketing materials, but also an annual target agreement and agent management process (Fig. 29.5).

This project started with an investigation of the existing sales channels. These can be different. The overview shows which type of sales partners or which contract forms were used (Fig. 29.6).

Channel management is considered the core of a complex relationship between supplier, distributor, and customer. A relationship that is taking on an increasingly difficult and confusing form (B2B Marketing 2019). In order to better understand and comprehend this relationship in general, but especially for this specific case, it is essential to take a closer look at the history and structure of a company. Within the framework of the project, an organizational-etymological analysis according to



Fig. 29.4 Four quadrants sales strategy proposal

CHANNEL PARTNERS ARE NOT WELL STRUCTURED

PDA group study 2015

- **An active management of the sales partner** is needed to ensure their **sales performance develops** in a positive way:
 - 65% do not align their strategy with the organization
 - 61% face problems in acquiring new customers
 - 60% do not measure the traffic on their website
 - 57% do not systematically evaluate customer satisfaction data
 - 46% are not able to communicate their solutions benefit using a solid measurable fact
 - 37% do not meet or align with the marketing of the channel organization
 - 37% do not have employees specifically dedicated to marketing
 - 35% do not know how to use customer feedback to engage upselling opportunities
 - 31% do not regularly review and adapt their market approach
 - 25% have insufficient closing rates
- **Key actions to address those issues**
 - **Establish a regular communication channel** with the agents. Track and monitor their problems and issues. This process can be partly automated
 - Make sure the **partners** have efficient **marketing materials available**
 - **Implement** an annual or bi annual **agent management process** to support agents ongoingly.

Fig. 29.5 PDA study 2015 (https://www.pdagroup.net/wp-content/uploads/2017/10/Channel-Partner-Study_PDAGroup.pdf. Accessed: May 21, 2020)

Seebacher, as described in the chapter on the marketing maturity model for B2B marketing, was carried out for the area of channel management.

In the case of the example company, it was shown that Channel Management has always been practiced in its basic features. Now, however, it was time to take a closer look at the activities and operations in this area and analyze the following aspects:

- How active are the agents?
- How satisfied are the agents?
- Can the agents realize their potential with the help provided by the company?

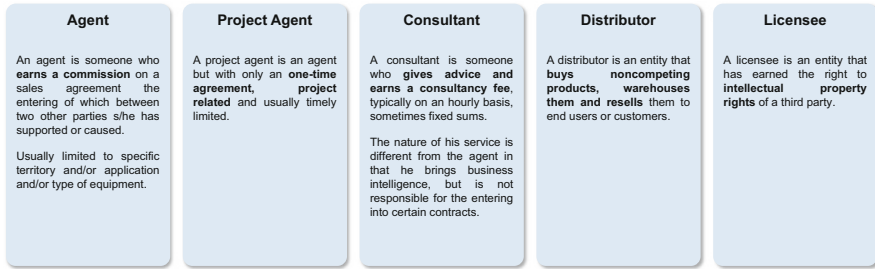


Fig. 29.6 Overview of the forms of sales partners used

In order to provide comprehensive answers to these questions, a touchpoint online survey⁷ was conducted with the agents on the basis of these data. In addition to this anonymous survey, the status quo was reviewed internally to get the best possible picture of the current situation. To this end, the performance of the agents in the individual countries and whether they cover the markets accordingly were investigated.

To this end, a comparison was made with the agent networks of other, internal divisions of the Group, and external benchmarking was carried out. This revealed that the number of approximately 30 agents worldwide is much smaller than that of other comparable companies. For example, it turned out that a comparable size of other market participants used more than 40 agents in Europe alone. In addition, an industry analysis concluded that most products in this particular business area are sold through sales partners or agents anyway, and therefore the potential of these sales channels was far from being fully exploited. These and other results of this comprehensive situation analysis led to the conclusion that the sales network must be further developed, evaluated, and expanded, but also actively supported, managed, and controlled.

The objectives for the subproject were therefore

- Understand what channel partners need to do.
- Development of clear roles and responsibilities for a uniform sales partner management process.
- Definition of clear KPIs to continuously monitor and evaluate the performance of distributors’.
- Review and clean up the current distributor network to focus our resources on the key order intake players.
- Deepening the experience management of sales partners.
- Sustainable increase and maintenance of the order intake contribution of entire sales channels.

⁷See the article by Halb and Seebacher on Touchpoint Management and Customer Experience in this publication.

29.3 Problem Definition and Approach to Solution

The MI/BI evaluations showed that in most cases only one sales partner per country was contractually engaged. In other regions, there were no sales partners at all. The quantity of sales partners was too small compared to relevant competitors in purely quantitative terms and, moreover, was not properly developed in qualitative terms either. The problem is becoming increasingly transparent here, as the sales developments showed that the best sales channel partners generate high seven-digit million amounts per year. In comparison, the unsuccessful agents together only achieved just under mid-five-digit revenues, even though the relevant market volume from market intelligence showed significantly higher values in the high seven-digit range. Especially when the profit is again compared to the percentage of incoming orders of the competitors, these figures and ratios show more than clearly the significance of a stringent and consistent Channel Success Management.

The analyses also revealed that the company's support of the sales partners was not consistent and congruent and that the corresponding support was provided more at random by the company or the respective sales employee. This meant that those agents who were actively pushing and demanded support received better support. The company did not proactively approach and support the agents because it was not requested by the management and was not part of the target agreement of the internal sales team.

29.3.1 Sales Partner Management at Random

In some respects, this problem is also reflected in the communication with sales partners and was also partly confirmed by the Touchpoint analysis. An additional common challenge is the transparency of external salespeople. It is often the case that an assessment of the actual sales activities cannot be made (Krus 2017) because they are neither regularly queried nor documented by the agents. This is also confirmed by the results of in-depth interviews with selected agents: The company scored best in terms of sales support, presence at local trade fairs, and the satisfaction of both agents and end customers with the company's products. The company received the worst rating for the training and education offered, the availability of product information, and the way the company advertised its products. Nevertheless, the company was rated better than its competitors in the industry. This in turn confirms the previously quoted PDA study from 2015 that B2B companies generally perform poorly in sales partner management.

General suggestions for improvement made by the sales partners surveyed were aimed at the following key points:

- Communication in terms of timely responses, personal visits, and keeping the distributor informed.
- Regular project updates.
- Optimization of the response time for offers.

- Optimization and specification of delivery times.
- Improvement of the offer team in the area of standard products.
- Dedicated contact persons.

In most cases, the contact persons are the respective regionally responsible internal sales managers of the B2B companies. However, they are not only responsible for direct sales in the markets and countries assigned to them but are also contact persons for the sales partners and agents and are therefore responsible for supporting and maintaining relations with them. However, since in 90 of the cases investigated these indirect sales are not reflected in the annual targets of the internal sales staff, this activity is clearly not given high priority. This was another key finding from the analysis phase.

On the basis of the knowledge gained, the marketing team drew up a project plan for the area of sales partner management, which was accepted and approved by the top management. The essential elements and success factors were:

1. Establishment of an own Channel Support Manager in the area of marketing.
2. Establishment of a Channel Excellence Framework.
3. Adaptation or extension of the job descriptions and the target agreements of the company's sales managers to include the aspect of sales partner management.
4. Establishment of an annual target agreement and an ongoing 24/7 monitoring of the sales partners with clear guidelines regarding measures to be taken if the defined targets are not achieved.
5. Adjustment of the sales partners' incentives away from a retroactive to a forward looking and therefore more cost-optimal system for the company, but also more attractive for the partners themselves (Fig. 29.7).

29.3.2 The Channel Success Manager

Against this background, a new position, the Channel Success Manager, was introduced as part of the renewal of the sales strategy in order to relieve the workload and provide better support for the sales managers. The main task of a Channel Success Manager is to support communication with the various sales partners. This new function is intended to relieve the sales managers and to optimize and intensify the cooperation with the sales partners. The tasks of the Channel Success Manager include:

- **Coordinate Needs:** Together with internal sales managers and external sales partners, their needs and challenges should be discussed. It is important not to lose sight of the individuality of each sales partner and to consider their circumstances separately. Not only because ways of working can differ, but also because the economic situation and the awareness of the product can vary

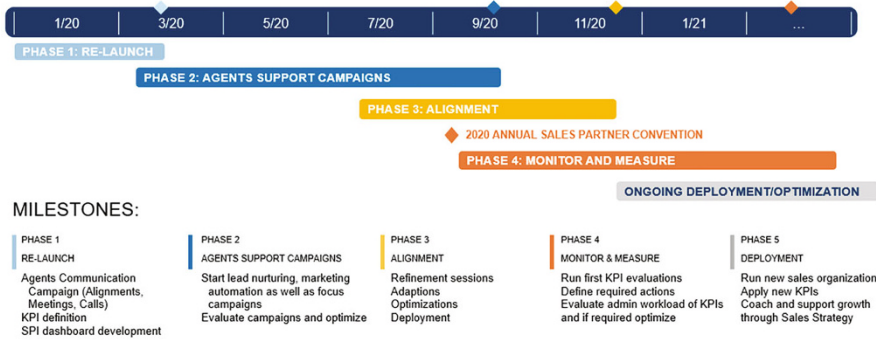


Fig. 29.7 Project structure plan

from country to country. The task of the Channel Success Manager is therefore to identify and understand these needs.

- **Channel Activities:** Together with the internal sales managers as well as the external sales partners activities should be discussed and implemented. These activities should help the sales partners to better market the respective products. These activities can include participation in trade fairs, as well as online marketing campaigns, which can lead to concrete business opportunities. The Channel Success Manager is primarily responsible for monitoring and executing these channel activities.
- **Analysis of the Activities:** To be able to check the usefulness of the activities, analyses and reports must be carried out regularly. Such analyses are particularly important at the beginning in order to gain experience and make appropriate adjustments.

In consultation with top management, the global marketing director designed, agreed, and approved a corresponding position description for this new position with corresponding annual targets. In order to minimize internal costs, an existing marketing resource was initially allocated 50% of its capacity for this function. The marketing department supported this initiative in order to support sales even better and to be able to act even more closely with sales.

Successful large companies use dedicated channel managers to ensure good performance of their sales representatives, distributors, and consultants. A channel manager must perform most of the tasks currently performed by the internal trade, sales, and business development managers. A Channel Manager provides clear responsibilities for the active management and development of the sales network, as well as for performance analysis and the resulting derivation of measures to improve partner performance. A channel manager

(continued)

should be at the same level as a sales manager and work under the direction of a VP of Marketing and Sales. A modern channel manager must combine excellent communication and sales skills with IT and data analysis.

29.3.3 The Channel Excellence Framework

The Channel Excellence Framework (CEF) was designed and communicated in order to provide a clearly defined structural framework of reference. The CEF describes the structural process of the newly established Sales Partner Management in terms of a value chain based on three phases “Build,” “Research and Discovery” and “Implementation and Qualification.” The CEF is operationally underpinned by precise process descriptions that have been integrated into the Marketing Process Library (MPL)⁸ and is thus part of the company’s generally applicable marketing and communication processes (Fig. 29.8).

The CEF shows that within the new process, the central marketing led by the Channel Success Manager in the markets define and play out their own campaigns with the aim of realizing demand generation, lead nurturing and lead generation for these external sales partners, as well as account-based marketing and customer intelligence. This is certainly one of the most important and innovative aspects of the CEF, as the generation of leads was previously reserved for the internal sales force. However, this new direction has a very trust-building effect on the relationship between the company and the external salesforce, as the agents can directly see that the company is investing in them as part of the external salesforce. This allows the company to differentiate itself from its competitors, making it even more attractive to agents. However, the realization of such a CEF is only possible with the help of marketing automation (MA),⁹ because the system technology as well as such an MA system¹⁰ significantly minimize the processing effort in marketing. Without such automated processing, effective, and efficient sales partner management in this case study would not be possible with only one 50% dedicated channel success manager.

The Channel Excellence Framework is the decisive reference framework for modern and sustainable B2B Channel Success Management. The decisive factor is to structure the CEF operationally into corresponding processes, along which the entire organization must work stringently. The implementation of a Channel Success Management based on a CEF is an enormous driver for the optimization of cost efficiency with regard to the entire sales process and is only possible if a Marketing Automation System is in place.

⁸See the article by Seebacher on the Marketing Maturity Model at the beginning of this publication and the comments on the Marketing Process Library.

⁹See the chapter by Mrohs in this publication.

¹⁰See the chapters by Klaus and Romero-Palma in this publication.

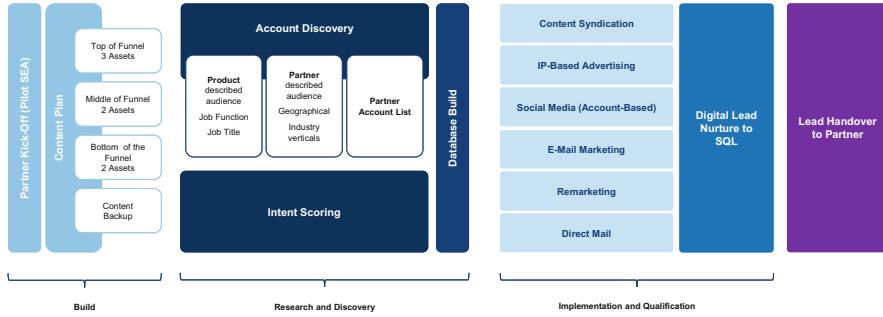


Fig. 29.8 The channel excellence framework (CEF)

29.3.4 New Job Descriptions and Goals

To ensure that all parties involved actively implement the defined CEF, it is necessary to install the relevant structures from the perspective of human resources management. In the course of the analyses at the beginning of the project, these HR structures were also evaluated, and it turned out that for the entire internal sales department worldwide, job descriptions were sometimes not available at all or only insufficiently available. As a result, each region worked with a different frame of reference and also carried out a very different target review.

Against this background, Marketing designed a series of consistent of new global job descriptions for the internal and external salesforce from the existing documents, coordinated with the Regional Sales Directors. For all levels involved—Area Sales Manager, Regional Sales Manager up to VP Global Sales—the areas and competences were stringently structured, defined, and supplemented by the area of the newly oriented Sales Partner Management. In addition to the conception and development of these new documents, a decisive factor was the proactive and intensive training and communication of these new contents. A Channel Success Management has an impact on the entire sales organization and therefore has to be communicated in great detail in the entire structure concerned. Goals must be set up consistently in the form of a target pyramid—similar to a Balanced Scorecard (BSC) (Kaplan and Norton 1996)—so that they interlock vertically. This means that sales targets for a particular region must be made up of the sales of the various internal area sales managers and external partners. For the individual area sales manager, this means that his targets must include his own targets and those of the agents and distributors assigned to him. On the marketing side, an innovative and dynamic target measurement instrument—Sales Partner Intelligence (SPI)—was developed, which was initially based on Microsoft Excel. The SPI comprises four areas:

- Regional Coherence Score (RCS)
- Industry Coherence Score (ICS)
- Business Development Score (BDS)
- Process Compliance Score (PCS)

The SPI is based on a completely new type of coherence measurement system¹¹ that predicts developments for individual regions and relevant industries on the basis of market intelligence and customer intelligence and translates these into concrete goals. This means, for example, that a particular Area Sales Manager must achieve 40% of his annual turnover in Industry A, 30% in Industry B and 30% in Industry C. At the end of the year, not only is the absolute achievement of targets measured, but also exactly how closely the composition of the various target dimensions corresponds in percentage terms. From a marketing perspective, the integration of PCS was a great success. It is all about the compliance with the process-related specifications with regard to CRM, but also marketing automation, follow-up times of Marketing Qualified and Sales Qualified Lead. Experience has shown that in the context of the further development of B2B marketing, the number of inbound leads generated by marketing often increases in the high three-digit (!) percentage range, but the sales department does not process these properly.¹² In this case, the introduction of such an SPI in connection with a service level agreement between marketing and sales is an important step or success factor.

29.4 The Sales Partner Monitoring

With regard to the analysis of activities, it is important to define common Key Performance Indicators (KPIs) with the sales partners before a new fiscal year begins. A Key Performance Indicator (KPI) is a measure of the progress or achievement of important objectives or critical success factors within an organization.¹³ Only when these KPIs are defined and aligned can channel activities be discussed and executed. KPIs therefore help to define the objectives for each Sales Partner and are suitable for a better and continuous assessment of the cooperation with the Sales Partner himself.

While defining the KPIs it is important to keep in mind the complexity of the Sales Partners. Sales Partners can be very different in terms of their capacities and competencies. It is therefore essential for successful channel management to bear in mind that cooperation can take many different forms. While larger companies have their own marketing departments, smaller companies are often exclusively sales-oriented and have little or no resources to implement marketing activities independently (Krus 2016).

Based on the experiences of the example company, not only KPIs should therefore be defined, but also their importance. In detail, this means that each KPI is assigned a percentage based on its importance. The percentages of all KPIs added together should result in 100%. Thus, at the end of the year, it is possible to check how many percent of the KPIs have been achieved.

¹¹See Strohmeier on “Central Business Intelligence” in this publication.

¹²See the article by Negovan in this publication.

¹³https://en.wikipedia.org/wiki/Performance_indicator. Accessed: May 20, 2020.

Example

At the beginning of the fiscal year, an order income of one million Euros is agreed with sales partner XY. This KPI is classified as extremely important and is accordingly rated at 40%. At the end of the year, Sales Partner XY has only contributed 0.5 million Euros—thus only half of the agreed order income. Therefore, at the end of the year, he only receives 20% for this KPI. Another KPI could be the generation of new customers, for example. It could be agreed that at least three new customer contracts must be concluded in the new financial year. This KPI is in turn given a percentage rating. In this way, different target categories can be dynamically prioritized or weighted higher or lower each year.

The percentage rating of all KPIs is finally added together. This could look like this (Table 29.1).

The percentage of the achieved performance can subsequently provide information about how good or poor the performance of a sales partner has been. It is a good idea to record this data, market data, and company data in a dashboard. In this way, progress can also be reviewed during the fiscal year and, if necessary, action can be taken more quickly. In order to be able to correctly evaluate the percentages and compare sales partners with each other, it is advisable to define a value system in advance. For the example company, it looks like the following (Table 29.2).

This system is not only suitable for comparing the sales partners with each other, but also for drawing conclusions from the respective financial year, identifying weaknesses and strengths, and improving or expanding on these in the following year. The practice has shown that there is often a lack of clarity in connection with the objectives of KPIs (Neubach 2018). A value system can remedy this situation by ensuring that KPIs are not defined at random, but ultimately have to contribute jointly to the corporate goal (Neubach 2018).

29.5 Sales Partner Incentive as a Win-Win

In order to be able to expect the sales partners to achieve the defined KPIs, the case study company must provide optimal support. The company has also made appropriate adjustments in this area in the sense of a reorientation. The analyses at the beginning of the project showed that the existing remuneration system was neither attractive for the external sales units nor could it be classified as advantageous for the company.

The current remuneration system did not provide the agent with the opportunity to experience an improvement in his position in the event of the achievement of objectives. Such an improvement could, for example, be the increase of a discount granted for the purchase of products. This in turn would motivate the agent to generate correspondingly more sales with increased profits. However, the company

Table 29.1 Example overview weighting of goals

	KPI	Objective	Importance %	Service rendered	Achieved performance %
1	Incoming orders	1 MEUR	40	0.5 MEUR	20
2	Customer generation (number of new contracts)	3	10	3	10
3	Business development (number of new products on the market)	2	20	0	0
4	Channel activities (number of activities)	4	20	4	20
5	Communication/Cooperation		10		10
	Total		100		60

Table 29.2 Overview comparison table

Achieved performance	Category	Description
>90	A	Very good sales partner.
75–90	B	Good sales partner.
60–75	C	Satisfactory Sales Partner. Activities to improve the achieved performance must be discussed.
<60	D	Unsatisfactory Sales Partner. A trial period is defined. If the achieved performance does not improve during this trial period, the contract will be terminated.

had previously paid a one-time performance fee to the agent ex post with a maximum of retroactive effect. This in turn had a negative impact on the company's cash flow.

A future-oriented remuneration and incentive system was therefore designed on the basis of the marketing analyses. The aim was to introduce a model that was more advantageous for both sides. The new system does not include any one-off payments to be paid out retroactively but instead grants the respective sales partner further benefits for a period of the following period.

Example

An agent purchases the products on the basis of his contract with the company at a price discounted by a percentage X. If the agent achieves the defined targets in the current year, the company grants him a discount X plus 5% for the purchase of products for the next 12 months. This means that the agent can purchase the products at an even lower price in the following year, which optimizes his earnings.

This model has enormous advantages for both sides. The company does not have to make retroactive profit-reducing payments for previous periods, but can, on the contrary, calculate with the success-based, increased discounts. On the other hand,

the agent is even more motivated to sell more in the following period, as he will profit more than before. As part of the target agreement for the following year, the company increases the target for the agent and can thus proactively help generate and realize its own sales growth via the sales partner network. This new Channel Success Management means a win-win situation for all parties involved. The decisive factor is that the sales partners are regarded as customers, who are increasingly better known by the company, and in particular by the Channel Success Manager, in terms of their needs and their user experience through the Sales Partner Journey. In this way, the agents can be empowered to proactively contribute to the success of the company in the long term, because trust is built and the “we” feeling manifests itself over time. In summary, this takes place under the term Sales Enablement¹⁴:

Sales enablement is a strategic, cross-functional discipline designed to increase sales results and productivity by providing integrated content, training and coaching services for sales-people and front-line sales managers along the entire customer’s buying journey, powered by technology.

Sales Enablement therefore means that the sales force is provided with the methodology and resources needed for a successful sales process. In other words, both internal and external sales must have all the information and resources to win over the buyer during the buying process (Albro 2019). This means that it must be clear what information the buyer wants or needs. This can be new products, new technologies, new applications, or innovative topics.

29.6 The Sales Partner Journey

As part of the Excellence Framework, the process of selecting and onboarding new sales partners was also revised and optimized. The process was previously managed by the “Commercial” division, which, however, primarily had controlling and contract competence but no process or marketing competence. The selection process now runs via the Channel Success Manager, which in turn uses fixed processes defined in the Marketing Process Library. Since process compliance is again reflected in the target agreement, compliance with these new selection processes for new sales partners can also be precisely tracked and sanctioned in the event of non-compliance.

The sales partner strategy was also realigned in terms of content. The analyses at the beginning of the project had shown that agents tend to be able to successfully serve only one industry in the countries or regions. However, the company had previously always defined agents for regions or countries in which the agent was then tasked with serving all relevant industries. The unsatisfactory result of this old regional agent network was clearly visible in the correspondingly manageable

¹⁴<https://www.brainshark.com/ideas-blog/2013/July/what-is-sales-enablement-3-defintions>. Accessed: May 21, 2020.



Fig. 29.9 Schematic representation of the sales partner selection criteria

turnover. Against this background, the following three binding selection criteria were defined as part of the new policy and approved by top management:

1. Agents are contracted in a defined region for a maximum of one industry.
2. Ideally, the agent in question can cover the entire value chain of the customer journey, including after sales and service.
3. Agents must be able to demonstrate an appropriate track record, a clean, stable financial base, and the broadest possible presence in the target region (Fig. 29.9).

If the three criteria mentioned above were met, the agent in question was shortlisted. In order to meet the requirements of top management, each Area Sales Manager worldwide was given the target that he or she must sign up at least one new agent per quarter. Of course, the agents were actively supported and accompanied by the Channel Success Manager.

29.7 More Than We Had Ever Dreamed of ...!

In the course of building up the channel marketing, the example company was able to record its first clear successes after only a short time. Above all, the position of Channel Success Manager has proven its worth from the very beginning. Sales managers were relieved of their many tasks and communication with the new sales partners became more intensive. The detailed monitoring via the Sales Partner Intelligence (SPI) provides 24/7 information on channel performance in terms of the individually defined goals. This interactive and dynamic SPI helps to identify any deviations, problems, weaknesses, or difficulties at an early stage and to derive effective actions. The achievement of the KPIs is not only reviewed at the end of the

year but several times during the entire fiscal year so that adjustments or corrective measures can be taken in good time.

The feedback from existing sales partners is also consistently positive. As a result of the channel management and the more intensive, regular communication and cooperation, the existing sales partners have gained new élan and motivation. In addition to these positive effects on the existing, long-serving Sales Partners, the company is also recording significantly higher and faster sales growth with new sales partners compared to the same period last year. Whereas the benchmarks for the first substantial sales were in the six-digit range for periods of between 2 and 3 years, such sales volumes were already recorded in the first year. The MROI can thus be set to “immediate,” as de facto no investments in terms of additional costs were made by the company.

Based on the ongoing feedback, the sales partners consider the new, intensive onboarding process in particular to be crucial for rapid success in the market. In addition, this professional onboarding process obviously creates a unique selling proposition, which is why new sales partners aim for a long-term cooperation with the company after only a few months, as well as a continuous inclusion of the company’s products in their range.

However, channel management has not only led to better communication with the sales partners but has also strengthened the internal cooperation between marketing and sales. The position of Channel Success Manager is a very decisive and novel interface between sales and marketing, from which both sides benefit. With regard to the area of marketing orchestration, such positions at the interface between marketing and sales will in future be decisive aspects of predictive profit marketing in the B2B area, which is to be established in the long term.

From today’s point of view, B2B marketing cannot be imagined without Channel Management. We have made a good start, now we have to stay on the ball. The market is changing rapidly and it is therefore all the more important not to neglect established business relationships, but to proactively appreciate and promote them. We recommend that you also read an interesting online article on the subject of “The Essential Guide to Channel Partner Success.” This article describes the importance of cooperation between manufacturers, partners, but also with the customer. Each of the parties involved wants to gain an advantage from business relationships, so it is especially important from the manufacturer’s point of view to guarantee growth for sales partners.¹⁵ The work in Channel Management never ends, because it begins, grows, and leads to mutual success.

¹⁵<http://www.gainsight.com/guides/essential-guide-channel-partner-success/>. Accessed: May 26, 2020.

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Central Business Intelligence: A Lean Development Process for SMEs

30

Lukas Strohmeier



30.1 Introduction and Background

Data has been the basis of corporate decision-making for most parts of the past century. Traditionally, the available data was very much limited to internal data. Sales and cost figures as well as the gut feeling, and market knowledge of experienced managers build the traditional decision-making toolkit for industrial corporations. External market data was a scarce resource in the past decades. However, this was not a big problem, as the world economy witnessed a tremendous growth after the Second World War. Today, many industries are saturated, and the market can only be outperformed by superior market knowledge and efficient internal operations. In the modern digitalized world, both conditions can only be created by an extensive collection, analysis, and use of data. Today's industrial giants rest on a stockpile of data, which is generated by the various IT systems—but only few are already digging for the treasure that is hidden in their data warehouses. Most industrial corporations currently do not have an overall data strategy in place, but they are urged to react. Time is running out for the laggards, and companies that

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do not participate in the evolving race for efficient data management will probably not survive the next 15 years.

This adventurous theory is supported by findings from Medeiros et al. (2020) in a recent scientific study. They concluded that companies need to establish a data strategy, to harvest and utilize the hidden value in their data.

The true problem is that there is abundant data, but a lack of information. Complex corporate data needs to be managed, analyzed, and integrated properly to be beneficial for a business strategy. Ladley and Redman identified six data scenarios, which ultimately generate value for a firm:

1. Improved processes
2. Improved competitive position
3. New and improved products, stemming from better customer and market data
4. Informationalization or building data into products and services
5. Improved human capabilities
6. Improved risk management

They concluded that a focus on these six value models allows leaders to fit data concepts into the complex and dynamic business of today (Ladley and Redman 2020).

For the following case studies, the first three data scenarios are affected.

While determining its own position and market share in a segment can be easy in some industries, it can be a major struggle in others. One of those areas, in which companies often struggle to determine their market position, is the industrial b2b segment.

A solid knowledge about the 3Cs in the Strategic Triangle: Customer, Company, and Competitors is essential for a successful business strategy of organizations.

John Brock already indicated the importance of a comprehensive market analytics approach in the industrial sector in an article published in the *Industrial Marketing Journal* in 1984:

Many industrial products companies operate in mature, commodity-type businesses with limited variations in the products offered by the competitors. There are few variations in the benefit package, so that the benefit side of the benefit/price relationship contracts, and competitors find themselves in markets where value tends to be defined primarily as price. If price becomes the number one buying factor, then cost must assume critical importance. Even if price is not number one, a firm still must understand its comparative cost position, which largely determines its profitability, wealth-creating potential, and stock market attractiveness compared to its competitors (Brock 1984, p. 226).

While the need for relevant data has not diminished since the 80ies, the availability of data certainly has. This covers both, internal and external data sources. Both are important for the success of a company, but few industrial companies have a coherent data strategy in place. Cross-industry studies have shown, that less than 50% of the structured data available is actively used for decision-making in most companies. An offensive data strategy could actively improve profitability and competitive position (Dalle Mule and Davenport 2017). The data strategy described

in this article is limited to market relevant data, which consists of the following elements:

- Macroeconomic data (e.g., gdp growth and exchange rates)
- Competition data (e.g., sales volumes and profit margins)
- Product demand data (e.g., consumption per product, region, and industry)
- CRM and ERP data (e.g., sales per customer)
- Project data (e.g., strategic project lists)

The following pages will highlight a common data problem emerging in the strategy process of a fictional industrial manufacturing company. Although this case focuses on the strategic impact of data, the same data can be used to significantly improve the operative performance of a firm.

30.2 Business Intelligence at Industrial Equipment Manufacturer WATERCOM

Elene Farine recently took over the position of a CEO at WATERCOM. Previously, Elene was working in a senior management role at a major global Oil company. Although she has never worked in the mechanical engineering industry before, her professional track record as well as her interdisciplinary education in both, management and science, helped her to land the job against the other applicants, which were predominantly experienced sales engineers, who held managing positions at other medium-sized engineering companies.

WATERCOM is an industrial company manufacturing a wide range of industrial process equipment and is listed on the German stock exchange. With sales of about 800 Million USD and locations in ten countries, the company is one of the larger players in its market segments. The oil and gas industry is only of minor importance for WATERCOM as most of the revenue is generated from the water, food, and chemical industries.

WATERCOM has been struggling for a while and lost market share to competitors in the past 5 years since the 2015 oil price crash. One of the main reasons for bad performance is the very large product portfolio, which is one of the biggest in the market. WATERCOM's product portfolio is much more diverse and less focused compared to its peers.

With pumps and centrifuges, two product types account for approximately 50% of WATERCOM's sales, but the company is only a small player compared to the market leaders in these segments. The remaining 50% of the sales are generated by dozens of products, which often do not generate more than 5 Million USD in revenues per year.

WATERCOM did not only lose market share in the past years, also its margins are lower compared with the best companies within the industry. To initiate the turnaround, the board decided to review the current business and to create a new business strategy. The aim is to become more profitable and to focus on the segments

with the largest market and growth potential. The new CEO was hired to develop and implement the new strategy. WATERCOMs desire is to become what it once was: A market leader in most of its segments with a strong and renowned brand.

30.2.1 Major Hurdles Emerge

Elene initiates the first management meeting and soon realizes, that her influence might be limited. The regional management has a lot of power in the organization. Although WATERCOM is nowhere close to being an industrial giant, most of the company's growth in the past decade was based on acquisitions.

The past decade was very lucrative for engineering companies, mainly driven by tremendous growth in China and other Asian countries. Because of the strong past performance, integration has never been a priority for the executive board. As a result, the WATERCOM of today is basically a coalition of five small to medium-sized companies with a lot of power for the managing directors of the regional branches. The profiles of regional managers are very similar to the CVs of the other applicants for Elene's CEO role: Mechanical engineering graduates, sometimes even PhD holders, who built their careers mainly on their sales talent. Decades of experience and a strong track record in negotiating large projects qualified them for the positions they hold today.

Elene wants to follow a classic strategy process proposed by Robert Grant. According to this model, the board had already finished the first three process steps:

1. Identify current strategy
2. Appraise performance
3. Diagnose performance

Four more process steps are still to be finished:

4. Industry analysis
5. Analysis of internal resources and capabilities
6. Strategy formulation
7. Strategy implementation (Grant 2016)

As a result, Elene was hired to use her skills to successfully develop and deploy the new strategy. Her first task is to map and determine the market WATERCOM is competing in. As a second step, she plans to analyze the internal capacities of the firm.

After requesting the required information for the strategy, a big knowledge gap emerges. WATERCOM's regional managers and global sales executives are not able to deliver trustworthy market figures to build the strategy on. A key argument brought up by the regional managers is, that market studies cannot be trusted. After hours of unproductive discussions, the meeting ends with no result. The regional managers cannot agree on a common market view. The gathered

top-management of WATERCOM could not even provide the new CEO with market share figures for the products they produce. Large parts of the management seem to be very hostile toward Elene's proposed approach.

On her way home, Elene realizes that her success as a CEO is under serious threat from the very beginning. Without the ability to analyze the market position and the competitive landscape, she cannot proceed to the strategy formulation task.

The data bottleneck is so massive, that the company has literally been flying blind over the past years. WATERCOM's business is solely built on the market perception of its leading sales managers. Elene learned, that individual perceptions are highly prone to errors but the rest of the organization is not aware of that fact yet. She decides to not start an argument with the management by making the lack of data responsible for the missing success in the past. A hostile regional management would end her career at WATERCOM very soon.

30.2.2 Finding A Way Out

Due to the complex product portfolio and the wide range of served industries, Elene will require a lot of support from the organization to successfully manage the turnaround.

She senses that she cannot establish a strategy department, as this staff unit would not receive any support from the regional managers. Due to political reasons, alliances with a few key managers might also backfire. To find a way out of this problem, she takes a closer look at the organization of WATERCOM. Two options emerge to close the data gap:

- Outsourcing
- Establishing a business intelligence unit

At first, outsourcing and buying a strategic market study emerges as an attractive option. Talks with the regional managers unveiled, that there would be a few very good boutique research firms available but due to the high costs, they are usually not an option for WATERCOM. Elene needs results quickly and after consulting with the two preferred providers she is told that results could be expected within 8 weeks.

The second option would be to use one of the existing departments and add business intelligence and strategy to the duties of the department. Most business functions are managed on a regional level, only the following four functions are organized globally and directly report to the CEO: Controlling, Marketing, IT & Business Development. The new function would have to be based on one of these departments. Finally, Elene comes to a decision: She decides to develop an inhouse business intelligence unit. The main reason for this is the strategic impact of such a unit. The lack of a strategy and business intelligence department is a major strategic disadvantage of WATERCOM. Outsourcing would not help to close this gap against the market leaders. Furthermore, a lot of money would be spent to get a static picture

of the business. The purchased market study will be outdated soon, and future strategy adaptations will require new deals with the external market research firms.

But choosing the right department within the existing organization to establish the BI unit is not an easy decision, each department has its pros and contras:

- Controlling
 - Pro: High credibility in organization, highest knowledge about internal data, business/finance background, worked with visualization software before.
 - Contra: understaffed, outdated IT solutions, no knowledge about the market.
- IT
 - Pro: Best IT skills in organization, worked with visualization software before.
 - Contra: No knowledge about the market and the business, no ties with sales.
- Marketing
 - Pro: Close cooperation with the powerful Sales organization, market oriented, young and technophile, business/economic background, worked with visualization software before.
 - Contra: low standing in organization, limited experience, and knowledge about the market.
- Business development
 - Pro: Highest market knowledge, experienced, well respected in organization, technical background.
 - Contra: Strong ties to certain regional managers, business development often has a double role as a head of sales for a regional subsidiary, often chaotic.

It also has to be taken into account that there will not be any additional financial remuneration for the additional task. Elene has a difficult decision to make. Summarized, those are the key requirements for a successful Business Intelligence unit:

- Gather, analyze, visualize, and distribute relevant internal and external data.
- Achieve credibility of the data within the organization, pleasing a high number of different stakeholders with different interests.
- Setup an efficient process and a powerful data management ecosystem to reduce costs in the long run.
- Keep the costs low.
- Ultimately, transform WATERCOM into a data-driven organization.

Which department will Elene base the BI unit in? How will she set up the unit and how will the key requirements be satisfied?

The following chapter will show you what Elene did and how she turned the program into a success within a short period of time.

30.3 The Project Setup

Elene opts to establish the BI unit in the marketing department of WATERCOM. One of the key reasons is the structure and the skillset of the marketing team. In stark contrast to the other departments, the marketing team at WATERCOM is very young and still motivated to take on new tasks, without any additional compensation. Furthermore, the educational background is well fitted for new tasks. Some members have university degrees in economics or business administration. This educational background usually provides graduates with solid basics in statistics, financial statement analysis, and business strategy. Due to the young age, digital natives are skilled in Excel and can easily adapt to new software, such as data visualization tools.

In the beginning, one full-time employee and one student coworker are assigned to form the WATERCOM BI unit. Due to the tight financial frame, only 100,000 EUR of budget are allocated to the BI unit. This money will be used to acquire market data, acquire analytics and visualization tools as well as for the distribution of the information to the key stakeholders within WATERCOM.

30.3.1 First Tasks

At first, Elene asks the team to create a detailed product/industry mapping. The aim is to identify the most important products and industries for further detailed analysis. Due to time and budget constraints, not all applications can be covered (Fig. 30.1).

The table displays the percentual share of the total annual sales for the products and industries of WATERCOM. Studying the matrix, Elene and the BI team decide to analyze the markets for the four largest products, which account for 60% of the sales, as well as analyze the three main industries, water, chemical, and food, which account for 80% of the order intake. The large time and budget pressure do not allow them to analyze the whole business of WATERCOM for new business strategies. New research areas will follow in the future.

Products	Water	Chemical	Food	Other industries	Total
Centrifuges	5%	5%	5%	5%	20%
Pumps	15%	5%	0%	10%	30%
Other p. 1	0%	0%	6%	0%	6%
Other p. 2	1%	2%	0%	1%	4%
....	4%	18%	14%	3,60%	39,6%
Other p. 50	0%	0%	0%	0,40%	0,40%
Total	25%	30%	25%	20%	
Focus year 1					

Fig. 30.1 Product/industry matrix of WATERCOM (own figure)

30.3.2 Designing the IT Architecture

Simultaneously with the first task, the team has to think of the IT architecture for data management. The four aspects to think of are storage, analysis, visualization, and distribution. Modern data visualization tools such as Microsoft PowerBI and Tableau can cover the points analysis, visualization, and distribution. Therefore only two decisions need to be made: How to store the data and which visualization tool to choose.

Visualization tools can work with all kinds of data storage systems. The two most common input types in a corporate environment are excel and relational databases (e.g., MySQL or Oracle Database). The team makes the decision to rely on excel sheets for the first year and to upgrade it to a more powerful database once the department is successfully established. The big benefits of excel in the early phase are mainly the low costs and the experience all team members have with the tool.

For the visualization tool, WATERCOM opts to go with PowerBI. The Microsoft solution shares some features, such as the PowerQuery editor with Excel. Furthermore, it is cheaper compared with Tableau. From a point of quality, there is not much difference between those two software packages. They enable the user to easily visualize structured datasets. Both offer a wide offer of different charts and diagram types to choose from. Furthermore, both enable the user to create own charts and analyze data using widespread statistical programming languages, such as R. PowerBI allows an easy and intuitive connection of different data sources via lookup tables by using an ER (Entity-Relationship) Diagram (Fig. 30.2).

30.3.3 Acquiring External Market Data

Market data does not have a good reputation within WATERCOM. The company has a bad track record with many providers, especially with those from Southern Asia. Low-quality market research providers usually conduct rather an aggressive e-mail and LinkedIn marketing. Therefore, a lot of bad quality reports are internally referred to as decision-makers. Sometimes, these low-quality reports are even purchased. On the opposite, there are very good research companies, even for small industrial niches, but they are often hard to find.

The big benefit of the BI unit is, that they can dedicate most of their time at work to research. There is a lot of research required to identify the best market research agencies. This time is well spent because it significantly reduces the error ratio in the purchase of market information. Furthermore, Elene advises the team to create a database in which all known providers are described and ranked. This will ensure, that the acquired knowledge about the various research firms is conserved for the future.

Finally, a lot of money can be saved during the negotiation phase. Typically, there are three types of offers in the area of market research:

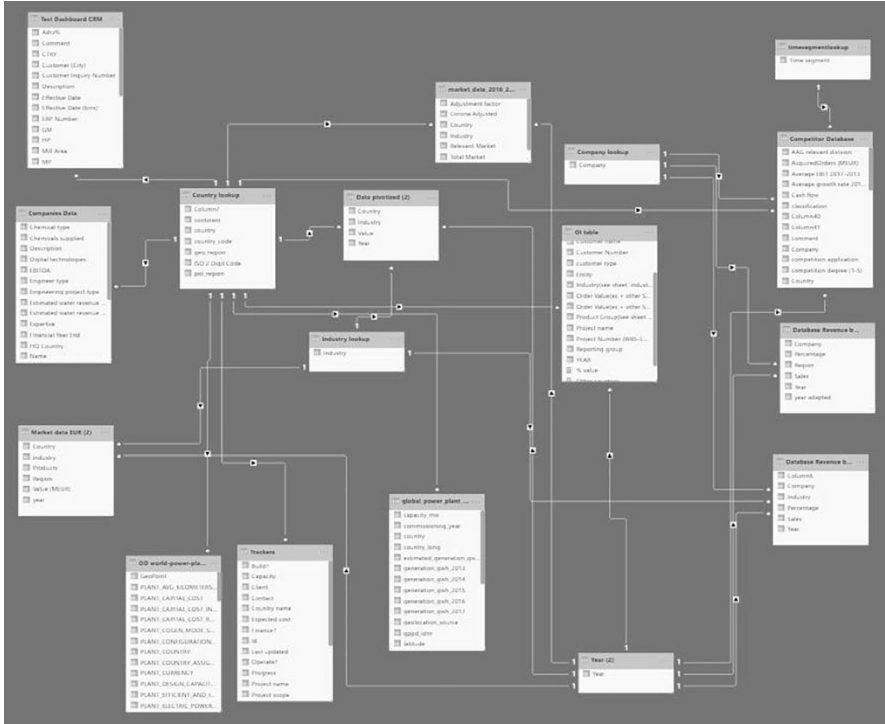


Fig. 30.2 Sample of a data model in power BI (own figure)

1. Off-the-shelf reports: The reports are not customized and tailored to the exact needs of the customer, already existing reports.
2. Customized research: The scope of the research is defined together with the provider. The research is then conducted and typically delivered within a period of 2–12 weeks.
3. Databases: Databases that provide mainly quantitative data about markets. Usually updated at least once a year.

Especially for categories 1. And 3., a lot of money can be saved in the negotiation phase. The main reason is that the provider does not have any marginal costs for selling those products, as they already exist. Experience has shown, that up to 50% can be saved on a regular basis. It is strongly advised to the purchaser to ask for a sample of the data or market research. This data should be crosschecked with industry experts inside the corporation. If the data and the methodology of a vendor seem to be satisfying, the contract and the data can be purchased.

Elene opted to purchase a detailed cloud-based water dataset, covering all equipment types and a lot of additional information for €25,000. €60,000 were spent to get hold of the relevant data for the chemical and the food industry. Although this seems to be very expensive, an integration of this data into the

organization’s database will erase the need for subscribing to the services every year. Therefore, WATERCOM will be able to spend next years budget on different research. The plan is to purchase the datasets on a bi-annual basis. This is a good compromise and prevents the data from becoming too outdated.

The rest of the budget is reserved for software & training. It is important to provide some initial training for the employees, as learning by doing will not be successful in a short timeframe. The training budget per employee is set at €5000, which should be enough to get good Power BI training for both employees. The remaining €5000 will be enough to purchase Power BI pro licenses for all relevant stakeholders who should have access to the data within WATERCOM.

30.4 Moving Ahead: Building Trust in the Organization

Once acquired, the data needs to be organized. External market data and internal sales data needs to be harmonized. The different data sources are connected through lookup tables. Such lookup tables enable to compare data from various sources thanks to some common variables such as product name, year, or country. The data model in Power BI consists of various connected datasheets (Fig. 30.3).

Once the data is ready for distribution and a cross-check, the next challenge awaits Elene and her team. She needs the regional managers to trust the data that she prepared.

Elene’s way forward is to set up individual meetings between the key stakeholders, her, and the BI team. This way the data, the sources, and the methodology can be explained, and feedback can be collected. Moreover, Elene also has the possibility to identify the ones willing to work with the data as well as those

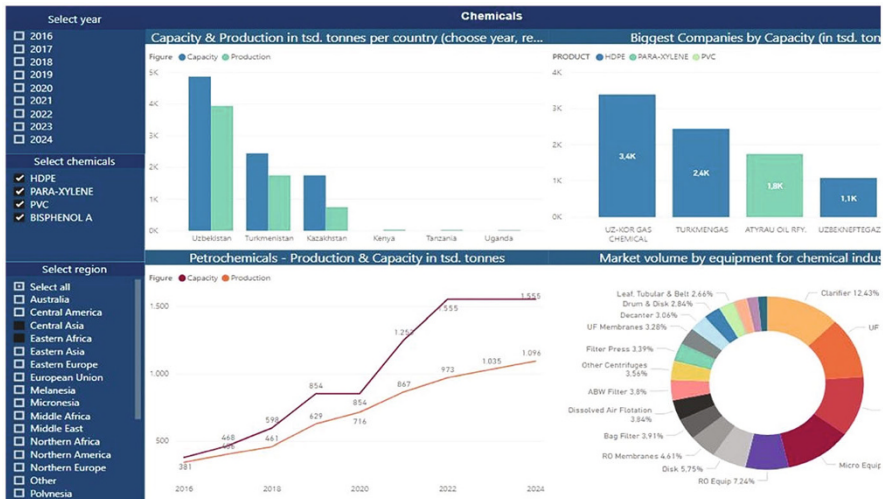


Fig. 30.3 Sample dashboard for the Chemical industry (own figure)

managers who are highly reluctant to trust the data. Also, she does not risk heavy attacks on the data project in front of the assembled management.

30.4.1 Converting the Resistance

The only way to convert the opposing managers is to carefully evaluate their feedback, adjust the data, and start a new feedback loop. Additionally, Elene also actively asks the opponents if they need any help or any data that is not yet integrated. Conviction might be a long and tenacious path but there are not really many other options.

It also proved as a viable option to look for open-minded within the teams of the opposing managers. Convincing important team members of the value of the data ultimately helps to change the minds of the superiors. Something, Elene wants to avoid at all costs is to aggressively deny the opinions of the opposition. In most cases, this will only lead to even stronger denial and those managers might even start to openly question Elene's market knowledge and ultimately her suitability for the role of the CEO of WATERCOM.

Truly transforming a conservative company into a data-driven company is a task for a comprehensive change management project. Something Waterford cannot afford in the short term.

30.4.2 Creating a Data-Packed Strategy

Once Elene has most of the required data at hand, she can continue with building a new strategy. The new strategy will be built on an extensive analysis of the external and internal environment. Nevertheless, it has to be stated, that she could not achieve both goals at once, it takes a lot of time to grow the internal skills and capabilities to truly establish a BI unit. A first task was successfully managed under a tight timeframe, but now the real work for the BI unit will only begin.

Nevertheless, the new business strategy was proposed to the board and included proposals to divest 25% of the products, as the margins and the growth potential are not attractive. Also, a new overseas sales approach for pumps and centrifuges is under development, as there is still a significant market potential in other parts of the world. Ultimately, the new strategy also includes the shutdown of one of the worst-performing regional subsidiaries. Coincidentally, the managing director of these locations was also one of the strongest opponents of a data-backed management approach. Often, denial is simply a manifestation of self-defense. . . .

30.4.3 The Power of Dashboards

The true power of a BI function lies in the possibility to make data accessible in real-time and for everyone within an organization. Whereas acquiring market

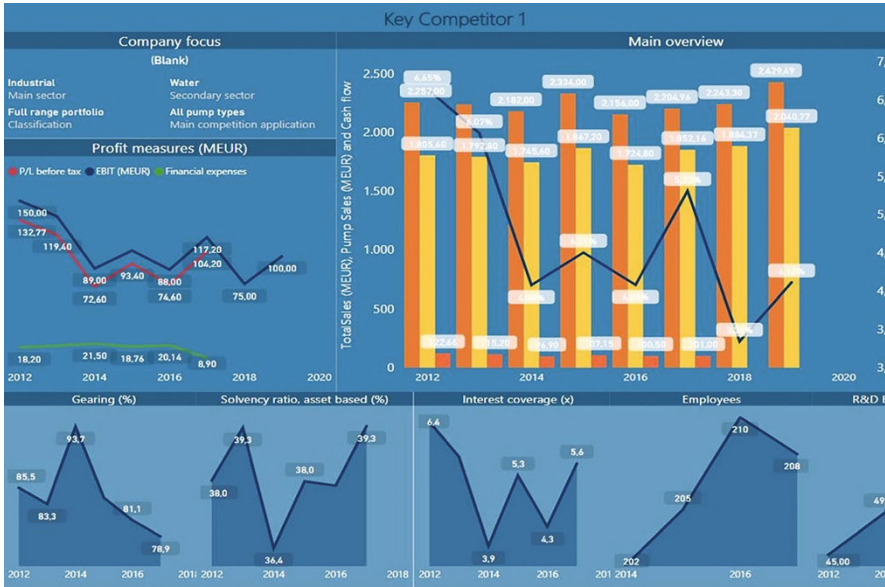


Fig. 30.4 Sample dashboard competition (own figure)

information in the past was always a long and painful process, involving a lot of research, it is now only a few clicks away. Creating a dashboard does not take much longer than creating a chart in an Excel file and integrating it into a PowerPoint presentation. But the big benefit of the dashboard is that once the users are added, no more data distribution needs to take place. The Dashboard Administrator simply has to update the data in the dashboard and all recipients will immediately have access to the newest data. This dashboard systematically gathers financial data of all key competitors and makes those available for the management team in a common format (Fig. 30.4).

30.5 Elene’s Key Findings and Her Vision for Central Business Intelligence

Elene has a strong vision for the BI unit. She imagines a company in which the whole sales approach is strongly driven by data. External market data feeding the CRM & Marketing automation systems, generating automated customer lists for the sales managers. Also, a real-time tracking of the sales activities can result in improved forecasts mechanisms, allowing WATERCOM to actively set measures in case the financial targets are at risk. The data collected and analyzed by the BI unit will also be a requirement to digitalize WATERCOM’s product portfolio and enable buyers to order the required machine online through a digital marketplace.

She knows that it will be a long path until this vision might become a reality but having a clear strategic goal in mind is necessary to transform the BI unit into a competitive advantage of WATERCOM. Her key findings can be summarized as such:

- *Establishing a BI function takes time*
A deep understanding of the business as well as profound skills in database management, visualization, and statistics are required. Even if an experienced specialist is hired, full functionality is not expected in less than 1 year.
- *The right people are critical*
Strong IT skills as well as a superior understanding of the business and markets is required. Often this cannot be found within one person. Therefore, it is recommended, to dedicate at least 2 persons to form the BI team.
- *A low budget is no constraint*
There is a lot of unused data within every organization. If there is not enough budget to acquire expensive data from third-party providers use what you can get for free.
- *The budget will grow if the BI team adds value to the organization*
There surely will be resistance at the start, but it is the responsible of the BI unit to generate an added value for an organization. There is a need for well-structured business information in every organization. If the organization does not see any value in the BI offerings, the BI team probably did not understand the needs of its only customer: the organization.
- *Develop a roadmap and a database architecture at the beginning of the project*
Defined goals and a clear structure will help to keep the project on track. This roadmap needs to be approved by the management. Without this guideline, the team is at high risk to get lost in detail and a flood of different data requests from the organization.

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Lukas Strohmeier graduated with a B.Sc. in Business Management with a focus on International Management at the University of Graz, Austria. He also completed a Master's in Global Studies, in which he specialized in international relations and environmental technologies at the same university. His education is completed by an M.Sc. in Biotechnology, Bioprocessing and Business Management from the University of Warwick, England.

During an internship with the Austrian Trade Commission in New York City, Lukas first touched on the topic of market research. Those skills have been refined during his more than 4 years at an international industry group, a multinational plant engineering company based in Graz. There he held positions in Marketing and Strategy and is currently employed as a Senior Manager Strategy and Analytics.

From Zero to Hero: B2C Practice as Revenue Generator in B2B 31

Mike Kleinemaß



31.1 Introduction

The company Uhde High-Pressure Technologies GmbH was founded in 1930, at that time as “Hochdruck-Apparatebau GmbH,” by the German engineer and entrepreneur Friedrich Uhde. Friedrich Uhde brought his experience in plant construction for ammonia synthesis to the company and developed it into one of the world’s leading companies for industrial high-pressure plants and equipment with an international customer base.¹ Today, the high-tech company employs around 300 people at its headquarters in Hagen (Westphalia). Since 1998 the company has been a subsidiary of the over 200-year-old industrial group “thyssenkrupp.” When all thyssenkrupp plant construction companies were combined into one division, the company became part of thyssenkrupp Industrial Solutions AG (today “Plant Technologies”) in 2014. In fiscal 2017/2018 the thyssenkrupp Group consisted of five divisions: Components Technology (Automotive), Elevator Technology, Industrial Solutions, Materials Service, and Steel Europe. Headquartered in Essen (head

¹https://de.wikipedia.org/wiki/Friedrich_Uhde Accessed: May 4, 2020.

M. Kleinemaß (✉)

thyssenkrupp Industrial Solutions AG, Corporate Communications, Essen, Germany
e-mail: mike.kleinemass@thyssenkrupp.com

office) and Duisburg, the Group generated sales of almost €42 billion and had around 160,000 employees.

The plant construction division “thyssenkrupp Industrial Solutions” comprised a total of eight different business units in fiscal 2017/2018, diversified from production plants for the auto industry to naval shipbuilding and cement plant construction.

31.2 The Challenge

In 2017 thyssenkrupp was named winner in the “Best Brand Relaunch” category by the magazine “Absatzwirtschaft.” With a manageable budget of €2.3 million for such projects, the Group had successfully completed a global brand relaunch process lasting several years.²

As part of this process, much work has been done in recent years to reposition the thyssenkrupp umbrella brand including the new corporate logo. Together with the sporting goods manufacturer Adidas, a separate collection was even designed in the corporate colors to involve employees globally as brand ambassadors.³

thyssenkrupp is known as a company and brand throughout the world, but the Group is associated with different products on almost every continent due to its different divisions, products, and market positions. For example, it is known in the USA and Russia as the “Elevator Company,” in Australia as the “Mining Company,” and in Europe as the “Steel Company.”

Until spring 2020 the plant engineering company Uhde High-Pressure Technologies was part of the Chemical and Process Technology unit of the “thyssenkrupp Industrial Solutions” business area. The Hagen-based company specializes in the construction of high-pressure pumps for various B2B applications. For example, the pumps, which have a long tradition of being manufactured in Germany, form the core element of waterjet cutting equipment and are used with a continuously variable operating pressure of up to 6000 bar in all major industrial sectors—from the food industry to the glass and stone industry and space technology. In principle, this makes the company a small manufacture in a large industrial conglomerate with a large umbrella brand. In 2018, the sales department of the high-pressure specialists was in the doldrums. Too often, potential customers only came in second and gave feedback: “Oh, we did not know that you are manufacturing high pressure pumps as well. Sounds interesting, maybe next time.” The visibility in the market was poor. At that time, the business area’s corporate communications were still strongly print-oriented with printed brochures, advertisements, and PR. On the major business area website [thyssenkrupp-industrial-solutions.com](https://www.thyssenkrupp-industrial-solutions.com), the subject of high-pressure technology in large-scale plant construction was lost. Visibility in the

²<https://www.absatzwirtschaft.de/thyssenkrupp-ist-sieger-in-der-kategorie-besten-marken-relaunch-mitarbeiter-mitgenommen-99709/> Accessed: May 4, 2020.

³<https://www.handelsblatt.com/unternehmen/it-medien/marken-award-ein-traditionskonzern-in-tumschuhen/19518390-2.html> Accessed: May 4, 2020.

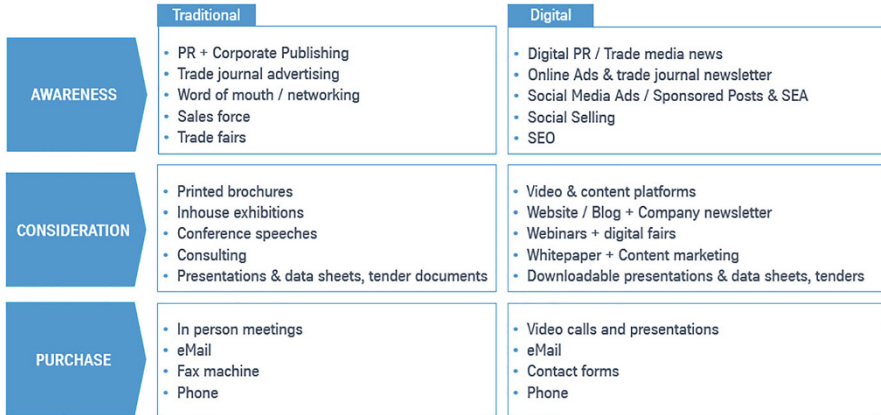


Fig. 31.1 Digitization of the B2B customer journey

market for our pumps for waterjet cutting was poor and practically non-existent on digital platforms with Google rankings from the ninth search results page. The shift of the customer journey from traditional to digital, which had already begun in B2B and which increased again rapidly in times of the Corona crisis, was not sufficiently reflected to date (Fig. 31.1).

A recent McKinsey survey confirms the shift in the wake of the Corona crisis with the following figures. As was to be expected, far fewer B2B companies are using personal or field sales teams. Before the crisis, almost 6 out of 10 (57%) sold in this way. Since the outbreak of COVID-19, however, this figure has fallen to just 1 in 5 (20%). There has also been a decline in the use of office-based sales, which is somewhat surprising as these are remote interactions. Half of the companies (50%) used this channel before the crisis, but now only 39% say they do so. Instead, there has been an increase in online and self-service interactions. The use of online/web support (e.g., chatting with customers via video/website/mobile applications) has increased from 63 to 73%, while the acceptance of B2B e-commerce (direct sales without the involvement of a sales representative) has increased slightly by 47–50%.⁴

Managing customer relationships is still a people business. However, marketing in the B2B segment has to adjust to the fact that potential customers can access information and have an overview of the market much more easily with the help of digitalization. The big question is therefore: How do I, as a B2B company, have to react to this and how can I make the best possible use of the touchpoints Internet, video, webinars so that the deal is ultimately concluded in my favor?⁵

⁴<https://www.marketingcharts.com/industries/business-to-business-112981> Accessed: May 27, 2020.

⁵Keller, B. & Ott, C.S. (2017). Touchpoint Management: S. 26.

The B2B customer is usually more than just one person. It can be the technician, the buyer, the decision-maker, or the trainee who is supposed to research some information from the internet. They all need to find their digital presence appealing on different online platforms and devices: On the smartphone or on the PC, in Google or on LinkedIn, digital or analog. Having a digital customer journey strategy does not mean that everything else is obsolete. The sales department will continue to provide its customers with personal support and, if necessary, will even hand them a brochure. But in the future you will more often replace the expensive trade fair stand with a digital version or virtual reality glasses.⁶

Content is the new advertisement. Especially on the Internet, products, brands, and companies are no longer advertised one sidedly, but rather content with utility value is created and stories are told. The aim is to deal neutrally with customer-relevant topics. In⁷ principle, this content marketing is the vertical cornerstone that runs through all touchpoints of the customer journey. Stephan Heinrich describes the importance of content marketing as follows:

If you convert your marketing completely or partially to content marketing, you will achieve a constant influx of new potential customers. However, it is not a short-term means.⁸

The future success of your company depends on whether you succeed in creating a unique address or experience for each customer or persona. Customers today are exposed to a wealth of information. As a result, they are more likely to reject more general “watering can” messages that do not address their needs or objectives. A personal approach is key.⁹

Since the beginning of 2017, digital marketing in the business area “Industrial Solutions” has been expanded by means of search engine optimization, content marketing, and social media, and business cases were sought to support the business with a digital pilot project. In contrast to the individually planned large-scale plants with long-term decision cycles, the high-pressure pumps are modular and clearly describable. As Uhde High-Pressure Technologies no longer had a marketing budget available at the time, we promoted this case from the business area as we were able to create a replicable case here in the event of success.

31.3 Analyzing the Pain Points in Sales and Distribution

In order to understand the sales challenges in detail and to be able to support the sales department in the best possible way from the marketing side, we first decided to conduct an internal analysis of the sales processes according to the model of the

⁶Spancken, C. (2018). Think digital instead of giving away turnover.

⁷Kotler, P. (2017), Marketing 4.0.

⁸Heinrich, S. (2017): Content Marketing: How the best customers find you.

⁹Katzengruber, W. & Pfortner, A. (2017). Sales 4.0.

Value Proposition Canvas from Strategyzer.¹⁰ With the canvas you first identify the most important tasks (jobs) to be done by your customer, the pains (Pains) he is confronted with when he tries to fulfill his tasks to be done, and the gains he gains by completing his tasks. Instead of external customers, we have considered sales as customers of marketing. The most important “jobs” mentioned were in particular the technical evaluation and consulting of customer inquiries, offer design, worldwide business trips for evaluation, planning, and implementation of customer projects. The pains are clearly in the customer acquisition to fill the sales pipeline. The trained engineers have technical challenges “in their blood,” for the outbound acquisition or the occupation with marketing texts, lack time, and also deeper expertise. The fact that fewer and fewer inquiries are received via the classic inbound channels such as telephone, fax, or trade fairs, however, reinforces the pain. If you now look at the “Value Map” on the other side, it becomes clear that a “Pain Reliever,” i.e., something that facilitates the sales activities of the engineers by automatically generating leads in order to be able to enter directly into the technical consultation. So, what we needed was a kind of “digital lead machine” capable of delivering relevant customer inquiries 24 h a day, 7 days a week. The answer was: inbound marketing.

Inbound marketing is a marketing strategy in which the attention of the target group is aroused by means of multivalue content. This is intended to enable potential customers to establish a first contact with a brand on their own, rather than through advertising. The aim of inbound marketing is to **generate leads in** order to familiarize a potential customer with the brand or a product and to win him/her as a customer later on. If this process is professionalized, it is called **lead nurturing**.¹¹

31.3.1 Digital Marketing as a Painkiller and Profit Maker

At that time, we were already in the process of improving inbound marketing with our business area website for the “Industrial Solutions” area by means of content marketing and search engine optimization. The large number of topics and about 700 products resulted in a site architecture with about 4600 links and correspondingly complex user guidance where the waterjet cutting area could only be accessed via the fourth level (Fig. 31.2).

We were therefore aware that we needed to create a dedicated theme world microsite for our high-pressure waterjet cutting pumps based on the needs of the buyer personas to improve visibility and lead generation.

At this time, we got to know the Mexican digital media agency “Garritz Online Media International.” The founder-managed agency with offices in Mexico and the USA had just opened a new location in Wiesbaden, Germany. The Mexicans have years of performance marketing experience with clients such as Universal Pictures and have sufficient expertise in data-driven marketing, programmatic advertising,

¹⁰<https://www.strategyzer.com/canvas/value-proposition-canvas> Accessed: May 5, 2020.

¹¹<https://www.onlinemarketing-praxis.de/glossar/inbound-marketing> Accessed: May 26, 2020.

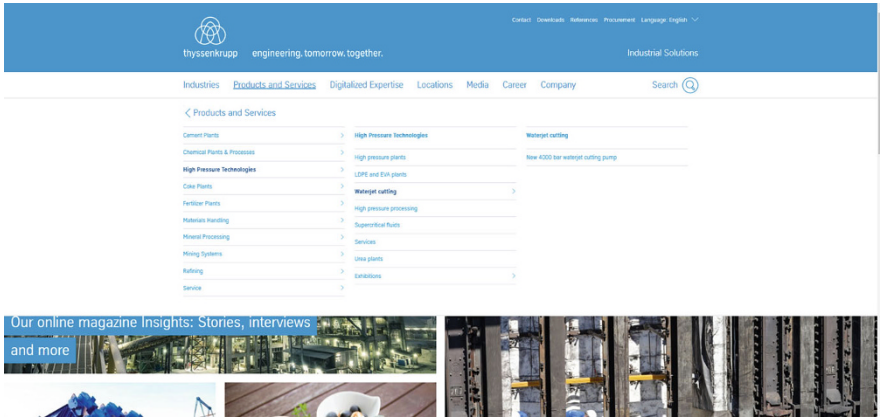


Fig. 31.2 Complex navigation structure

and SEO. We agreed on a pilot project with the goal of optimizing visibility and lead generation for the waterjet cutting sector and thus creating a “proof point” that digital marketing also works for high-priced capital goods.

Together we developed a customer-centric approach, which Julian Garritz, founder and managing director of the agency, derives as follows:

The B2C approach is always consumer-centric, the B2B approach was typically product-centric. The main forum for B2B marketing and advertising are the trade fairs, places where capital goods for industrial use are demonstrated and made known. But this reality has changed: B2B buyers are increasingly shifting their activities to the digital world. B2B companies are challenged to change their marketing and communication approach towards the customer and not only towards the product: What challenges does my customer have, what does he deal with and above all: Who exactly is my customer? This definition of the Buyer Persona is necessary in every B2B company today: It is not the same thing to communicate a product or service to a CFO, a technician or a buyer.

For the waterjet cutting microsite, we have developed according to the following five steps (Figs. 31.3 and 31.4).

This included an iterative follow-up with analyses to improve the content and plan further measures.

31.3.2 Creating the Buyer Personas

When creating Buyer Personas, which form the basis for the waterjet microsite, we proceeded with a list of questions to work out the characteristics of the target group. The following 11 questions help to define them. With the answers, you can draw a

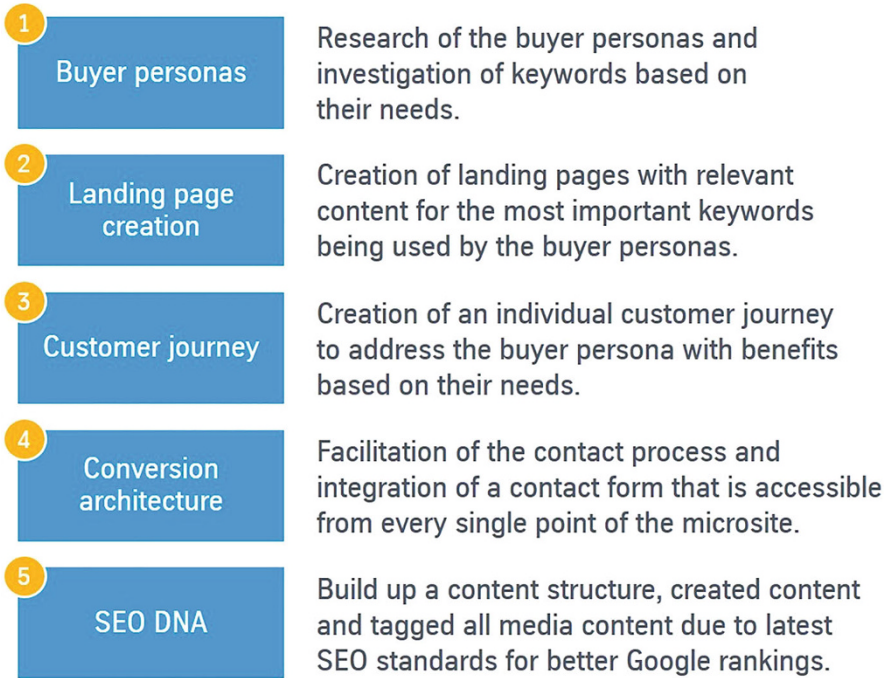


Fig. 31.3 5 steps to the microsite

fictionitious person who represents your typical customer (internal and external), the so-called “Buyer Persona.”¹²

1. In which industry is the customer active?

Every industry shapes the thinking and language of those who work in it. We marketing people are a good example. Our customer-oriented thinking and our technical language, which we use on a daily basis, are often uncharted territory for outsiders and should therefore be taken into account when addressing them. The same applies to engineers.

2. What position does the customer have in your company?

A manager has more freedom of choice than an employee. How much the desired customer decides for himself and to whom he delivers reports is interesting for the strategy in later negotiations, among other things. In addition, department heads pursue different professional goals and face different challenges than ordinary employees. This strongly influences the choice of topics for your communication.

¹²<https://blog.hubspot.de/marketing/buyer-persona-erstellen> Accessed: May 27, 2020.

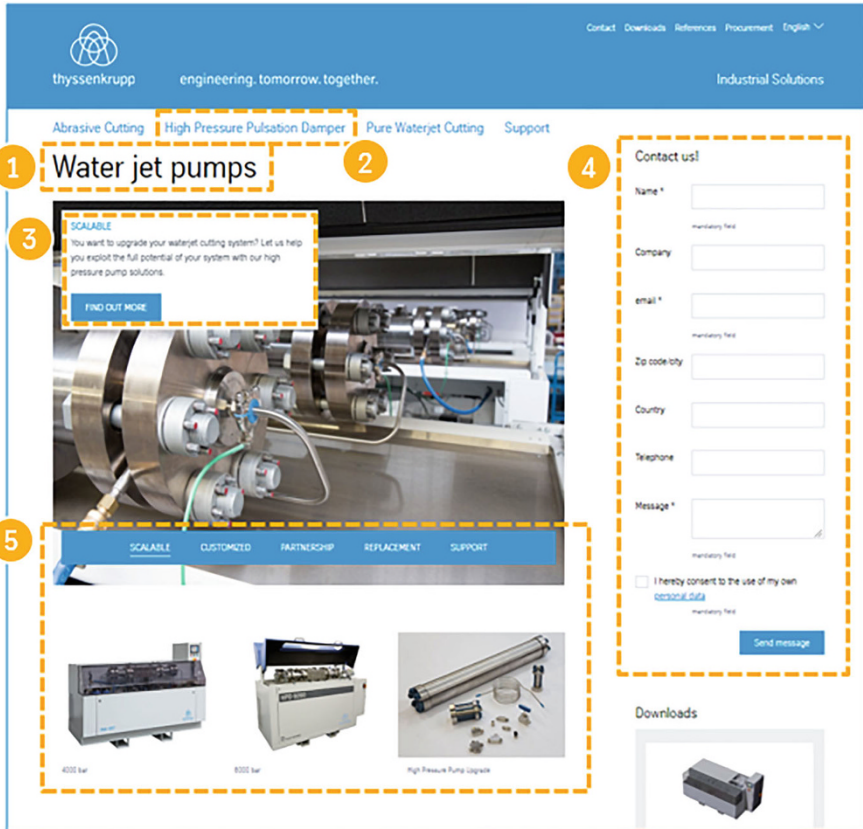


Fig. 31.4 Draft of the homepage for the launch

3. What is the ownership structure of the company?

Family businesses make different decisions than stock corporations. This question is interesting in the B2B sector, as the structure gives rise to challenges and problems of the persona that can be addressed.

4. What purchasing behavior does the customer show?

In order for you to meet the desired customer where he/she is informed, you have to find out his/her purchasing behavior. Trace the Buyer's Journey to your persona. In a Bain & Company study, for example, B2B buyers state that 70% of the research process has already taken place online before a sales employee is contacted. Find out whether your desired customer is one of these people and how often his company purchases or obtains information online.¹³

¹³Bain & Company, "Bought not sold: Marketing and selling to digitally empowered business customers" (2016).

5. How does your preferred customer decide?

Depending on the product or service, there are different decision cycles and external influencing factors. Provide your customers with decision-making aids—for example with clear communication of benefits. If you need to convince an entire consortium or buying center, make a note of all the details of the co-decision-makers involved.

6. What challenges does your customer have to overcome?

They create content in order to provide helpful tips and suggestions that are aimed at achieving problem solutions, challenges, or professional goals. How can your content help your readers achieve their goals?

7. For which problems is your customer looking for solutions?

The prerequisite for content marketing is that you know what content your customer is looking for in order to understand the challenges to which your products and services are the solutions. So, find out what problems your persona has and what corresponding solutions you can offer them. Keywords play an important role in digital content marketing: Which keywords would your persona google?

8. What education does the customer have?

It depends on the level of education, with which content format, with which address and where the buyer persona is reached.

9. How old is he?

Every generation has its own world view and media usage behavior. Different worldviews also mean different awareness of problems. This basic attitude must be adequately addressed in your content.

10. Where does your customer get information?

There are certainly regional and generational differences in the procurement of information. Find out which channels your ideal customer uses so that you can publish your content in the right place.

11. Where does the customer live?

The place of residence also plays a role, as behavior and fields of interest differ regionally. In addition, there are regionally different cultural or even technical points of contact which can be conducive to starting a communication.

31.3.3 Thinking Like the Customer

The keywords from the three buyer personas were checked for search volume and context-related keywords with the help of the tool “Keywordtool.io” to make sure that we considered all relevant search terms. It is important to identify terms that are only used internally and to compare them with the actual market demand. Especially in the case of engineering-driven companies that bring numerous innovations or new features to the market, it quickly happens that a linguistic gap develops between the technical description of the product and the customer’s perceived solution to his problem.

So, find the answer to the following questions:

1. Do your potential customers use exactly the same technical terms as you do?
2. Which context-related terms still occupy potential customers?
3. For which solutions is there a quantifiable demand in which countries (search volume)?

31.3.4 Designing the Customer Journey

With the help of the available keyword sets (main keyword and secondary keywords).


We then set up a site structure whose core was made up of topics relevant to our customers. In addition to general terms such as “high-pressure pump for waterjet cutting,” “high-pressure pulsation dampener,” “4000 bar,” the page structure also included various options such as “pure water vs. abrasive cutting” or different applications. Herewith we covered relevant longtail keywords in addition to the highly demanded main keyword. In contrast to generic keywords, longtail keywords describe, e.g., a product very precisely with brand or model names. Therefore, they are rarely used by the user and tend to appear at the end of the conversion chain, after the user already has an exact idea of what he is looking for.¹⁴

We paid special attention to the customer journey for the three personas. Based on their needs in the areas of “scalability,” “customization,” “OEM partnership,” and “service and spare parts” we designed different image sliders including text teasers. The individual journey begins with the entry via the slider. The following landing page picks up the customer in terms of content according to his needs and priorities, e.g., process-oriented versus practice-oriented. The linking to further pages and topics is also adapted to the personas. It is essential that contact possibilities are always visible and reachable without detours (Fig. 31.5).

31.3.5 Ensuring Conversion Friendliness and User Experience

Since a microsite can quickly become very complex if you want to cover all context-related topics and challenges of several buyer personas, it is crucial to building an appropriate conversion-friendly architecture. Potential customers should only ever need one click to make contact and receive orientation through call-to-action elements. In this case, we have given high priority to the possibility of contact by including a contact form “natively” in each page. The form was thus a component of every single page and could be used without extra click and without loading a Java script. As many web searches, especially in B2B, start specifically nowadays and by


¹⁴<https://www.sem-deutschland.de/inbound-marketing-agentur/online-marketing-glossar/long-tail-keywords/> Accessed: May 27, 2020.


engineering. tomorrow. together.
Contact Downloads References Procurement Language English
Industrial Solutions

High Pressure Pumps Waterjet Cutting Abrasive Cutting Pure Waterjet Cutting HP Pulsation Damper Support Search

Water jet pumps

The tailor-made development and high quality production of most different components for high pressure applications convince, because waterjet cutting pumps "made by Uhde" stand for maximum precision and reliability.



Support
From constant support on spare parts handling to assisting you with shaft maintenance service or fittings, doing or high pressure filters we can support you with everything you may need when operating your equipment.

[FIND OUT MORE](#)

SCALABLE CUSTOMISED PARTNERSHIP REPLACEMENT SUPPORT

Contact us!

Name*

Firm

email*

Street No.

Post Code

Country

Phone

Message*

I hereby consent to the use of my own personal data



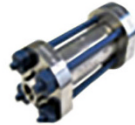
[Send message](#)

Waterjet Cutting with Uhde High Pressure Technologies

Its experience the power of water daily, Uhde has been creating new shapes by erosion for millions of years. Uhde High Pressure Technologies simply reduces the time by increasing the pressure of the water.

Regardless of the material composition and type, water cuts with maximum precision and flexibility. High pressure waterjet cutting is characterized by environmental and user friendliness. Due to its advantages it is superior to other cutting processes and thus has evolved into one of the most important processes of all.

Our high pressure pumps – the core element of the waterjet cutting system – with maximum working pressures of up to 6,000 bar are implemented in all relevant industrial sectors, from the food industry over glass and stone to aerospace.






4000 bar 8000 bar High Pressure Pump assembly


Tradition and expertise since the 1920s

Frederich Uhde – the man who gave his name to Uhde High Pressure Technologies – was one of the founding fathers of chemical engineering. In the 1920s he developed methods for manufacturing and processing nitric acid and ammonia fertilizer.


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High-Pressure Pumps Generation 7 Deutsch
[PDF](#)



UHDE 4000
[PDF](#)

Fig. 31.5 Start page after search engine optimization

using niche terms (longtail search), often a subpage of the websites is displayed in the Google result, the user does not enter via the main page. Depending on the architecture and CMS system, orientation and contact are then simple or complicated. Through our approach, in which the contact form is implemented on every page, we have ensured from the outset that no matter where the customer enters the site, he has a direct possibility to contact us (Fig. 31.6).

31.3.6 Developing the SEO DNA

Once the structure, architecture, and content were in place, the search engine optimization was carried out. All content and links were optimized and awarded according to current SEO standards.

In essence, B2B companies should consider the following basics for search engine optimization:

1. Define keyword set

The basis for the keyword set is the information needs of the buyer personas. Only one thematic keyword set consisting of focus keyword, secondary keywords, and synonyms were defined and used per landing page. The check for relevant search volume is crucial. The page structure or sitemap is derived from the focus keywords.

2. Website structure


For an optimal indexing of the microsite, it is important to use speaking URLs without cryptic strings, such as [domain.com/keyword](#). Furthermore, the site should have a flat hierarchy, i.e., not too many navigation levels, and a good internal linking structure. Duplicate content, i.e., the display of the same content on different pages should be avoided, as it will lead to punishment by Google.

3. Onpage optimization of the contents

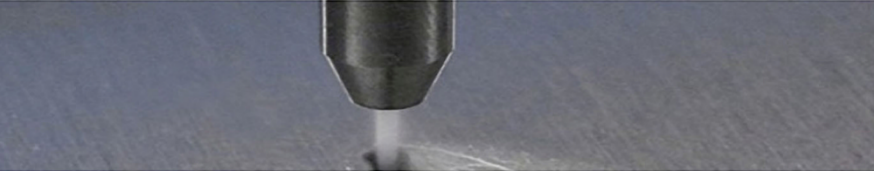
The website texts must be structured in a reader-friendly way. This includes headlines, formatting, paragraphs, bullet points, and the use of “ALT” tags for images. Headings are particularly important and should be defined at least from H1 to H3. The focus keyword and secondary keywords should also be included there. For the optimal impact in the search results, the “Title tag” should be optimized for each URL individually, the focus keyword should be placed in front and should not exceed 70 characters. To convince people in the search result lists to come to your site, you should add a Call to Action of 80–150 characters to the Meta Description.

4. Mobility

Since Google has been applying the “Mobile First” motto for several years now, it is crucial to optimize the pages for the use of mobile devices. For an optimal mobile experience, “responsive” pages provide a sufficiently large font and operable elements. Advertising elements such as pop-ups or interstitials should not be used if possible. The degree of mobile optimization of your page can be checked directly with Google at the following URL: <https://search.google.com/test/mobile-friendly>


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Contact Downloads References Procurement Language: English
Waterjet Industrial Solutions

High Pressure Pumps
Waterjet Cutting
Abrasive Cutting
Pure Waterjet Cutting
HP Pulsation Damper
Support
Search



Startpage > HP Pulsation Damper

High pressure pulsation dampener

With our HP pulsation dampener you can easily control water pulsations, vibrations and fluctuations

Also known as attenuator, the high pressure pulsation dampener was designed as a component that minimises water pulsations, pipeline vibrations and pressure fluctuations in the waterjet system. The dampener creates a volume in the system which absorbs the pulse waves. It prevents delay and ensures a longer equipment life by protecting the system components as well as ensuring a stable, pulsation free waterjet. This directly impacts the quality of the cutting surface.

The high pressure pulsation dampener is installed inside the cutting water pipeline of a waterjet cutting system. Its task is to smoothen out the pulsation created by the stroke reversal of a high-pressure pump. This ensures a significantly improved lifetime of orifices, high pressure tubes, valves and other components in a high pressure cutting water pipeline system.

Besides the high pressure pulsation dampeners, we also offer a wide range of accessories like high pressure filters, high pressure tubes and fittings, abrasive cutting heads and of course high pressure pumps which include the dampener.

What benefits does an HP pulsation dampener have?

- It prevents vibrations leading to a consistent and smooth flow
- It reduces fatigue and prevents damage of the pipelines and other system parts
- It reduces the need for costly maintenance
- Safe, reliable and designed to the strictest standards

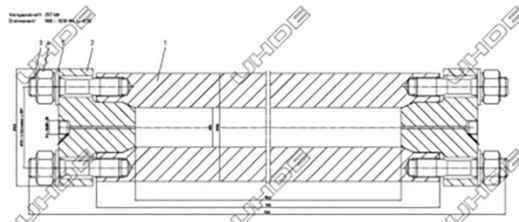
Our HP pulsation dampeners:

4400 bar HP pulsation dampener

Our thyssenkrupp 4,400 bar HP pulsation dampener (attenuator) has the following characteristics:

- operating pressure: max. 4,400 bar
- test pressure: 6,400 bar
- number of cycles: 2.87 Mio. @ 3,500 bar (acc. to AD-2000 S2 annex 4)
- EC-declaration of conformity according to high pressure equipment directive 2014/68/EU, category IV, module H1 & AD20000-bulkin, TÜV-tested

[Click here for further information on 4,400 bar HP pulsation dampener solutions](#)



4400 bar HP pulsation damper (attenuator)

Contact us!

Name *

Firm

Email *

Street, No.

Post Code

Country


Phone

Message *

I hereby consent to the use of my own personal data


Send message

Downloads



6200 bar HD Pulsation Damper

[PDF](#)



4400 bar HD Pulsation Damper

Fig. 31.6 Detail page with contact form

5. Optimize loading times

The loading time of a website is very important for the user experience, if it is too long, potential customers will jump off very quickly. Therefore, important elements should be loaded first and placed at the beginning.

Images must be properly sized and compressed for optimal loading time. JavaScript should be reduced, and CSS compressed. You can also check the loading time with a Google tool that also gives additional tips for improvement: <https://developers.google.com/speed/pagespeed/insights/>

6. Creating backlinks.

The backlink structure is treated step motherly by many website operators because it is costly, but it is a decisive ranking factor. First of all, websites of parent and subsidiary companies should be used to link each other. If you offer high-quality content such as checklists, white papers, infographics, and videos, other website operators and bloggers will eventually link them on their own. However, it is better to contact the webmasters of websites that have suitable topics directly and point out their content. It is very important here to pay attention to a “good neighborhood” and only build links from high-quality and thematically suitable sites. What you should never do is to buy links, because Google will punish this severely (Fig. 31.7).

31.4 The Results

31.4.1 The First 3 Months


After 3 months, the website KPIs already showed positive development.

The number of page visits per session increased by 40% and the length of stay had almost doubled, also by 40%. The number of returning visitors increased by 8% after 45 days, by 17% after 75 days, and by 25% after 100 days.

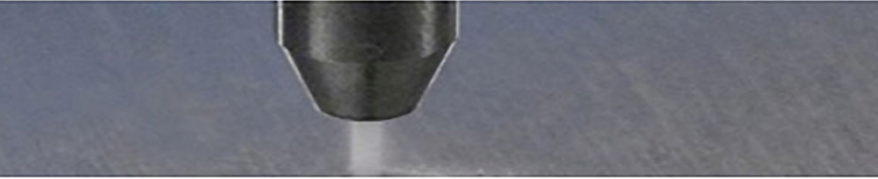
But even more important was the Google ranking. Out of nirvana, we managed to climb the first Google search results page for two keywords after 3 months. For the terms “water jet pump” and “high pressure water jet” we came in each case on the first page at position 6, for “high pressure pump” on page 2, and “high pressure water pump” on page 3 (Fig. 31.8).

31.4.2 Six Months After the Launch

After 3 months there was a continuous improvement in Google’s rankings, which, however, did not go steeply upwards, but were also subject to fluctuations. The bottom line was that the sales department could already feel the effects of the development, as the digital lead machine (Fax 2.0) delivered the first leads. Eleven inquiries were received via the contact form on the new microsite from countries and


thyssenkrupp engineering.tomorrow.together.
Contact Downloads References Procurement Language: English
Waterjet Industrial Solutions

High Pressure Pumps Waterjet Cutting Abrasive Cutting Pure Waterjet Cutting HP Pulsation Damper Support Search



Startpage > Waterjet Cutting

Water jet Cutting

We experience the power of water daily. Water has been creating new shapes by erosion for millions of years. Ultra High Pressure Technology applies this principle to waterjet cutting – with a significant difference: the time is simply reduced by increasing water pressure.

In comparison with other processes such as laser and plasma cutting, waterjet cutting is increasingly developing into a real high performance process. Nowadays technology has advanced so much that multi-head and 5-axis systems are in operation, enabling cutting to be carried out on 3D components. Today pressures up to 4,000 bar are mainly used in waterjet or abrasive waterjet cutting technology.

A further considerable increase in performance and therefore enhanced productivity is only possible by raising the cutting pressure. In some cases economic efficiency can increase (vs. average) when the cutting pressure is raised from 4000 bar to 6000 bar.

Regardless of the material composition and type, water cuts with maximum precision and flexibility. High pressure waterjet cutting is furthermore characterized by environmental and user friendliness. Due to its numerous advantages it is superior to other cutting processes and thus has evolved into one of the most important processes at all.

What does a waterjet cutting system bring to the cutting operation?

- almost any kind of material can be cut (steel, stainless steel, composites, glass, ceramics, stone, rubber etc.)
- no thermal effect on materials, low cutting and reaction forces, small cutting width (0.5-1.0mm)
- 2D and 3D applications
- max. cutting thickness up to 500 mm with 6,000 bar
- new application fields – e. g. mineralization, surgery

At thyssenkrupp Industrial Solutions we offer specific solutions according to your waterjet cutting requirements. If you require a pure water solution or an abrasive cutting solution by using an abrasive cutting head, we provide high pressure pumps starting from 4000 bar. For both applications we offer the 6000 bar high pressure pump.

Contact us!

Name *

Firm

email *

Street, No.

Post Code

Country

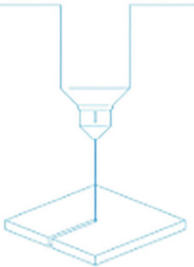
Phone

Message *

I hereby consent to the use of my own personal data


Send message

Cutting process comparison




	Waterjet	Laser	Plasma
Cutting precision			
High level applications available	●●●●●	●●●●●	●●●●●
Flat-face cutting	●●●●●	●●●●●	●●●●●
Bevel finishing	●●●●●	●●●●●	●●●●●
Material thickness	●●●●●	●●●●●	●●●●●
Material finishing	●●●●●	●●●●●	●●●●●
Round-off	●●●●●	●●●●●	●●●●●
Time required for finishing	●●●●●	●●●●●	●●●●●
Material loss	●●●●●	●●●●●	●●●●●
Scrap rate	●●●●●	●●●●●	●●●●●
Max. material thickness	●●●●●	●●●●●	●●●●●
Material			
Non-metallic materials	●●●●●	●●●●●	●●●●●
Metallic materials	●●●●●	●●●●●	●●●●●
Composite materials	●●●●●	●●●●●	●●●●●
Food	●●●●●	●●●●●	●●●●●
Stone	●●●●●	●●●●●	●●●●●
Ceramic	●●●●●	●●●●●	●●●●●

Downloads



Ultron 4037

PDF

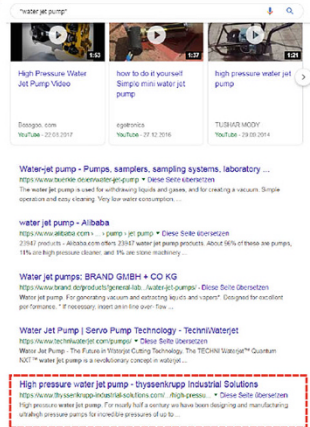
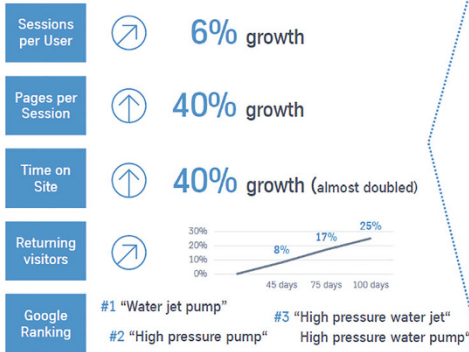


5th Generation Waterjet Pumps

PDF

Fig. 31.7 Content page with information graphics on various separation methods

Water Jet Cutting
Progress and KPIs



Position 5

Fig. 31.8 Website KPIs after 100 days

markets with which no business contact had previously been established. This interim success prompted us to expand the content once again. We added more images and continued to work on search engine optimization. The race for the best places never ends due to the constant updates of the Google algorithm and the competition between website operators. And with good reason, because all search results that are not visible without scrolling get less than 10 percent of all user clicks together.¹⁵

31.4.3 Nine Months Until the Birth of "ROMI"

Nine months after the launch of the microsite, the first sales success was generated from the leads received. A high-pressure pump for waterjet cutting was sold together with a service contract. In addition, another promising lead was in the pipeline. We had generated a Return on Marketing Investment (ROMI) of 7.5, which will increase to over 10 with the proceeds from the service contract. But even more important was the proof point: We had proven that we can sell high-priced capital goods via digital marketing and generate a direct sales impact as a marketing department. The sales department was highly satisfied: "With the increased visibility with search engines, we generated additional business almost immediately and significantly more leads for future projects".

¹⁵Meffert, J. et al. (2017). One or zero: p. 178.

31.5 Summary

The changed B2B customer behavior in the digital age and especially in the post-COVID19 era is a considerable challenge for those responsible for sales and marketing. At the same time, it is also a huge opportunity and need not be a question of budget, as the example of waterjet cutting at thyssenkrupp shows. Rather, it is about analyzing the customer in detail and supporting him with important information, in the right digital channels, at an early stage of the buying process. Whoever can do this best can build a digital lead machine and, in the end, do the business. As always, however, one must constantly measure, analyze, and optimize, because the digital race for the customer's favor never ends.

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365 Days B2B Marketing Turnaround: A Fact-Driven, Bullet-Proof Showcase Guide **32**

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32.1 Introduction

Today's global, technologically enhanced business landscape is characterized by ever-changing trends and events that happen so rapidly that they take most companies by surprise. It has indeed become a truism to say the only constant in business is "change." Yet many organizations struggle against internal rigidity and hard to overcome knowledge gaps (Dziubaniuk et al. 2020). B2B companies especially are in a peculiar position. They are at the forefront of innovation and a central piece of a growing economy. Yet, they often lag in other aspects due to their non-evolving management tactics. These companies create, design, engineer, and build, but are nevertheless hesitant to evolve their marketing approach, never mind allocating sufficient resources. However, in the present fast-paced environment, higher diversification of industries, and times of economic uncertainty, they are forced to tackle the resulting question: *How do I grow?*

Recent studies show that the evolving marketing life cycle is forcing numerous companies to confront the issue of the role to be executed by the conventional marketing department within the structure and framework of a modern corporation (Cortez and Johnston 2017). The purpose of marketing as a primary customer-driven process holds essential implications for structuring and positioning marketing with the merits of a function that became a vital strategic issue concerned with cross-organizational relationships and the management of critical global interfaces (Nguyen et al. 2019). The corporate and strategic evolution of marketing comes from accelerated changes in the marketing ecosystem, and the thus notably logical shifting role of marketing (Purcarea 2019).

This paper aims to introduce the reader to the complexities and challenges of a marketing turnaround in an industrial company. These aspects will be demonstrated in a detailed case study. The case underscores the complications a global marketing organization faces in an environment characterized by increased market dynamics and rising internal expectations. It captures several of the most critical and crucial aspects of a company in a time of evolving and deteriorating market requirements. The case puts forward the organizational complexities confronting a global company finding itself in a state of increased competition, economic uncertainty, and diminishing sales. Confronted with these challenges, the case company sees a quick and radical turnaround of its marketing organization as one approach to mitigate these developing threats.

This chapter thus draws attention to some of these significant drivers for change—customer expectations, and digital transformation. These terms can denote many different things. The case study specifically draws attention to how digital transformation in terms of the increasing global interdependence affects companies marketing activities, resources, and organization. Part of the complexity is also associated with the fact that customers often adjust their requirements and have higher expectations in terms of personalization and ease of communication. The higher the number of both internal and external actors involved, the higher the pressure that is put on the company's ways of handling its marketing turnaround process.

It is 2018 when we enter the case company's organization, with sales figures below expectations for several quarters and competition increasing massively in crucial strategic regions reducing the already low margins. Rising economic uncertainties reinforced the unease felt throughout the organization. Brexit and its potential consequences transfixed Europe, and the ongoing trade war between China and the US further dampened the economic growth. As a consequence, the management installed a new Global Director of Marketing. This new position came with high expectations—deliver a plan and a strategy to remedy the situation, position the company back as the leader in its market segments, implement and utilize new technologies to foster the lead generation process, and thus support the company getting back on track.

This is ultimately achieved by initiating a significant marketing turnaround process. At the forefront of this process was the centralization of marketing resources to utilize synergies best and fill the new organizational requirements. The case further showcases the need to specify all significant aspects contributing to the organizational concerns as well as distinguishing its causes.

The next section will introduce the case company, IHMB Engineering a division of the IHMB Group, followed by an overview of its global market situation and a short depiction of its internal structure before shifting focus to the turnaround process with a step by step walkthrough. This case demonstrates a marketing turnaround in a global industrial company and what can be accomplished in just 365 days; spanning from the fourth quarter of 2018 to the fourth quarter of 2019.

32.2 IHMB Engineering a Division of the IHMB Group

32.2.1 The Company

The case company is a business division within the IHMB Group, in the following IHMB. IHMB is the technological and global market leader in process technology for a wide range of industries and the largest manufacturer of industrial process equipment globally. Founded in 1879 in Belgium, the company employs more than 18,000 employees with more than 200 operating subsidiaries worldwide. Through its external communication initiatives, IHMB is placing a high importance on being seen as an innovative company, setting the industry standard, and being a big part of fostering innovation. Throughout its history, IHMB underwent significant restructuring initiatives. The latest being centered on specializing the enterprise in purpose machinery with a focus on process engineering, components, and automation services. In addition, a company-wide initiative was introduced, implementing a new integrated corporate group structure with five main business units as well as a uniform regional organization.

IHMB Engineering is one of the five primary business units and the subject of this case study. IHMB Engineering is globally active with over 20 locations and manufacturing sites employing 3000 employees worldwide. With sales of over €500 million, the division established itself as an important player in the industry.

The product portfolio consists of high-tech filtration systems, automation, and services for the environmental and chemical industries. Due to a high amount of acquisitions, IHMB Engineering grew at a breakneck pace over the last 20 years.

IHMB Engineering main focus with acquisitions was always to complement its product portfolio, enable external growth, and securing a superior understanding of technology and technical know-how. The numerous acquisitions however brought with it a scattered brand and very low brand awareness for IHMB Engineering. Perceptions in the market changed significantly by employing a focused brand strategy in the last few years, establishing IHMB Engineering as a long-standing provider of sophisticated and advanced process equipment.

After sustained growth through acquisitions, IHMB Engineering reached a phase of stagnated sales at a time in which competitors were expanding and increasingly winning orders. After a couple of periods of low sales levels and some less successful research and development projects, the division had to change its tune. These developments tainted the view of IHMB Engineering, and various decisions were, in retrospect, regarded as based on managerial lack of competence. The management of IHMB Engineering was replaced as a consequence, and external recruitments were considered to be necessary to bring in new perspectives. The resulting managerial turnaround resulted in new strategies and approaches to drive the development of the division bringing with it the need for a new marketing organization.

32.2.2 The Overall Market of IHMB Engineering

The processing equipment market for IHMB Engineering was projected to grow steadily throughout 2018 and beyond. This was mostly attributed to the environmental industry as it saw a projected market size of USD 65.1 billion by 2024, growing at a CAGR of 6.1%. However, regional differences existed in Asia, Europe, and America.

Overall economic growth was considered stable in 2018. In an update to its World Economic Outlook, the International Monetary Fund reported that the global economy was forecasted to grow at 3.6%. In advanced economies, growth was projected to slow from an estimated 2.3–2.0%. However, warnings were already issued about an overall weakened economic expansion. Crucial contributing factors were the escalating trade tensions between China and the USA, and a potential “no-deal” withdrawal of the UK from the EU (Brexit) at the time. These triggers prevailed in 2019, signaling a slowdown in the global economy with a reported 2.9% growth rate (IMF 2019).

32.2.3 The Competition

The main competitors who had been gaining traction in the market and snatching market share away from IHMB Engineering were smaller and more agile

engineering companies. While these companies did not have the size or global presence of IHMB Engineering, they still managed to be very successful in meeting customer demands. Numerous customers argued that working with IHMB Engineering’s competition was frequently less complicated. The results manifested in more profound and more trustful personal relationships and, most importantly, in quicker responsiveness.

IHMB Engineering also struggled to a lesser degree with suppliers in Asia that were often much cheaper with a lower focus on build-quality. This equipment needed to be exchanged more often, while IHMB Engineering types of equipment reached a lifetime of usually longer than 20 years. As a result, the service business was more significant for IHMB Engineering, spanning from upgrade, repairs, customer training, and after-sales service.

32.2.4 The Marketing Organization of IHMB Engineering

IHMB Engineering has 3000 employees globally and branches in over 20 countries. The organization employs a classical functional structure with each department having a manager who, in turn, reports to the executive level. The marketing department consisted of a central global team based at the Divisions headquarters while having local marketing managers geographically segmented serving the most important regions globally and branches within Europe (Fig. 32.1).

The global marketing team was tasked with the overall budget coordination, deployment of global lead campaigns, internal communication, and creating and adhering to corporate identity and ensuring that those guidelines are carried over into the regions. Besides, taking care of all brochures, advertising, and trade fairs was within the responsibility of this function. The need for an agile marketing approach to best reach customers and the evolving technological landscape made this structure obsolete.

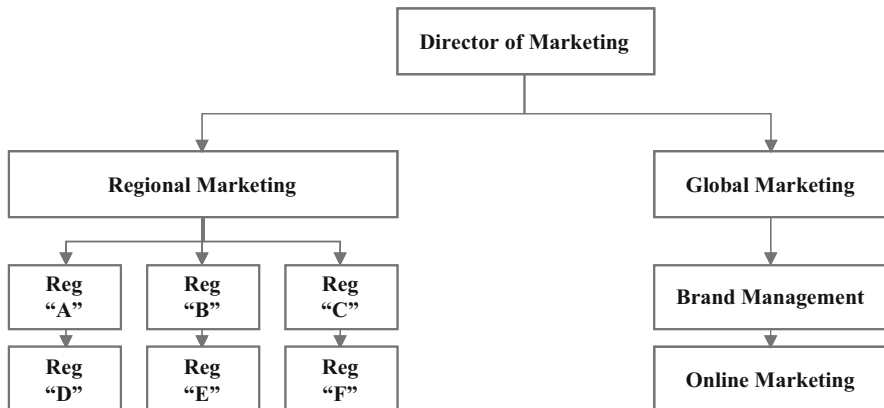


Fig. 32.1 IHMB engineering marketing organization before restructuring

There was a recognized demand for efficiency through centralization to address those requirements, utilize synergies, and transform the marketing department into an agile and transparent performance center. Further, it was a necessity to coherently frame all of IHMB Engineering's activities in all markets and industry segments. New marketing technologies were to support those endeavors.

Reconstructing the marketing organization was one of the priorities of the new management, and thus, a new Global Marketing Director was appointed.

32.3 The Marketing Turnaround Process at IHMB Engineering

32.3.1 Meet Rick: The New Global Marketing Director

Rick was appointed as the new Global Marketing Director of IHMB Engineering in September 2018. He has a Ph.D. in Economics and Business Administration and successfully ran the marketing departments of numerous international companies. His experience covers over 20 years in the manufacturing, engineering, and services industry, and he also has a proven record in strategic and operational marketing and communication as well as organizational development.

Most importantly, Rick brought with him a very innovative approach to marketing.

32.3.2 The Journey Begins

After his first weeks as Global Marketing Director, Rick already conducted a thorough analysis of the marketing structure, the existing perceived roles & responsibilities, the precise expectations of the management as well as the capabilities of the existing workforce. Rick also carried out several benchmarking analyses in relation to marketing activities, brand perception, and brand awareness of the previously mentioned competitors.

Rick quickly found out that the reputation of marketing in IHBM Engineering was lacking. Marketing was seen as a solely executing function tasked with printing brochures and managing fairs. To his amazement, no clear roles & responsibilities were defined. Marketing team members covered all sorts of tasks within the marketing organization not being able to focus on their respective areas. Further, he sorely missed defined processes, documented, and communicated with the organization. Checking the marketing technologies that were being used he saw that most of it was outdated and not able to cater to new customer requirements.

Rick then promptly started altering the conventional view of the marketing organization within IHMB Engineering, by highlighting notable trends, and environmental and strategic changes for marketing. His vision centered around the following key aspects.

- Break hierarchies: Reducing organizational levels, create smaller teams, enable each team member and thus increase speed and flexibility.



Fig. 32.2 Defined marketing working areas

- Empower self-managing teams: establish groups with complementary skills, and develop them into high-performance teams to achieve fast, precise, and flexible execution of working packages.
- Re-Engineering: thoroughly restructure critical processes, reduce costs, and increase overall organizational performance.
- Be truly global: build necessary structures and new skills to compete globally.
- Foster learning: encourage continuous learning and thus enhance the skills within the organization by utilizing a joint knowledge base.
- Implement Key Account Management: A customer-facing organization needs proper Key Account Management to ensure a more intimate relationships with its biggest customers and fostering long-term partnerships.

Based on Ricks analysis phase, four relevant working areas were submitted to top management as a firm recommendation for action (Fig. 32.2).

- “Optimization” proposed a continuous process of aligning, defining, optimizing, documenting, and monitoring marketing structures, processes, roles and responsibilities, interfaces, and performance in order to report defined KPIs transparently.
- “Creation” recognized that the value creation must be moved from the outside (external partners, i.e., agencies) to the inside as capacities and competencies were already in the organization—thus avoiding redundancies for validation, cross-checking, briefings, and alignments.
- “Automation” was all about increasing the performance by using internal expertise and resources in a way that allows each member to focus on their core experience and knowledge area leading to process economies of scale through automatization of workflows and interfaces.
- “Innovation” was to ensure to always stay at the edge of the newest developments in B2B marketing to strengthen the competitive advantage as well as being able to serve internal clients with next practice tools, processes, and know-how.

With the full backing of the management, Rick was now in charge and entirely accountable for the implementation and realization of laid out working areas.

32.3.2.1 Step 1: Implementing a New Marketing Structure

Rick believes in the theorem that structures follow strategy and recognized the need for the design and selection of proper organizational structures to implement an overarching efficient marketing strategy and realize the aforementioned working areas.

To some extent, every department at IHMB Engineering had to control different organizational costs and strive for efficiency—marketing was no exception. The increased complexity of more prominent global companies is often balanced by attempts to define central and specialized functions. Rick needed to ensure the implementation of a simplified structure, enabling him to establish standardized marketing practices and, thus, continuous steering of his department's efficiency. Rick envisioned that marketing would be involved in elaborate processes to match the need for internal and external efficiency, continuous adjustments to changed organizational requirements, and long-term innovation.

The following structure fulfilled Rick's requirements in the context of being simplified with the ability to quickly respond to various organizational demands. It moreover matched his vision of marketing's role in the organization and mirrored the established working areas perfectly (Fig. 32.3).

Each area was formulated and structured in a way to enable higher efficiency and focus on the specific skillsets within.

- Content management: Executing communication based on the strategy, content, and briefing prepared by the business intelligence department in alignment with the organizational business development functions.
- Event management: Planning and definition of global trade events, fairs, and conferences.
- Digital marketing: Manage and develop digital marketing activities, while implementing and managing new technology.
- Business intelligence: Work closely with the business development functions to ensure the right data is available, and a holistic strategy can be prepared.
- Regional marketing: Execute marketing activities in their territories with high alignment with sales on maximizing the reach in their area.
- Customer experience: Continuously monitor customer satisfaction, conduct touchpoint analysis, and implement appropriate measures to improve the customer journey.



Fig. 32.3 IHMB Engineering marketing organization after restructuring

32.3.2.2 Step 2: Clear Roles and Responsibilities

With the new marketing structure firmly in place, it was time to define clear roles & responsibilities within the team. During the course of Rick's initial analysis, job descriptions were also a fundamental aspect, and it turned out that a big part of the functions of the marketing department, job descriptions were seldom available at all or only inadequately available. As a consequence, each member worked with an outdated frame of reference covering randomly allocated tasks.

Providing clarity, alignment, and expectations to those executing the work within their newly established areas was of utmost importance to Rick. Against this background, he designed a set of new job descriptions from the existing frameworks, while also aligning tightly with Human Resources, being as precise as possible in capturing job responsibility and tasks. In the next step, each newly created job description was discussed with each team member individually, addressing any concerns or questions. In addition to the development of this new set of documents, a stringent follow-up on employee appraisals was set out. Rick wanted to ensure that each team member had the opportunity to be recognized and rewarded. Moreover, establishing a platform where they can voice their opinions, being truly heard, and feel valued for the work they do.

Performance appraisals in general fulfilled these essential functions in IHMB Engineering:

- To equip each team member with adequate feedback on his or her performance.
- To assist each team member with modifying and improving behavior toward more productive work habits.
- To equip managers with data to evaluate future work responsibilities.
- To provide managers with agreed upon and reviewed goals to structure the incentive system better.
- In the course of the individual performance appraisals talks, explicit goals were agreed upon, and their progress monitored throughout and continuously assessed.

Rick conducted the appraisal talks with his direct reports and expected them, in turn, to do the same with their employees. This quickly evolved into an intimate coaching session as most of his direct reports held such talks for the first time. It was clear that establishing this form of open communication and precise goals definition needed time to be implemented. Nevertheless, those talks accumulated into vast amounts of insights and helped better understand roles, tasks, even redundancies and supported in uncovering interfaces crucial for the next step.

32.3.2.3 Step 3: Process Library

The next step consisted of accurately assessing the business processes. The focus was on thoroughly understanding each step and identifying opportunities to streamline internal processes.

This initiative was first quickly dismissed as being irrelevant. Everyone already "knows" what needs to be done and how it needs to be done. The importance of being able to reference processes and develop procedure documentation was overlooked. Rick believed that even if the members are now fully involved in both

conception and review of all internal processes, they will not necessarily be the primary user. Of course, he did not expect them to reference every process in their day-to-day work but instead focused on creating a guideline for the rest of the organization. It was essential to set up a framework on how marketing offers its services.

Who Will Actually Use This Library?

Rick was dedicated to improving the reputation of marketing within the organization and thus had to show in a comprehensive way what can be handled by marketing, by when it can be managed and what, in turn, is expected from internal clients.

The process library was generally used to address the following groups within the organization.

- Top management: to make them aware of the tasks covered by marketing.
- Internal clients: to ensure a defined way of handling requests (and ad-hoc requests).
- Team members: to utilize a process they do not carry out regularly.
- New staff members interns and trainees: to enable quick onboarding.

Accordingly, understanding the needs of these groups helps with designing a process library that can give many benefits to an organization.

The Process Mapping Workshop

To comprehensively understand how the existing process workflows looked like—from beginning-to-end—Rick organized a workshop with the entire marketing team. The aim was painting an accurate picture of the process landscape. This would enable marketing to document processes employed regularly, decide on your processes given the new structure, and at the same time uncover areas in still need of adjustments (Fig. 32.4).

Process mapping usually depicts the consecutive tasks that are carried out in a single process. Rick decided to employ the simplest method to map this out. The marketing team worked collaboratively on two large pinboards, using post-it notes to map out the process and the dependencies between tasks (Fig. 32.5).

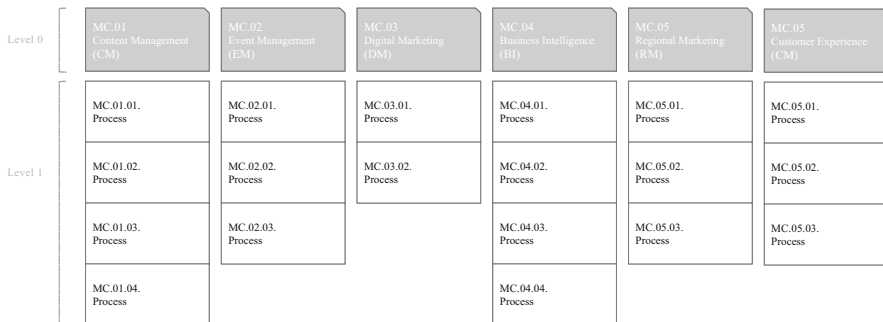


Fig. 32.4 Process mapping workshop

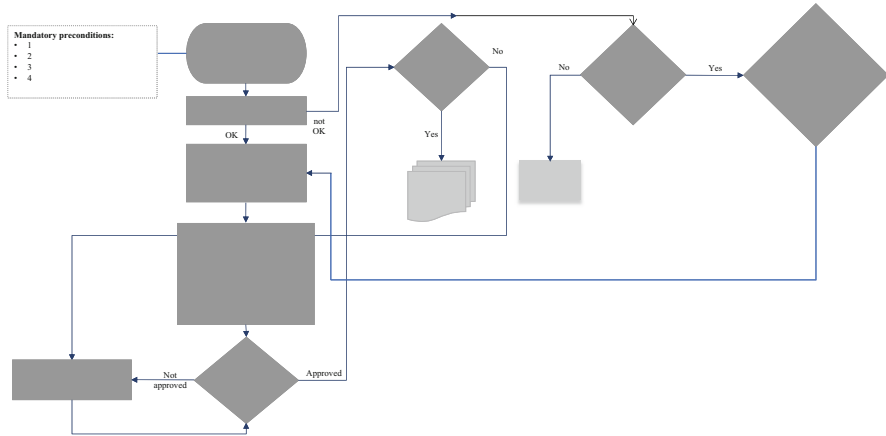


Fig. 32.5 Process workflow

The results of the workshop have been transferred to a software tool, creating a more professional-looking process map thus creating the marketing process library.

This library was then made accessible on all internal company channels ensuring a broad distribution within the organization.

Some Feedback from the Team

The regional marketing manager had been with the company for several years. Initially, he was in a sales back-office position, before taking over the marketing activities for his region. He took over the overall corporate responsibility for marketing, which included the provision of brochures, planning of advertising initiatives—both on and offline—as well as events in his regions (fairs, conferences, trade shows). After the new setup was implemented and the new roles and responsibilities communicated, he approached Rick with two messages. One was his appreciation of the added transparency in marketing. He now had a complete grasp of what was expected of him, and he was given full support to achieve his goals. Second, he reflected on the new felt energy inside the marketing organization. He praised the fast way in which things were progressing and the small improvements throughout, which helped achieve quick “paybacks.”

32.3.2.4 Step 4: Unleashing Innovations

This step was undoubtedly one of the most crucial, but also most challenging for Rick. To build up an organization that has a wide array of capabilities—for example, market intelligence, organizational learning, market-reporting skills, and more—he found himself in need of appropriate IT infrastructure.

Rick placed high importance on establishing an organization that is increasingly based on knowledge and integration of highly dispersed data. In that way, he wanted to build a marketing department that is highly flexible and being able to cope with complex and dynamic task settings. The benefits for IHMB Engineering as a whole

Table 32.1 Data intelligence aggregator at IHMB engineering

Marketing intelligence	Customer intelligence	Predictive intelligence
Market data	Organizational structures	Market development
Internal CRM data	Organizational issues	Business planning and casing
Socio-economic data	Buying communities	Sales optimization
Ease-of-doing business data	Buying behaviors	Product innovation
Socio-geographic data	Networks	Competitive behaviors
Competitor data	Associations, peers	Future projects
Project data	Projects	Future tenders
Event data		Price ranges
Media data		Dynamic pricing
Influencer network		Decision-makers
		Influencers

were the availability of a robust set of tools, access to standardizes data insights substantiating important decisions with reliable data, as well as being able to determine its own market position and share. In the case of IHMB Engineering, with dispersed knowledge and increased data intensity, marketing was to play a central role.

Thus, Rick focused on two main innovation projects. Support marketing activities with automation tools and, on the other hand, supporting the business with highly reliable market intelligence.

The Way to Predictive Intelligence

The opportunities to intensify the knowledge and information about markets are rapidly increasing, and faster learning from such information has become the central driver for organizations. Market data and different forms of heightened market insights now have a pivotal role in organizing processes in general, and in marketing organizing processes, in particular. Business intelligence¹ is no longer a function performed by a marketing unit in an organization; it is now a fundamental driver of the organization in general.

As a firm believer in data as an underlying foundation for the corporate decision-making process, Rick kicked off a project to implement a marketing intelligence system within the marketing department called the “data intelligence aggregator,” or short “DIA.” DIA was conceptualized as an online, interactive data management tool enabling quick generation of market data and stats, while also containing social and macro-economic data from various high-level data sources. DIA was supposed to grow through gradual evolution to a predictive intelligence tool and enable more precise operational and strategic growth.

The following table showcases the capabilities of DIA in the context of clustering information from different data sources (Table 32.1).

¹See article by L. Strohmeier on the topic of business intelligence in this publication for a detailed approach in implementing such an organizational unit.

Table 32.2 Clustering of technology needs

By marketing function	By status of customer journey
Lead management	Awareness
Content management	Lead conversion
Campaign management	Nurturing
PR	Conversion
Analytics	

DIA was being fed with growing data from various internal and external sources, carefully evaluated and chosen by internal experts. This allowed DIA to be implemented relatively quickly with the “marketing intelligence” part, enabling internal decision-makers to review data on specific industries, markets, and applications and thus utilize this system for their planning purposes.

The system actively started supporting short-term net working capital optimization—and with further evolution of the system—mid-term business planning and long-term strategy adaptation, development, and monitoring.

The Quest for New Tools

The second innovation part on Rick’s list was the integration of numerous software systems and solutions to overcome strategic challenges. He saw the need for the marketing team to operate their online channels more efficiently but also being fully transparent and stringent in reporting on its effect on sales (MROI).

To adequately grasp the explicit customer journey² for IHMB Engineering, Rick commissioned a customer touchpoint analysis. The aim was to know and understand our customers better, help them solve their problems, and to be able in some cases to predict and address their needs more dependable. This initiative also served to identify all related digital touchpoints and what technology was used at each step (Table 32.2).

Rick had to make sure to align the business objectives with the other business units, as this was a crucial pre-requisite in implementing a global tool. While Rick was thinking big, he started small. During his evaluation of possible marketing technology stacks, he focused on taking steps that are manageable to both the team and the organization.

Marketing automation³ seemed to fulfill the set our requirements of increasing operational efficiency within the marketing team and measure the impact of marketing initiatives on the company’s sales. Rick got the buy-in from the management and started with the sourcing process immediately. The marketing automation tool has since been successfully deployed at IHMB Engineering.

32.3.2.5 Step 5: KPIs and Monitoring

As mentioned before, a marketing strategy, of course, needs to be backed by relevant data and metrics to ensure that every ad spend is lucrative to the company’s bottom

²See the article by F. Halb/U. Seebacher on the topic of customer experience in this publication.

³See article by M. Romero Palma on implementation of marketing automation solutions.

line. So, Rick established a transparent reporting system for the marketing organization. The implementation of dashboards, similar to what he employed with DIA, provided the basis for successfully capturing and linking relevant internal and external analytics data.

It was essential to have the ability to quickly and effectively assess KPIs from a range of marketing activities, and thus ensuring the value of marketing initiatives to internal stakeholders at any moment. These dashboards were aligned with all marketing areas and cross-linked to relevant sales generation metrics. Further, all KPIs and metrics were visualized easily and intuitively, with information streams being updated in real-time.

The new reporting system in the marketing department offered the following benefits:

- **Instant visibility:** The dashboards allowed the visualization of all data, from web content traffic and its rate of conversion to sales generation statistics.
- **Saves time:** In just a glance, all aspects of running activities were shown in a comprehensive overview.
- **Ease of reporting:** It was the ideal way to present all the organization's most important information in a format that is easy to understand and digest.
- **Employee motivation:** With such well-prepared dashboards, it was easy to make a comparison of the performance of employees alongside their goals. These specific dashboards were only made available to the respective employee.
- **Areas of improvement:** Comparing real-time results became easy and enabled the reallocation of resources or shift of strategy depending on the changing needs.

Key Performance Indicators

Setting up valuable Key Performance Indicators (KPIs) was also an essential metric to make sure that the marketing department can accomplish its defined objectives. For Rick KPIs were not just mere numbers to be reported regularly—they helped track the performance of the marketing department so critical adjustments could be made to achieve strategic goals (Fig. 32.6).

The KPIs were defined by each marketing area and were tracked in various data formats (predominantly MS Excel). The data files were stored centrally ensuring accessibility by the relevant stakeholders.

Data Tracking and Integration

Through utilizing PowerBI as a visualization tool and linking all relevant data sources, the dashboard could be accessed from the storage drive and was displayed in an easy and intuitive way (Fig. 32.7).

In addition to the relevant market areas, access rights could be given to business development managers and sales managers to view reports directly from the dashboard tool. By default, all data resources were set to automatically refresh, thus ensuring real-time data visualization. In future iterations, external data sources were connected directly to the dashboard tool via APIs.

AREA	KPI	DATA FIELDS	SOURCE	COMMENTS
Performance	Web Sessions (Media Partner)	Number	Google Analytics	
	Bounce Rate (Media Partner)	Percentage	Google Analytics	
	Pages/Session (Media Partner)	Number	Google Analytics	
	Average Duration (Media Partner)	Time	Google Analytics	
	Median Cost per Website Conversion	Media Partners List	Media Partner 2019, GA	
	Conversions by Media Partner	Media Partners List	Media Partner 2019, GA	
	Conversion by Medium	Data Set, "comMed"	Google Analytics	ComMed: Organic, Referral, Direct, Paid Search, Display, Email, Social, Other
Conversions by Region	Data Set, "Regions"	Google Analytics	Region: North America, South America, Europe, ME, Africa, Asia, Global	
Conversion by Type	Data Set, "ConvType"	Google Analytics	ConvType: Contact Form, Sign-Up, Download	
Costs (Purchase Conditions)	Decomposed Costs	Media Partner 2019		
Social	LinkedIn Follower	Data Set, "SocialF"	LinkedIn, GA	SocialF: Number, Top Functions, Top Locations, Top industries, Top Sectors
	LinkedIn Engagement	Data Set, "SocialE"	LinkedIn, GA	SocialE: Click-Rate, Engagement Rate
	LinkedIn Campaigns	Data Set, "SocialC"	LinkedIn, GA	SocialC: Region, Product Group, Clicks, Click-Rate, Cost-per-Click, Leads
Automation	Customer Journeys	Data Set, "Journey"	MA Software	Journey: Product group, Industry, Region, Journey type
	Leads	Data Set, "Leads"	MA Software	Leads: Qualification, Score
	Average Costs per Lead	Data Set, "AvgLead"	MA Software	AvgLead: Cost/EUR, Per-Product group, Industry, region
Budget	Planned Budget	Total in EUR	DM Plan 2019	
	Billed Costs	Total in EUR	DM Plan 2019	
Processes	Days per Work Process	Campaign: Set-Up	Project Plan (WBS)	
		Goal/Persona Definition		
		Content creation/adjustment		
		Journey: Set-Up		
		Monitoring, Optimization, Reporting		

Fig. 32.6 KPIs of the digital marketing department

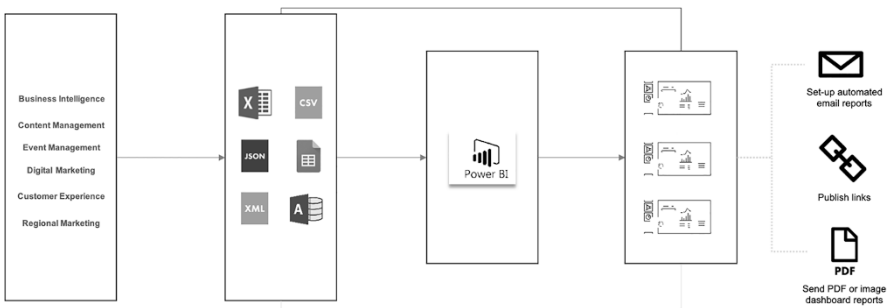


Fig. 32.7 Data integration flow for KPI reporting and accessibility

Some Feedback from the Organization

“I am so thoroughly impressed with the development of the marketing department. The added transparency on all the activities—we can precisely see now where we have to shift our focus. This is setting the standard for the whole group” the sales manager of Germany expressed at the annual meeting in Berlin. “Before I was looking for anything at least resembling a strategy with the torchlight,” he concluded.

32.3.2.6 Increasing the Reputation of Marketing

The increased efficiency and performance of marketing did not go unnoticed. Soon marketing was asked to cover more and more business projects, completely taking over the management of key stakeholders, resources, and interfaces. Marketing became a key driver for following strategic initiatives:

- Sales Partner Management⁴: Development and setup of a professional communication and marketing support channel for the vast sales partner network.
- Key Account Management: Implementing a KAM strategy to enable the organization to better create and utilize opportunities with key clients and thus sustain and grow the business.
- Learning Organization: A global capacity initiative to support and facilitate the organization's growth toward its current targets and beyond.
- New Formats: Development of a leading-edge interactive customer showroom, featuring the extensive product portfolio of the organization.
- New Sales Model: Conducting detailed feasibility studies on new and different business models that the organization might deploy in the future.

32.4 More for Less: The Results as the Bullets for the Proof

It is essential to understand that most of these steps outlined above ran in parallel to each other. Rick's focus was on significantly changing the marketing landscape within IHMB Engineering in the shortest amount of time.

The first steps of this turnaround process included several options. One was proposing to simply trim the organization and make several relative to the admitted shortcomings minute corrections. The favored and lastly chosen option was to form a complete re-engineering approach. This would create the best organizational design derived from best practices and take advantage of developments in information and communication technology.

The implemented changes were in every aspect of radical nature for IHMB Engineering. There were many aspects to be considered, most importantly, the need for the resources and backing of the top management to successfully revamp the IT architecture and develop the necessary in-house skill sets. However, all these necessitated measures accumulated in the following results.

- Over 34% reduction of headcount (streamlined structures).
- Fifty-five percent of average discounts with media purchasing (synergies, purchasing power).
- Thirty-nine percent below defined budget (internal competencies, instead of external agencies).
- Forty-two percent decrease of bounce rate (revamping of analytics).
- Thirty-nine percent increase in average session duration (personalized content).
- Thirty-five thousand and hundred percent increase in online inquiries/leads (marketing automation, campaigning).

⁴See article by K. Goelles/U. Seebacher on effective sales partner management.

By all measures the IHMB Engineering marketing department managed to do to “more for less.” This case study focused on the major steps of this turnaround process.

The management of IHMB Engineering was delighted with the results and gave consistently positive feedback during the turnaround phase. These changes had a profound effect on the marketing department, as well. Each member felt empowered, able to focus on his or her respective areas, and felt energized and motivated again. The intercompany relationships have gotten better substantially as well, by offering value-adding solutions to the organization. As a result of increased focus on digital activities, marketing intelligence, proactive and modern communication, and tight co-operation with sales, the company was able to record significantly higher qualified sales leads compared to the same period last year. Marketing intelligence in particular is now considered a crucial part of the continued success in all the served markets, enabling faster and better decision-making.

Rick is not done yet and still pursues his ever-evolving vision for the marketing department and its future role within the organization. During this whole process, he had to sometimes fight an uphill battle, but in the end, his results speak for themselves.

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Uwe Seebacher is internationally known as a methodologist and his work is also the basis for the Template-based Management (TBM) approach, which was first published in 2003 and continues to shape corporate practice today.

Seebacher is the editor of standard works in the field of management development, organizational development and marketing but also the world's first book on the subject of predictive intelligence.

Part IV
Closing

What Did This Guidebook Present, and Where Does It Go from Here?

33

Uwe G. Seebacher



It was our common goal to summarize the current state of knowledge in B2B marketing in an aggregated and clearly structured way in this publication. It was our intention to create a compilation for theory and practice, because B2B marketing is hard work day after day. Especially in the current times of massive change, not only in the economy, but especially in the area of industrial goods marketing, B2B marketers are faced with enormous opportunities but also challenges. Above all, it is also about the responsibility of B2B marketers in relation to the companies they work for. It is up to B2B marketers alone to draw attention to the enormous possibilities of modern and well structured marketing in the industrial sector. As experts in this field, it can only be the responsibility of B2B marketers to carry this information into the organizations. However, this will and can only be successful in the long term if this change process is implemented in a gradual, professional, reflective, structured, and transparent manner.

In the following, the content of the book will be summarized once again in order to take up the essential points and put them in relation to each other.

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33.1 The Work

Joel Harrison from B2B Marketing in London put it beautifully to the point:

B2B marketing, as a discipline and industry, has come of age ... This vibrancy and dynamism mean that we all have to work harder to stay informed about the latest developments and what the best practice is - that's the only drawback!

It is up to each individual B2B marketer to seize the opportunity. Once again in life, everyone is the architect of his own fortune. In an unprecedented joint initiative in B2B marketing, some of the best and longest-serving experts in the field of applied industrial goods marketing have put their experiences, their insights, and their innovative, never before published concepts and models on paper and incorporated them into this book, in order to contribute to a sustainable positive and successful development. The result is a unique compilation of applied principles, concepts, and theories as well as tried and tested and refined instruments and methods. We have also not shied away from integrating case studies from the real world into this book in order to show vividly how modern B2B marketing can and must be implemented in daily practice. In the knowledge that by no means everything always runs perfectly and smoothly, these case studies are intended to give you the courage to do it yourself.

33.2 Part I: Applied Basics and Theories

The first four contributions discussed the current situation with regard to the strategic, personnel, process, and information technology aspects of an organization. Kleinemaß and Seebacher draw a picture of a completely changing external contingency situation in industrial goods marketing. This, in turn, will have to lead to necessary adjustments in the companies in the long term in order to be able to master the changing contingency situation. The Corporate Communication function must and will change significantly, not only in terms of content, but also organizationally. The requirements have simply changed. The Netflix industry is presenting large and sluggish companies with unprecedented challenges that seem easier and more manageable with the help of excellent B2B marketers.

In addition, the first part of the book provides an up-to-date overview of the conceptual ecosystem of modern B2B marketing. All currently important and standing terms are briefly described and related to each other.

The book is intended to be a companion for all those who want to take advantage of this opportunity for themselves and their companies. Therefore, the book must also aim at picking up everyone where they stand in terms of the maturity of B2B marketing but also in terms of their own knowledge and experience. Against this background, the publisher has developed a completely new marketing maturity model for modern industrial goods marketing and has derived, described, and presented it for the first time in this book. With the help of this model, top managers

and B2B marketers can get an idea of where their own B2B marketing is currently located. The entire book is structured along this virtual journey to B2B Marketing Excellence. The further back in each section of the book there is content, concepts, and models, the more it is recommended not to start with these topics, as they require a higher level of maturity and appropriate preparation.

In the last chapter of the first section, the increasingly important topic of marketing technology is examined. The current situation is critically discussed and insights for business management research and practice are derived. This chapter on the Martech Stack also provides B2B marketers with a previously unpublished model of the publisher for the conception and development of a sustainable MarTech infrastructure, so that they do not get lost in the jungle of increasingly available, supposed miracle cures in the field of the MarTech Stack. The first four chapters thus discuss the current situation with regard to the strategic, personnel, process, and information technology aspects of an organization and provide a lot of background information that will be very helpful in driving change processes in organizations.

33.3 Part II: Best Practice Concepts and Models

The second part of the book contains many, previously unpublished but well-proven models from renowned and experienced B2B marketers from companies of various industries, sizes, and regions. During the preparation of these concepts and models, special emphasis was placed on the valid and scientifically clean derivation of the approaches. Thus, these new and innovative models are explained and described in a comprehensible way to enable their application in practice in a simple and direct way.

33.3.1 Template-Based Marketing: From ABM to UX

Template-based marketing (TBM) has become firmly established since the beginning of this millennium since the publication of my book “Template-driven Consulting” (Springer 2003) from the field of external consulting in modern management (Seebacher 2020). Template-driven consulting has become the management approach of template-based marketing. Since then, TBM has found its way into all areas of entrepreneurial activity, as can be seen from the many different template-based concepts and models in B2B marketing that are presented in this book. Template-based action and management create enormous competitive advantages and cost-saving potentials. In addition, TBM also allows projects to be implemented stringently and much more quickly, as the TBM-based case studies by Gölles/Seebacher or Negovan/Seebacher or Strohmeier in this publication demonstrate.

The template-based B2B marketing strategy model from Cairns as well as the B2B marketing canvas from Trautmann are important basic building blocks for the conceptual preparation and planning of B2B marketing organizations. The

Marketing Canvas provides clarity, when you are at the beginning of a project and do not know where to start. You will learn to summarize the know-how of all experts in your team on just one page. While you do that you will recognize any knowledge gaps and can gather missing information step by step. When you are done, you have a great foundation for a go-to-market strategy and can systematically develop an action plan. The clear structure of the Marketing Canvas template will allow you to see and understand the big picture. But it also enables you to develop better ideas, because when we see all relevant key information simplified at one glance, we can easier grasp high-level connection between data, that would have remained hidden. During the Marketing Canvas process, you learn to look beyond your personal horizon. You will better understand the individual perspectives of your team members, this improves internal communication and reduces siloed information. Sales, marketing, and engineering teams often work separately and do not talk enough with each other. The Marketing Canvas brings them together again.

For completing and defining your strategy and your canvases you need to also consider the ever more important topic of branding—also and especially in B2B. Müllner and Ives share with you for the first time a lean B2B Branding Model. Every B2B business has a reputation, shaped by the perception of their customers and others being aware of the company. In a sense this can also be a brand. The difference being whether the organization is taking steps to actively manage this reputation, then we are talking about branding, or not. A professionally defined and smartly executed brand can function as the point of reference for all external as well as internal actions and activities in various departments across the company. Consistency in branding to generate trust and authenticity and the establishment as an industry expert and/or thought leader can positively influence the B2B customer journey and buying process.

Branding needs content as anyway the entire B2B Marketing is driven by Content Marketing and Story Telling. The content is elementary for every communication measure, is expanded daily and is subject to constant change. With today's content overload, it is becoming increasingly difficult to reach the target group. Even content that has worked well for many years is less and less accepted by the target group. Relevant content is King and also ensures top rankings in search engines. Mörk, therefore, introduces the Contingency Centric Content Management (CCCM) approach, which is based on behavioural psychology and belongs to the category of soft selling. Here it becomes clear that psychosocial benefits for customers can often have a greater relevance than factual-functional benefits. In the CCCM, the contingency factors are primarily from the legal, educational, and social fields. Thus, the content marketing strategy is effectively and sustainably supported in its core areas such as strengthening the brand and image, winning new customers, and customer loyalty.

In this direction also the works from Ender are heading. Content needs to be tied to the product and its customers, no generic recommendation fits every situation. B2B-Buyers are far less fact-driven than one might think. No market research investments are needed to better understand the customers if B2B Marketers always start from their customer's perspective: Ender states that this completely changes the

ideas you create for content. And an even better idea B2B Marketers will get applying the results and best practices from Halb and Seebacher in regard to User Experience and Touchpoint Management. Creating a unique buying experience has become a leading management objective not only for B2C, but also for B2B companies. In order to make B2B buying easier, organizations need to understand the decision makers path-to-purchase and identify the most significant challenges at touchpoint in each buying stage. To optimize the buying experience at each touchpoint, touchpoints need to be identified and analyzed from (potential) customer point of view. With the help of a B2B touchpoint evaluation tool, touchpoints can be analyzed in a structured way along the dimensions of touchpoint awareness, importance, quality, and impact on decision-making.

Against this background, Moseler is undertaking the attempt to uncover the fastly changing social media ecosystem as essential and ever more important touchpoints. B2C and B2B marketing are increasingly merging over time. This becomes very clear in the area of social media, where B2B decision makers are also private individuals at the same time. Information from private social media is increasingly used for their own business. Due to the large number of social media channels and the rapid trend changes within these, uncertainties arise for B2B marketers. B2C channels are therefore often avoided in the social media jungle and thus valuable potential lies fallow. Thanks to clever targeting, it is possible to address B2B customers in the familiar B2C environment via social media. It is important to recognize which B2C channels will develop future relevance for B2B and which forms of addressing customers in the B2B environment on which B2C platforms are the most sensible. Moseler draws a unique and critical picture of the current social media landscape and evaluates the relevance of the different social media for future B2B usage.

And all this can be done conventionally and manually or fast and effectively by taking advantage of the fastly growing ecosystem of MarTech solutions aiming at automating substantial parts of the B2B Marketing value chain. Therefore, the next focus is then put on the topic of marketing automation which will facilitate the cost- and time-effective deployment of developed marketing measures and strategies in combination with a sound brand management. Mrohs and Klaus are elaborating on this topic. Marketing Automation is an organizational framework and therefore a management issue, helping to change the customer interaction along the entire customer life cycle. Marketing Automation ensures more efficiency in customer processing, better cooperation between marketing and sales and the further professionalization of B2B marketing. But businesses need to prepare their staff and the organization for this new approach in addition to selecting the right software vendor. Romero-Palma in her paper describes how to compare, evaluate, and select the best solution for your company. Applying the results of Lutz presenting a proven “6 Steps in 6 Months” process will ensure that you take all relevant steps to lead the marketing automation implementation to a sustainable success.

Marketing Automation can substantially help along the entire B2B Marketing value chain. This means that right from the beginning marketing automation should be realized starting with the Digital Lead Capturing (DLC) as this can realize quick

wins for small money. Based on the works from Ringwald DLC should be understood as part of the lead management process and integrated into it. The introduction of a lead capturing solution affects the interface between marketing and sales and thus also represents a change management process. Close cooperation and mutual understanding of each other's processes are therefore the basic prerequisites for success. With digital lead capture, processes can be automated, and thus considerable time and cost savings can be realized. In order to display these cost savings correctly, it is important to examine the entire actual process completely, since in practice often only parts are considered.

Nolte and Caro are continuing the works on lead management and they consider leads as valuable, sales-supporting information with a short lifetime. With leads, more are sold permanently—but never faster. “If sold on a lead, it was up to the seller. If you don't sell on a lead, it's because of the lead.” Companies provide the agencies with their names and addresses, and the result is the beginning of a sales communication between the target customer and the salesperson. The customer who currently has no need is the customer of tomorrow. If budget is seen as the communication energy that a company wants to give to its target group, it also determines how much energy is received. Success factors for lead management are high lead acceptance in sales, clear lead transparency, and high lead quality. If these three factors are fulfilled, a high lead conversion can be expected. These factors also play a big part in the area of Bacon's chapter elaborating on the strategic Account-based Marketing in which he presents a framework for ABM.

A totally new perspective on SEO is described by Herten and Barrett as they provide a process model on how to switch from keywords to contextual frameworks. This also will help when starting to work with B2B Influencer Marketing and take it on the corporate level. Weinländer shares with us his experience within Siemens in regard to Corporate Influencing leveraging employees as brand ambassadors in social media. A one of a kind article is contributed by Horstmann very precisely describing what needs to be done in the area of digital marketing in China. Horstmann explains how B2B campaigns can successfully be expanded into the Chinese market. China's economy is booming and offers huge opportunities for Western B2B companies. It is important to analyze the basic cultural and technical characteristics of the Chinese market in advance and to take them into account in a locally adapted marketing and sales strategy. Digital channels such as WeChat and Baidu in particular also play a central role in B2B and are important factors for sustainable business success.

The second part of this book covers and leads you through all relevant topics for developing and deploying Predictive Profit Marketing (PPM) sustainably. I recommend that you always refer to the Marketing Maturity Model on assessing where you are on your way to B2B Marketing Excellence. Use the Marketing Readiness Assessment as a navigator for knowing what to do when.

33.4 Part III: Success Stories and Showcases

The last part of the book features specially selected real-world stories. Especially I would like to mention the great article by Prath letting us take a look behind the scenes of a hardcore SME B2B Marketing jump start. Prath summarizes his experience in the following three key messages.

- **Reconsider everything.** What was working out yesterday maybe will not be working out tomorrow. Which actions get you the best return on investment? Look out for new trends and possibilities that could help you reach your marketing (and sales) goals. How can you enable a (nearly) perfect customer journey?
- **Stay agile.** A marketing plan should be seen more as a guideline than as a non-adaptive plan. If there appear new opportunities during your marketing year, take them and adapt your plan. You never know what the future might have in hand for you and your company. Maybe suddenly a new, investor funded competitor appears or maybe a pandemic breaks out and shuts down the economy. Whatever might happen, you might not be prepared, but with the right mindset and agility, you can react quickly and properly.
- **Work closely with the sales department.** If you are already working closely with the sales department, work even closer. There is no real gap and no competitive struggle between marketing and sales anymore. At the end of the day, your goals are the same and both departments profit a lot from the knowledge of each other. Only teamwork makes the dream work.

Gruner then shows how a global big and “heavy” player is interpreting modern B2B Marketing and what it takes to realize this ever more important change of course to new waters. Romero-Palma then describes how marketing automation was deployed in a similar multinational environment. According to her, Marketing automation can serve as the docking station of other marketing technologies, therefore is potentially the foundation for building an efficient and sustainable MarTech stack. With the ever-complex MarTech landscape, now composed of nearly 8000 solutions, choosing the right marketing automation solution and implementing it can be a challenging endeavour in a B2B organization whereby cross-functional stakeholders are involved. The investment and implementation of marketing automation can be a trigger for internal alignment, digital transformation, and the redefinition of marketing’s role within the organization. In her article, you can accompany her on her journey to marketing automation.

This aspect is also at the core of the case study presented by Halb and Seebacher on User Experience and Touchpoint Management. Personal contact with sales representatives is still the most important touchpoints for industrial B2B buyers across all touchpoint dimensions and all buying phases. The key to touchpoint transparency is the combination of all available, internal and external, data sources to verify the touchpoint performance from all aspects. This means internal alignment and cooperation. A close collaboration between marketing and sales is of utmost

importance to be able to create unique experience along the industrial B2B path-to-purchase.

This also is in alignment with the results presented in Ermer's innogy success story. Ermer's work shows that today the customer decides when he gets which information from whom and from where (pull logic). Digitalization makes this possible and is also changing purchasing behaviour in the B2B sector of the energy industry. More than 80% of all purchase decision processes today begin with a search query on the Internet through the different touchpoints. Strategic lead management including lead nurturing has proven to be indispensable for the marketing of innovative solutions that require explanation and thus for efficient lead processing. In order to reach the relevant set of potential customers early on, it is necessary to analyze buying centres and buyer journeys. In this way, existing information needs on the customer side can be identified, which can be addressed at the right touchpoints with adequate content that has been attractively prepared by marketing. A well-functioning lead-nurturing programme must be developed and built by marketing and sales together rather than alone.

Also, a totally new perspective on how B2B Marketing can start driving sales and sales channels are describing Gölles and Seebacher in their article on Sales Channel Management in a mechanical engineering SME. Very hands-on this successful and sales-driven marketing case study is being described in a way enabling B2B Marketing Managers to easily realize a such project in their own organizations. B2B Marketing means data-driven marketing. Strohmeier, therefore, contributes results from a project aiming at establishing a "Central Business Intelligence" unit without external support. His showcase provides a narrative guidance on how to tackle that ever more important topic.

Kleinemaß and Negovan/Seebacher then round up this book. Both case studies are real success stories and must be considered as benchmark cases. Kleinemaß shows how effective marketing can support business in a measurable manner with many illustrations and tangible results. A light tower article for the B2B Marketing world rounding up this comprehensive book is for sure Negovan's story of Rick and Morty realizing a complete turnaround for a marketing organization within a global multinational business within 365 days. He tells the story of how Rick and Morty pulled off the impossible by totally changing the image of the B2B Marketing team from the "colouring-in" department to the spearhead of the organization. Negovan's story is a showcase on how to effectively profit from the B2B Marketing Maturity Model and how to best apply and deploy it. Another colourful showcase for next practice change management is Schultz's article on how to best realize and ensure sales and marketing alignment and excellence.

33.5 The Outlook

The future is yet to come. Finalizing this book means that some pits and pieces might be content from yesterday already. Change is the only constant in our lives. The aim of this book was to provide the marketing manager in the industrial goods sector with

current knowledge in a bundled form. Learning is like swimming against the current, because when you stop learning you drift away. We will therefore continue to take up, analyze, and critically validate current topics in order to be able to provide you all with even more concepts and models and new additional case studies in a new edition of this book as soon as possible. Because nothing is more important today than applied research and science in order to enable and ensure further development. It has to be our aim to eliminate the big differences in the B2B Marketing world. European B2B Marketing has to catch-up to protect the companies based in Europe. The time has come to act. On behalf of all authors, I hope that with this book we have provided you with a valuable sustainable tool to help you meet your responsibilities as a B2B marketer towards your companies.

In this sense I would like to thank all those who have contributed to the creation of this book. You can always contact us at [b2bmarketingguidebook\(a\)gmail.com](mailto:b2bmarketingguidebook@gmail.com) or you tune-in to our B2B Marketing Guidebook podcast at <https://anchor.fm/b2bmarketingguidebook>. I would like to wish you, our readers, all the best, both personally and professionally. Stay healthy and be grateful!

Prof. h.c. Uwe G. Seebacher holds a Ph.D. in economics and business administration. He is known worldwide for more than 35 published books, 80 keynotes, and the B2B Marketing Podcast heard in more than 60 countries. As a consultant, manager, and entrepreneur with over 25 years of professional experience, he has worked for renowned companies such as Allianz, Andritz, Banco Santander, BASF, Bayer, Commerzbank, DaimlerChrysler, Deloitte, European Union, Generali, Hilton, Intercontinental, Perot Systems, UBS, or even the Austrian Federal Economic Chamber.

Uwe Seebacher is internationally known as a methodologist and his work is also the basis for the Template-based Management (TBM) approach, which was first published in 2003 and continues to shape corporate practice today.

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