



How to Leverage Digital Marketing in B2B: A Study on Italian SMEs During the Covid-19 Outbreak

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Abstract. In this study, we analyze the digital marketing tools activated by SMEs operating in B2B during the Covid-19 outbreak in the first half of 2020. Before the health emergency, SMEs used social and digital media in a limited way as compared to traditional tools, such as printed material and client visits. In order to understand how the pandemic changed the digital marketing strategies adopted in B2B, we conducted a study on nine Italian SMEs. We collected semi-structured interviews with key informants belonging to companies operating in different sectors. Findings suggest new relational approaches and opportunities based on digital marketing and they discuss the main objectives of the main digital tools adopted during the initial phase of the Covid-19 pandemic.

Keywords: B2B · Covid-19 · Digital marketing · SMEs · Social media

1 Introduction

The Covid-19 pandemic has had dramatic effects on companies' and people's everyday lives due to the restrictions aimed at containing the virus that were implemented in most countries in the world. For example, the use of social media, which was already growing in recent years, has increased exponentially. According to an Ipsos research (2020), the time spent on social media by Italians surged by 70% during the first lockdown in March-May 2020 as compared to the previous year. Social media platforms are now considered a strategic asset of companies for various business purposes (Felix et al. 2017; Tafesse and Wien 2018). In the case of small and medium enterprises (SMEs), previous studies have shown that only a small portion of these companies adopt social media, mainly due to the lack of staff familiarity and technical skills to use such technologies (Michaelidou et al. 2011). However, it has been highlighted that social media can provide several benefits to SMEs, for instance they have a positive impact on financial performance, cost reduction on marketing and customer service, and they can improve customer relations and information accessibility (Ainin et al. 2015). So far, a few studies have analyzed social media adoption among SMEs (Odoom et al. 2017). Therefore, some scholars such as Wang et al. (2016) have highlighted the need to examine the developments of social

media marketing activities in SMEs operating in B2B. Moreover, as the pandemic is still ongoing, there is a lack of studies in marketing literature regarding the effects of Covid-19 on SMEs' adoption of social media in the B2B context. Hence, we conducted a qualitative research to analyze the role of social media in B2B marketing strategies of Italian SMEs during the first Covid-19 lockdown in 2020.

The remaining of this paper is structured as follows. In the next section, a literature review of the academic studies focused on the topic of digital marketing strategies of B2B companies provides the theoretical basis of this research. In Sect. 3, the research question and the method adopted for this study are presented. The findings of the research follow in Sect. 4. Finally, the discussion of the results and conclusions of the study conclude.

2 Literature Review

2.1 Digital Marketing in B2B

Traditionally, the B2B marketing approach considers the role of personal relationships and interactions to be key, especially between sales representatives, where contact between sales and customers is in fact the heart of an effective customer relationship management strategy (Bocconcelli et al. 2017). However, over time digital marketing strategies have also emerged in B2B, increasingly shifting the attention of professionals to online brand communities born with the purpose of sharing content (Huotari et al. 2015). The research conducted by Järvinen et al. (2012) highlights that B2B companies are aware of the potential of digital marketing to improve business results, but the lack of resources limits their ability to fully exploit them. Previously, researchers have mostly explored the identification of web-based applications, which can be traced back to multiple categories: wikis, blogs, social networks, public or private communities, content sharing websites, social tools, and virtual social networks (Ammirato et al. 2019; Lacka et al. 2020). Indeed, according to a recent research (Diba et al. 2019), B2B marketing professionals currently use popular digital platforms like Facebook and Instagram to launch a content network, then they switch to more B2B-oriented social media such as LinkedIn to share more specific content. Hence, social media and blogs are subject to a growing interest in B2B marketing, as they offer more personalized interactions between customers and suppliers, strengthening the relationship and allowing interaction between markets (Andersson and Wikstrom 2017).

The rapid growth of digital technologies has had a great impact on how, where and when B2B stakeholders interact for business purposes, offering the opportunity to contact and establish relationships between companies and stakeholders (Huotari et al. 2015). As Keinänen and Kuivalainen (2015) point out, there are many factors that influence the buyer behaviour in the B2B context, such as the marketing mix, the product, the price and distribution. In other words, according to Diba et al. (2019), the buying and selling processes for B2B firms have become less linear as customers seek and evaluate information and experiences on digital channels such as social media. At the same time, the number of stakeholders involved in these processes has also increased and, consequently, closing sales has become more complicated (Lingqvist et al. 2015). In this scenario, in order to develop a two-way and contextual communication, social media offer great opportunities to B2B companies.

2.2 Social Media Use Among SMEs

Traditionally, social media are more popular tools in B2C contexts where online communities are formed around a brand for the promotion of products or services (Katona and Sarvary 2014). However, as social media platforms have become increasingly important and widespread, also B2B online communities have started to grow. Among the benefits of social media for B2B companies, social media can contribute to reach sales purposes, improve the relationship with their customers, increase customer engagement or increase brand awareness among stakeholders (Agnihotri et al. 2016; Bocconcelli et al. 2017; Odoom et al. 2017; Karjaluoto et al. 2015). Some scholars (Iankova et al. 2019; Järvinen et al. 2012) have also highlighted that social media offer the possibility of communicating in real time with the target using different types of content, such as videos or images.

In the context of SMEs, social media can be advantageous as they can be adopted as tools for both external and internal communication (Meske and Stieglitz 2013). The low cost of social media and their ease of use without specific IT skills allows SMEs to integrate digital tools into their businesses (Alam 2009). For example, Wikstrom (2017) demonstrated the benefits of the LinkedIn adoption for B2B SMEs, as this social network allows to reach a large audience by taking part in specific forums to illustrate how products can solve certain needs.

Nowadays, we face the end of traditional B2B marketing due to the opening of further avenues to access product information and the critical role of content in the new digital environment (Gagnon 2014). An important change in B2B concerns the shift towards digital communication channels in customer decision making (Järvinen and Taiminen 2016). In this scenario, SMEs, which are traditionally slower in adopting technologies (Abou-Shouk et al. 2015), should take new paths by strengthening the adoption of social media in their marketing strategies. Furthermore, researchers such as Karimi and Naghibi (2015) focused on the fact that marketing strategies in SMEs are informal and unstructured as SMEs direct their attention to sales with the aim to survive.

3 Research Question and Method

The Covid-19 pandemic represents a disrupting event that has had major consequences at economic level, limiting business operations all over the world. The purpose of this paper is to investigate how the Covid-19 outbreak influenced the digital marketing strategies and social media use of SMEs operating in B2B. Consequently, we pose the following research question:

RQ: how did smes operating in b2b leverage their digital marketing strategies during the Covid-19 outbreak?

We tried to answer our research question by carrying out a qualitative analysis. Indeed, some studies on this topic (Wang et al. 2016) have adopted a qualitative approach because it allows researchers to go deeper into the topic to gather information about companies' motivations and strategies.

Specifically, we conducted nine semi-structured interviews with key-informants from firms belonging to diversified sectors in order to increase study generalizability, as

cross-sectional studies allow researchers to obtain a richer picture of the considered phenomenon (Corsaro 2020; Jarvi et al. 2018). The requirement for the key-informants' involvement in our analysis (see Table 1) is to have an extensive professional experience in the marketing and communication areas of SMEs operating in B2B.

Table 1. Interviewed key-informants

Company	Sector	Business role of key-informants
Company A	Electronics	Social media manager
Company B	Luxury cutlery	Marketing manager
Company C	Electronics	Marketing and business development manager
Company D	Computer technology	Marketing and communication manager
Company E	Bottle caps	Partner and commercial director
Company F	Home installations	CEO
Company G	Luxury furniture	CEO
Company H	Personal protective equipment	Country Manager
Company I	Personal protective equipment	General Manager

We opted for semi-structured interviews as the advantages of this method lie in the ability to extrapolate deeper insights and the possibility for key-informants to narrate their concrete experiences in a spontaneous way, contextualized to the initial period of the Covid-19 pandemic.

With the aim of collecting data, the key-informants were contacted individually both via online platforms and by telephone. The semi-structured interviews were conducted between the months of April and October 2020, with an average duration of one hour each. After receiving the key-informants' permissions, the interviews were recorded and transcribed. The purpose of the interviews is twofold: (1) to identify the evolution of SMEs' digital marketing strategies during the Covid-19 outbreak, and (2) to investigate the use of social media by SMEs to counter physical restrictions.

4 Findings

4.1 Digital Marketing Strategies During Covid-19 Era

Interviews focused on the influence of the pandemic on the digital marketing strategies of B2B SMEs, and their online and offline activities in general. Key informants declared that before the pandemic their companies used to rely on traditional tools such as printed materials (i.e. brochures, leaflets), client visits, and trade fairs to showcase their products and meet potential clients. Most companies had implemented digital channels and social media, but in a limited way as there was not a specific role in the company specialized in such tools, or because of lack of time. Another barrier that was reported concerned age, since most roles in SMEs might not be as young as most social media users.

A common theme emerged concerns the fact that, while on the one hand the lockdown limited many activities including shutdown of factories and points of sale, on the other hand it gave the opportunity to assess the company's internal value. The push towards the recovery of previous projects, the reinforcement of digital skills and new relational skills led firms to update their marketing strategy and tactics. Indeed, digital channels became essential to maintain contact with stakeholders in various ways. For some interviewed companies, the Covid-19 emergency represented an opportunity to implement specific digital content for the first time. Previous communication material like product brochures which used to be printed were adapted to digital formats or new versions were created.

In B2B, the relational dimension is considered central for SMEs as these companies are traditionally slower in the adoption of technologies (Abou-Shouk et al. 2015), both for a reputational objective and sales purposes. Since the restrictions imposed by the lockdown slowed down the physical contact, and above all the possibility of physical meetings, a shift was necessary. Starting from March 2020 lockdown, Italian SMEs replaced physical meetings mainly with videocalls and webinars. Videocalls were used to contact existing and potential clients to provide information and support. Then periodical webinars were organized aiming at reinforcing relationships, increasing loyalty, and pursuing engagement objectives. Furthermore, webinars were useful for product training purposes.

Among other digital tools implemented, some of the interviewed companies decided to create newsletters both for maintaining relationships and to provide news about the company. Other SMEs developed a corporate blog on their website to publish updates regarding their company and the sector in which they operate.

4.2 SMEs' Adoption of Social Media During Covid-19

Our research highlights that before the health crisis social media platforms were used to share content which were developed for other digital channels, especially the above mentioned websites and blogs. However, the Covid-19 pandemic pushed firms to create specific content to post on social media. Due to physical movement restrictions, SMEs increased their use of social media to provide information to their clients and show their presence and availability. Webinars shared on social media received a positive feedback from clients and increased brand awareness.

Another advantage of social media concerns personalization. For instance, Company A was able to test additional LinkedIn functions to better target content and generate awareness among partners and customers. Company H stressed the opportunity to personalize content thanks to social media analytics, however the key informant stressed that this should be integrated with sponsored content on social media and search engines in order to increase reach.

The sector in which companies operate affects their choice of the platform, the tone of voice of the contents and the objectives to be achieved. In particular, our research reported four main social media platforms managed by SMEs, i.e. LinkedIn, Facebook, Instagram and YouTube, as they represent the key channels to convey B2B online content. Among our sample, companies are present equally on LinkedIn and Facebook, followed by Instagram and YouTube. LinkedIn is recognized as the main channel for SMEs' B2B activities, in which companies take advantage of the opportunities to build and expand

the target of contents through extra features such as LinkedIn Sales Navigator. Hashtags and groups allow to monitor industry trends and competitors' activities, and to share it both internally and as an input for new content.

Regarding the role played by Facebook, the majority of key informants expressed different opinions, especially since the company sector strongly determines the target audience. For example, the platform turns out to be a simple "showcase" especially for companies that present highly technical content and for this reason it followed a similar content strategy to LinkedIn.

As for Instagram, also in this case the benefits of the social media use and its actual role are perceived to be different. Instagram seems to be more effective for those companies whose products' aesthetic and design dimensions can be conveyed through images and video, e.g. luxury sector. For most interviewed companies, Instagram use in B2B is quite limited, although key informants recognized the potential of the platform. In Table 2 we summarize the main digital tools activated during the Covid-19 outbreak and their objectives.

Table 2. Main digital tools and respective objectives used by SMEs during the Covid-19 outbreak

Digital tools	Objectives
Brochures/leaflets	<ul style="list-style-type: none"> • To provide product information • To increase sales
Webinars	<ul style="list-style-type: none"> • To reinforce business relationships • To increase loyalty • To increase engagement • To deliver product training
Videocalls	<ul style="list-style-type: none"> • To provide information and assistance • To maintain business relationships
Blogs	<ul style="list-style-type: none"> • To publish news and updates regarding the company and sector
Newsletter	<ul style="list-style-type: none"> • To provide news and updates regarding the company • To maintain business relationships
Social media	<ul style="list-style-type: none"> • To increase brand awareness • To provide information and assistance • To increase sales • To share content from other digital tools • To create more personalized content

5 Discussion and Conclusion

The study confirms previous research regarding the slow adoption of digital tools among B2B companies (Järvinen et al. 2012). However, the Covid-19 pandemic led firms to a substantial increase of social and digital media adoption, whose effects are perceived as not reversible. As in Michaelidou et al.'s (2011) study, most interviewed managers

expected the budget dedicated to online tools to overtake offline tools in the next few years.

The Covid-19 has offered SMEs with the opportunity to strengthen digital skills, which previously were not central in their marketing activities. Thanks to digital technologies, SMEs operating in B2B can activate faster and more direct communications, which are less dependent on face to face interactions (Obal and Lancioni 2013) and allow higher levels of personalization (Itani et al. 2017). As compared to larger firms, SMEs usually lack resources to invest in costlier tools such TV or print advertising. On the one hand, digital tools and social media usually require lower investments, therefore they could meet SMEs' budget constraints. On the other hand, as our study suggests, more investments—also in terms of time—should be devolved to train professionals and develop a specific B2B digital marketing strategy.

Findings of this research show that B2B SMEs should increase the use of digital tools and social media, as they represent an opportunity to achieve different marketing objectives from sales to brand awareness and customer engagement (Agnihotri et al. 2016; Bocconcelli et al. 2017; Karjaluoto et al. 2015). Furthermore, the Covid-19 outbreak gave a strong boost to the evolution of marketing strategies, making digital channels more central for companies operating in B2B to maintain and reinforce business relationships. Nevertheless, even in the post-Covid-19 era traditional marketing and communication tools will not be completely replaced by digital media, therefore an effective integration should be implemented.

In conclusion, this study provides evidence on the benefits of digital and social media adoption among SMEs. However, it suffers from some limitations. As the interviews were conducted in the same geographical area, i.e. Italy, research findings might not be generalizable. Furthermore, this qualitative research did not consider the perspective of B2B SMEs' buyers. Future research could deepen their point of view also by adopting quantitative methodologies in order to investigate the perception of buyers as well as effects in sales and engagement generated by the contents shared on social media by SMEs.

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