

Business Marketing Face to Face

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The Theory and Practice of B2B Marketing

Chris Fill & Scot McKee

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Design and setting by P.K. McBride

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An Introduction to Business Marketing

Overview

This chapter explores some of the principal characteristics used to define business markets and marketing. It establishes the key elements of business-to-business (B2B) marketing and makes comparisons with the better-known business-to-consumer (B2C) sector. This leads to a consideration of appropriate definitions, parameters and direction for the book.

After setting out the main types of organisations that operate in the B2B sector and categorising the goods and services that they buy or sell, the chapter introduces ideas about the business marketing mix, perceived value, supply chains, interorganisational relationships and relationship marketing.

This opening chapter lays down the vital foundations and key principles which are subsequently developed in the book.

Aims and objectives

The aim of this chapter is to introduce and explore the characteristics and dimensions of business-to-business marketing.

The objectives of this chapter are to enable readers to:

- 1 Consider the nature, scope and characteristics of business markets.
- 2 Identify the different types of organisational customers
- 3 Categorise the goods and services that are sold and bought in the sector.
- 4 Explore the characteristics of B2B marketing.
- 5 Describe the perceived value and supply chain concepts.
- 6 Explain the importance of relationships in B2B marketing.

A Slice of Life – Bare Essentials

Finance companies lend money to businesses. This particular company lent money to small businesses and large corporates and every business in-between. Sometimes the money was lent directly to the business, but the primary lending channel was via an intermediary – a broker or financial advisor. So the market was broad and the channels were multiple. In every single case, the company was competing with larger, more visible high street banks. If your business needed to borrow money, you would likely make the initial decision of which lender to use based on the answer to the question: 'what's the interest rate?' Why would you pay more than you had to for your borrowing? But my client couldn't compete against the banks based on price alone – it would lose – so when the company approached me to assist with their channel marketing programme, I advised them that they had no choice but to compete on personality, in other words, using the company brand.

Unfortunately, there was no compelling reason to select this particular company and no indication that the customer experience would be anything other than... ordinary.

So the objective was to get noticed. To make the brand stand out from the crowd, to develop awareness and differentiation thereby creating the alternative to high street lenders for internal and external channels. The brand existed, but it was time to reposition it and reintroduce it to three very distinct audience types:

- Introducers – professional finance advisors (predominantly accountants and brokers) providing independent business advice and solutions to support the cashflow and financial stability of clients.
- Clients and prospects – Over 600 clients predominantly within the SME category. Growth companies were the preferred targets and managing directors/financial directors and owners/managers were the targeted audiences.
- Internal staff – C level, managers, and staff – the people who lived, breathed and needed to feel proud and engaged with the brand every day.

Through a combination of discussion, research and workshops, we refined the proposition. Those seeking finance would always have the option of the high street lenders, but, there were many prospective clients who would not readily embrace the one size fits all generic approach of the banks. Those potential clients had to be told that there was an alternative. They had the choice of the banks, or something different.

To achieve the agreed objective of 'get noticed', communications featuring images of corporate handshakes and pinstriped suits were clearly not going