

## Enough of the recession! Build now for the future in BtB marketing.

### EIGHT CUSTOMER OBSERVATIONS WE MUST USE TO REBUILD FOR NOW AND THE FUTURE (PART 1)

Even my sister's children in the UK say "we are now in a recession." That may not be a surprise if they were adolescents but they are both less than ten years old. To some that argues that adults have been in denial for a long time and children are very open to tell the truth when they see it happen. It certainly took the US government over a year to acknowledge that we were in a recession. The essence here is that if it takes a year or so to flag an economic downturn and a quarter or two for our marketing to react, then we need to think now about the upturn. To build for that and take advantage of riding that wave might take as long, so we cannot afford for our marketing to be that slow to react to the upside as for many of us it is in the downturn.

History teaches us a lot about the rebound; however there are important issues going forward that should mould the way we structure and deliver marketing. In the late 1980's we saw an explosion in business to business print after the recession. In 2002 online reach became the new mantra while print, once booming in its late age in the 1990's, started to show a marked decline in equity amongst advertisers and in marketing communications plans. The downturns did not cause these shifts; they added significant momentum and were the tipping points that changed the fundamental shapes of the marketing landscape. Sure, many brands continued to evolve with the flow, but the ones that truly leveraged and prospered were re-structuring





around these principles before the recession was even one third through. That argues that now is the time to look forward. Ask yourself if you are spending as much time thinking forward as handling the past.

We have been tracking for the last seven years the evolving consumption patterns of media, mediums for communications and shifting content needs of BtB influencers across the world with over 100,000 detailed interviews on consumption patterns. Our view is that our view does not matter. Too much time is spent listening and watching crystal balls. Customers have already told us where the future lies. The business guru Peter Drucker always argued that the future is already written; the question remained how we got there. Customers and not media gurus are already telling us how to get there. The ideas and feedback from customers you can see comes from research conducted in the very later part of 2008 across the globe - 12 countries and 30,000+ interviews

with business or consumer technology buyers from the US to EMEA, BRIC, Latin America and other key APAC markets.

#### LEARN FROM EVERYWHERE - IT IS NO LONGER US RULES OUTWARD

- FACTOID: For example, IT forums and blogs had outstripped search for impact in a number of non-US markets nearly two years ago (PRC, some LA segments and in key EMEA segments). Now we have seen the same in the US in similar segments.
- ASSESSMENT: Learn now from the non-US markets, as especially in some forms of new media the consumers there are years ahead of the US.
- STRUCTURAL NEEDS: Get constant in-market feedback from outside the US about what is working and think about bringing it here.



## CONTENT IS NEAR EVERYTHING - ARE YOU INVESTING ENOUGH IN IT?

- FACTOID: On average influencers are consuming over 4 types of content during the purchase cycle in the US and sometimes as many as 8 in non-US markets. Less than one third of this is wanted from the brand directly. The ratio of real impact (impact + right content) has doubled in the last year, meaning if you do not get the right content in the right place you are now (since Q4 2008) less than half as likely to get the full effect compared to last year.
- ASSESSMENT: Content is as important as reach in most influencer's minds. We do think brands are investing enough for the recovery in content pools - stuff we build, stuff we rent or buy or find ourselves marketing around.

- STRUCTURAL NEEDS: We have to start creating significant investments in content ownership or management teams. Not messaging work, but resources to deliver information to the customers or influencers around. This needs different skill sets and metrics.

## MIX IS EVERYTHING - SNACKED AND NOT OVER DONE

- FACTOID: On average consumers of technology products and even their business to business peers consume on average 6 or more different varieties of media and/or sales vehicles before they make the decision.
- ASSESSMENT: Are you doing enough of a mix or have you locked into your favorite? Less of each type you select and more mixing is critical going forward as there is no golden fleece.



– STRUCTURAL NEEDS: We need to think about optimal frequencies and how they change for each activity set. In the old world we scaled to the point of incremental failure. The new world order will require very precise cadence controls to be used for each set of activities. Please start thinking that way now as limited budgets will sometimes squeeze out the sets of choices customers need.

**DIRECT: IT HAS A VERY DIFFERENT FUTURE THAN ITS RECENT PAST. IT HINTS AT THE NEED FOR BREAKING DOWN SILOS**

– FACTOID: The volume of impact for direct communications has remained very stable since the recession has started. The shift in impact appears to be more towards the later stages of the purchase process (a global trend).

We have to think more about how to get influencers to sign on and up for it versus carpet bombing it

– ASSESSMENT: Find the best types of marketing that lead to direct communications sign-up and make sure we are constantly thinking across silos. For example, to get a C-Suite target to use a direct mail piece in the critical consideration phase may require them signing up for one after seeing a banner or receiving information from sales or an analyst.

– STRUCTURAL NEEDS: Build collectives of activities and make sure everything is tied together in a journey map versus a set of silo activities. This means your staff needs to be rewarded as much as for the nature and speed of cooperation as reach.

## Enough of the recession! Build now for the future in BtB marketing.

### EIGHT CUSTOMER OBSERVATIONS WE MUST USE TO REBUILD FOR NOW AND THE FUTURE (PART 2)

We will continue Part Two of this Blog Thu Jan 29 where we will look at remaining observations touching on social media, print and portfolio management to name a few.

In Part two of this blog we continue with the remaining 4 observations from Tuesday.

#### SOCIAL MEDIA - IT MATTERS MORE THAN SEARCH TO SOME KEY GROUPS

- FACTOID: There are just too many to show here, but as a category it is about 25% more impactful than it was last year for nearly every target, geography and situation

around the globe. Content needs have bloomed (from about 5 different types to now over 7).

- ASSESSMENT: If you are not significantly scaling activities here then you will have missed the boat. It will not replace everything but this time next year you should be spending at least 15% of your time, energy and resources here.
- STRUCTURAL NEEDS: This is a complex set of marketing tools that most big agencies struggle to deliver on so





find the right, often smaller, suppliers who can integrate well with your internal and external teams.

#### PRINT JUST WORKS VERY DIFFERENTLY

- FACTOID: the relative impact of print has remained far more constant than the economics of publishers. This has been true in nearly all of the 500 or more segments we measure this in around the world and held in the Q4 2008 tracking. The issue is the shift to richer PR-like content.
- ASSESSMENT: Do not abandon print as fast as we have been, but instead re-leverage the investment towards PR and content-based activities.

#### MARKETING IS ABOUT PORTFOLIO MANAGEMENT IN DECISIONS - CHANGE YOUR LANGUAGE NOW. EDUCATE YOUR NEXT GENERATION STAFF

- FACTOID: The average number of content combinations and vehicle choices to drive a business influencer to make the decision your way has grown nearly 30% in less than a year. We cannot escape this new world that will get even richer in user choices, so build for it now by changing the language to one of a portfolio manager.
- ASSESSMENT: We cannot change for the future without a change in language. Sure, ROI is now everything. However, it always has been. We have to make sure we educate our next generation leaders about the need to manage portfolios.



– STRUCTURAL NEEDS: In a recession education is often cheaper and more effective than in a boom uptick. Invest at least five hours a week on how to make portfolio trade-off decisions.

– ASSESSMENT: Start measuring differently. Start measuring journeys with your marketing efforts not just single cause-and-effect.

– STRUCTURAL NEEDS: Break the R squared assessment model and start drawing journeys (email us for some examples).

#### METRICS - SNACKS AND NIBBLES AND NOT JUST A HUGE SLAB OF MEAT

– FACTOID: Share of voice, clicks is all the same. Influencers do not think about reach. Instead they think about relevance (content + relative impact + likely actions afterwards). We need to move to journey management metrics and not silos of self justified metrics. Influencers increasingly (even since late 2007) see information gathering as a journey, whether it is somebody buying a laptop in PRC in 3 days, or a CIO influencing a complex purchase over 75 days.

These are all happening now in the way business to business purchasers consume information. You may well have ignored some of them, but history shows us the recovery from a recession offers a fresh impetus to marketing suppliers, and more importantly, brands to shift transfers of assets and activities to a new world of balance. Sure we can get there once it happens, but the costs of labor and other resources become hyper-inflated. Early re-adjustments now will probably save you about 20% - 30% in costs and time when we



are back in full swing, so now is the time to plan for a more optimistic future.

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