

Building a powerful B2B brand



SOME COMMON MISCONCEPTIONS

The words 'B2B' and 'branding' don't always sit easily together. In a recent straw poll of Circle's clients we found that one of the biggest brand related challenges faced by B2B marketers was gaining internal acceptance of the concept. So before we look at beginning the brand building process in earnest here are the four most common objections (and some useful counters) likely to be raised at the outset.

1. Branding is a vague and fluffy concept

On this count I have to accept that branding, or rather the proponents of branding are guilty as charged. It seems that there's an army of consultants whose goal is to shroud the concept in mystery through complex proprietary models and trademarked systems like 'Brand Chakras' (No joke - JWT claim this is a "*strategic planning tool for brand development based on a 2,000 year-old system from the Indian Upanishads*"). For branding to be accepted however, it needs to be demystified. So let me expose the magicians' secret. Branding is simply the promise that an organisation makes about what it will deliver and the manner in which it will do so.

2. Branding is a logo

Once the idea of building a brand is accepted in principle the second hurdle to overcome is the commonly held belief that a brand consists only of a logo. This is of course an important aspect of a brand, but it is simply the visual expression; the tip of the iceberg. Below the waterline lies the substance of a brand which comprises three promises:

- This is what we stand for as an organisation
- This is how we will behave in our dealings with you
- These are the benefits (tangible and intangible) of working with us

3. Branding is the preserve of FMCG organisations

Every organisation - big or small, private or public sector, B2B or B2C - makes these promises. They may not have actively constructed a brand or articulated the essence of this brand, but the brand is manifested and experienced at every stakeholder touch point. So like it or not, your organisation already has a brand. What sets the owners of a strong brand apart is that they realise this and actively manage their brand. Surely it's better to take control of your destiny than to leave it to fate.

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4. Branding is expensive

Branding has been tainted by a small number of high profile, ill-conceived and inordinately expensive disasters. Take Royal Mail's re-branding as Consignia. A classic example of a re-branding programme that appears to have been based on poor quality or non-existent customer insight.

Consignia aside, if done well branding can play a major role in creating value for B2B organisations. A strong brand can ensure your organisation is:

- Seen as a 'must have' on any shortlist
- Invited into discussions with potential customers (rather than fighting for leads)
- Seen as the 'safe choice' particularly in complex or high risk decisions
- More difficult for competitors to displace
- Able to charge, and justify, a price premium
- Able to attract and retain the best people

THE SEVEN HALLMARKS OF A STRONG B2B BRAND

So much for the some of the misconceptions. Let's move on to look at the seven hallmarks of a strong B2B brand.

1. Its promise must be relevant to a real need

A brand can only be successful if it is able to offer a clear benefit which is of value to the customer and other stakeholders. Take for example arguably one of the strongest B2B brands Accenture whose promise is 'High performance. Delivered'. Three short words that sum up a CEO's ultimate goal and make Accenture instantly relevant to any senior decision maker.

2. Its promise must appeal to the rational and the emotional

In B2B markets the decision making process is typically more rational than in consumer markets. It has to be. B2B purchases are often high value and the decision process is scrutinised by others. But let's not forget that organisations don't sell to organisations. People sell to people. And people are emotional beings. This means that a strong brand ticks all the rational boxes but also offers an emotional benefit such as the kudos associated working with a prestigious organisation. This rule applies even in the most unlikely of B2B product categories (see box overleaf).

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3. Its promise must be unique

Having a relevant promise is not enough; it has to set a brand apart from the competition and provide it with ownership of a particular space in the buyer's mind. Otherwise you become a commodity supplier.

4. Its promise must be clearly and consistently articulated

It's no use having a relevant promise if it's not expressed in a manner where the benefit is clear. Worse still, if the promise is communicated inconsistently this breeds confusion and mistrust.

5. Its promise must be delivered; always

Organisations with a strong brand have people who are passionate about and live the promise in every aspect of what they do. And that's not just customer facing staff but all staff – from the shop floor to the boardroom. If this isn't the case then the promise becomes empty. For this reason HR should be closely aligned with marketing.

The emotional elements of a B2B brand

It's long been accepted in FMCG marketing that much of a brand's appeal is emotional. Take for example the catastrophic launch of 'New Coke'. In response to Pepsi's increasing market share, Coke spent two years secretly developing a new formula which consistently beat Pepsi in blind taste tests. Then in April 1985 'New Coke' was launched with great fanfare. But the result was disastrous. There was public outcry that Coke had tampered with something so quintessentially American. Consumers began hoarding 'Old Coke' and a black market in 'Old Coke' even developed. There was a consumer revolt. So three short months later and at great expense, 'New Coke' was pulled from the shelves with Coke's President Donald Keough admitting they "*did not understand the deep emotions of so many of our customers for Coca-Cola*".

Like their consumer counterparts, B2B marketers are coming to realise that their brands too can have emotional as well as practical appeal. Let me give an example from perhaps one of the most unlikely product areas; forklift trucks.

In a market characterised by over capacity in supply, strong price competition and similar technical design characteristics, a manufacturer's brand offers a potential point of differentiation. To capitalise on this Circle's Beth Pearson designed a research programme to get to the heart of what different forklift brands meant to their users. Following a series of focus groups, in depth interviews and workplace observations it soon became clear that there was a strong emotional attachment to certain brands. "*Of course there were various practical considerations such as safety, lifting power and manoeuvrability that came into play when selecting a vehicle*" says Pearson "*but it soon became clear when watching and interacting with users of certain brands that they were fiercely proud of their truck. Why? It transpired that in using a particular brand the driver transferred the values associated with that brand such as strength, tradition and an affinity with the working man to himself. It was an expression of who he wanted to be so using the brand boosted their self esteem*".

So even in the most commoditised of markets or most functional areas of decision making, brand differentiation can be achieved at an emotional level.

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6. It is in a state of constant evolution

The strongest brands never stand still. They must evolve to ensure that the promise continues to be relevant in a changing and increasingly competitive world.

7. Its promise must be based on a deep understanding of the customer and competitors

A brand can't be relevant, appealing and unique unless there is a clear understanding of what this actually means. The owner of a strong brand doesn't view research insights as a luxury or afterthought. They're an essential element to understanding the brand, developing the brand and measuring brand health.

FIVE STEPS TO A STRONG BRAND

So how does one go about building a strong brand? This process has many parallels to preparing a meal. First we need to gather the raw ingredients – the deep understanding of customers and the competition. Next, these ingredients need to be combined according to the recipe – this understanding is translated into a relevant, attractive and unique promise which bears the hallmark of a strong brand. Finally the meal should be served and presented in an appealing manner – the promise needs to be clearly articulated and communicated.

The best chefs of course use only the best ingredients. They know that without solid foundations, no amount of preparation or presentational skills can make a dish taste good. The same holds true when building a brand. Without customer and competitor insights, building a strong brand is simply not possible. Here then is an abbreviated five step guide to building an insight led brand.

1. Assess the competition

First scan the competitive landscape to identify areas of white space that your brand could potentially occupy. Gather every piece of information you can about your competitors and dissect it to reveal their chosen brand promise. Scour their websites and annual reports. Pore over their marketing materials. Speak with colleagues who may have previously worked for them and, if possible, experience their brand directly.

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2. Audit your own promise

Your own organisation must then be subjected to the same scrutiny. Review your marketing materials, brainstorm with your colleagues (not just in marketing but throughout the organisation) and even mystery shop your own organisation's service. Then ask yourself:

- If we were to sum up our promise as it stands, what would it be?
- How, if at all, does this promise differ to our competitors?
- Which touch points do we use to communicate the promise?
- How consistently do we communicate the promise?

3. Determine the ideal and assess the gap between vision and reality

That's enough navel gazing. Now we need to speak with some real life customers to determine what the ideal brand promise should be and how close different brands come to delivering this.

If possible use an objective third party to interview customers in depth to answer questions such as:

- What are the core goals your product or service satisfies?
- What are customer needs and wants in relation to your product or service area?
- What are the one or two factors that would make a partner in this area outstanding?
- What are their perceptions of yours and competing organisations?
- How would they summarise the brand promises of these organisations?
- Given carte blanche, what would they like your brand promise to be?

The Top 10 B2B Superbrands

The Business Superbrands league follows a two step process to identify the strongest B2B brands. First, 1,500 business professionals are surveyed to generate a shortlist of respected brands. These contenders are then assessed by a judging panel according to three criteria:

- Does the brand represent quality products and services?
- Is the brand well known in its sector and suitably differentiated from its competitors?
- Can you trust the brand to deliver consistently against its promises and maintain standards across all customer touch points?

The top 500 brands are then awarded 'Business Superbrand' status with 2008's top 10 as follows:

- Google
- Microsoft
- BP
- BBC Worldwide
- Glaxosmithkline
- Rolls Royce Group
- Financial Times
- British Airways
- Fedex Express
- Hertz

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4. Live the brand

Now you have all the ingredients in place, mix them all together to create a brand promise which will resonate with customers and position you uniquely. Then turn a promise into a reality by mobilising your organisation behind the vision. Share it with them and get them enthused by it. Most importantly, give them the tools and incentives to deliver it. Only then should external communications begin.

5. Measure and respond

Successful B2B companies regularly monitor the health of their brands. They view brand health in much the same way as other key financial and operational performance indicators (KPIs) and have developed metrics as a means of monitoring performance. But they do more than monitor; they use insights to ensure that the brand remains relevant, compelling and differentiated.



About the author

Andrew Dalglish has specialised in B2B research for close to a decade. Over this time he has helped inform the thinking of clients such as Ericsson and Fujitsu across a diverse range of business issues including brand positioning, product development and customer satisfaction.

Andrew holds an Honours degree in Psychology from Aberdeen University, an MSc in Marketing from Strathclyde University and the MRS Diploma. He is a member of the Market Research Society and ESOMAR and a regular contributor to leading industry publications such as B2B Marketing Magazine.