

Visit our website <https://www.circle-research.com> to find out more

B2B Marketing Communications and Advertising Research



IN SUMMARY

This paper on B2B marketing communications and advertising research explores how to maximise the ROI on marketing investments. It covers how to:

- Identify marketing channels and messages most likely to cut through
- Optimise the creative execution pre-launch
- Measure campaign impact post-launch
- Create a feedback loop so that future campaigns bene it

Introduction

What percentage of your marcomms spend falls into each of the following categories?

1. High impact
2. Some, but a sub-optimal impact
3. Limited or no impact
4. Negative impact

If you're like most B2B marketers you might have a gut feel, but little certainty. And let's be realistic, having complete certainty about the impact of marcomms is close to impossible:



15%
share of B2B marketing
budgets allocated to
trade events¹

- It's tough to create a 'controlled' situation where marcomms are the only possible source of behavioural or attitudinal change (e.g. if sales go up after an ad campaign, it's likely the campaign had an impact but other factors such as poor competitor performance may also have contributed)
- Good marketing is integrated – it communicates the desired message in a consistent way using multiple channels. This means that identifying the impact of one particular activity is tricky
- The impact of marcomms is not always immediately apparent. For example, a campaign may have the desired effect, but as the B2B sales cycle is often long behavioural evidence may be slow to emerge

However, there's a lot that can be done to ensure that, on the balance of probabilities, your campaign is having the maximum impact. To do so you need to:

- Identify the messages and channels most likely to cut through
- Optimise the creative execution pre-launch
- Measure campaign impact post-launch
- Create a feedback loop so that future campaigns benefit

Let's look at each stage in turn.

Identifying messages and channels

We're all on a quest for the Golden Message. One which is:

- **Attention grabbing** – makes the target audience sit-up and take notice
- **Resonant** – highly relevant to the target audience and speaks their language
- **Differentiated** – causes the target audience to see you as positively different
- **Memorable** – sticks in the mind of the target audience
- **Drives action** – has the power to drive behavioural or attitudinal change

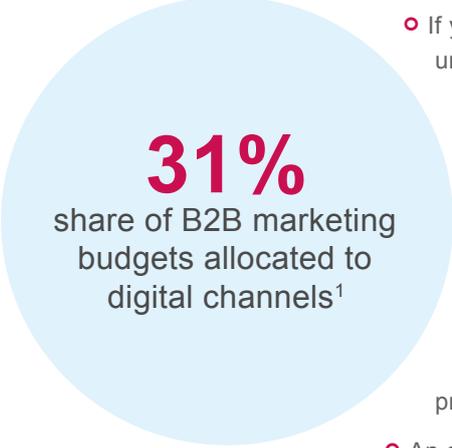
But in our quest we need to be careful not to lose sight of the big picture. The marketing communications message is simply an expression of an underlying proposition and brand positioning. We need to get this right before considering how to articulate it in marketing communications. To do so it's essential to understand the different segments in the market, what drives their supplier choice and what the ideal supplier looks like to them. These are topics explored in our white papers on B2B market segmentation and B2B brand development research (<http://www.circle-research.com/reports/>).

1. Source: B2B Barometer

Once the Golden Message has been identified, the next consideration is how best to deliver it to the target audience. Again, let's not lose sight of the big picture here. Your organisation communicates with its target audience in many ways which would not be viewed as 'marketing communications', e.g. the way your sales team acts, the buildings you occupy. However, let's limit our focus to marketing channels for just now. In doing so it's useful to begin by broadly classifying channels into 'ambient' and 'direct':

- Ambient channels are those which can be used to place a message in places where the target audience 'hang out' in the hope that they'll soak it up either consciously or unconsciously. These hang outs can be physical (e.g. trade shows), mental (e.g. trade media) or virtual (e.g. social media)
- Direct channels are those which take a more obvious approach – they seek to put a message directly in front of a specific individual in the target audience. For example, direct mail, email marketing and telemarketing

There are many guides readily to hand which can help us to identify potentially effective ambient and direct channels:



31%
share of B2B marketing
budgets allocated to
digital channels¹

- If you've run past campaigns then you can mine data from these to understand what channels worked especially well
 - An audit of competitor activity can reveal their strategy – their messaging and the channels they use. This is useful guidance on what they feel works and at the same time helps to identify a differentiated position
 - It's also valuable to review what your peers in the wider B2B marketing world are doing. For example, the B2B Barometer reveals that four channels account for almost 50% of the average B2B marketer's spend: Trade events (15% of spend), direct mail (12%), email (11%) and print advertising (9%)
- An audit of available media and their reach (e.g. as measured by audited ABC data or trade show visitor figures) can identify those channels which may offer the best ROI

By all means, tap into this information as it provides valuable guidance. But remember that the best guide is your target audience. Only they can definitively tell you where they 'hang out' and what attempts at reaching them directly have been particularly successful. At the same time they can also reveal what messaging approaches have 'stopping power'. Ideally, two steps should be taken to gather this intelligence.

First, recruit a representative group of the target audience to take part in a diary exercise conducted over a 4 – 8 week period. During this time participants record:

- Where they are 'hanging out' (e.g. visiting trade events, reading trade magazines, engaging in social media) and the details of this (e.g. which online forums, how they participated, how long they spent there)
- Every single encounter they have with supplier brands in your sector whether this has been in their ambient environment or through a direct approach. They also keep a copy of the marketing material wherever relevant and possible
- How they reacted to each 'exposure', e.g. was it seen as intrusive or welcome, how did it make them feel, did it cause them to do anything

Then on completion of the diary period, conduct in-depth interviews with each participant to discuss their diary in more detail and probe into specific areas.

Although the diary exercise will be very revealing, to invest marketing budgets with confidence these findings need to be verified and substantiated. This requires a large scale structured survey amongst the target audience to definitively establish the whole picture. You can then use this knowledge to select the furthest reaching and most engaging channels (and guide how you use them). For example, rather than simply rely on trade magazine publishers' ABC figures or Media Packs you might ask the target audience:

- Which titles they read and how often?
- How deeply they consume these, e.g. skim reading or a concentrated 'session'?
- Where, when and how they do so, e.g. on a tablet whilst commuting?
- Which particular elements are of most interest, e.g. news, columns?
- Whether they store past copies and refer back to them?
- Who other than themselves also consumes their copy?

Optimising creative pre-launch

Armed with a Golden Message and intelligence on which channels generate highest engagement, a creative concept and collateral needs to be developed. Having done so, you could of course go ahead and launch this. The odds are that if you've carefully developed a strategy using the previous steps and your own intuition, it won't go too far wrong. But it may not maximise your ROI and there is an outside chance it could flop. So it's always best to test different creative concepts before launch to select the most effective and refine it further.

The approach taken towards testing and optimising creative collateral differs according to what kind of campaign it is.

Some can be effectively tested empirically. For example, in an email campaign small groups of 'test' recipients can be created. By sending each of these groups different emails (e.g. subject lines, images, content) and monitoring metrics like open rates and click through rates, the most effective approach can be identified before a full launch.

Other campaign types can also be empirically tested pre-launch, but doing so is often prohibitively expensive or impractical. Take print advertising, a technique heavily used in B2B markets. Sure, you could place different ads in different publications, but how do you know that any difference in effectiveness isn't driven by the nature of the publication or its readership? Or you could run different ad versions each month until one hits home, but this could lead to confused messaging and inevitably will see wasted spend. These challenges make the pre-test a valuable exercise.

A common way to pre-test marketing communications is to organise a series of focus groups or in-depth interviews. Participants in these sessions are then shown potential adverts (or whatever the collateral might be) and asked to give their feedback. This approach can yield useful insights especially if you are initially identifying messaging ideas, testing early concepts or developing formats where mocking up an example would be impractical, e.g. a trade event. However, if the aim is to test fully developed advertising executions then this approach can also be

mis-leading because it's artificial. Again, let's focus on print advertising to illustrate the point. People never sit and intellectually consider print advertising. Rather they:

- Consume it as part of a wider reading experience which 'sets the mood'
- Consume it in the context of competitor messaging which may dilute yours
- Only pause at advertising which has 'stopping power'
- Often leave with just a fleeting impression after superficial exposure

The 'here's an advert, tell me what you think' approach also fails to measure likely impact of an ad once out in the market. Sure, you can ask the target audience which advert in a series they like best or which is most persuasive or even which is most likely to make them buy from you. And they'll tell you. But the problem is they don't really know as it's hypothetical.

So a much better approach with print advertising is to mimic real-life.

The exact approach used to do so will differ by situation. However, we've found the following technique to be particularly effective in identifying print advertising which is most likely to have an impact on launch. The trick is to create a realistic context then establish which potential executions of the same message:

1. Have the greatest stopping power
2. Convey the message in a clear and compelling manner
3. Create a linkage between the brand and the message
4. Stick in the mind post-exposure
5. Ultimately, lead to a higher propensity to buy

First, identify readers of the target publication/s and recruit them to take part in a study to (ostensibly) get their feedback on the publication and some of the companies featured in it. During the process of securing their support subtly establish:

- Their awareness of different brands
- Their propensity to consider purchasing different brands (including yours)
- Their association between brands and the desired message

Then randomly divide participants into four groups each of which will be sent a slightly different copy of the publication. They won't know it, but:

- One is a regular copy with an advert you're thinking of running inserted
- Another is exactly the same but contains an alternative execution
- A third contains yet another potential execution
- And the fourth contains no advertising from you whatsoever

As an alternative it's possible to create each magazine as an e-magazine which is then distributed electronically. This brings several advantages – it's more practical and can often allow more advert versions to be tested with more people for a similar cost. However, there are two main drawbacks. It requires copyright permission from the publisher and it is artificial (unless the magazine is indeed consumed electronically).

Let's assume you're using a physical print version. Over the course of one or two working weeks have participants read the magazine in exactly the same way as they normally would, e.g. if they normally read it on the train this is what they should do. After this period has passed, interview them. The first questions in the interview will be repetitions of those asked earlier in the process – awareness of different brands, propensity to use different brands and association with the desired messaging. By comparing their responses before and after exposure to the different adverts (including no adverts in the control group) you can establish which have had the most significant impact on perceptions. Then you can reveal your true intentions and establish stopping power and memorability:

- Which adverts do they recall?
- Which of these adverts left the strongest impression?
- What messages they remember from each advert?

Then briefly show them the specific advert you exposed them to (apart from the control group) and ask whether they now recall it and what they recall about it. Finally let them review the advert in some more detail and then explore areas such as:

- What their first impressions are
- The extent to which they find it relevant, interesting and impactful
- What the tone and style says about the advertiser brand, e.g. friendly, serious
- What messages they take away from it and which are most compelling
- Whether the imagery and these messages are mutually supportive
- Whether the advert is 'generic' or something you can own, i.e. brand linkage

On analysing these interviews you'll have a clear idea of which executions are most likely to be effective and how they can be further enhanced. Importantly, as you'll have established this in a realistic context, you can be confident that the results in real-life should mimic those uncovered by the research.

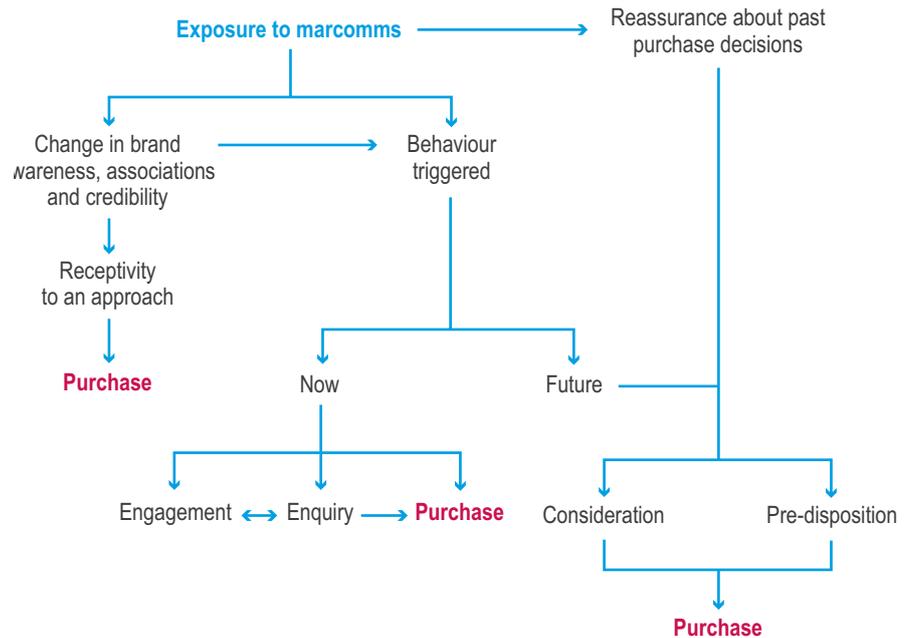
..... ○

Measuring impact post-launch

OK, so the campaign's been optimised. The next step is to measure effectiveness in the real world post-launch. Doing so helps to refine future campaigns, target future investment and convince nay-sayers of marketing's power.

The first step, and it sounds obvious, is to define 'effectiveness'. Of course, the majority of campaigns have the ultimate goal of creating sales, but this isn't always the immediate goal. Rather, a campaign may have been designed to impact one or more 'pre-cursors' to the final sale such as brand awareness or understanding of the offer. It may also be the case that the campaign wasn't designed to trigger any action amongst the target audience. For example, the intention may have been to position the brand in a particular way which will make the target audience more receptive to an upcoming direct sales campaign. And even if the goal was to trigger action, the expectation may not have been to see an immediate result (e.g. if the sales cycle is especially long).

So it's useful to begin by thinking about the marcomms impact cycle and considering where you've been seeking to effect change.



Having chosen a definition of ‘effectiveness’ we then need to measure it.

To a degree this can be achieved using campaign metrics such as email click-through rates, leads generated, downloads and so on. CRM data (notably enquiries and sales) in the period immediately post-campaign also provides a valuable measure of impact.

However, three outcomes can’t be measured using data generated by the campaign itself:

- Changes in brand awareness, perceptions and credibility
- Future purchase consideration and pre-disposition to buy amongst alternatives
- Reassurance provided to customers and the impact on their loyalty

These outcomes aren’t ‘visible’ like other behaviours are – they relate to thoughts and potential future states. However, they can be measured. But you shouldn’t do so just to determine campaign effectiveness. Rather, they are so critical to the commercial success of any organisation that they should be regularly monitored regardless of whether a marcomms campaign is active or not. So make sure that you have two regular research programmes in place to provide a stream of insight – one monitoring brand health and the other monitoring customer satisfaction (see here for details on how to create both of these: <http://www.circle-research.com/reports/>).

With these programmes in place, campaign effectiveness can be easily measured by tracking changes in awareness, perceptions or attitudes pre- and post-campaign (if these mechanisms don’t already exist then you can always use an ad-hoc approach – measure opinion amongst a representative group of the target market just before campaign launch and then repeat the same measure once the campaign ends).

**Sound interesting?
We’d love to talk.**

Call David Willan on **+44 (0)20 7960 3800**
or email him at **david.willan@circle-research.com**