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**2020
REPORT**

The future of B2B Marketing:

NOW WHAT?

WHY B2B MARKETERS MUST GET BACK TO BASICS
IN A POST-COVID-19 WORLD

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B2B marketers have a chance to

ELEVATE THE GAME

Tired of all the noise and reference to a “new normal”? We set out to learn about the current State of Marketing. And how marketers are responding during these changing times.

Everywhere you look, companies of all sizes seem to be offering their opinions, sentiments and advice related to COVID-19.

Shake Marketing Group reached out to B2b marketing leaders in technology, software start-ups, FINTECH, and global manufacturing to get a sense of what they think will change for marketers in the future.

What we found is that COVID-19 has brought a number of things to the fore, in dramatic style, that with some exceptions, shone a spotlight on returning to Marketing basics.

- Understanding customer needs, feelings and motivations
- Focusing on communicating and delivering customer value
- Staying relevant to customers
- A renewed sense of empathy to the “whole person” respecting the human and commercial faces of our B2B customers.

3 KEY TAKEAWAYS:

- 1 While 73% of marketers surveyed have updated their messaging, **only 22% have conducted customer research/ interviews** to tie the two together. The result? Generic messaging that sounds the same as everyone else and fails to differentiate or connect with buyers.
- 2 Now that the early firefighting COVID days are over, marketers are returning to more strategic and significant activities that have the opportunity to elevate the marketing role and sharpen the focus on being both authentic and relevant to customers.
- 3 With so much noise, customers will tune out anything that isn't relevant to them. Marketers will be expected to deeply understand customers and come up with creative new approaches, offers and solutions that solve customer problems. **78% of marketers state that communicating value** is an essential priority this year.

COVID-19 AND THE IMPACT ON BUSINESS

81% of the marketers we surveyed said there has been a somewhat or very negative short-term impact due to COVID-19, but the long term outlook isn't as bleak. 66% believe there will be a neutral or positive uptick in business.

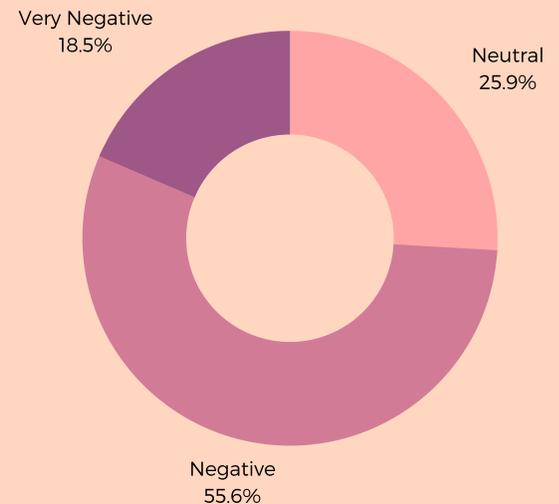
Some companies are quite naturally aligned with new customer demands - such as cloud solutions, collaboration services for virtual meetings and software tools for effective project management.

“Our (cloud) services became an 'easy sell' and we witnessed record growth in the lockdown months.” - Tom, VP, Marketing

Other companies were affected more adversely, like a Telco scale up offering high speed broadband to businesses who were now installing fiber that ran past closed business premises. Or a paint manufacturer whose trade custom stopped overnight.

MARKETING BUDGETS REDUCED

74% of Marketers reported a negative impact to their budgets.



For companies using intermediaries to get products to their customers, there was a similar instant impact, as video games sold through physical retailers ground to a halt, and in a double whammy Amazon scaled back to delivering only essential items.

Lockdown prevented salespeople calling on clients' premises and killed face-to-face events, a mainstay of the B2B communications mix, stone dead. This led to a lot of re-purposing of budget away from in-person to online, for those who did not feel they had to cut budget. In the worst case scenario, one marketer we spoke with is now working to a zero-based budget where all new requests must be bid for on a case-by-case basis.

MARKETERS SHIFT FROM FIREFIGHTING TO STRATEGIC PLANNING

In the early weeks of the crisis, marketers were reactive on a number of fronts. But many have now moved toward thinking about long-term impacts in a post-COVID-19 world.

We found that there are 3 **key areas** that marketers are addressing, and will continue to focus their time and attention on:

- customer tone and messaging
- marketing and sales approach
- new products & new offers



CUSTOMER TONE AND MESSAGING

Web pages had to be checked for tone and language to make sure they were appropriate for the times. 73% of the marketers we surveyed updated their messaging to reflect what's going on. This was a major concern for Tony, the Marketing VP of a global mobile operator, whose core messaging was built around the notion of *mobility*. A U.S. software scale-up has been changing their messaging every 14 days to make sure their messaging is useful to clients.

But our research also found that in response to COVID-19, companies are all reacting the same. Businesses present themselves 'as if the organization is saying and doing something that sets them apart from their competitors and yet they are telling the same story as everyone else, which goes like this:

- We are living in extraordinary and unprecedented times

- We take this situation very seriously from the CEO down
- Our top priority is ensuring the health and safety of our customers and our employees in the 'new normal'
- We have robust plans and are monitoring the situation closely
- Here are free resources and examples of how we can help
- We are in this together, we are by your side, and you can count on us!

THE OVERUSE OF PHRASES LIKE "UNPRECEDENTED TIMES", "UNCERTAINTY", "THE NEW NORMAL", "WE'RE HERE FOR YOU" AND "WE'RE IN THIS TOGETHER" HAVE CAUSED PEOPLE TO TUNE OUT.

OUR VIEW: COMMUNICATE VALUE

Your customers and suppliers expect you to respond the same way any professional and responsible supplier would during challenging times.

COVID-19 communications, therefore are a 'table stakes' activity, not a differentiating activity. Don't expect your messaging to make a competitive difference. Ask yourself: *'Can we demonstrate unique and specific examples of how we are addressing Covid-19 challenges?'*

Customers want value and they are willing to invest in your products/ solutions IF it will help them solve their problems.

Finally, is your organization 'walking the talk'? As with all monumental economic and societal changes, don't participate in the conversation unless you are being authentic. Your customers can see right through empty promises and platitudes.

Does your company pass what Pine and Gilmore (2008b) call the *Polinus Test*?

In Shakespeare's Hamlet, Polonius advises his son Laertes: This above all; to thine own self be true.

They observe: 'marketing campaigns often sugarcoat business offerings, gloss over defects, and portray an idealized version of reality. Experiencing actual offerings all too often disappoints, failing to live up to what marketers promise.'

The solution is what they call Placemaking. Customers are immune to marketing messages and so you need to provide a *place* for customers to understand, use, and fundamentally experience what you are offering. A place and time that demonstrates that you are what you say you are.

78%

of marketers consider communicating value to customers a high/ essential priority





MARKETING AND SALES APPROACH

The absence of some of the traditional B2B marketing tactics, like events, have caused 69% of marketers to reconsider their communication mix.

At the same time, marketing teams have scaled up their digital presence to facilitate direct sales, switch demand from physical stores, or improve the online customer journey to make it easier for customers to find information and make a purchase.

Many companies also made changes to their online presence - with 20% of our respondents creating a dedicated COVID-19 landing page.

Since face-to-face-sales visits were put on hold, Marketing has also picked up the slack of sales teams.

“We’ve had to become much more cognizant of whose buying, message sensitivity, and portraying how we can help.” Andy, CMO, Telco Scale-up

This is an opportunity for B2B marketers who work in sales-led environments to continue to build alignment and momentum with their sales counterparts. As Jo, Fintech CMO noted: “It is now up to marketing to keep business flowing through the funnel with velocity. Whereas most of our work was at the top of the funnel, we now have to keep the momentum vs. relying on sales activity.”

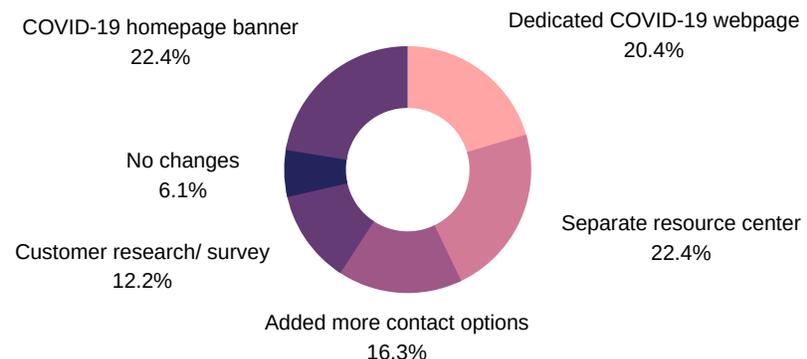
69%

changed marketing approach

61%

updated sales approach

CHANGES TO ONLINE PRESENCE SINCE COVID-19 BEGAN



OUR VIEW: IT'S TIME FOR MARKETERS TO GET CREATIVE

It could be 12-18 months before the face-to-face activity comes back, especially international events. Marketers must think of original ways to engage and entertain customers. At the moment, too many are just trying to replicate offline to online. As Global Mobile CMO, Tony, lamented “If I get invited to another online webinar...(screams)! Marketers need to do things that capture engagement, as now they are competing for screen time.”

Further, customer retention, long pushed to the back burner in many organizations in favor of "new logos", will become more important as companies look to secure predictable revenue.

On the content side, 58% of CMO's have observed that buyers are spending more time researching products online (The CMO Survey May 2020), which means it's crucial to produce both relevant and insightful content. Both Tony and Lisa, a global telco director, feel there will be debate about whether people value long or short form communication. The days of the sound bite marketer may be numbered, as people seek to truly engage with some things in more depth.

While customers may be more open to receiving digital communications, be careful of digital overload. Ken, a Global Technology Marketing VP said a customer told him his daily email count had doubled, with most of new emails being about COVID-19 and webinars.



Cutting through the noise will require marketers to tune into what their customers really need to feel informed and comfortable about their options. If your marketing content previously focused on product features, it's time to shift to answer *'how do we solve our customer's problem?'*

60% of survey respondents state that creating useful content is a high priority.



NEW OFFERS, PRODUCTS AND SOLUTIONS

The gin distillery that switched production to hand sanitizer, the local pub that started fresh home food delivery. We've all witnessed great creativity in our daily lives by business owners, driven by the need to survive through lockdown, who came up with new and relevant products to meet demand.

We've seen similar creativity in B2B.

For example, a scale-up software provider that usually targets physical events built a new product to help construction companies track individuals coming onto job sites through QR coding.

On the other hand, marketers are helping reshape the customer offer with 40% stating they've developed a new pricing or packaging strategy for the current environment.

- A Global Telco accelerated delivery times to meet demand for working from home services
- The Global Mobile VP developed packages for 'beyond today' to meet new customer expectations, for example, zero touch customer service, minimizing on-site engineering visits.



Innovative marketing leaders are exploiting supply side opportunities as well. The CMO of a gaming company, Stuart, took advantage of the fact that many games designers were twiddling their thumbs and forged win/win partnerships with them to help acquire and develop new products.

OUR VIEW: RELEVANCE WINS

How quickly can your organization react to changing customer demands? While some of the larger organizations we spoke to brainstormed new product ideas, they admitted that internal processes got in the way and made it slow to respond or get a new product launched.

On the other hand, marketers that are aligned closely with the product organization are well positioned to share changing customer demands and identify product features that may be more relevant in today's environment.

33%

OF SURVEY RESPONDENTS HAVE DEVELOPED A NEW PRODUCT OR REPOSITIONED AN EXISTING ONE

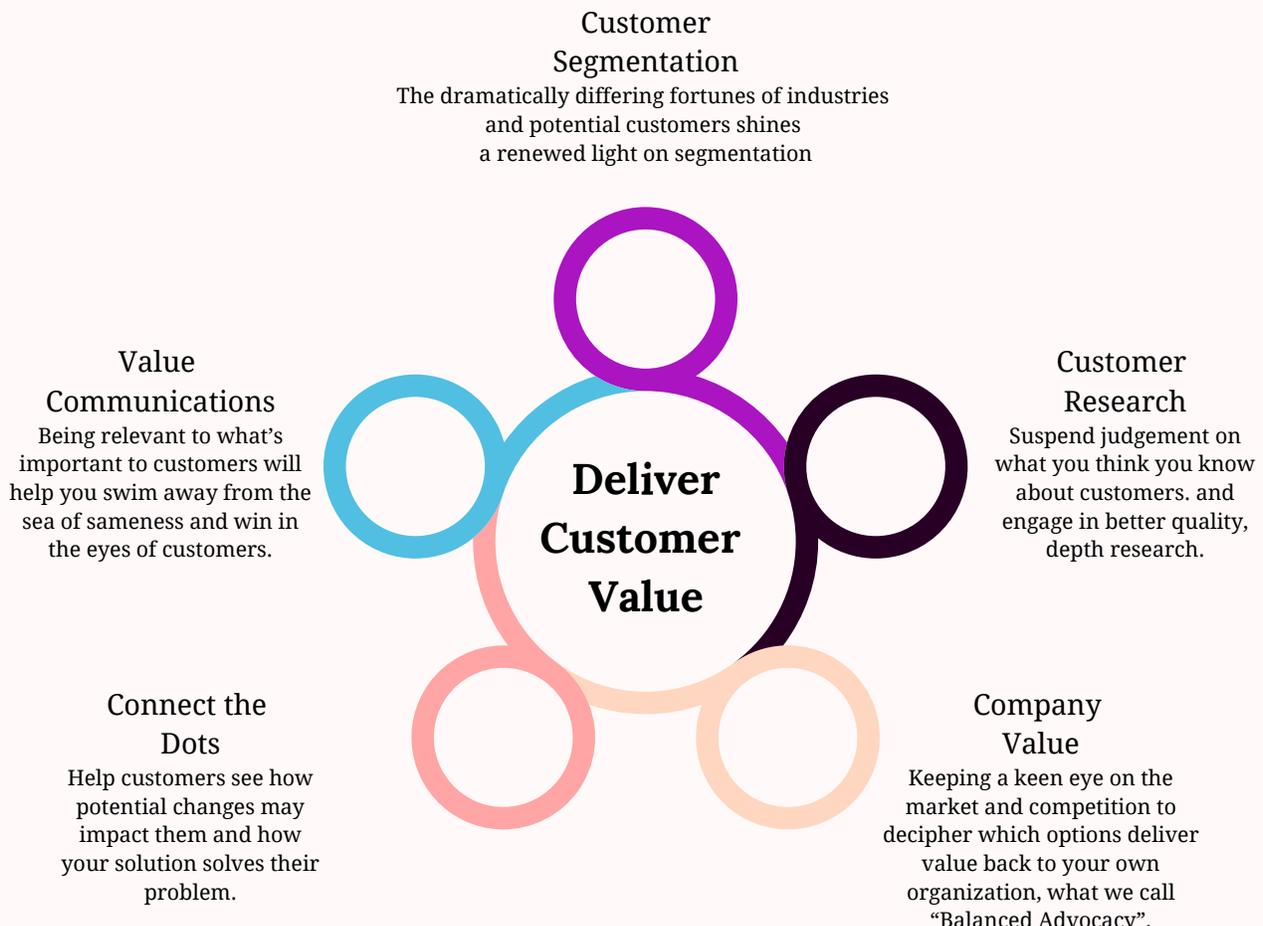
TO DELIVER CUSTOMER VALUE START WITH DEEP CUSTOMER UNDERSTANDING

Value propositions will need to be re-crafted to resonate with changing customer attitudes combined with the harsh commercial reality faced by many customers. There is widespread acknowledgement from marketing leaders that those who pay lip service and create surface level value propositions will suffer. If you weren't doing this before, **the time to create value propositions that have rational, emotional, and human appeal is now.**

This requires a customer-first mindset. That is, purposefully trying to walk in the customer's shoes to understand what their hopes and fears are and understanding what they truly value, both from a business and human perspective.

Kelly, CMO for a SaaS company challenges her team to think about it from the customer's point of view. *"What would they want to hear right now?"*

We've created a mind map of the **five key areas you should focus on to help deliver customer value.**



LOOKING AHEAD: IT'S ABOUT STAYING RELEVANT

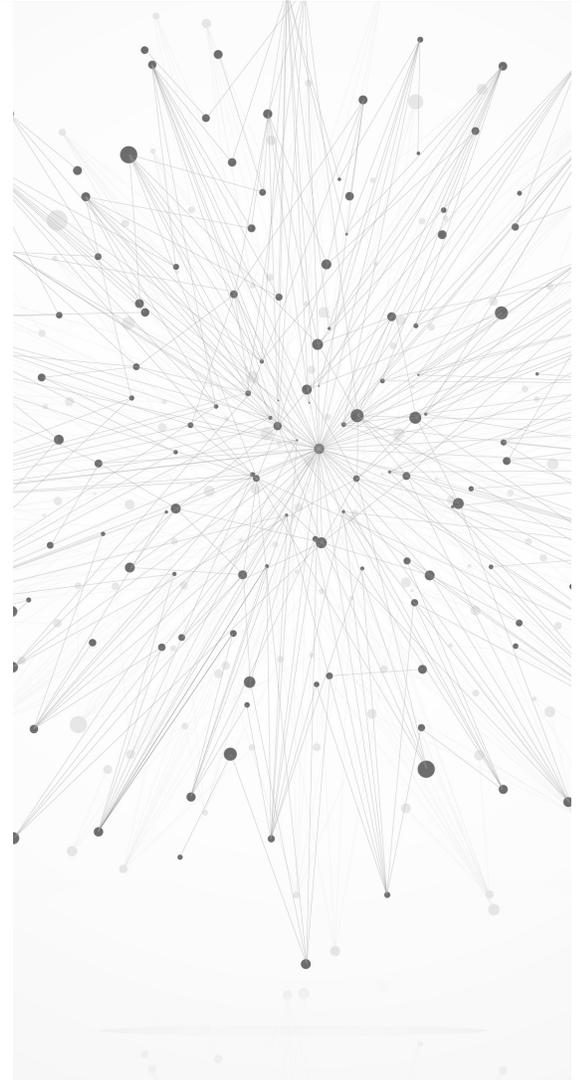
A GREAT OPPORTUNITY AWAITS

While we cannot predict how things will look in the future, there is a tremendous opportunity for Marketers to step up by developing a deeper appreciation of customer concerns, along with a sense of bravery as they tackle new challenges.

We believe Marketing should be a strategic driver of the business and marketers are perfectly positioned to be the department most in tune with customer needs and shifting attitudes and how to stay relevant. In fact, The CMO Survey reports that 62% of top marketers report that marketing has become more important during these uncertain times.

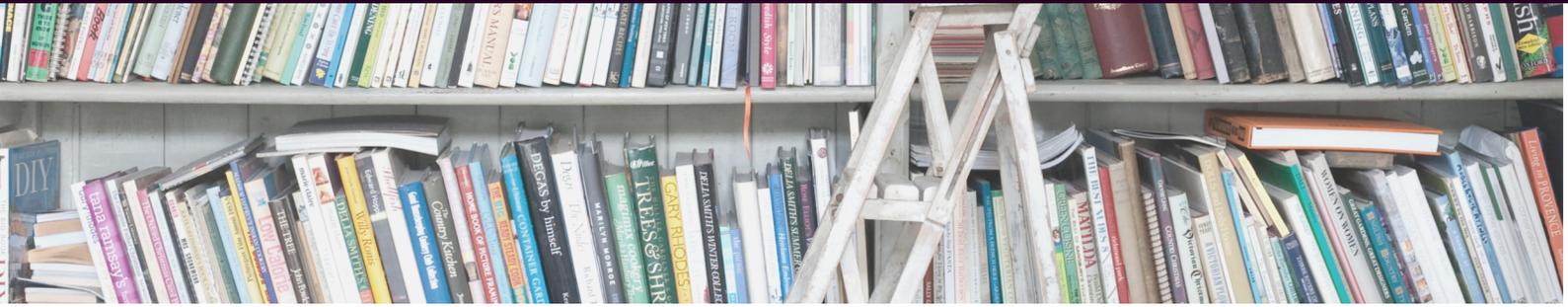
This begs the question - are today's marketers equipped with the right skillsets to operate in a fluid environment where customers demand authenticity and empathy? It's a topic we cover in our upcoming book, *Stand Out Marketing*.

For now, ensure that what is communicated by your organization is matched by what gets done. Slapping something on your website to make it look like you care and not living it will be called to account. We have seen the backlash on organizations supporting the Black Lives Matter cause, but lack diversity in their own boardroom. So, brand purpose and **authenticity** will be at the forefront.



**"COMPANIES NEED
TO SHOW HOW THEY
CAN BENEFIT
HUMANITY. THIS
MEANS WE HAVE TO
THINK LONG AND
HARD ABOUT OUR
MESSAGING AND
POSITIONING."**

CMO, Fintech company



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WHAT NEXT?

Businesses everywhere are learning to adjust and adapt with the changing times. B2B Marketers have an important role to play to drive a customer-focused mindset within their organizations.

HERE ARE THREE THINGS YOU CAN DO TO STAY IN TUNE WITH YOUR CUSTOMERS AND COME OUT AHEAD:



Revisit what you know about your customers. If you're not using buyer personas, now is a good time to align on who your target audience is and what they care about. *(Free template at www.shakemktg.com)*



Engage in real customer research. Many marketers simply act on intuition and miss key clues and emotions from their customers. To deliver true customer value, you must deeply understand what your customers are trying to achieve. *(Uncovering customer value is our specialty! Check out our book, [Value-ology](#), our [online course](#), and [consulting services](#))*



Commit to developing relevant, useful, high quality content only. The digital landscape is overflowing with content and messages that don't cut through the clutter. *Do you have a unique point of view to provide? Can you share insightful customer use-cases as to how your products/ services help solve customer problems?*



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