



From Promotion to Emotion

Connecting B2B Customers to Brands

In Partnership with



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A FRAMEWORK FOR MEMBER CONVERSATIONS

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About This Research

Research Objectives

This research aims to meet these three objectives:

- Identify shared challenges faced by marketing leaders in large business-to-business (B2B) organizations in structuring a brand differentiation strategy.
- Synthesize frameworks for understanding and resolving those challenges based on demonstrated practices and expert analysis.
- Provide meaningful recommendations and case examples to help B2B marketing leaders advance against their challenges.

Research Input

CEB Marketing in partnership with Google conducted this research using four key components:

- Survey responses from 3,000 B2B buyers across 36 brands and 7 categories
- Insight from the CEB advisory teams specializing in B2B marketing issues and from subject matter experts at Google
- Structured interviews with leaders at 50 B2B marketing organizations
- Secondary research and interviews with numerous vendors, consultants, and research organizations operating in the digital marketing space

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A Note of Thanks

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Leah Quesada, Xerox Corporation

Prologue

The Current State of Practice

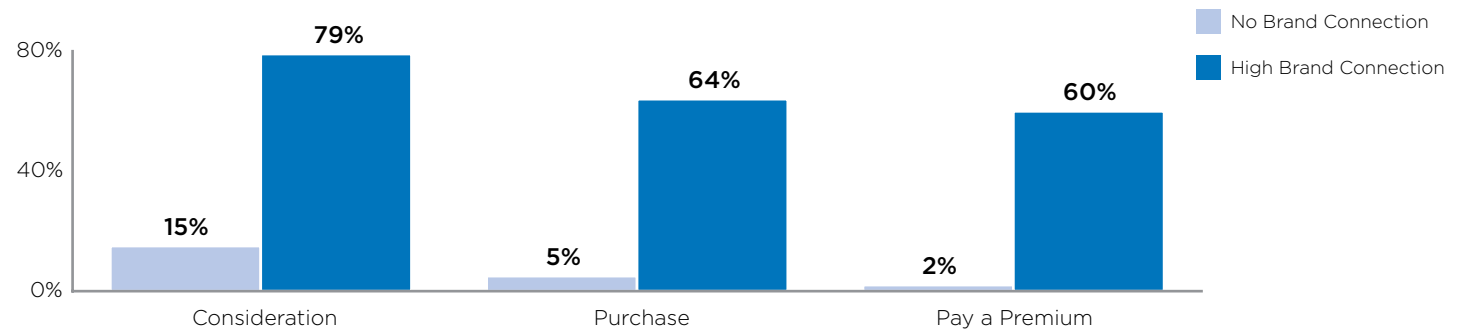
Strong B2B branding drives customers' willingness to consider, purchase, and pay a premium for a supplier.

Rising Importance of Branding

Today's marketing environment is increasingly crowded, noisy, and commoditized. In response, B2B marketers are turning to branding to win preference, purchase, and premium pricing. A recent CEB poll of 55 CMOs identified branding as the second highest priority for marketing executives in 2014. (The number one priority listed by those CMOs is insight-led marketing. For more details, please see p. 11).

Recent CEB research has demonstrated the value that branding can create for B2B marketers. Customers with strong connections to B2B brands have higher rates of consideration, purchase, and willingness to pay a premium (Fig. 1). We identified "high brand connection" customers as those who gave brands top-quartile scores for trust, image, and industry leadership. In other words, these customers feel confident using the brand, believe that the brand is a global leader in its industry, and see a unique and positive image.

Figure 1: Impact of B2B Brand Connections



n = 3,000.

Source: CEB/Motista Survey.

Questions Answered in This Report

1. How effective are current B2B brand strategies?
2. What is the best way to use B2B branding to boost preference and willingness to pay?
3. What steps should B2Bs take to update their approach to branding?

Customer-Centric Branding: All About Business Value

Most B2B brands have become more customer-centric and now stand for business value, not supplier quality.

Historically, B2B suppliers used branding to establish a reputation of quality. The Schneider Electric ad below to the left (Fig. 2) is from 2009 and is typical of the period. The emphasis is on Schneider and its rightfully proud history of innovation. But are customers willing to pay a premium for that history?

Today, customers typically learn on their own through digital channels. Using a simple search, customers can easily identify the leading suppliers in a field and evaluate if any can meet the customer's needs. Suppliers have responded by focusing their B2B brand messages on customers' business outcomes to convey superior business value. Only after establishing the benefit to the customer does the message present the supplier's features. Schneider Electric's more recent 2012 ad on the bottom right is a good example of customer-centric branding. It focuses on customer efficiency rather than supplier history or features.

By demonstrating business value to customers, marketers hope to differentiate their offerings from the competition.

Figure 2: Evolution of B2B Branding



Business Value Boosts Consideration

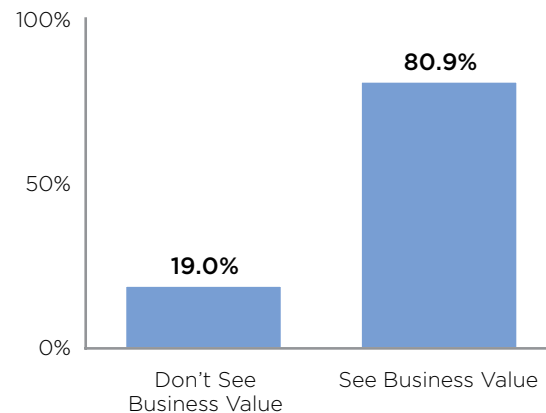
Customers who believe a brand will provide business value are 4x more likely to consider that brand.

Buyers who see a supplier's business value are four times more likely to consider that brand in the future (Fig. 3). In fact, business value has become a prerequisite for consideration. Most buyers who don't believe a brand will deliver business value simply won't even consider purchasing from that brand at all.

The good news is that today's customer-centric branding appears to be working: most B2B buyers (74%) now believe that brands will provide business value (Fig. 4).

Figure 3: Percentage of Buyers Who Will Definitely Consider You

Agreement with Statement: "We will definitely consider this brand in the future" (Answers of 8 or more out of 10)



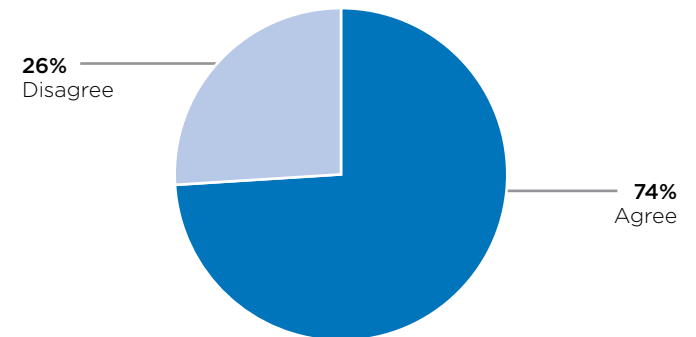
n = 3,000.

Source: CEB/Motista Survey.

Note: Total does not equal 100% due to rounding.

Figure 4: Percentage of Buyers Who See Business Value

Agreement with Statement: "This brand will help us achieve business goals" (Answers of 7 or more out of 10)



n = 3,000.

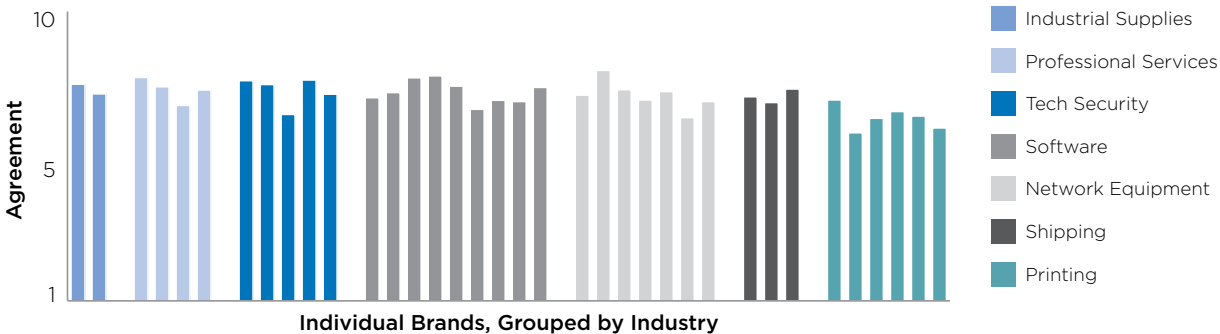
Source: CEB/Motista Survey.

Only 14% of buyers perceive enough meaningful difference between brands' business value to be willing to pay extra for that difference.

Business Value Is Not Differentiating

Unfortunately, brands' widespread success at demonstrating business value has limitations. Although each brand can claim impressive business outcomes, so too can that brand's competitors. In fact, business value perceptions hardly vary at all between brands, either within an industry or even across industries (Fig. 5). The reality is that buyers perceive little difference between the business value various suppliers can offer.

Figure 5: Perceived Business Value, by Brand
Average Agreement with Statement: "This brand will help us achieve business goals"



n = 3,000.

Source: CEB/Motista Survey.

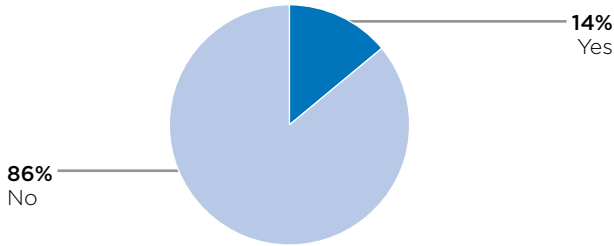
This lack of perceived differentiation has dramatic effects on willingness to pay a premium. Only about 14% of customers perceive a real difference in a supplier's offerings **and** value the difference enough to be willing to pay for it (Fig. 6).

In summary, business value is just table stakes. It gets suppliers into a buyer's consideration set but doesn't make them stand out within that set of competitors.

At CEB, we often refer to this as the "one of three problem." As customers do their own research, they conclude that the top three leaders in an industry all deliver business value and are acceptable options. This leads to the inevitable price competition where customers ultimately select the supplier willing to offer the lowest price.

Figure 6: Customer Perceptions of Supplier "Unique Benefits"

Q: "Do you see a real difference between suppliers and value the difference enough to pay for it?"



n = 9,000.

Source: CEB 2009 Customer Experience Survey.

Despite our attempts to make purely rational decisions, we are primarily driven by emotional motivations.

The Elephant and the Rider: An Analogy

One explanation for the limited effect of business value messages lies in the nature of decision making itself. Although B2B buying is often treated as a rational activity, all human decisions are driven by a complex mix of gut, emotion, post-rationalization, and reason.

A useful framework for understanding the duality of human decision making comes from Jonathan Haidt's metaphor of the elephant and its rider. The rider is the conscious, rational mind while the elephant represents the unconscious, emotional mind that cannot be controlled by the rider's sheer force. In the world of B2B buying, the rider is the buyer trying to make a rational decision but often influenced by gut feelings and emotions (the elephant)—whether consciously or not.

Until recently, many B2B suppliers have focused their customer appeals largely on the rider (reason) to the neglect of the elephant (emotion), overlooking a potential opportunity for more powerful differentiation and preference.

Figure 7: The Role of Reason and Emotion in Decision Making

Rider: Our conscious, rational brain that tries to rein in the elephant (instinctive desires) but more often simply post-rationalizes emotional impulses

Elephant: Our intuitive, emotional mind that often drives decision making, overpowering the rider's efforts



Source: Jonathan Haidt, *The Righteous Mind: Why Good People are Divided by Politics and Religion* (New York: Random House, 2012); FILE:Bombay road elephant.jpg, Wikipedia, 31 January 2006, http://simple.wikipedia.org/wiki/File:Bombay_road_elephant.jpg; CEB analysis.

Personal value has twice the effect of business value across a broad range of commercial outcomes.

Personal Value Trumps Business Value

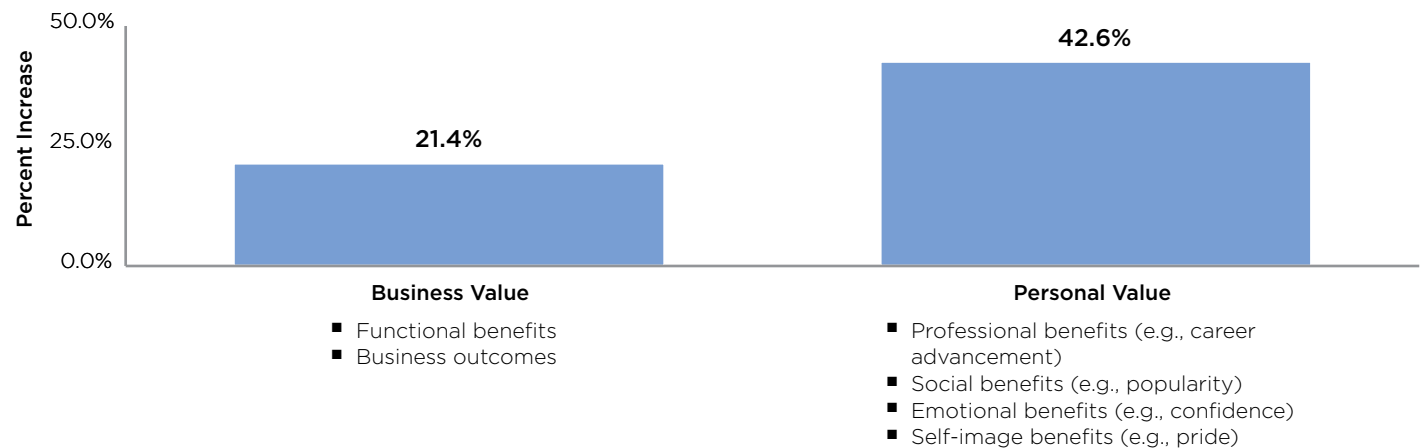
The decision-making insights represented by the story of the elephant and rider raise the following important question for B2B marketers: does the rider (logic/reason) or the elephant (emotion) have greater impact on B2B commercial outcomes? To explore this question, CEB partnered with Google and Motista to test the impact of over 70 brand benefits on a broad range of commercial outcomes.

The brand benefits tested included two categories of attributes that are critical to our understanding:

- 1. Business value**—Includes appeals to logic/reason in areas such as functional benefits (e.g., high performance, structure/order) and business outcomes (e.g., achieving business goals)
- 2. Personal value**—Includes emotional appeals in areas such as professional benefits (e.g., being a better leader, simplifying my life), social benefits (e.g., fitting in with colleagues, admiration from others), emotional benefits (e.g., confidence, excitement, happiness), and self-image benefits (e.g., doing good for society, feeling of accomplishment).

To assess the relative impact of these two benefits categories, we analyzed their lift on 14 commercial outcomes (Fig. 8.), including consideration, purchase, premium payment, and advocacy. The data show that across this collection of commercial outcomes, personal value has twice as much impact as business value does. Not only do emotions matter in B2B buying, but they actually matter even more than logic and reason. This finding highlights a potentially untapped opportunity for marketers to reposition brands around personal value.

Figure 8: Impact of Perceived Brand Benefits on Commercial Outcome^a



n = 3,000.

Source: CEB/Motista Survey; CEB analysis.

^a Familiarity, consideration, preference, purchase, repeat purchase, premium payment, internal advocacy, and external advocacy.

B2B Buying Is Very Personal

B2B buying is highly personal—even more so than B2C buying—due to the level of personal risk buyers feel.

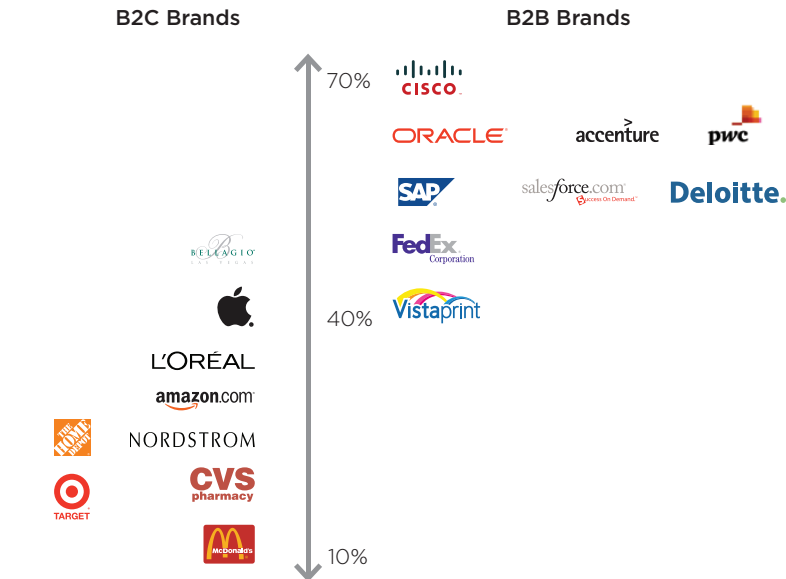
Typically, B2C purchases are assumed to be more emotional than B2B purchases. Our research methodology allows us to test this assumption by directly comparing the emotional connections between customers of B2B and B2C brands. The results are quite clear and initially surprising: a greater proportion of B2B customers are emotionally attached to the brand they purchased than B2C consumers are (Fig. 9).

Digging deeper, the high level of emotionality in B2B is not so surprising. B2B purchases entail personal risks—far more than most B2C purchases. B2B purchase stakeholders fear:

- Losing **time** and effort if a purchase decision goes poorly,
- Losing **credibility** if they make a recommendation for an unsuccessful purchase, and
- Losing their **job** if they are responsible for a failed purchase.

Moreover, the more personal risks a purchase entails, the more emotional buyers feel—and the more they attach to brands that can provide value and eliminate risk (Fig. 10).

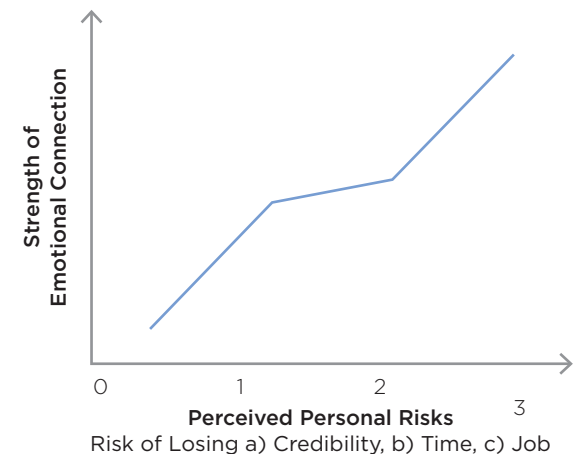
Figure 9: Percentage of Customers Who Feel Emotionally Connected



n = 3,000.

Source: CEB/Motista Survey.

Figure 10: Relationship Between Number of Perceived Personal Risks and Emotional Connection



n = 3,000.

Source: CEB/Motista Survey.

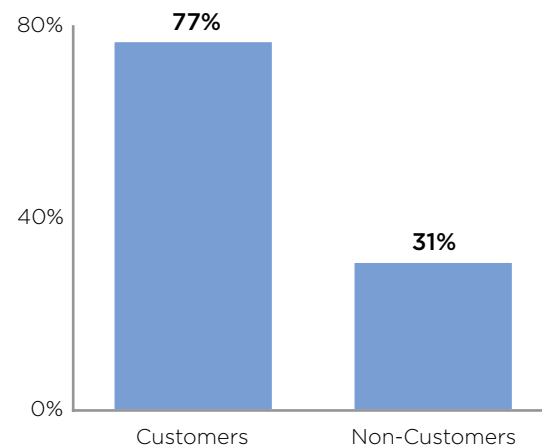
Non-Customers Don't See Personal Value

Few non-customers believe brands will provide personal value, leading to lower likelihood of purchase and willingness to pay a premium.

Although B2Bs boast high levels of emotional connection among existing customers, the same isn't true of non-customers. Indeed, less than one-third of non-customers believe B2B brands will provide personal value (Fig. 11). And when they don't see personal value, they are over three times less likely to purchase and over seven times less likely to pay a premium (Fig. 12). In fact, less than 10% of those who see no personal value will pay extra.

Although B2Bs are successfully meeting existing customers' personal needs—with well-designed products, service delivery, and experiences—they fail to convey those benefits to non-customers who have not had the opportunity to experience these benefits. Marketers can and must address this urgent opportunity. They must convince non-customers of personal value to prevent further purchase stalls.

Figure 11: Belief in Personal Value
Percentage of Respondents Who See Personal Value,^a Brand Value, and Business Value

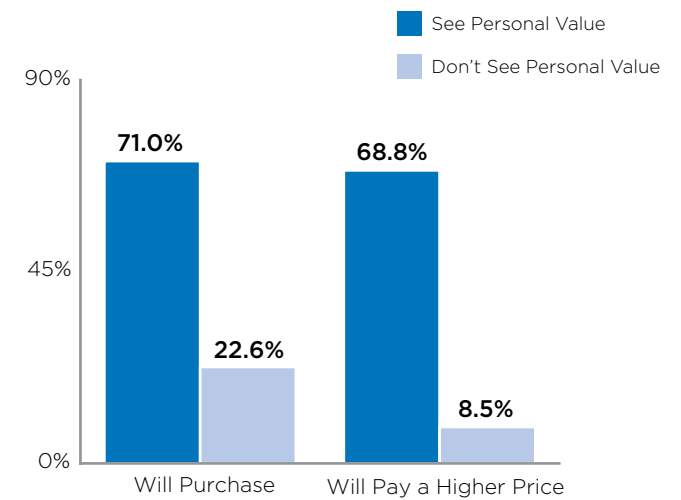


n = 3,000.

Source: CEB/Motista Survey.

^a Personal Value is the combination of professional, social, emotional, and self-image benefits.

Figure 12: Likely Purchase Outcomes
Buyers Who Do Versus Don't See Personal Value



n = 3,000.

Source: CEB/Motista Survey.

End the “Unhappy Valley”

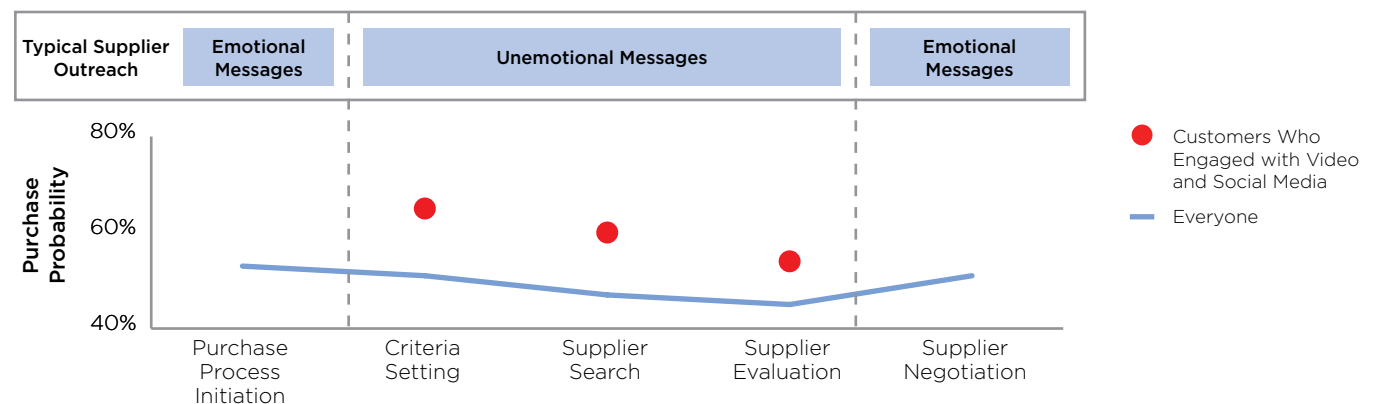
Purchase intent does not increase steadily as buyers get closer to purchase; it dips when messaging becomes less emotional.

Since brands are struggling to convey personal value to non-customers, we dug deeper into the purchase experience to understand why non-customers feel disconnected from brands and what suppliers can do about it. We explored current marcomm strategies as well as buyers’ feelings toward brands over the purchase process. The findings are surprising and have powerful implications for B2B marketers.

Contrary to conventional wisdom, purchase intent does not increase as buyers get closer to purchase (Fig. 13). Although buyers report high levels of brand engagement and purchase intent when they initiate the purchase process, their excitement wanes over time. Indeed, as buyers enter the phases of criteria setting, supplier search, and evaluation, purchase intent drops steadily rather than rising. During these evaluative phases when the rider (rational brain) takes over to compare options, buyers discover risks and complications and rein in earlier positive emotions. This is bad news for suppliers: with purchase probabilities falling below 50%, many potential deals are either stalling or likely falling out of the purchase process altogether. Those that do make it through to the negotiation phase report a rebound in purchase intent—but still not to initial levels.

When we overlay suppliers’ messaging strategies onto this emotional journey, we see suppliers potentially exacerbating the problem. Suppliers use emotion to catch buyers’ attention early on, but they switch to rational, business value-oriented messages in the nurturing phases (i.e., when buyer enthusiasm dips) and only provide a personal touch at the end of the process—typically through sales interactions (i.e., when buyer enthusiasm jumps again). To minimize drop-off during the middle of the purchase process, which we have come to describe as the “Unhappy Valley,” marketers should use emotional, personal value messaging throughout, not just at the start and end. To do so, marketers should exploit video and social media channels. Our research found that customers who engaged this way were up to 20% more likely to purchase at any given purchase stage.

Figure 13: Purchase Probability, by Purchase Stage



n = 3,000.

Source: CEB/Motista Survey.

Suppliers should aim for both emotional and rational differentiation to win preference.

Winning the Rider: Commercial Insight Differentiates Business Value

In addition to emotional differentiation to win the elephant via personal value, suppliers must win the rider by de-commoditizing business value. The importance of both rational and emotional differentiation was reflected in our recent survey of senior marketer priorities (Fig. 14): insight-led marketing (i.e., rational differentiation) topped the list, followed by branding. Leading CMOs see the opportunity to improve their brand connections to customers through emotion and personal value approaches, while also pursuing opportunities to improve rational differentiation.

Previous CEB research has shown the importance of insight-led marketing in differentiating business value. To drive purchase and premium, suppliers must first break down customers' current behaviors and beliefs (e.g., satisfaction with a work-around or competitor's solution) and then replace those beliefs with new ones that directly support the purchase. The strongest driver of such shifts is **Commercial Insight**: messages that teach the customer something unexpected and new about their own business needs and challenges that leads exclusively back to the supplier (Fig. 15).

Figure 14: Senior Marketer Priorities

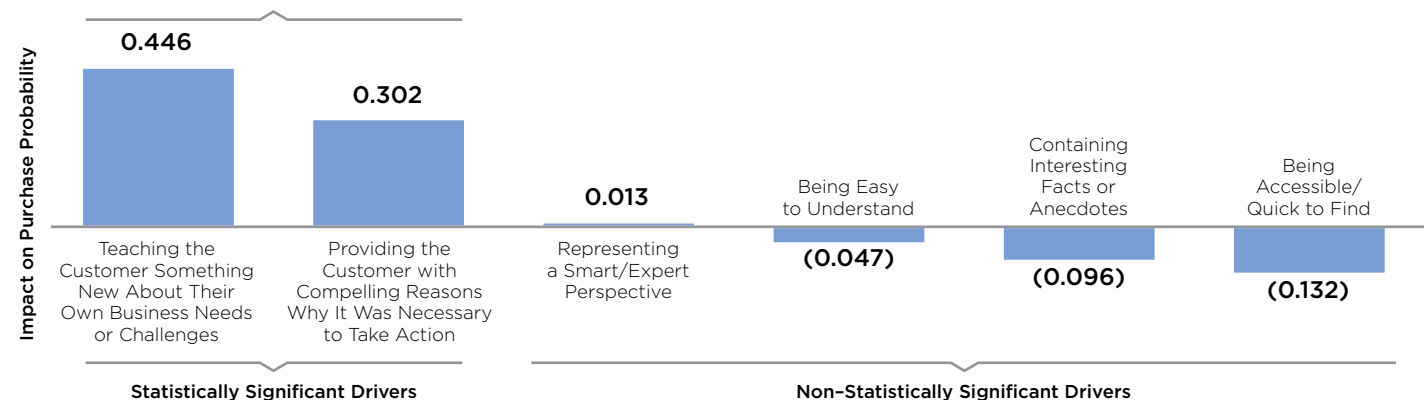
1. Insight-Led Marketing
2. Branding
3. Sales and Marketing Alignment
4. Customer Experience
5. Channel Partner Performance
6. Product Design and Launch
7. Lead Management
8. Redefining Marketing's Role
9. Segmentation and Targeting
10. Talent and Capabilities

n = 43.

Source: CEB 2013 B2B Senior Marketer Agenda Poll.

Figure 15: Purchase Probability, by Purchase Stage

Commercial Insight: Information that disrupts customers' status quo by teaching them something new about their business needs that leads to your unique value



n = 545.

Source: CEB 2012 B2B Customer Survey.

Thought Leadership Is Not Commercial Insight

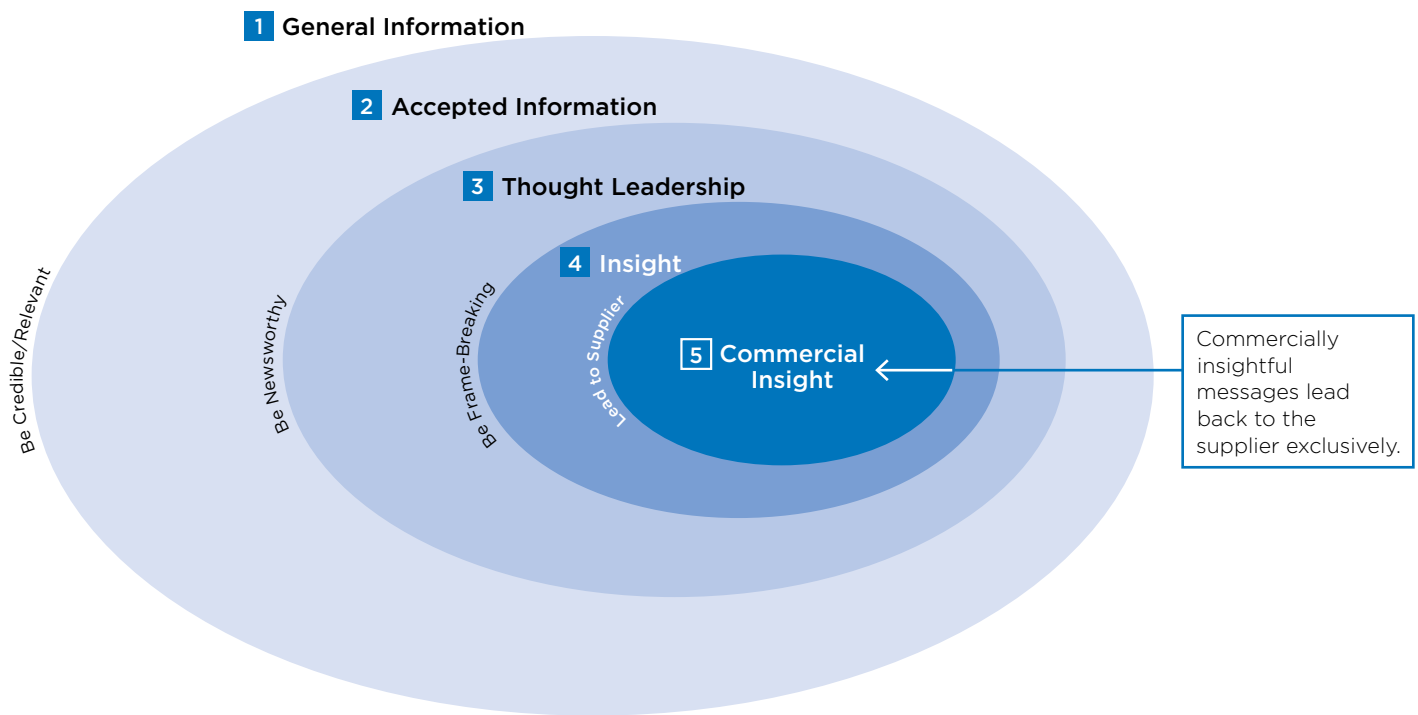
Successful Commercial Insight disrupts customers and leads exclusively back to the supplier.

The Hierarchy of Information (Fig. 16) reveals a critical test for a marketer's commercial messages. A commercial message must pass through each level (oval) to be a candidate for the next.

Unfortunately, many commercial messages fail at the first two stages to be relevant or newsworthy. Successful thought leadership messages may teach customers something new but still fail to produce true insight if that teaching isn't frame breaking (i.e., does not disrupt the customers' buying criteria).

"Commercial Insight" is at the very top of the hierarchy. As the most potent of all commercial messages, it challenges customers' thinking about their own business problems and shows them that the status quo is no longer acceptable. Through Commercial Insight, customers learn something new about their business and thus appreciate the unique value in the supplier's offer. This approach gets the supplier paid.

Figure 16: Hierarchy of Information Conveyed Through Commercial Messages



Source: CEB analysis.

Winning the Elephant and the Rider: Personalized Insight

Highlight the personal impact of your Commercial Insight to combine rational and emotional differentiation.

Most Commercial Insight today is conveyed in business value terms, such as unexpected new ways to save the business money or generate returns for the organization. To maximize the impact of Commercial Insight, suppliers should also highlight the personal needs of all stakeholders involved.







A number of leading B2Bs are already highlighting the personal implications of their Commercial Insights to achieve both emotional and rational differentiation. Xerox, for example, has created YouTube videos that bring to life the personal benefits of its Commercial Insight. Xerox's insight teaches customers that color printing can boost students' ability to learn and that Xerox's printers offer the most vibrant color to help with this. As shown in the Xerox's "Hue-Phoria" video, this insight not only drives educational outcomes for the schools via improved test scores and increased funding but also benefits teachers who feel fulfilled and relieved.

Figure 17: Xerox's Personalized Insight



Source: Xerox, <http://www.youtube.com/watch?v=cNTfEU4LaCI>; CEB analysis.

A New Way Forward: Personalizing Your Branding and Commercial Insight

Chapter 1 Understand Customers' Personal Goals and Emotions	Chapter 2 Craft Brand Messages That Convey Personal Value	Chapter 3 Ensure Personal Value Messages Drive Action	Epilogue Develop Your Commercial Insight
Customer Ethnography	Stakeholder Language Mapping	Pain and Gain Messages	Challenger Marketing
		 Emotional Intensity Messages 	 

Chapter 1 Understand Customers' Personal Goals and Emotions

Chapter 2 Craft Brand Messages That Convey Personal Value

Chapter 3 Ensure Personal Value Messages Drive Action

Epilogue Develop Your Commercial Insight

Asking customers direct questions about their emotional needs or personal goals is rarely effective. Although customers are happy to share their business needs and goals, they are not always willing or able to articulate their emotions.

To dig deeper, B2Bs should use open observation of customers to spot nonverbal or contextual cues that reveal underlying emotions.

Chapter 1 Key Takeaways

- See how John Deere uses ethnography to understand customer emotions and build personas.
- Learn how to use psychographic research techniques to elicit emotional information from customers.

Marketing must analyze customers' nonverbal cues to unearth the emotions and personal motivators of customer behavior.


Use Open Observation to Discover Unarticulated Personal Values

Since personal value influences customer decisions more than business value, Marketing needs to understand and address customers' personal needs and goals. For most suppliers, this requires deeper customer understanding. Although suppliers typically understand customers' business goals and needs very well, few understand individual stakeholders' personal needs (e.g., daily frustrations, professional goals, important values/beliefs, desired self-image, attitude to others).

To capture personal information, suppliers must update customer research techniques. Although direct customer interviews or surveys capture business needs and goals effectively—as customers are willing and able to articulate them—these techniques fall short when it comes to emotions. Since emotions are often subconscious or hard to express and many customers feel less comfortable sharing these thoughts and needs, Marketing needs more subtle techniques to elicit this information.

Marketing can use open customer observation to infer emotions from nonverbal cues and sophisticated interview techniques to prompt customers to open up. Psychographic research takes shape in many forms (Fig. 18) and can be outsourced to specialized vendors who often have higher perceived objectivity with potential respondents.

Figure 18: Open Observation Methods

Mood Boards	Open-Ended Interviews	Ethnographic Observation
<p>Visually stimulating material designed to represent a mood, atmosphere, or feeling, used to probe for respondents' experience of an activity or brand</p>  <p>Example: Leaping for a baseball may represent a critical, win-or-lose moment for a customer stakeholder.</p>	<p>Open-ended conversations aimed at uncovering subjects' natural inclinations and beliefs</p> <p>Sample questions:</p> <ul style="list-style-type: none">■ What is important to you as a [insert role]?■ What is the most challenging/easy part of your day?■ If you could eliminate one daily activity, what would it be?	<p>Study of subjects in natural settings, performing everyday activities, to bring behavioral details to light and better understand inherent attitudes, values, interests, personalities, and lifestyles</p> <p>Example: Observing customers in their natural workplace to uncover what frustrates them most and at what point during their typical day</p>

Source: File: Cameron_Maybin_catch.jpg, Wikimedia Commons, 3 August 2011, http://commons.wikimedia.org/wiki/File:Cameron_Maybin_catch.jpg; CEB analysis.

B2B Customer Ethnography

John Deere's marketing team has created a robust customer segmentation framework that unearths and activates personal, emotional customer motivators.



Scenario: Deere's global realignment behind a shared focus on customer acquisition highlighted opportunities to improve the depth of customer understanding in the organization. Its 175-year legacy of product leadership made the shift toward customer orientation especially challenging from an organizational culture perspective.

Action: Deere went far beyond traditional market and customer attributes to research the motivations underlying individual farmer actions. After the extensive ethnographic research, Deere built out a series of personas—one for each of the different sets of key emotional driver groupings it found. These personas give a name and face to customer insights that are either highly contrarian to internally held beliefs or simply undiscovered altogether. Deere then used these personas to align dedicated customer segments and weaved together different views of the customer to gain a deeper understanding.

Impact: Deere's marketers now feel that they are targeting actual "people." Though fictional, these personas provide statistically accurate personalities they can use to hone their brand value, as well as channel/touchpoint selection, product mix, and other marketing activities. One stakeholder even asserted, "This is unquestionably the most actionable piece of research I've seen in my time here."

Source: Deere & Company; CEB analysis.

By surfacing the emotions underlying customer behavior, Marketing reveals new perspectives about customers' needs.

Deere's In-Depth Customer Research Effort

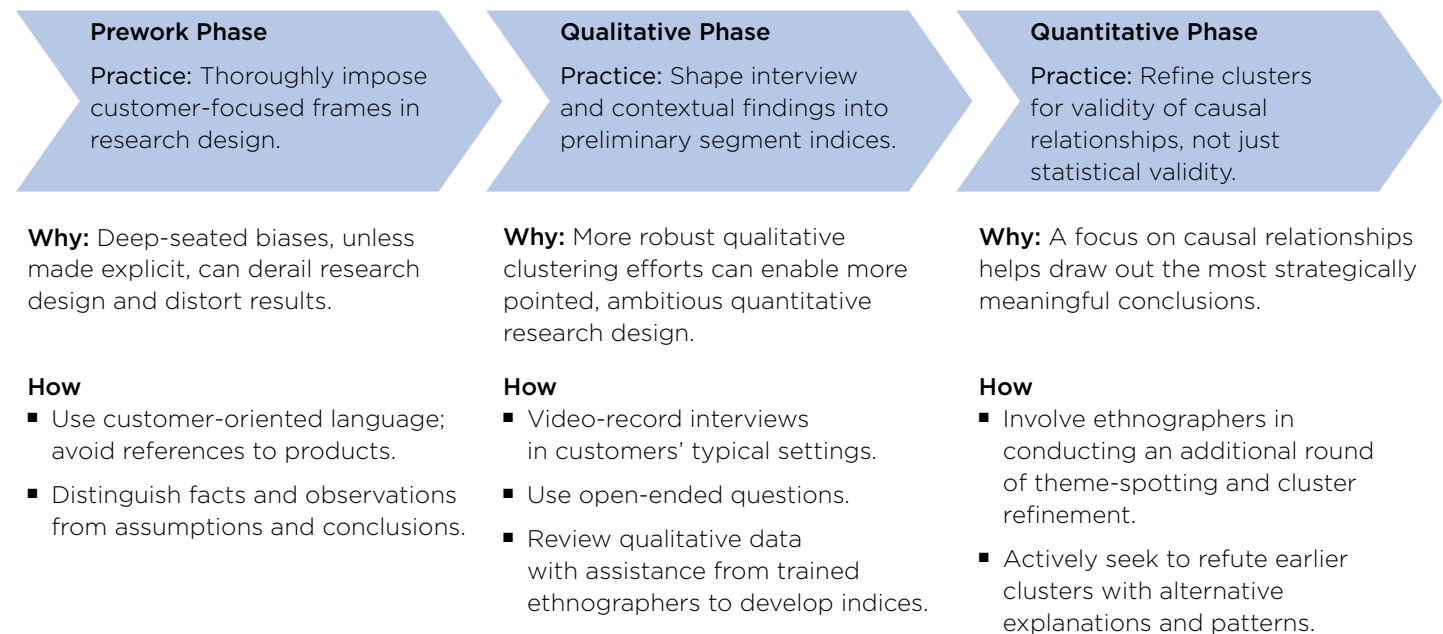


Deere adopts several measures to ensure that research efforts focus on developing strategically meaningful insight on customers. The research has two focal points:

- The attitudes, goals, beliefs, and emotions that underlie customer behaviors
- The motivators of customer decisions when facing trade-offs between goals

Deere's research design emphasizes unbiased hypothesis generation in its prework and qualitative phases before launching hard quantitative efforts to test those hypotheses. This approach ensures empirically valid insights and strict adherence to the research objective, rather than just aiming for a 360-degree view of the customer.

Figure 19: Key Aspects in Deere's Research Design and Execution



Source: John Deere; CEB analysis.

Note: Research was designed and executed with the guidance of Quarry Communications.



Create personas to illuminate why customers exhibit certain decision and behavioral patterns.


Deere's Segment Personas

Deere's personas bring coherence and tangibility to the deep, detailed differences across customers. These personas give a face and name to customer insights that are either highly contrarian to internally held beliefs or simply undiscovered altogether. They're also further brought to life with a brief video introduction.

These personas include both functional and personal descriptives but prioritize the latter. Specifically, "orientation" refers to the patterns in customers' conscious choices and behaviors that indicate how customers behave relative to their environment. "Stance" represents the differences in customers' attitudes and motivations that reveal why customers behave that way.

Figure 20: Sample Customer Persona

Highlight of a Contrarian Persona, Illustrative



Studious

Tom
"Farming feels like a game at times; I'm always trying to beat my best score."

Key Attributes

- Did not grow up on a farm
- Self-identifies with technology
- Educated and intellectually curious
- Invests free time experimenting

Functional Values

- Precision technology
- Information and advisory services


Emotional Values

- Self-improvement
- Intellectual achievement
- Pride

Orientation
Process Optimizing

Classification

- Commercial agriculture
- Revenue Tier 2



Deere includes video portrayal of the personas to bring them to life for internal stakeholders.

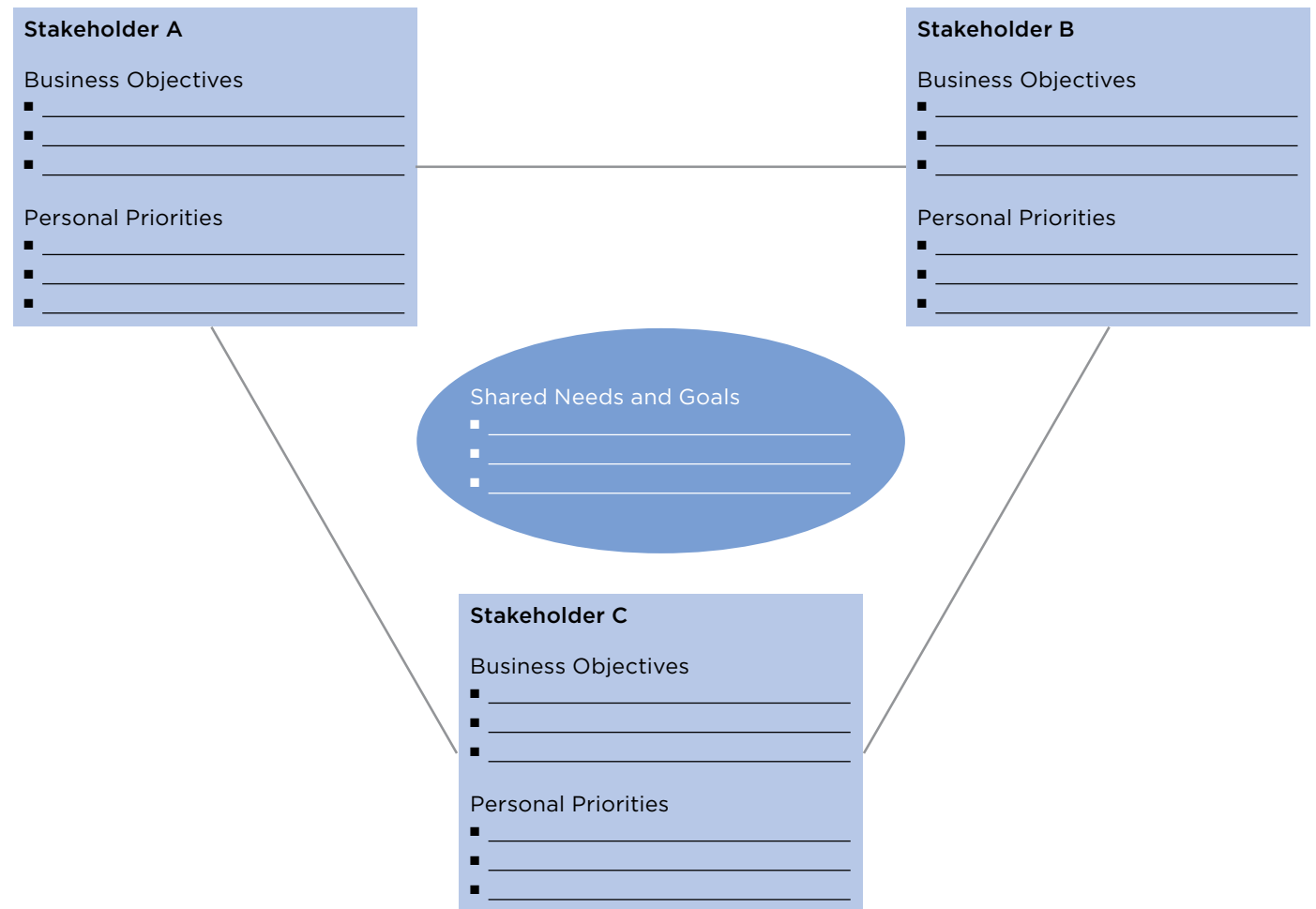
Source: Deere & Company; CEB analysis.

Compare personas to identify common personal values that can form the foundation for more widely resonant brand campaigns.

Map Shared Personal Values to Create Mass Resonance

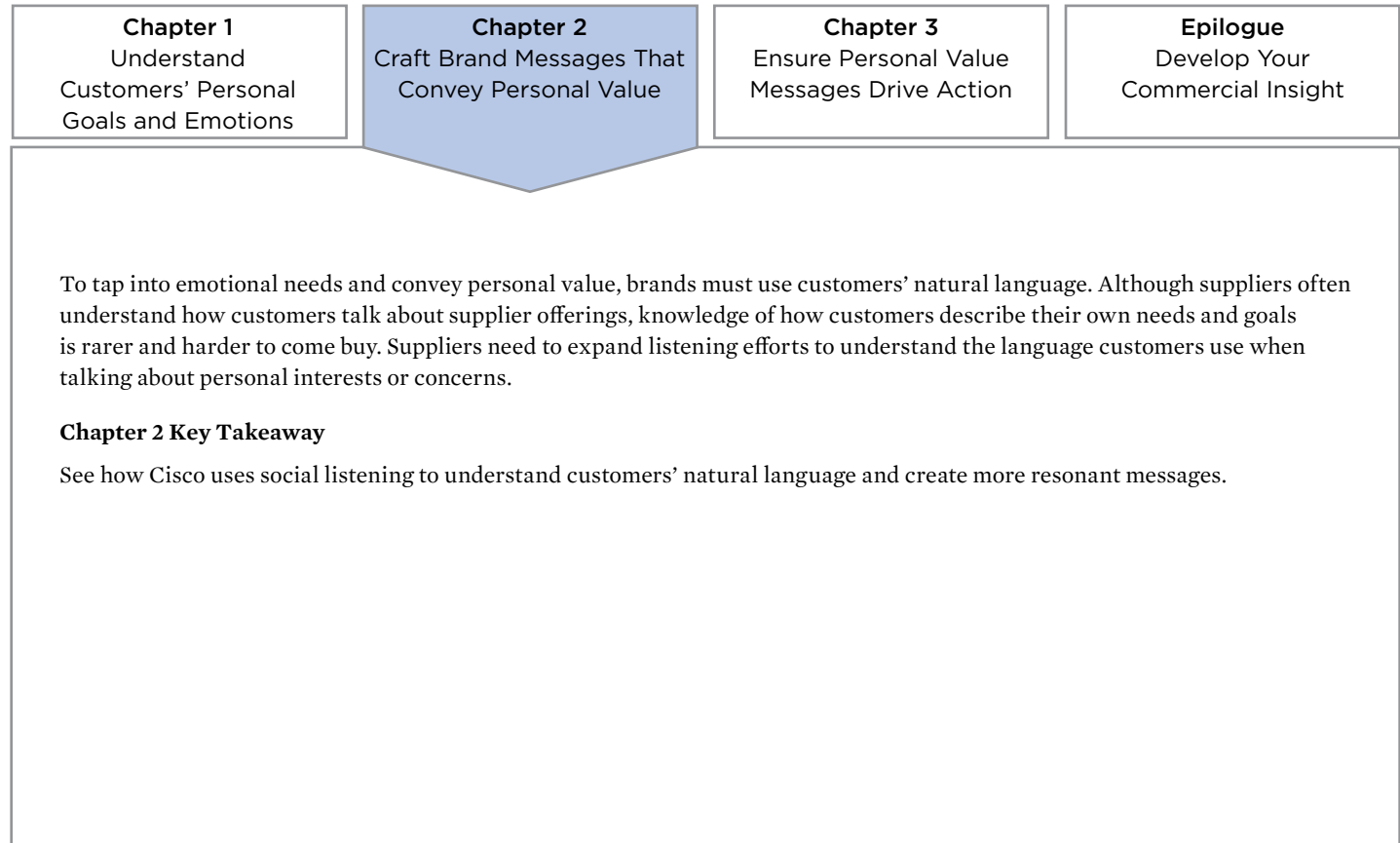
Marketing should compare personas to identify shared personal values that will be most effective for branding that resonates with a broad audience. This approach also reduces the need to overinvest in personalization efforts.

Figure 21: Shared Needs Map



For more information on understanding customers' personal goals and emotions, [contact CEB](#).

Source: CEB analysis.



Source: CEB analysis.

To make personal value resonate with customers, Marketing must communicate in buyers' natural language.

Communicate in Buyers' Language

As suppliers start using more emotion in their messaging, the importance of exact imagery and language grows. Although messages about business benefits can rely on conscious processing and analysis, messages about personal benefits should create an instant, visceral response. To ensure buyers identify with the needs and goals portrayed, Marketing must communicate sentiments accurately. This approach requires careful use of customers' natural language—the words and phrases that instantly conjure up emotions.

Although suppliers have always sought to use natural language in communications, few have had systematic approaches to identifying that language. Social listening efforts often focus on customers' perceptions of and feedback on supplier offerings. This is useful but doesn't reveal how customers talk among themselves—particularly when describing how they actually think and feel about their work. If marketers overlook buyers' natural language patterns, they risk missing the opportunity to create a personal connection.

Cisco uses social listening to identify customers' natural interests and languages that serve as the foundation for personally appealing messages.



Scenario: Cisco has been increasingly selling to new types of stakeholders (e.g., CMOs, not just the CIOs who were Cisco's traditional buyers). As a result, marketers must learn to speak in unfamiliar customer languages.

Action: To learn customers' natural language, Cisco engages in social listening to better understand customers' unprompted conversations. Once they identify specific stakeholders' roles and top interests, Cisco's marketers build them into experimental messages that are then tested for resonance in various social media channels (e.g., blogs, Twitter). Phrases and messages that are adopted by customer audiences are then incorporated into more formal campaigns that communicate personal value to customers in their own natural language.

Impact: After tracking the dissemination of one tested message as a resonant sound bite, Cisco found that 58% of customers' natural mentions about Cisco revolved around that message. This finding highlights how a supplier can influence the conversation in their space and create connection with a community.

Source: Cisco Systems; CEB analysis.

Cisco unearths and tests experimental messages and language in social media to optimize personal resonance of the message.

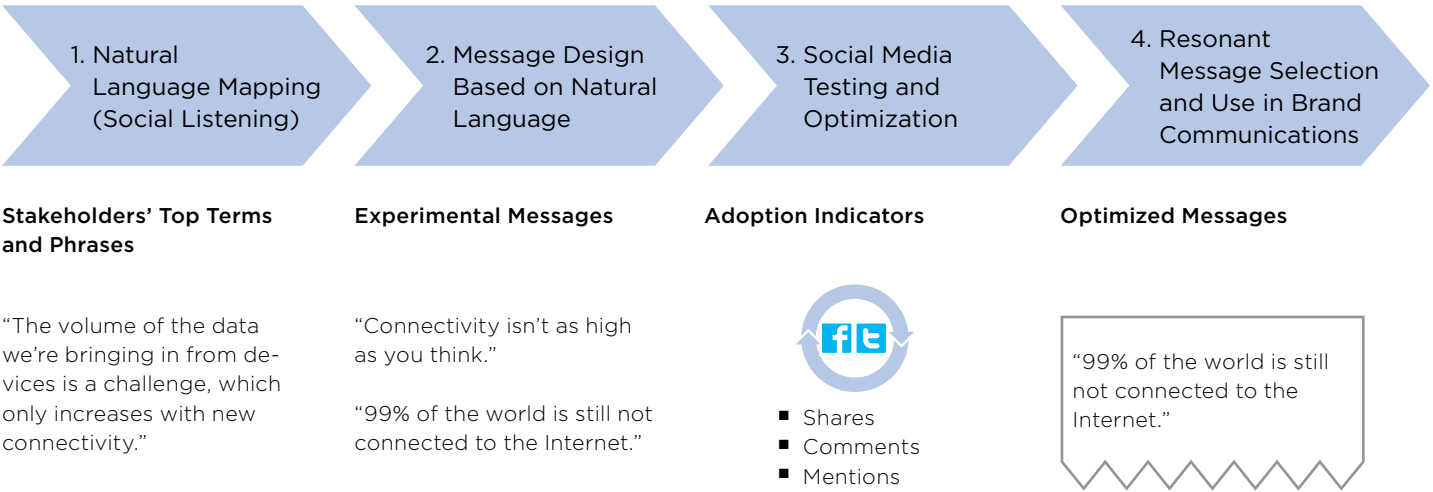
Cisco Uses Social Listening to Capture Buyers' Natural Language



Cisco's social listening vendors mine social media and digital publications to isolate buyer topics of interest and keywords used by stakeholder role. It then analyzes strings of words from those relevant topic keywords to better understand the context in which those topics are discussed. These associated terms give marketers a sense of the full range of issues and language that resonate for a given topic.

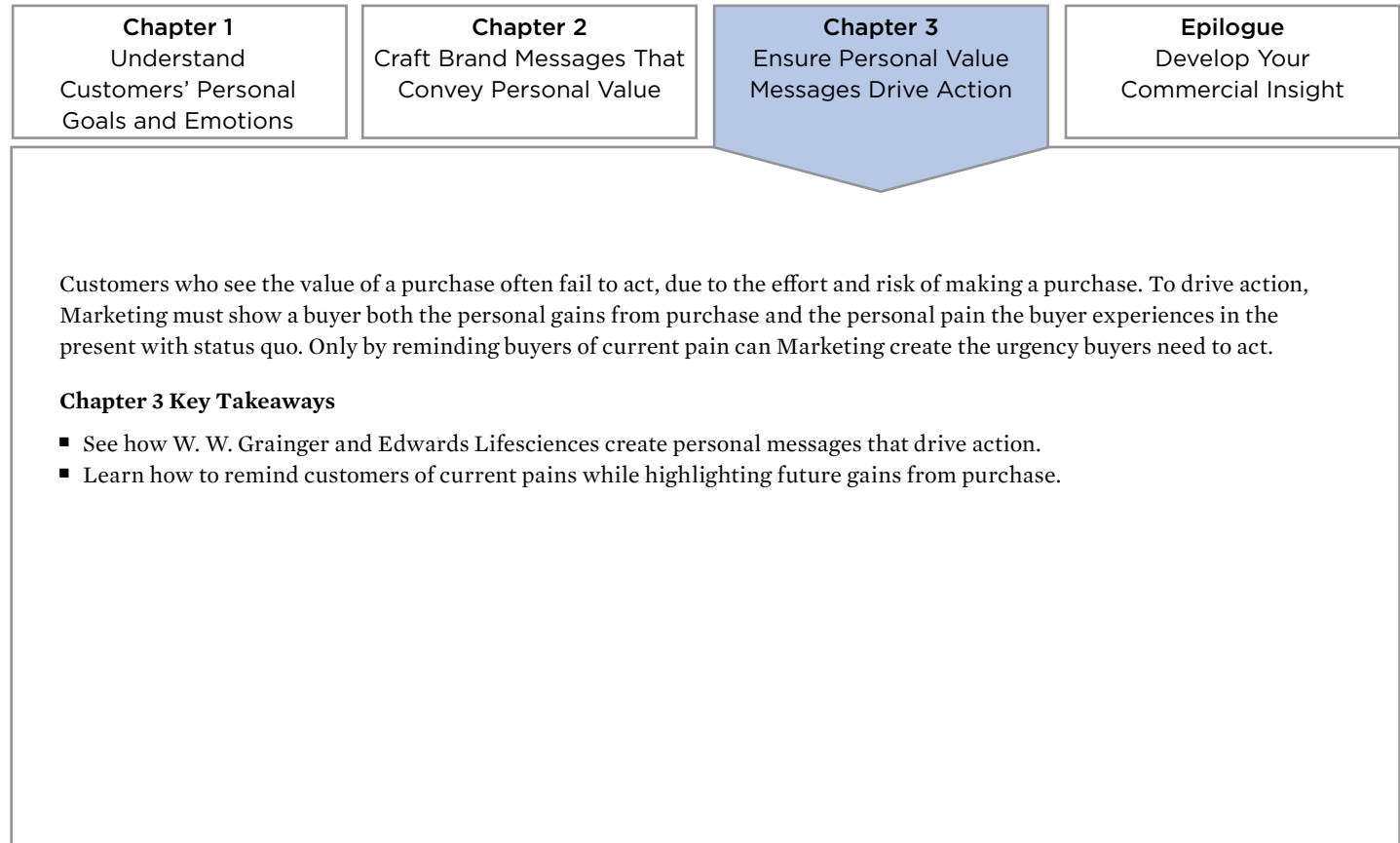
Using that language, Cisco then creates experimental messages about top trending issues and embeds them in social media-like blogs and Twitter. Cisco listens for the messages that are actually adopted and shared by target stakeholders, focusing on Cisco language use without direct mentions of Cisco that indicates true adoption of the language. The phrases and messages that customer audiences successfully adopt are then translated into more formal campaigns.

Figure 22: Cisco's Customer Language Activation Process



For more information on crafting brand messages to convey personal value, [contact CEB](#).

Source: Cisco Systems; CEB analysis.



Source: CEB analysis.

Show Change Is Less Painful Than No Change

To drive action, Marketing must show buyers that the personal pain of change is less than existing personal pains.

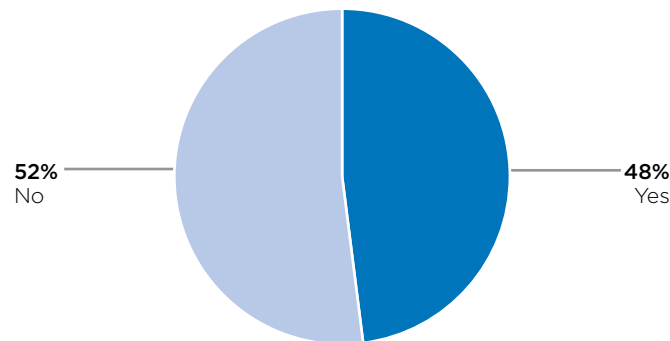
Even customers who see both the personal and business value of a purchase often fail to act due to the costs, risks, and effort of making a purchase. Indeed, almost half of customers admit they have failed to speak up about desired purchases in the past (Fig. 23) and cite multiple risks as causes (Fig. 24). Since people naturally overweigh short-term considerations over long-term ones, the immediate pain of change related to the purchase often overshadows long-term gains, preserving the status quo. For suppliers, this means many missed opportunities and untapped demand as well as wasted time and money on campaigns that don't lead to conversion.

To drive action, suppliers must shift buyers' focus away from the costs and risks of change. Highlighting current problems can make change feel inevitable and also less painful by comparison. Smart suppliers teach buyers about unexpected financial costs and risks of the status quo to create urgency to act, but even this isn't always enough to motivate action. The problem: purchases are personally costly and risky, not just financially. Personal costs include the time and effort spent on research, stakeholder management, supplier negotiation, and implementation, while personal risks include the potential loss of credibility and political capital from proposing or spearheading an unpopular purchase.

To overcome the status quo, best-in-class suppliers now remind buyers of current personal difficulties or emotional needs as well as future personal gains from purchase.

Figure 23: Failure to Act on Purchase Intent

Q: "Have you ever wanted to buy a new solution but not spoken up about it?"



n = 590.

Source: CEB 2013 B2B Buyer Survey.

Figure 24: Reasons for Failure to Act on Purchase Intent



n = 3,000.

Source: CEB/Motista 2013 B2B Brand Survey.

Leading suppliers use both personal pains and gains in branding campaigns to drive buyer action.

Personalize Pain, Not Just Gain

To drive action, marketers need to overcome the inertia of the status quo. But this can be very difficult due to customer concerns about the effort and cost—the pain—of change. These pains are very personal to customers and must be overcome to convince buyers to take action.

Marketers have two levers available to overcome this resistance—increase the gain or reduce the pain. Many marketing efforts emphasize the gains—potentially both business and personal—that come from the adoption of the supplier's solution. Although important, the supplier's solution may be insufficient alone.

Marketers can also use the pain of the current situation. By showing buyers that their current frustrations and pains with the status quo are worse than the effort of change, marketers have a second lever that can be combined with the gains that are typically highlighted.

To personalize both the pain and the gain, Marketing must:

- Understand buyers' personal needs and frustrations (see Chapter 1),
- Craft messages that empathize with buyers' personal gains and the pains from their frustrations (see Chapter 1),
- Clearly show how a purchase will deliver these personal needs and eliminate frustrations by providing unique value.

W. W. Grainger and Edwards Lifesciences have both created campaigns that effectively personalize both pain and gain.

GRAINGER

Situation: Grainger's marketing team realizes the importance of emotion in B2B buying and seeks to create a stronger personal connection to buyers.

Action: Based on research of customers' personal needs and motivations, Grainger creates a new campaign centered on helping customers' attain their self-perception needs through the purchase.

Source: W.W. Grainger; CEB analysis.

Grainger's campaign respectfully highlights personal pains and gains that apply to a range of stakeholders.

Show Respect for Multiple Stakeholders' Pains and Goals

GRAINGER®

Grainger's "Get It. Got It. Good." campaign (Fig. 25) demonstrates that Grainger understands customers' challenges and has the products, services, and ideas to help them get the job done. From a business value perspective, it highlights the value of keeping the plant running. Very powerfully, it also emphasizes the personal value to the plant manager as someone who gets things done.

The video is from the perspective of a plant manager trying to keep a plant running in the face of a dizzying array of potential points of failure. It is very easy to see all of the sources of pain he could encounter. His goal is quite simple: overcome the potential failures and keep the plant running—in short, get things done.

Key Success Factors of the Grainger Campaign

1. Highlights Both Pains and Gains:

- Pains—Enormous number of potential failure points and fear of not being able to fix them
- Gains—Confidence and satisfaction in getting the job done

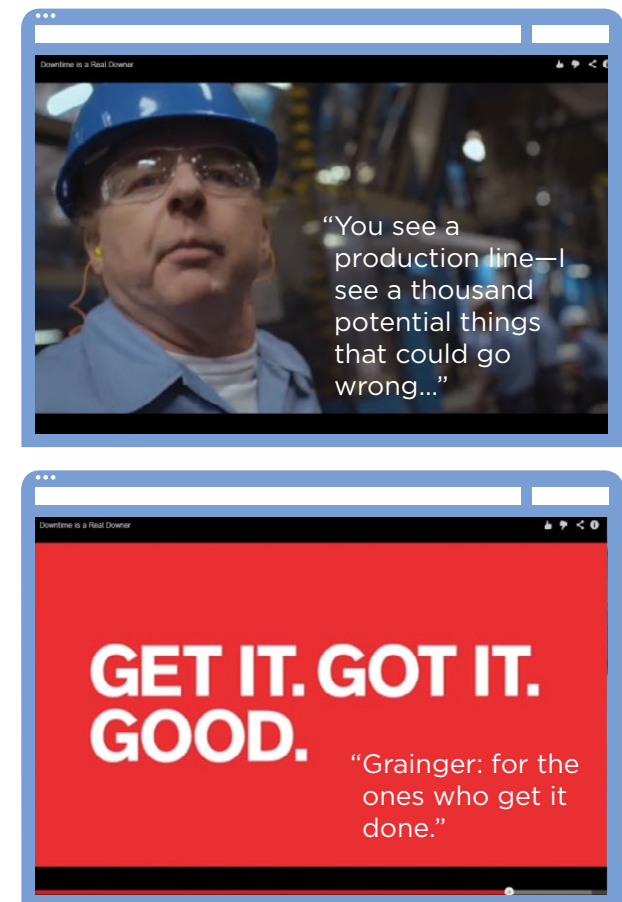
2. Shows Respect and Understanding for the Customer's Pains and Gains:

- Told from a customer's point of view in a style that reflects the gritty reality of the job
- Honors the customer's role in keeping the business running

3. Appeals to Multiple Stakeholders (Plant Managers and Finance/Senior Management, AKA "Bean Counters")

- Taps into multiple stakeholders' needs and goals (i.e., getting things done and keeping the plant running)

Figure 25: Screenshots of Grainger's "Downtime is a Real Downer" Video (Including Transcripts)



Source: W. W. Grainger, 2013, www.grainger.com/getit; CEB analysis.

Insights on stakeholders' needs and desires help create powerful brand campaigns.

Personalize Pain, Not Just Gain (Part 2)



Edwards

Scenario: Although Edwards Lifesciences has had a strong reputation for decades, it begins to face pricing pressures due to a shift in influence over the purchase decision from surgeons to Procurement and administrative buying committees. Customer conversations are increasingly price-focused, despite Edwards' obvious quality advantage. Edwards' marketing team realizes it needs to better understand and cater to customers' true needs and purchase drivers to boost preference.

Action: Edwards extensively researches the needs and motivations of its target audience (cardiovascular surgeons) via a range of psychographic techniques, such as interviews with visual prompts. Edwards identifies surgeons' biggest emotional need as the intense moment of concentration directly before surgery when the surgeon contemplates that a patient's life will be in his or her hands. Edwards realizes that surgeons need confidence in this moment to perform well and that confidence can come from knowing they have the best equipment possible. Edwards develops a global branding campaign anchored on this "Moment" that positions itself as the innovative partner to alleviate any anxiety.

Impact: The Moments campaign increases users' preference for Edwards by over 25%. More specifically, Edwards was able to boost its brand reputation as an "innovative leader" by 10%. The collateral has also proven effective globally to support sales conversations with both surgeons and procurement officials. Commenting on the campaign's success since launching in 2010, one director of Area Sales said, "Our best sales reps use the Moments campaign's teaching points to show Procurement how their surgeons feel, nudging them to think beyond price. Since the campaign was launched, close rates are at least 20%-30% higher than they were with previous campaigns."

Source: Edwards Lifesciences; CEB analysis.

Edwards' campaign anchors on a moment of peak emotion to trigger action.

Anchor on Moments of Emotional Intensity

Edwards Lifesciences "This Moment Is Everything" campaign conveys the message that the moment directly before a surgery is critical to performance and only Edwards' high-quality products give surgeons the confidence they need in that moment. This message combines this intensely personal moment of introspection with personal value (confidence when you need it most) and business value (better performance and patient outcomes).

Key Success Factors

1. Anchors on Peak Emotion

- The campaign vividly portrays a moment of extreme emotional intensity (e.g., a surgeon scrubbing in and contemplating that a patient's life will be in his hands) to create an instant emotional connection to users.

2. Highlights Emotional Needs

- By conveying intensity, the campaign reminds surgeons of the importance of confidence in strong performance.

3. Resolves the Need

- The campaign positions Edwards Lifesciences' cutting-edge products as the supplier of confidence in that moment. With the best products, surgeons feel confident and perform better.

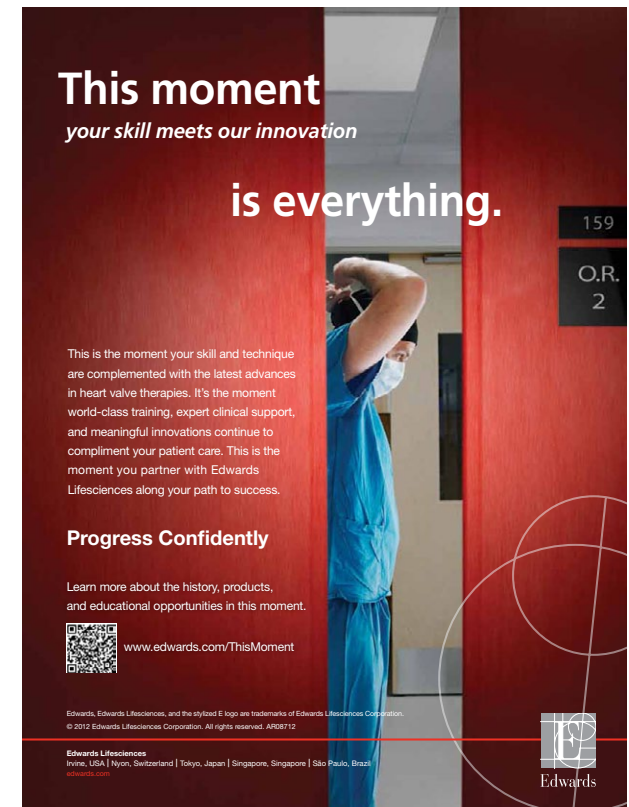
4. Shows Respect and Understanding

- The campaign honors surgeons and shows empathy for their innermost most thoughts and feelings.

For more information on mobilizing action with personal value messages, [contact CEB](#).



Figure 26: Edwards' "Moments" Campaign Print Ad



Source: Edwards Lifesciences; CEB analysis.

Chapter 1 Understand Customers' Personal Goals and Emotions	Chapter 2 Craft Brand Messages That Convey Personal Value	Chapter 3 Ensure Personal Value Messages Drive Action	Epilogue Develop Your Commercial Insight
<p>Suppliers who show customers personal value still need to differentiate their business value—to win both emotionally and rationally. In today's highly competitive and noisy market, this is no easy task. Just 14% of customers currently see enough difference between suppliers' ability to provide business value to pay extra for it.</p> <p>To de-commoditize business value, Marketing must provide information that teaches customers something new about their business needs and leads uniquely back to the supplier.</p> <p>Epilogue Key Takeaways</p> <ul style="list-style-type: none">▪ See how Xerox develops a Commercial Insight that boosts sales by 17%.▪ Find hidden connections between your unique differentiators and customers' business goals.			

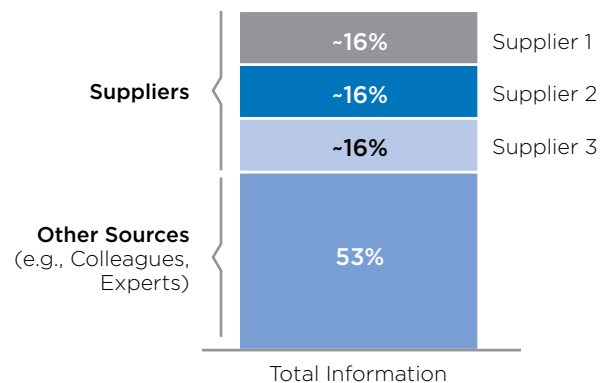
Most Content Marketing Is Just Adding to the Noise

To be heard, suppliers are creating more content, but it's only adding to the noise and making differentiation harder.

Suppliers find it increasingly hard to stand out from the crowd. A large part of the problem is that customers use a broader range of information sources than ever before, including analysts, third-party consultants, colleagues, and other acquaintances. As a result, suppliers as a whole provide less than half of the total information customers use to make a purchase decision. Since most suppliers have two or three major competitors, each supplier receives just 12% to 16% of total customer mindshare (Fig. 27).

To combat this crowding out effect, many suppliers are churning out more and more content in the hopes of capturing more customer mindshare (Fig. 28). This approach, however, creates even more noise and even less differentiation and does not help suppliers escape the commoditization trap. In fact, buyers with access to more information delay contacting Sales and make up their own minds about what they need. When they finally contact Sales, they have already established buying criteria and found several suppliers who fit the bill. This means all suppliers can compete upon is price.

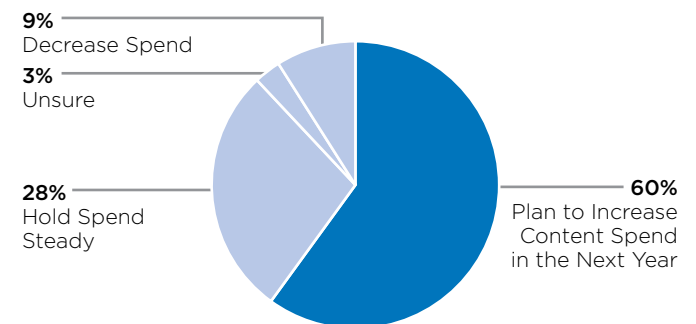
Figure 27: Information Customers Use When Making a Purchase



n = 545.

Source: CEB 2012 Customer Purchase Decision Making Survey.

Figure 28: Content Marketing Spending Over the Next 12 Months



Source: Joe Pulizzi, "2012 B2B Content Marketing: Benchmarks, Budgets, and Trends," Content Marketing Institute, contentmarketinginstitute.com/2011/12/2012-b2b-content-marketing-research.

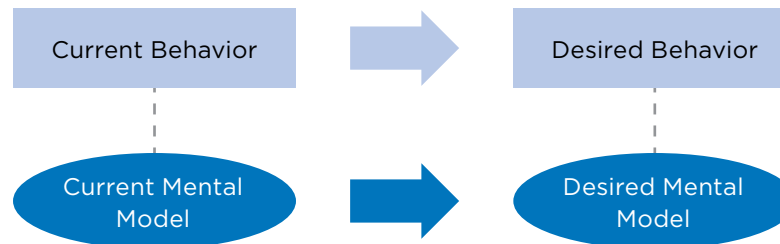
For differentiation, suppliers must disrupt customers' thinking.

Disrupt Customers' Thinking to Differentiate

In today's world of empowered customers who set their own buying criteria, a content strategy that builds up customers' thinking will at best get consideration and commoditization with it. The only way Marketing can truly change customer behavior is to teach customers that their current criteria set is flawed and full of risk and costs that they underappreciate. In other words, the best way to drive purchase and price premium is to teach customers something new about their business (i.e., provide Commercial Insight) to change their buying criteria to favor you as the sole possible supplier. Only by changing buyers' current beliefs can Marketing change buyer behavior (Fig. 29).

Commercial Insight
Information that disrupts customers' status quo by teaching them something new about their business needs that leads to the supplier's unique value

Figure 29: Means of Changing Customers Beliefs from Current to Desired



Source: CEB analysis.

However, teaching customers something new about their own business is not easy, especially when that teaching needs to be relevant to their goals and lead back to your solutions.

To come up with a Commercial Insight, suppliers should take three steps:

1. Identify customers' top goals and outcomes (i.e., what customers care about most).
2. Map customers' beliefs about what drives those outcomes (i.e., what customers think about how their business works).
3. Uncover hidden connections between customer goals and supplier's unique differentiators (i.e., what customers miss).

For more information on how to uncover customers' current beliefs, [contact CEB](#).

Reframe Buyers' Purchase Criteria

Xerox's marketing team developed a very powerful Commercial Insight that enabled it to change customers' minds.



Scenario: Xerox faces difficulties selling its high-end products despite being the market leader. One of Xerox's products is a technologically advanced, cartridge-free color cube copier. This product is mainly created for schools with principals and facility managers as decision makers. However, customers' stated needs tend to focus on minimum performance standards and low costs. With severe budget restrictions and declining funding, they are reluctant to pay a premium price to switch to a higher-value product, even when they see the product's advantage.

Action: Xerox decides to develop a Commercial Insight to elevate its customer conversations and reframe the way it evaluates supplier differentiation. First, it identifies existing customer beliefs via sales feedback sessions, customer interviews, and quantitative research. Using a variety of brainstorming questions, Xerox draws connections between those beliefs and Xerox's key differentiators—connections customers would not have thought of on their own. Xerox then tests the quality of that insight against a) customers' current concerns and solutions, b) the gaps in their thinking, and c) the revised approach that leads exclusively back to Xerox. The resulting Commercial Insight becomes the foundation for a new content portfolio that sparks customer interest, introduces key concepts, and personalizes the value for the customer to drive action.

Impact: Xerox's insight-led content experiences high popularity, including an 81% increase in traffic to the redesigned landing page after campaign launch. Approximately one out of two site visits results in a download of Commercial Insight material. As a result, Xerox generates a wave of promising new sales opportunities leading to a 17% revenue boost.

Source: Xerox; CEB analysis.

Xerox finds hidden connections between its differentiators and customer concerns.

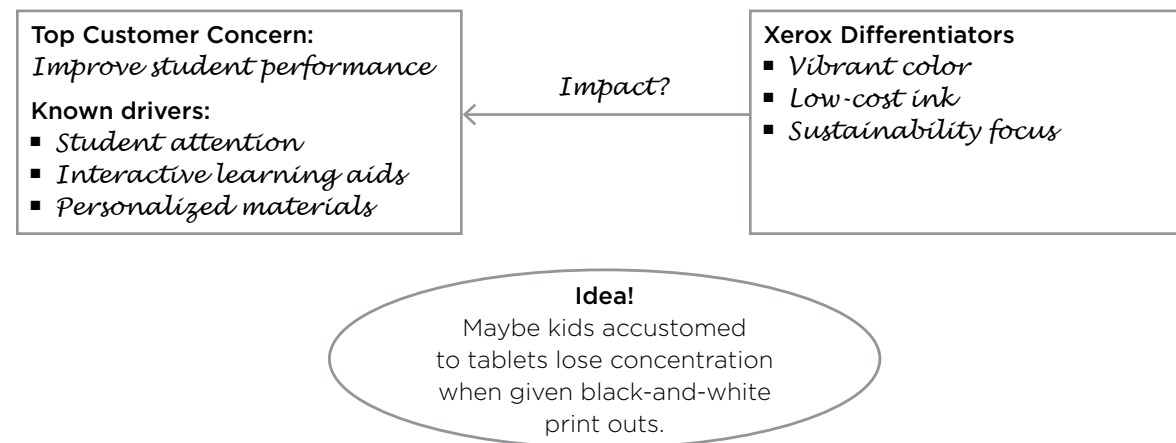
Find Hidden Connections



Xerox takes three steps to develop a powerful Commercial Insight that teaches its customers something new about their business needs and links back to them as the sole supplier:

1. Through interviews with both sales reps and customers, Xerox marketers identify customers' top goal: better student performance.
2. They probe further to understand customers' current beliefs about the drivers of student performance (e.g., student attention, interactive learning aids).
3. Next, Xerox looks for potential connections between its unique differentiators and customers' top goal that might surprise customers and boost their appreciation of Xerox's solutions. In this case, using a variety of open-ended brainstorming questions, Xerox hypothesizes that today's children have trouble concentrating with black-and-white printouts because they're accustomed to tablets and other digital devices. Therefore, color printing—from Xerox—can improve student performance.

Figure 30: Means of Changing Customers Beliefs from Current to Desired



Source: Xerox; CEB analysis.

Xerox's Commercial Insight messages help boost sales by 17%.

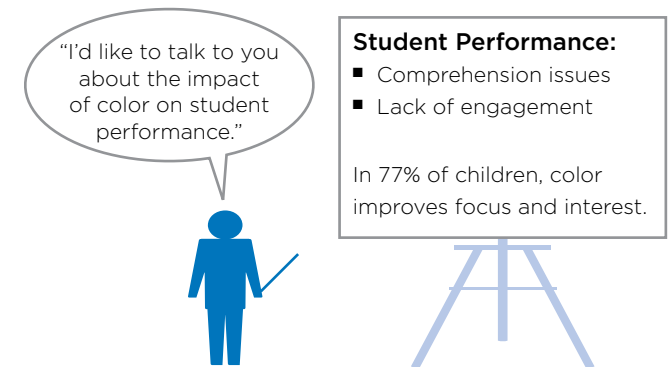
Xerox Campaign Results

As a result of the Commercial Insight initiative, Xerox messaging and sales pitches begin with customers' top concerns and ultimately lead to Xerox's unique ability to solve these concerns (Fig. 31).

After 12 months, Xerox already sees 81% higher traffic to sites containing the new content (Fig. 32) and 17% higher revenue (Fig. 33).



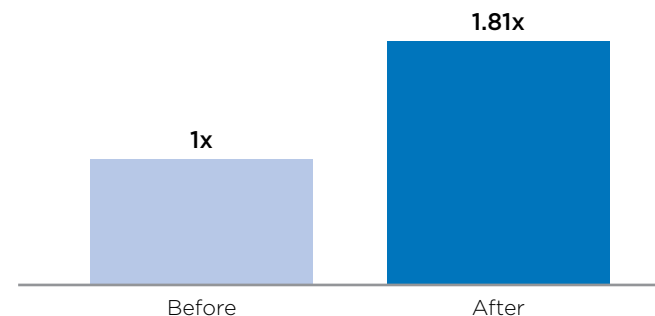
Figure 31: Xerox's Insight-Led Interaction



Source: Xerox; CEB analysis.

Figure 32: Comparison of Traffic on Xerox Landing Page

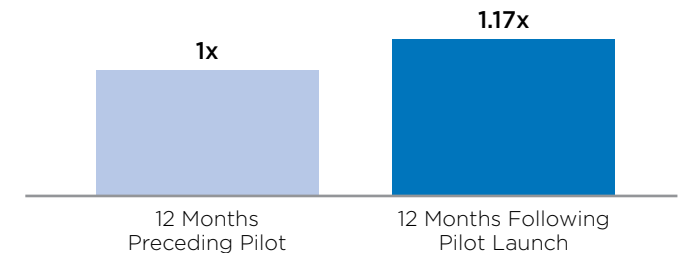
K-12 Market



Source: Xerox; CEB analysis.

Figure 33: Comparison of Revenue Before and After Commercial Insight Pilot

K-12 Market



Source: Xerox; CEB analysis.

For more information on developing Commercial Insight, [contact CEB](#).