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Digitalization and New Buyer Behavior is Changing B2B Relationship Marketing

- A case study on the effects on sales and
marketing in Company X

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Preface

This master's thesis was produced in the fall of 2014 and spring of 2015 at the Faculty of Engineering, LTH, at Lund University. The authors are students of Industrial Engineering and Management and the thesis was produced at the Department of Production Management.

The employer during research was Company X, a business and IT consulting firm based in Stockholm. The authors would like to thank them for their support and provision of working spaces during writing. Special thanks go out to Jan Sellö who was supervisor at Company X, and Hanna Nätt-Falkäng and Filip Lindwall for their participation in interviews.

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Abstract

Title: Digitalization and new buyer behavior is changing B2B relationship marketing

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Problem definition: The increasingly informed customer will lead to an even greater demand for expertise and knowledge of marketers. Firms need to find new ways to utilize the informed customer as a co-creator of value by more proficiently analyzing behavior, both online and offline.

An uncertainty lies in to which extent the operational standards of KIBS firms translate to their marketing and sales efforts, or to what degree they are using potential customers to help shape their value propositions. The research question that has been identified is how the relationships seen in knowledge-intensive B2B marketing are affected by the digitalization of society and the change in buyer behavior that is a result of these societal changes.

Purpose: The purpose of this thesis will be to identify the effects of digitalization and changing buyer behavior on relationships seen across marketing and sales of knowledge-intensive services in a B2B context. This will lead to a recommendation for the case company's future direction of its marketing and sales functions.

Methodology: The research approach of this master's thesis has been a combination of a *descriptive* and

an *explorative* study. The descriptive approach intends to describe the overall areas of the problem formulation, while the explorative approach aims to collect as much information as possible regarding these areas. The goal of research has been to put more weight on the explorative approach.

The research is approached as a case study focusing on a company that is both B2B and in a sector that includes many interesting angles of the problem.

Case company:

The choice of Company X as case company for this thesis was rooted in three overall observations.

First off, the area of digital marketing is currently seeing increased urgency in B2B. The sector of IT and business consultancy is also interesting. The companies in this sector often have many different ways of working within the same company.

The choice of a B2B company is motivated by the fact that the new wave of digital marketing has seen greater advancements in B2C. B2B is historically stronger in much of the relationship marketing basics, like close network relationships. The digital advancements in B2B deviate from those in B2C, and are probably not as standardized.

Lastly, an interesting aspect of Company X is that it offers business units on opposite sides of the spectrum in regards to overall digital advancements.

Conclusions:

Information really is the common denominator for everything that pertains to the power balance of supplier and customer.

The authors believe that the presented framework provides a good intersection of assessing relational strength in B2B, the ability to grade strengths and weaknesses as well as opportunities and threats in digitalization, and lastly the level of current buyer insight. The models are secondary and may be modified, but the choice to observe relationships, digitalization and more in-depth buyer behavior should provide a holistic view for similar studies.

Keywords: Information, relationship marketing, content marketing, cross-sales, marketing automation, lead scoring, predictive analysis, data-driven analysis, buyer insight.

Sammanfattning

Titel: Digitaliseringen och nytt kundbeteende förändrar relationsmarknadsföring i B2B-företag

Författare: Tobias Olsson and Emil Uhlin

Handledare Ingela Elofsson, Produktionsekonomi, Lunds Tekniska Högskola och Jan Sellö, Company X

Problemdefinition: Den allt mer informerade kunden kommer att leda till ett större behov av expertis och kunskap hos marknadsförare. Företag måste hitta nya sätt att utnyttja den informerade kunden som samskapare av värde, genom att mer effektivt analysera beteenden, både online och offline.

Det finns en osäkerhet i vilken utsträckning arbetssätten som kunskapsintensiva företag har reflekteras i deras marknadsförings- och försäljningsinsatser eller i vilken utsträckning de använder potentiella kunder för att forma sitt erbjudande. Frågeställningen som uppstår är hur relationer i kunskapsintensiv B2B-marknadsföring påverkas av digitaliseringen av samhället och förändringen i köpbeteende som är ett resultat av denna samhällsförändring.

Syfte: Syftet med uppsatsen är att identifiera effekterna av digitaliseringen och förändrade köpbeteenden på relationer inom marknadsföring och försäljning i kunskapsintensiv B2B-kontext. Detta kommer att leda till en rekommendation för fallföretaget kring dess framtida inriktning för marknadsföring och försäljning.

Metod: Denna studie har haft en kombinerad deskriptiv samt explorativ ansats. Den deskriptiva ansatsen ämnar beskriva de övergripande områdena av problemformuleringen, medan den explorativa ämnar finna så mycket information som möjligt gällande dessa olika områden. Målet har varit att lägga fokus på den explorativa ansatsen.

En fallstudie har genomförts för ett företag som är B2B och som även presenterar många intressanta infallsvinklar på problemet.

Fallföretag: Valet av Company X som undersökningsobjekt grundade sig i tre huvudsakliga observationer.

Digital marknadsföring ser i nuläget ökad angelägenhet inom B2B. IT- och verksamhetskonsultföretag erbjuder även en

intressant sektor att studera. Företagen i denna sektor har ofta många olika sätt att arbeta inom samma företag.

Valet av ett B2B-företag är motiverat av det faktum att vågen av digital marknadsföring har sett större utveckling inom B2C. B2B är historiskt starkare inom relationsmarknadsföringen, med starka nätverksrelationer. De digitala framstegen inom B2B skiljer sig från dem inom B2C och är förmodligen inte lika standardiserade.

Company X erbjuder även affärsområden som i nuläget befinner sig på olika sidor av spektrumet gällande digitala framsteg.

Slutsatser: Information är den gemensamma nämnaren för allting som kan kopplas till maktbalansen mellan köpare och säljare.

Det är författarnas övertygelse att det föreslagna ramverket erbjuder ett intressant möte av att observera relationsstyrkor i B2B, möjligheten att bedöma styrkor och svagheter samt möjligheter och hot inom digitaliseringen, och även den nuvarande nivån av kundinsikt. Modellerna är sekundära och kan modifieras. Valet att observera relationer, digitalisering och kundbeteende på djupet erbjuder en holistisk synvinkel för framtida studier.

Nyckelord: Information, relationsmarknadsföring content marketing, cross-sales, marketing automation, lead scoring, prediktiv analys, data-driven analys, köparinsikt

Definitions and Abbreviations

AX	Microsoft Dynamics AX - A type of ERP
B2B	Business-to-Business
B2C	Business-to-Consumer
B2H	Business-to-Human
BI	Business Intelligence
Big Data	The vast collection of data which can be analyzed
CRM	Customer Relationship Management
ERP	Enterprise Resource Planning
FTM	Full-time marketer
H2H	Human-to-Human
ICT	Information and Communication Technology
KIBS	Knowledge-intensive Business Services
KPI	Key performance indicator
Lead	A person/entity with interest in sales target group
M3	Infor M3 - A type of ERP
MA	Marketing Automation
Pinterest	A social media network
PIM	Product Information Management
PTM	Part-time marketer
RFI	Request for Information
RFP	Request for Proposal
RM	Relationship Marketing
ROI	Return on Investment
SAP	Systems, Applications & Products in Data Processing - A type of ERP
SC	Supply Chain
S-D Logic	Service-Dominant Logic
SEO	Search Engine Optimization
SRM	Supplier Relationship Management
TM	Telemarketing
White paper	An informative marketing paper with sales purpose
Yammer	A social network widely used in companies internally

Table of Contents

PREFACE	II
ABSTRACT	III
SAMMANFATTNING	V
DEFINITIONS AND ABBREVIATIONS	VIII
TABLE OF CONTENTS	IX
1 INTRODUCTION	1
1.1 BACKGROUND AND PROBLEM DEFINITION	1
1.2 PURPOSE	4
1.3 DELIMITATIONS	4
1.3.1 ORGANIZATIONAL FRAMING	4
1.3.2 GEOGRAPHICAL FRAMING	5
1.4 INTENDED TARGET GROUPS	5
1.5 THESIS OUTLINE	5
1.5.1 INTRODUCTION	5
1.5.2 METHODOLOGY	5
1.5.3 CASE COMPANY	5
1.5.4 THEORY	5
1.5.5 EMPIRICS - THE EFFECTS OF DIGITALIZATION ON MARKETING AND SALES IN GENERAL	6
1.5.6 EMPIRICS - THE DIRECT EFFECTS OF DIGITALIZATION ON COMPANY X	6
1.5.7 EMPIRICS - CHANGING BUYER BEHAVIOR AND BUYER INSIGHT IN THE DIGITAL AGE	6
1.5.8 EMPIRICS - MARKETING RELATIONSHIPS AT COMPANY X	6
1.5.9 ANALYSIS - EFFECTS OF DIGITALIZATION AND CHANGING BUYER BEHAVIOR ON MARKETING RELATIONSHIPS	7
1.5.10 CONTRIBUTIONS AND REFLECTIONS	7
1.5.11 CONCLUSIONS	7
2 METHODOLOGY	8
2.1 INTRODUCTION TO RESEARCH METHODOLOGY	8
2.1.1 RESEARCH APPROACH	8
2.2 CONDUCTING A CASE STUDY	10
2.2.1 CHARACTERISTICS OF A CASE STUDY	10
2.3 CHOICE OF CASE COMPANY	11
2.4 RESEARCH PROCESS	12
2.4.1 PLANNING	12

2.4.2	DATA COLLECTION	13
2.4.3	ANALYSIS OF DATA	15
2.4.4	REPORTING	17
2.5	QUALITATIVE DATA COLLECTION	17
2.5.1	TRIANGULATION OF DATA	18
2.5.2	SEMI-STRUCTURED INTERVIEWS	18
2.5.3	LITERATURE SURVEY	20
2.5.4	EXPERT TALKS	21
2.6	QUANTITATIVE DATA COLLECTION	22
2.6.1	MULTIPLE-CHOICE QUESTIONNAIRE	22
2.7	POTENTIAL CRITICISM OF DATA COLLECTION	23
2.7.1	DRAWBACKS OF TRIANGULATION	23
2.7.2	LIMITATIONS IN SEMI-STRUCTURED INTERVIEWS	24
2.7.3	LIMITATIONS IN LITERATURE SURVEY	24
3	THE CASE COMPANY	25
3.1	BACKGROUND	25
3.2	ORGANIZATIONAL STRUCTURE	25
3.2.1	ERP	27
3.2.2	CROSS COMMERCE	27
3.3	BRAND STRATEGY	27
4	THEORY	30
4.1	INTRODUCTION	30
4.2	RELATIONSHIP MARKETING	30
4.2.1	RELATIONSHIPS INSIDE AND OUTSIDE THE MARKETPLACE	31
4.3	30 R'S OF RELATIONSHIP MARKETING	31
4.3.1	CLASSIC MARKET RELATIONSHIPS	32
4.3.2	SPECIAL MARKET RELATIONSHIPS	33
4.3.3	MEGA RELATIONSHIPS	35
4.3.4	NANO RELATIONSHIPS	36
4.4	INTERNAL AND EXTERNAL FACTORS AFFECTING DIGITAL MARKETING	38
4.4.1	SWOT ANALYSIS	38
4.4.2	SWOT AND DIGITAL STRATEGY	39
4.5	BUYER BEHAVIOR AND BUYER INSIGHT	42
4.5.1	BUYER PERSONA CANVAS	42
4.5.2	BUYER PERSONA	43
4.5.3	GOALS	43
4.5.4	INITIATIVES	43
4.5.5	INFLUENCERS, STAKEHOLDERS, BUYING TEAM	43
4.5.6	BUYING PROCESS	44
4.5.7	TIMING	44
4.5.8	BUYER THINKING	44
4.5.9	CHANNELS	44

4.5.10	WHY BUY?	44
4.5.11	CONTENT AND INFORMATION	44
4.6	CREATING BUYER PERSONAS	44
4.6.1	COMBINATION OF QUALITATIVE AND QUANTITATIVE INSIGHT	45
4.7	SUMMARIZED THEORETICAL FRAMEWORK	46
5 EMPIRICS - THE EFFECTS OF DIGITALIZATION ON MARKETING AND SALES IN GENERAL		48
<hr/>		
5.1	MOVING FROM OUTBOUND TO INBOUND MARKETING	49
5.1.1	CONTENT MARKETING	50
5.1.2	USE OF INBOUND MARKETING IN DIGITAL CHANNELS	59
5.2	DIGITALIZATION AFFECTING MARKETING TOOLS AND SKILLSETS	65
5.2.1	MARKETING AUTOMATION	65
5.3	NEW TOOLS ENABLE NEW DIMENSIONS OF ANALYSIS	75
5.3.2	NEW ROLES THAT CAN BE SEEN IN DIGITAL MARKETING	77
5.4	SUMMARY OF THE INDIRECT EFFECTS OF DIGITALIZATION ON MARKETING AND SALES IN GENERAL	79
5.4.1	SUMMARY OF MOVING FROM OUTBOUND TO INBOUND MARKETING	79
5.4.2	SUMMARY OF DIGITALIZATION AFFECTING MARKETING TOOLS AND SKILLSETS	80
5.4.3	SUMMARY OF NEW TOOLS ENABLE NEW DIMENSION OF ANALYSIS	81
6 EMPIRICS - THE DIRECT EFFECTS OF DIGITALIZATION ON COMPANY X		83
<hr/>		
6.1	THE ORGANIZATION	84
6.1.1	EXTERNAL ENVIRONMENT	84
6.1.2	BRAND	85
6.1.3	USAGE OF TECHNOLOGY	85
6.1.4	COMMUNICATION	86
6.2	MARKETING AND SALES	88
6.2.1	CUSTOMER BEHAVIOR	88
6.2.2	RELEVANCE OF DIGITAL ACTIVITIES	90
6.2.3	INSPIRATION OF CONTENT	92
6.3	TOOLS AND SKILLSETS	98
6.3.1	THIRD PARTIES	98
6.3.2	THE USAGE OF DIGITAL CHANNELS	98
6.3.3	FUTURE AUTOMATION AND ALLIANCES	99
7 EMPIRICS - CHANGING BUYER BEHAVIOR AND BUYER INSIGHT IN THE DIGITAL AGE		101
<hr/>		
7.1	DIGITALIZATION AND INFORMATION-AGE CHANGING BUYER BEHAVIOR	101
7.1.1	DIGITAL MARKETING EXPERT INTERVIEWS, BUYER BEHAVIOR B2B	101
7.1.2	EMPOWERMENT OF DIFFERENT PROFESSIONAL ROLES	102
7.2	BUYER PERSONA PROFILING FOR BUYER INSIGHT	104

7.2.1	COMPANY X PROBLEM FORMULATION	104
7.3	DIGITAL MARKETING EXPERT INTERVIEWS, BUYER PERSONA PROFILING IN B2B	105
7.3.1	SEE THE HUMAN BEHIND THE PROFESSIONAL	105
7.3.2	LISTEN TO BUYERS	105
7.3.3	GOALS AND INITIATIVES OF BUYERS	106
7.3.4	TIMING IN THE BUYING PROCESS	106
7.3.5	PERSONALIZE FOR SPECIFIC INDIVIDUALS IN THE BUYING PROCESS	106
7.3.6	DIFFERENT TYPES OF DATA NEEDED FOR FULL VIEW OF BUYERS	106
7.4	EXPERT INSIGHTS DEVELOPED IN BUYER PERSONA CANVAS	107
7.4.1	LISTEN TO THE HUMAN BEHIND THE PROFESSIONAL	107
7.4.2	TAKING AN OUTSIDE-IN VIEW OF GOALS AND INITIATIVES	108
7.4.3	KNOWING WHEN AND HOW TO ENGAGE BUYERS IN THE BUYING PROCESS	109
7.4.4	UNDERSTANDING THE DIFFERENT INDIVIDUALS OF THE B2B BUYING PROCESS	114
7.4.5	INFORMATION AND DATA IMPORTANT TO BUYERS AND WHERE THEY FIND IT	117
7.5	INTERVIEWS WITH COMPANY X BUYERS	121
7.5.1	SUMMARY OF INTERVIEWEES	121
7.5.2	COMPLEMENTING QUALITATIVE DATA	125
7.6	QUALITATIVE AND QUANTITATIVE BUYER PERSONA INSIGHT	125
7.6.1	QUALITATIVE INSIGHT	126
7.6.2	QUANTITATIVE INSIGHT	129
8	EMPIRICS – MARKETING RELATIONSHIPS AT COMPANY X	131
8.1	CLASSIC MARKET RELATIONSHIPS	131
8.1.1	R1 - THE CLASSIC DYAD - THE RELATIONSHIP BETWEEN THE SUPPLIER AND THE CUSTOMER	131
8.1.2	R2 - THE CLASSIC TRIAD – THE DRAMA OF THE CUSTOMER-SUPPLIER-COMPETITOR TRIANGLE	139
8.1.3	R3 - THE CLASSIC NETWORK – DISTRIBUTION	141
8.2	SPECIAL MARKET RELATIONSHIPS	142
8.2.1	R4 - RELATIONSHIPS VIA FULL-TIME MARKETERS AND PART-TIME MARKETERS	142
8.2.2	R5 - THE SERVICE ENCOUNTER – INTERACTION BETWEEN CUSTOMERS AND SUPPLIERS	142
8.2.3	R6 - THE MANY-HEADED CUSTOMER AND THE MANY-HEADED SUPPLIER	145
8.2.4	R7 - THE RELATIONSHIP TO THE CUSTOMER’S CUSTOMER	145
8.2.5	R8 - THE CLOSE VERSUS THE DISTANT RELATIONSHIP	145
8.2.6	R9 - THE RELATIONSHIP TO THE DISSATISFIED CUSTOMER	146
8.2.7	R10 – THE MONOPOLY RELATIONSHIP	147
8.2.8	R11 – THE CUSTOMER AS ‘MEMBER’	147
8.2.9	R12 - THE E-RELATIONSHIP	147
8.2.10	R13 - PARASOCIAL RELATIONSHIPS – RELATIONSHIPS TO BRANDS AND OBJECTS	149

8.2.11	R14 – THE NON-COMMERCIAL RELATIONSHIP	151
8.2.12	R15 – THE GREEN RELATIONSHIP AND CSR	152
8.2.13	R16 - THE LAW-BASED RELATIONSHIP	152
8.2.14	R17 – THE CRIMINAL NETWORK	152
8.3	MEGA RELATIONSHIPS	152
8.3.1	R18 - PERSONAL AND SOCIAL NETWORKS	152
8.3.2	R19 – MEGA MARKETING – THE REAL ‘CUSTOMER’ IS NOT ALWAYS FOUND IN THE MARKETPLACE	153
8.3.3	R20 – ALLIANCES CHANGE THE MARKET MECHANISMS	153
8.3.4	R21 - THE KNOWLEDGE RELATIONSHIP	153
8.3.5	R22 - MEGA ALLIANCES CHANGE THE BASIC CONDITIONS FOR MARKETING	154
8.3.6	R23 - THE MASS MEDIA RELATIONSHIP	154
8.4	NANO RELATIONSHIPS	155
8.4.1	R24 - MARKET MECHANISMS ARE BROUGHT INSIDE THE COMPANY	155
8.4.2	R25 - INTERNAL CUSTOMER RELATIONSHIPS	156
8.4.3	R26 - QUALITY AND CUSTOMER INTERACTION – THE RELATIONSHIP BETWEEN OPERATIONS MANAGEMENT AND MARKETING	157
8.4.4	R27 - INTERNAL MARKETING – RELATIONSHIPS WITH THE ‘EMPLOYEE MARKET’	157
8.4.5	R28 – THE TWO-DIMENSIONAL MATRIX RELATIONSHIP	158
8.4.6	R29 - THE RELATIONSHIP TO EXTERNAL PROVIDERS OF MARKETING SERVICE	159
8.4.7	R30 – THE OWNER AND FINANCIER RELATIONSHIP	160
9	ANALYSIS - EFFECTS OF DIGITALIZATION AND CHANGING BUYER BEHAVIOR ON MARKETING RELATIONSHIPS	161
9.1	OVERVIEW OF ANALYSIS	161
9.2	ANALYSIS OF CLASSIC MARKET RELATIONSHIPS	163
9.2.1	R1 - THE CLASSIC DYAD – THE RELATIONSHIP BETWEEN THE SUPPLIER AND THE CUSTOMER	163
9.2.2	R2 - THE CLASSIC TRIAD – THE DRAMA OF THE CUSTOMER-SUPPLIER-COMPETITOR TRIANGLE	172
9.2.3	R3 - THE CLASSIC NETWORK - DISTRIBUTION	173
9.3	ANALYSIS OF SPECIAL MARKET RELATIONSHIPS	173
9.3.1	R4 - RELATIONSHIPS VIA FULL-TIME MARKETERS AND PART-TIME MARKETERS	173
9.3.2	R5 - THE SERVICE ENCOUNTER – INTERACTION BETWEEN CUSTOMERS AND SUPPLIERS	174
9.3.3	R6 – THE MANY-HEADED CUSTOMER AND THE MANY-HEADED SUPPLIER	175
9.3.4	R7 – THE RELATIONSHIP TO THE CUSTOMER’S CUSTOMER	177
9.3.5	R8 – THE CLOSE VERSUS THE DISTANT RELATIONSHIP	177
9.3.6	R9 – THE RELATIONSHIP TO THE DISSATISFIED CUSTOMER	179
9.3.7	R10 – THE MONOPOLY RELATIONSHIP – CUSTOMER OR SUPPLIER AS PRISONERS	180
9.3.8	R11 – THE CUSTOMER AS ‘MEMBER’	180

9.3.9	R12 – THE E-RELATIONSHIP	180
9.3.10	R13 – PARASOCIAL RELATIONSHIPS – RELATIONSHIPS TO BRANDS AND OBJECTS	181
9.3.11	R14 – THE NON-COMMERCIAL RELATIONSHIP	182
9.3.12	R15 – THE GREEN RELATIONSHIP AND CSR	183
9.3.13	R16 – THE LAW-BASED RELATIONSHIP	183
9.3.14	R17 – THE CRIMINAL NETWORK	183
9.4	ANALYSIS OF MEGA RELATIONSHIPS	184
9.4.1	R18 – PERSONAL AND SOCIAL NETWORKS	184
9.4.2	R19 – MEGA MARKETING – THE REAL CUSTOMER IS NOT ALWAYS FOUND IN THE MARKETPLACE	184
9.4.3	R20 – ALLIANCES CHANGE THE MARKET MECHANISMS	185
9.4.4	R21 – THE KNOWLEDGE RELATIONSHIP	185
9.4.5	R22 – MEGA ALLIANCES CHANGE THE BASIC CONDITIONS FOR MARKETING	186
9.4.6	R23 – THE MASS MEDIA RELATIONSHIP	187
9.5	ANALYSIS OF NANO RELATIONSHIPS	187
9.5.1	R24 – MARKET MECHANISMS ARE BROUGHT INSIDE THE COMPANY	187
9.5.2	R25 – INTERNAL CUSTOMER RELATIONSHIPS	188
9.5.3	R26 – QUALITY AND CUSTOMER ORIENTATION: THE RELATIONSHIP BETWEEN OPERATIONS MANAGEMENT AND MARKETING	189
9.5.4	R27 – INTERNAL MARKETING – RELATIONSHIPS WITH THE EMPLOYEE MARKET	190
9.5.5	R28 – THE TWO-DIMENSIONAL MATRIX RELATIONSHIP	190
9.5.6	R29 – THE RELATIONSHIP TO EXTERNAL PROVIDERS OF MARKETING SERVICES	191
9.5.7	R30 - THE OWNER AND FINANCIER RELATIONSHIP	191
9.6	SUMMARY OF ANALYSIS	192
10	CONCLUSIONS	199
10.1	OBSERVED EFFECTS AND HOW TO ADDRESS THEM FOR KIBS B2B COMPANIES	199
10.1.1	CHANGES OBSERVED	199
10.1.2	ADDRESS THE CHANGE	200
10.2	RECOMMENDATION TO COMPANY X	207
10.2.1	STRENGTHEN THE BRAND	208
10.2.2	MERGE CONTENT AND SEO	209
10.2.3	ENHANCE CROSS-SALES ACTIVITIES	209
10.2.4	BUYER INSIGHT	209
10.2.5	ACADEMIC CONTRIBUTION	211
10.3	REFLECTIONS	214
10.4	FUTURE STUDIES	216
11	REFERENCES	217

12	APPENDIX A - THE DIRECT EFFECTS OF DIGITALIZATION	225
12.1	COMPANY INTERNAL ENVIRONMENT	225
12.2	COMPANY EXTERNAL ENVIRONMENT	225
13	APPENDIX B - INDIRECT EFFECTS OF DIGITALIZATION	227
13.1	THE EFFECTS OF DIGITALIZATION	227
13.2	BUYER BEHAVIOR	227
13.3	CONTENT	227
13.4	CHANNELS	228
13.5	TOOLS	228
13.6	FUTURE DEVELOPMENT	228
13.7	ROLES	229
14	APPENDIX C - INTERNAL INTERVIEW QUESTIONS FOR THE 30 RELATIONSHIPS OF RELATIONSHIP MARKETING	230
14.1	CLASSIC MARKET RELATIONSHIPS	230
14.2	SPECIAL MARKET RELATIONSHIPS	230
14.3	MEGA RELATIONSHIPS	231
14.4	NANO RELATIONSHIPS	232
15	APPENDIX D: QUESTIONNAIRE FOR COMPANY X CUSTOMER INTERVIEWS	233
15.1	BUYER PERSONA	233
15.2	INITIATIVES	233
15.3	GOALS	233
15.4	BUYING TEAM	233
15.5	BUYING PROCESS	234
15.6	TIMING	234
15.7	CHANNELS	234
15.8	CONTENT AND INFORMATION	234
15.9	WHY BUY?	234
15.10	BUYER THINKING	235
16	APPENDIX E - SURVEY QUESTIONS	236
16.1	DIGITALIZATION	236
16.1.1	COMPANY X GENERAL	236
16.1.2	TECHNOLOGY	236
16.2	30R	236
16.2.1	CLASSIC	236
16.2.2	SPECIAL	237
16.2.3	MEGA	237
16.2.4	NANO	237

**17 APPENDIX F: INTERVIEWEES SUMMARIZED IN BUYER PERSONA
CANVAS** **238**

1 Introduction

The introductory chapter of this thesis will present the area of research in a background and problem definition. It will also present the underlying purpose of the conducted research. Delimitations in research as well as intended target groups are presented in the end of the chapter.

1.1 Background and problem definition

Business-to-business sales have traditionally been done through face-to-face interaction. They have relied on established relationships and skills of salesmen. New technology and media channels have empowered customers to gather more information regarding products and services. Technology works both ways, also enabling firms to gather more information about customers. This is where rethinking of marketing strategies plays a key role.

Failure to consider historical developments has been suggested as one of the pitfalls of development of the marketing discipline. In the words of Brunswick (2014 p. 105):

In marketing, there has been a tendency to undervalue the historical perspective in doing research and understanding the role of historical developments in shaping the evolution of this discipline.

Shostack was one of the first to identify that marketing mechanisms were not aligned to the changing state of the economy. Marketing was still very goods-oriented in the later half of the twentieth century, even though services had begun to occupy an increasingly large share of the US economy. (Shostack, 1977)

Today's economy is a knowledge-based economy. Knowledge exchange is crucial in enabling firms and industries to acquire the knowledge needed to succeed in the economy. The knowledge economy has opened up new opportunities to build business models around offerings of complex and knowledge-intensive services. (OECD, 1996)

Vargo and Lusch established a new logic for marketing in 2004, the service-dominant logic of marketing, commonly referred to as S-D logic. The new logic states that exchanges are made to acquire skills and knowledge rather than consumable goods. Goods are distributors for service provision, whereas the old goods-dominant logic had services as aiding the production and marketing of goods.

The role of the customer is changing from receiver to co-creator and firms have bi-directional relations with customers, instead of unidirectional transactions. Firms can only make value propositions as opposed to fixed value offers, and the “value of use” determines the end value of the proposition. Lastly, wealth is defined by the assimilation of knowledge and skills, not by possession of tangible resources and goods. (Vargo and Lusch, 2004)

The goods-dominant logic historically seen in marketing was most likely a result of marketing adopting a model of exchange seen in economics. The foundation of service-dominant logic is to understand the intangible resources, the co-creation of value between supplier and customer and the relationships that enable this. (ibid.)

The professional selling normally seen in B2B relationships has, at least in theory, undertaken the same underlying shifts as marketing in general. Hughes (n.d) speaks of four distinct eras, or paradigm shifts, of professional selling following World War II:

- *Transactional selling* included psychology and process methodology and was reliant on manipulation and persuasion.
- *Tactical selling* came about as a response to resistance of persuasion among buyers. It led to establishment of relationships and trust.
- *Solution selling* centered on identification of buyer needs and the disqualification of buyers who did not have a clear need.
- Finally, *value selling* emerged as the current sales model with increased buyer centricity and progressive approaches to solving buyer problems.

The American Marketing Association, AMA, published a new definition of marketing in 2004. Gummesson criticized it for failing to see the relational aspects of marketing. The AMA's definition read:

Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. (cited in Gummesson, 2008 p. 13)

Gummesson suggested the following revision of the 2004 definition based on his theory of the 30 R's:

Marketing is a culture, an organizational function and a set of processes for creating, communicating, and delivering value with customers and for interacting in networks of relationships in ways that benefit the organization, its customers and other stakeholders. (Gummesson, 2008 p. 14)

This revision includes that marketing should be a cultural, collective consciousness of an organization, that customers should be a part of value creation, that both suppliers and customers manage relationships, and that use of the word stakeholder in today's short-term economy could place too much emphasis on shareholder value (ibid. pp. 13-14)

There has been a rise of a service economy during the past century. Manufactured goods are not fewer, but services have become the dominant driver for differentiation, competitiveness and profitability (Echeverri and Edvardsson, 2012 pp. 28-29).

Firms offering services with a high degree of complexity often require lots of adaption to the customer's environment, and customer-specific customization. Their offerings towards clients are highly knowledge-intensive, not just in the actual service or solution offered but also in the implementation at the client firm. These firms are often referred to as knowledge-intensive business service firms, or KIBS firms. Their primary value-added activities are accumulation, creation, or dissemination of knowledge, with the intent of creating customized services or product solutions for the firm's clients. (Bettencourt et al., 2002)

KIBS differ from other B2B services in that they require expert knowledge or knowledge-based solutions. The customer or client is

involved in creating the solution, and the exchanges of service provider and client tend to be relational rather than transactional (Lessard, 2014). This is properly aligned to the paradigm shifts of marketing.

KIBS are becoming increasingly important in the knowledge-based economy (Echeverri and Edvardsson, 2012 p. 29). Competition is increasing and KIBS firms need to find new ways to efficiently identify clients that will generate the most lucrative long-term business. Growth is seen not only in the increasing numbers of KIBS firms but also in the increased performance of their clients. There is growing knowledge in the business sector as a result of co-creation, which is the very foundation of KIBS. (Bettencourt et al., 2002)

The increasingly informed customer will lead to an even greater demand for expertise and knowledge of suppliers. Firms need to find new ways to utilize the informed customer as a co-creator by more proficiently analyzing behavior, both online and offline.

An uncertainty lies in to which extent the operational standards of KIBS firms translate to their marketing and sales efforts, or to what degree they are using potential customers to help shape their value propositions. The research question that has been identified is how the relationships seen in knowledge-intensive B2B marketing are affected by the digitalization of society and the change in buyer behavior that is a result of these societal changes.

1.2 Purpose

The purpose of this thesis will be to identify the effects of digitalization and changing buyer behavior on relationships seen across marketing and sales of knowledge-intensive services in a B2B context. This will lead to a recommendation for the case company's future direction of its marketing and sales functions.

1.3 Delimitations

1.3.1 Organizational framing

The case company is made up of the parent company and several subsidiaries. Main focus will be put on the ERP and Cross Commerce business units since they, from the viewpoint of the purpose, are very different from each other. Both are strong entities within the company.

1.3.2 Geographical framing

Direct contact with the case company during research will be limited to headquarters in Stockholm. The overall collection of data from customers of the case company and key players of marketing and digital marketing will be limited to the Swedish market.

1.4 Intended target groups

The intended target group of this thesis is students and professionals as well as stakeholders of the case company. The research aims to give a perspective of complex relational marketing in the digital era, which is highly relevant in most businesses of both business-to-consumer and business-to-business sectors.

1.5 Thesis outline

1.5.1 Introduction

The introductory chapter of this thesis will present the area of research in a background and problem definition. It will also present the underlying purpose of the conducted research. Delimitations in research as well as intended target groups are presented in the end of the chapter.

1.5.2 Methodology

The methodology chapter describes the chosen methods of research. The overall approach to analyze the defined problem will be presented first. The use of a case study will be motivated, as will the choice of case company. The chapter ends with presentation of the research process. The methods for data collection and analysis are presented along with potential criticism of data.

1.5.3 Case company

This chapter presents the chosen case company. Its background and overall business is presented first. The two business units that were primarily observed are presented to show differences in marketing and digital implementation. The chapter ends with Company X's brand strategy as well as their current representation of delivery in comparison to customer expectations.

1.5.4 Theory

This chapter covers the theoretical models both needed to interpret and to structure the empirics, and then later to analyze data. It will

act as the foundation of this thesis and need to be understood by the reader in order to fully grasp the different sections of this thesis.

1.5.5 Empirics - The effects of digitalization on marketing and sales in general

This chapter covers the general effects of digitalization, mainly covered by external factors in the SWOT model. The opportunities and threats given by digitalization in this context will be further analyzed in chapter 9. The connection to the purpose is to investigate the external environment outside the case company to better understand the changing forces.

1.5.6 Empirics - The direct effects of digitalization on Company X

This chapter covers the Company X specific effects of digitalization, mainly covered by internal factors in the SWOT model. The strengths and weaknesses given by digitalization in this context will be further analyzed in chapter 9. The connection to the purpose is to investigate the case company to better understand the changing forces directly affecting the company.

1.5.7 Empirics - Changing buyer behavior and buyer insight in the digital age

This chapter describes the changing digital age buyer, mainly the B2B buyer but also its increasing similarities to the B2C buyer. New ways to gather buyer insights are explored. This includes qualitative interviews with current buyers of Company X services. The chapter ends with suggestions of further methods to gather buyer insights.

1.5.8 Empirics - Marketing relationships at Company X

This chapter presents the 30 relationships of relationship marketing and the results of interviews and surveys at Company X. The interview questions are presented in Appendix C and Appendix E. Survey questions were formulated based on the outcome of interviews. The survey results are presented for ERP and CC business units, and compared to the overall results for all Company X respondents. Survey questions were formulated and used to support or complement the answers gathered in the face-to-face interviews.

1.5.9 Analysis - Effects of digitalization and changing buyer behavior on marketing relationships

To further understand the complex findings in the empirical chapters, the analysis will follow the empirical chapters based on the theoretical framework. Effects of digitalization cover parts of the SWOT analysis, and effects of buyer behavior and buyer insights covers parts of the buyer persona canvas. This enables a logical structure that should be easy to follow for the readers.

1.5.10 Contributions and reflections

This chapter includes recommendations for Company X as well as for knowledge-intensive business service firms in general. It also includes academic contribution, general concluding reflections as well as suggested areas of future studies.

1.5.11 Conclusions

This chapter summarizes the key elements of chapter 9 and chapter 10. The short versions of the final recommendations are put together with the analysis of those statements.

2 Methodology

The methodology chapter describes the chosen methods of research. The overall approach to analyze the defined problem will be presented first. The use of a case study will be motivated, as will the choice of case company. The chapter ends with presentation of the research process. The methods for data collection and analysis are presented along with potential criticism of data.

2.1 Introduction to research methodology

Company X provided the initial problem formulation and foundation of this master's thesis. It stated a need to better understand an area of marketing and sales where there had been limited prior experience at Company X. This included digital marketing and a need to better understand the requirements of a modern and digital marketing and sales organization. Knowledge about potential improvements existed, but there had been limited resources put into exploring the possibilities in the marketplace.

The overall methodology of this thesis has been *non-fixed*. This means that the methodology can be adjusted as the study moves along (Höst et al., 2006 p. 31). This might be necessary if initial key areas of research have been left out in the initial phase. It also enabled an iterative *triangulation*, the combination of many different methods and different types of data to achieve a more complete view of the problem. (ibid.) Method triangulation was necessary as the chosen methods were adjusted for necessary data collection.

2.1.1 Research approach

The research approach of this master's thesis has been a combination of a *descriptive* and an *explorative* study. The descriptive approach intends to describe the overall areas of the problem formulation, while the explorative approach aims to collect as much information as possible regarding these areas. The goal of research has been to put more weight on the explorative approach.

2.1.1.1 ***Descriptive study***

Descriptive studies look to explain how something functions from well-defined project specifications. This is often suitable when researching for example market structures, consumption habits of consumers and different products seen in the marketplace. (Lekvall and Wahlbin, 2001 p. 197)

The descriptive research approach can be found in the identification of current practice within Company X and its environment. It can also be found in presentation of basic digitalization and buyer behavior theory. The goal was to gather information of how business is conducted today and to understand the changing conditions caused by digitalization and new buyer behavior.

Relationship marketing was chosen as an important area to describe since it involves many intricacies. The new marketing landscape contains both increased digitalization and a subsequent change in the interaction of suppliers and buyers. These areas have to be described to give the reader an understanding of the research approach.

The current state of marketing and sales of both digital and non-digital nature were researched. Company X staff was inquired directly via interviews and questionnaires. Secondary data was gathered to support the general description of company and overall industry practice.

2.1.1.2 ***Explorative study***

When there is little or no knowledge about certain areas of research, the reasonable approach is often to gather as much information as possible regarding these areas. The goal here is to learn as much as possible regarding the areas of inquiry to be able to frame the problem in more detail and to be able to provide satisfactory analysis. Studies that are performed with an explorative approach can be helpful to further studies with increased ambition in reaching actual decisions. (Lekvall and Wahlbin, 2001 p. 196)

The approach was to find more specific information from many sources, to support analysis of the effects of B2B relationship marketing in light of advancements in digitalization and empowered buyers. The intent was to explore these areas and gain a deeper understanding of how they affect each other.

The distinction of descriptive and explorative approaches within the theoretical framework is presented in section 2.4.2

The research is approached as a case study focusing on a company that is both B2B and in a sector that includes many interesting angles of the problem.

2.2 Conducting a case study

A case study is a suitable approach when conducting deeper research regarding phenomena, especially when a phenomenon is hard to extract from its environment. An example of this is research into operations of a company to understand how it is run. (Höst et al., 2006 p. 33)

2.2.1 Characteristics of a case study

Denscombe (2000 pp. 41-42) has summarized the characteristics of a case study:

- The starting point of a case study is its focus on a single research entity. The goal is to find generalized conclusions from observations of individual entities.
- Case studies offer the possibility to conduct deep and detailed research on the observed entity.
- Focus is put on relations and processes. To properly understand something one must understand how things are linked together in society. There are a lot of interdependencies to consider. The case study is better than an isolated survey approach in that it enables researchers to investigate these interdependencies. The case study is not locked to a pre-determined research method and can be adjusted during research. It is non-fixed.
- The case study is performed in a natural environment. It is not a situation manipulated to fit into the context of a research situation. The “case” is present before and hopefully also after the research period.

-
- A case study also has strength in that it usually includes several sources of data and different methods to gather this data. This may be adjusted during the research process to highlight certain areas of interest.

2.3 Choice of case company

Researchers must be able to motivate the chosen research entity properly. Two starting points mentioned by Denscombe (2000 pp. 44-45) are the *typical* research entity and the *deviating* research entity. The typical research entity is motivated by the fact that the chosen entity is similar to other possible choices. It can therefore be seen to represent a general picture of the results had other similar research entities been used. A scenario that is a contrast to the norm on the other hand, motivates the deviating research entity. Potential effects are easier to identify than for the strictly typical.

The choice of Company X as case company for this thesis was rooted in three overall observations.

First off, the area of digital marketing is currently seeing increased urgency in B2B. The sector of IT and business consultancy is also interesting. The companies in this sector often have many different ways of working within the same company. There are many different types of services and many different types of customers to consider. The fact that other companies are similar motivates the research entity as *typical*.

The choice of a B2B company is motivated by the fact that the new wave of digital marketing has seen greater advancements in B2C (Sellö). B2B is historically stronger in much of the relationship marketing basics, like close network relationships (Gummesson, 2008 p. 7). There is potential to leverage this and to grow stronger by using more digital marketing. The advancements in B2B deviate from those in B2C, and are probably not as standardized.

Lastly, an interesting aspect of Company X is that it offers business units on opposite sides of the spectrum in regards to overall digital advancements. They all operate on markets that can be positively affected by new digital marketing strategies, but have different degrees of current implementation.

The overall level of digital implementation at Company X presented a good match. The opportunity was identified to root research in strengths of B2B and IT consultancy, and to explore the digital landscape and its subsequent effects on future buyers.

2.4 Research process

The research process of this thesis will be presented in the following four steps: planning, data collection, analysis and reporting.

2.4.1 Planning

When starting a research project there are some basic principles that need to be addressed (Denscombe, 2000 p. 11):

Key principles	
Relevancy	It should be relevant and useful in society
Feasibility	It should be feasible within the time frame, with the allotted resources and availability of sources
Coverage	It should cover all areas that are necessary to answer the problem.
Precision	It should be precise in its data collection and answer the research questions that have been presented.
Objectivity	It should have objectivity. There should not be any pre-determined outcomes of the researchers. The outcome is controlled by the data and not by the researchers preferred outcome.
Ethical principles	Ethical considerations should be present. This includes transparency of data, respect of identities and privacy of those involved, as well as confidential handling of data that is presented.

Table 2-1: Prerequisites to thesis writing (Denscombe, 2000 p. 11)

The *relevancy* of research can be seen not just for B2B and KIBS. The study of marketing relations and their changing dynamics are relevant to all marketing organizations.

While some areas of research resulted in more insight, the approach was deemed *feasible* given resources.

The holistic approach of observing marketing relationships, digitalization and buyer behavior was determined as to present a good *coverage* of research areas.

There were *precise* intentions regarding which data sources were necessary to fulfill research goals. While some sources were excluded due to unforeseen circumstances like the privileged nature of information, the overall picture remained as intended.

The use of many sources was necessary to maintain an *objective* view of the problem. No sources or outcomes were viewed as better than others.

Ethical principles have been maintained in the use of sources. Interviewees were given clear instructions on the intent of research, and discussions were held regarding privileged information.

Following the initial meeting with Company X, discussions ensued with the assigned supervisor at Lund University. A target document was established. It was accepted as to fulfill academic contribution.

A target document is necessary to establish a common ground of meeting academic criteria as well as the desired results of the employers. Clear personal goals of the study should be presented. (Höst et al., 2006 p. 17).

A preliminary time frame was presented to the case company, along with the planned activities.

2.4.2 Data collection

Many different methods and sources were used to give proper triangulation of the bigger picture of the problem definition. Different approaches were used for each section of the theoretical framework. The sources used in each part of the empirical chapter have been summarized.

	Effects of digitalization	Buyer behavior and buyer insight	Relationships in marketing
Theories & Models	<ul style="list-style-type: none"> • SWOT 	<ul style="list-style-type: none"> • Buyer Persona Canvas 	<ul style="list-style-type: none"> • 30R
Tools	<ul style="list-style-type: none"> • External and internal semi-structured interviews • Literature survey • Internal survey 	<ul style="list-style-type: none"> • External and internal semi-structured interviews • Literature survey 	<ul style="list-style-type: none"> • Internal semi-structured interviews • Literature survey • Internal survey
Data	<ul style="list-style-type: none"> • Academic literature • Research papers • Business reports • Company staff • IT expert interviews • Marketing expert interviews • Journal articles • Expert talks 	<ul style="list-style-type: none"> • Academic literature • Research papers • Business reports • Company staff • IT expert interviews • Marketing expert interviews • Journal articles • Expert talks 	<ul style="list-style-type: none"> • Academic literature • Company staff interviews • Expert talks

Table 2-2: Data collection

The data collection had a descriptive approach regarding marketing relationships. The data collection regarding digitalization and buyer behavior has both descriptive and explorative approaches. Phenomena that apply to marketing and sales in general are described from pre-existing data. The goal has then been to more deeply explore digitalization and buyer behavior and how it pertains to Company X. This is represented as the usage of digital practice within Company X as well as the intersection of this practice and buyer behavior to generate buyer insight.

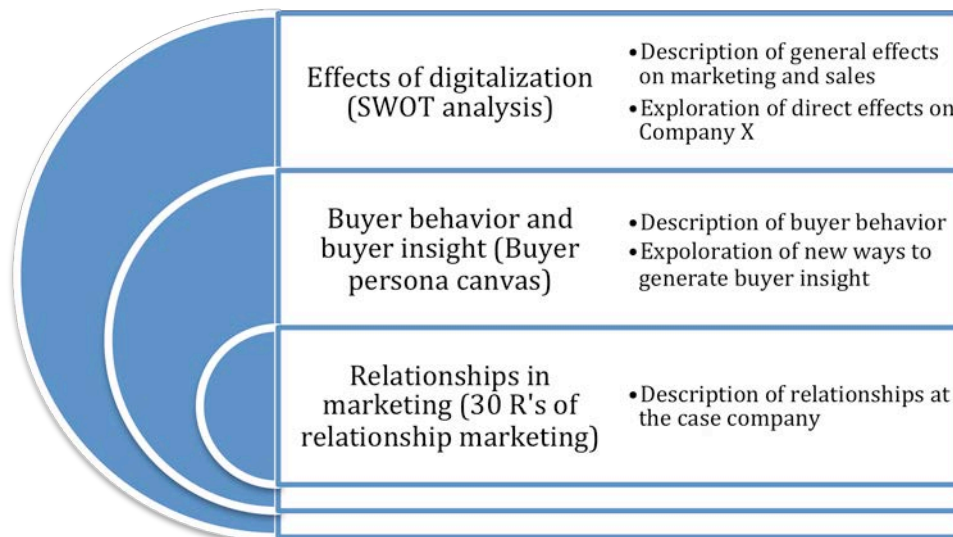


Figure 2-1: The descriptive and explorative approach as used for data collection within the three theoretical models

2.4.3 Analysis of data

2.4.3.1 Analysis using theoretical framework

The analysis of collected data strived to identify effects of digitalization and buyer behavior on the relationships that were described. The relevancy of further analysis of each relationship was dependent on primary data gathered in interviews and questionnaires. In some cases relationships were not relevant to further analysis due to answers not being reflective of the purpose of research. They either did not provide new knowledge or were not analyzable within the theoretical framework.



Figure 2-2: Analysis of effects of digitalization and buyer behavior on marketing relationships

The effects on relationships were analyzed separately for digitalization and buyer behavior data.

Prior to analysis, the collected data should be considered for quality regarding objectivity, reliability and validity.

2.4.3.2 Objectivity

In qualitative research the effect of researchers on results has to be considered. It can be helpful to provide readers with the authors' backgrounds. This helps readers understand the conditions from which the report was written. It also explains if potential criticism can be attributed to conditions that preceded and were present during research. This can include individual bias, values or beliefs. (Denscombe, 2000 p. 250)

2.4.3.3 Reliability

The criteria for reliability traditionally includes if research would provide similar results if conducted by other researchers on the same research object. In qualitative research there should be explicit presentation of theoretical framework and purpose, methodology, and the reasoning behind the decisions that were made regarding methodology. If these are all met it should be at least theoretically possible for other researchers to reach similar conclusions. (ibid.)

2.4.3.4 Validity

Validity regards to which degree the chosen research methods result in outcomes that are objective representations of reality (Lekvall and Wahlbin, 2001 p. 304). To reinforce validity in flexible research

projects there are five details to consider (Höst et al., 2006 pp. 117-118):

- A logbook should be kept regarding all things regarding writing process and decisions. It is especially important to save documentation from data collection and analysis to show how conclusions came about.
- Feedback can be used from individuals that have been consulted for knowledge to ensure that their representation in the work reflects their intended contribution.
- Continuous third-party feedback is useful to prevent the authors from being blind to possible flaws in the research.
- Triangulation, as mentioned before, is a way to ensure quality by using multiple sources of data.
- A study that is conducted over a longer period of time may be positive to validity in that it captures the complexity of problems. On the other hand, long studies may lead to loss of objectivity to the formulated problem.

2.4.4 Reporting

The reporting of the master's thesis consists of both written and oral presentations. The written presentation is outlined in the introductory abstract. Two oral presentations are part of this project, one of them at Company X and the other one at Lund University.

2.5 Qualitative data collection

The primary sources of data used in this thesis were qualitative. These were triangulated from many different sources. The methods used to gather qualitative information were:

- Semi-structured interviews with company staff, customers and external experts.
- Literature survey
- Expert talks

2.5.1 Triangulation of data

The chosen methodologies for research presented above all have different strengths. The researcher must evaluate the usefulness of each method. They can also complement each other to create different, but mutually supportive ways to gather data. (Denscombe, 2000 p. 102)

The main advantage of method triangulation is the possibility to get many viewpoints on the formulated problem (ibid. p. 103). This was determined to be necessary given the purpose of the thesis.

2.5.2 Semi-structured interviews

Semi-structured interviews require the interviewer to be flexible during the course of the interview. A questionnaire is designed before the interview but it does not have to be followed strictly. The interviewee should be allowed to elaborate on ideas without interruption of the interviewer. Answers are open-ended and allow the interviewee to form his own opinions regarding the question. (ibid. p. 135)

2.5.2.1 IT experts and marketing experts

Interviews with IT and marketing experts followed an iterative process. The first interviews were constructed from the insights that had been drawn from initial contact with Company X and a broad literature survey regarding digitalization, marketing and buyer behavior.

Experts provided feedback on questions, as well as the possibility for an extra round of questions regarding areas that had been left out initially. The semi-structured interview format and the non-fixed approach to research led to some modifications. These were mainly exclusions of questions that were deemed irrelevant or too general in nature.

The selection of experts aimed for a wide range of roles and businesses of the experts. The goal was to interview both IT-heavy and more general marketing-inclined experts.

Some experts declined participation due to reluctance to share privileged information. This also led to variations in the quality of interviews.

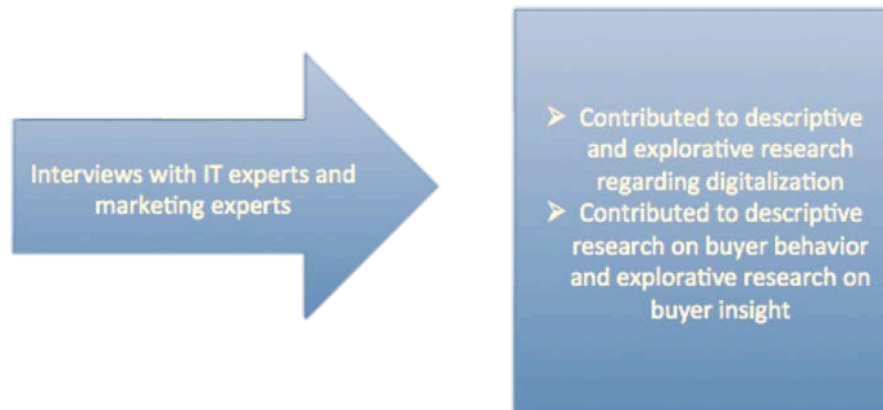


Figure 2-3: Purpose of interviews with IT experts and marketing experts

2.5.2.2 *Company X staff*

Interviews with Company X staff focused on getting an understanding of the current state of marketing relationships and current state of digital marketing and sales within the organization. Interviews were held with the Cross Sales manager, Marketing manager as well as a salesman from the Cross Commerce unit. The latter was chosen due to his initial participation in digital efforts of Company X. The two former were chosen to achieve an overall good picture of the organization regarding marketing and sales.

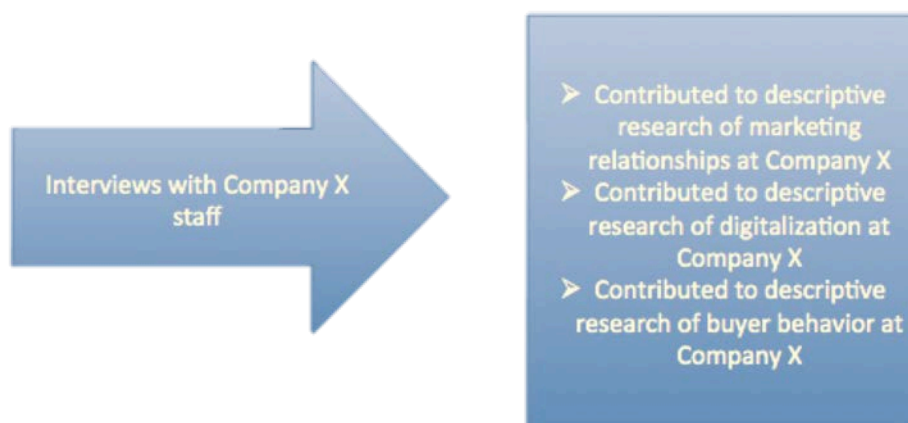


Figure 2-4: Purpose of interviews with Company X staff

2.5.2.3 *Company X customers*

Interviews with Company X customers also followed a semi-structured approach. Discussions ensued on whether to use the semi-structured or the unstructured approach. The use of customer interviews was partly supported by the literature survey to be of most use when interviews were as open-ended as possible. Due to time constraints this was not determined possible.

The purpose of these interviews was to provide information regarding buyer insights in the buyer persona canvas in section 4.5.1.

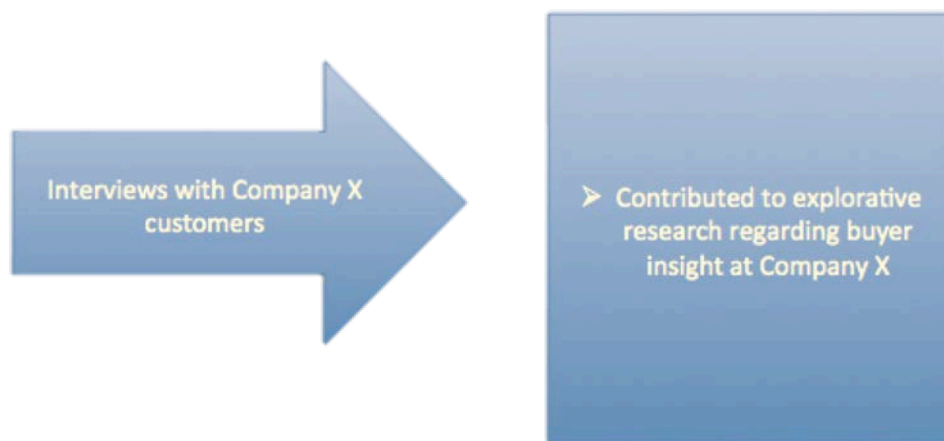


Figure 2-5: Purpose of interviews with Company X customers

2.5.3 **Literature survey**

Academic literature and other sources regarding the research topics were used both in the outset of the research process, as well as during latter stages to support answers that had been provided in personal interviews. The use of literature in later stages strived to complement areas where the personal interviews had not described

phenomena with much depth. The goal here was to find other experts on the subject via secondary data.

2.5.3.1 Use of online search to find reliable and valid data

It was determined early on that all forms of digital media would be used to find additional knowledge on the research subjects. Influential individuals were found using Google search and social media platforms.

Online channels were used for all major sources to validate their relevance to the given subject. Three areas were deemed necessary for the quality of sources:

- Established background regarding topics of inquiry
- Recent publications or work on topics of inquiry
- Some form of credit from other actor in market

2.5.3.2 Academic literature

Peer-reviewed academic literature was mainly used in the descriptive and first area of study. This literature provided researchers with well-established theories, even if these were not always recent releases.

2.5.3.3 Articles and e-sources

To complement literature with more recent findings, additional articles and sources found via online search or social media were used. These sources often included material that was to be released in books not yet released at the time of writing. Other sources were online articles by influential actors on the market, or articles that had been recommended by these individuals.

2.5.4 Expert talks

The early stages of research included participation in a conference on digital marketing strategies. This conference provided both interview targets as well as an overall view of the recent developments within the marketing discipline. This was used both for descriptive studies as well as to get insights on areas of inquiry for explorative research.

2.6 Quantitative data collection

Quantitative data were used mainly to complement qualitative data and to enable analysis of organization-wide survey answers. The sole method used for quantitative data collection was a multiple-choice questionnaire. The questions asked were based on qualitative data collection in expert interviews, company interviews and literature survey.

2.6.1 Multiple-choice questionnaire

There are some standard guidelines for creation of questionnaires, as explained by Denscombe (2000 p. 106): They should collect information in the form of data for analysis. They should not inform the respondents or in any way look to change their attitudes. Everyone who completes the questionnaire should answer an identical set of questions. This makes analysis of answers easier. Questions should be drawn directly from the purpose of the survey.

Questionnaires are suited for surveys where (ibid. p. 107):

- There is a large number of respondents in many different places
- The questions are fairly low in complexity, short and non-controversial
- The social climate is sufficiently transparent to enable full and honest answers
- There is a need to get standardized data from identical questions, without need of personal interaction

2.6.1.1 Questionnaire design

The quantitative questionnaire was designed to get quantifiable data regarding relationships within Company X, as well as quantifiable data regarding digitalization of marketing and sales.

The scale of measurement was an interval scale. An interval scale has numerically well-defined values. It does not have a clearly defined zero point. An interval scale is suitable for simple mathematical conclusions regarding the outcome of the survey. (Lekvall and Wahlbin, 2001 p. 287)

Respondents were asked to grade different questions on a scale from 1-7 with weak and strong in the respective ends of the scale. An option to not answer was also given to increase accuracy if respondents for some reason did not know how to answer some questions.

2.6.1.2 Questionnaire results

The survey was sent to all employees in Sweden, around 500, and got 202 responses or around 40%. The job titles of those who answered can be seen in figure 2-6.

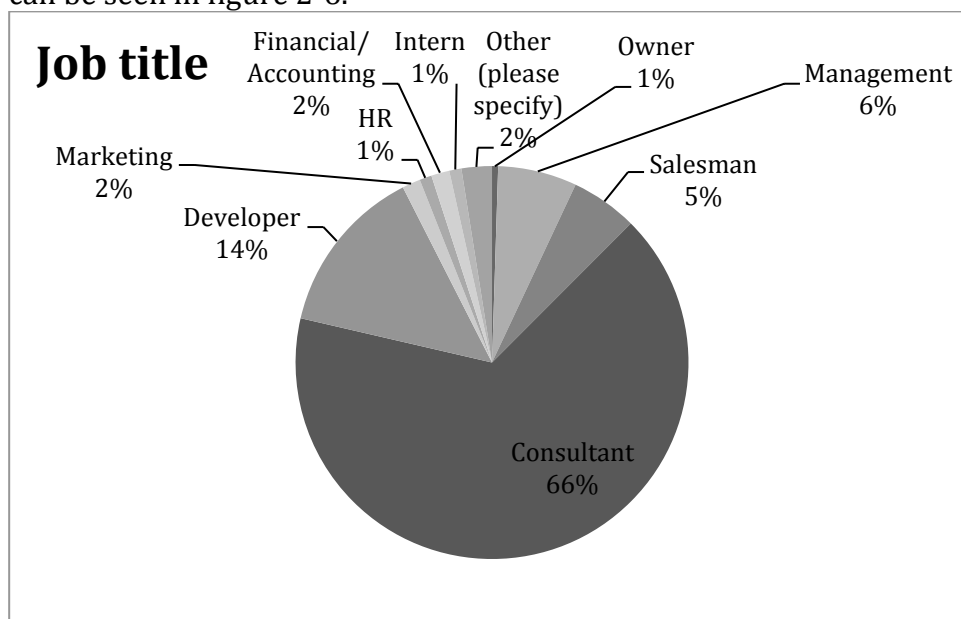


Figure 2-6: The respondents' job titles.

2.7 Potential criticism of data collection

2.7.1 Drawbacks of triangulation

The use of many research methods offers more perspectives of the same problem. A drawback of triangulation however, is that additional resources must be used for these additional methods. These resources could have been used to increase depth in certain areas of research when using one method. (Denscombe, 2000 p.103)

2.7.2 Limitations in semi-structured interviews

Potential criticism regarding the choice to exclude unstructured interviews with customers is that questions could have been constructed separate from the underlying theoretical model. The model could then have been used to summarize all answers from the interviewees. The purpose of these interviews was to create one archetypal customer based on all interviews. It was therefore realized after the fact that the unstructured approach would have been possible.

The main limitations in expert interviews were unwillingness to share any information that could be seen as privileged. This led to cancellation of some interviews. The ethical demands on transparency regarding the employer often led to cancellation when the interviewee realized that the interviews would include information that could be seen as privileged from a competitive standpoint.

2.7.3 Limitations in literature survey

The main consideration in the use of secondary sources was where to use widely accepted theories and where to use more recent material that had not been widely accepted. It was suggested during one of the expert interviews that the only way for the research to be relevant was to use many expert opinions, both via interviews and blogs or articles.

It was concluded that the main framework of the thesis had to be rooted in established theories while the collection of relevant secondary data did not have to possess the same level of widespread acceptance. The use of triangulation was determined to keep the research data from being too subjective and arbitrary.

3 The case company

This chapter presents the chosen case company. Its background and overall business is presented first. The two business units that were primarily observed are presented to show differences in marketing and digital implementation. The chapter ends with Company X's brand strategy as well as their current representation of delivery in comparison to customer expectations.

3.1 Background

Company X was founded in 2006. The vision of the founding fathers was to enhance the offering made around ERP sales of one of the largest ERP systems. When the company decided to broaden their offering, they perceived a need to offer a best of breed solution with a broader offering of different IT solutions for different roles of a company.

The company started out very small with just a few employees. Their first step has been to create a business strategy that took them from just a few MSEK in revenues to something much bigger with offices on 5 continents.

3.2 Organizational structure



Figure 3-1: Organizational chart with different business areas at the bottom. (ibid.)

The different business areas are intertwined, enabling the company to offer a complete solution to its potential and current customers. If the customer goes for a complete solution from the Company X, they can receive a so-called 'best of breed' solution for that specific company. The systems vary from supplier-centric to customer-centric

and from front-end to back-end. Each group within the company deals with its own area of expertise.

Cross Commerce and Business Consulting are two business areas where the first is responsible for anything related to digital commerce

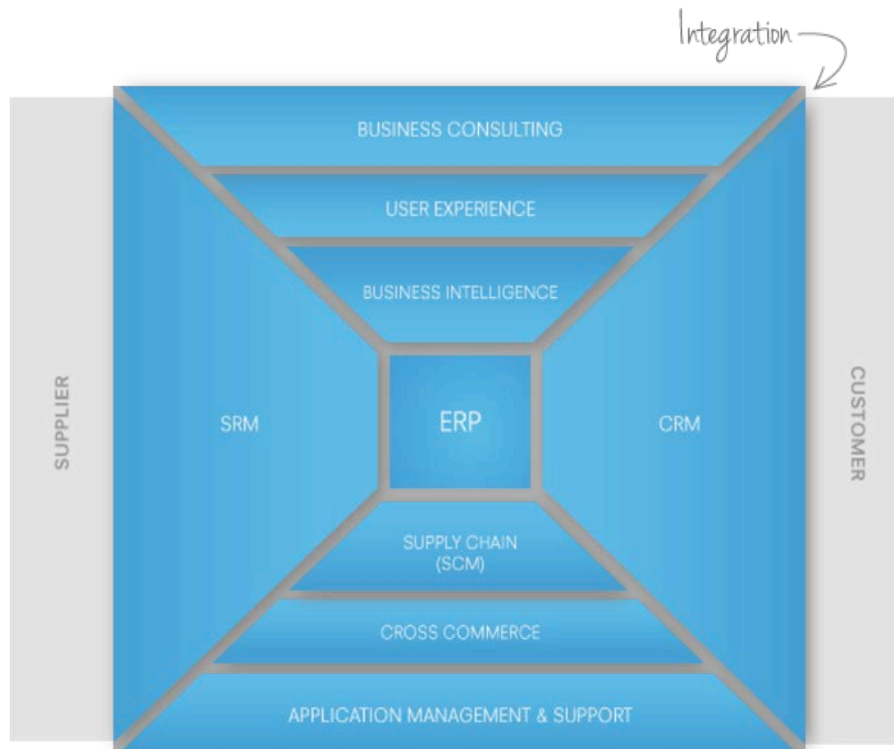


Figure 3-2: The different business areas and competences of the case company. (X)

and communication and the latter is responsible for supporting the function of the already delivered systems.

Each subdivision or business area has its own consultants and salesmen that support different parts of the buying and implementation process.

Company X's vision and goals aim at becoming the natural selection of partner when it comes to these systems and to increase the profitability through harnessing the synergies between different subdivisions and to be even better on the consultancy part of each project. All of this should be done in accordance with the overall

purpose of maximizing the value for its customers and strengthening their brand.

3.2.1 ERP

The largest subdivision is ERP, and it deals with the ERP-systems and its sales, implementation and consulting. This is also where the company started its business. This business still provides a significant contribution to the overall business but is not rapidly changing towards digitalization of the sales process (Lindwall). Some older industries are resistant to change and business is taken care of in roughly the same way as it had been for years. While it is important for the business, it is not the top priority for change. Most customers are loyal and can be customers from many years back. An ERP system is also something that is not easily changed. The lead generation for these companies still relies heavily on outbound marketing and for salesmen to physically go out and present themselves. It is likely that these companies will go digital as well, but the time horizon is longer. The different ERP subdivisions are AX, M3 and SAP.

3.2.2 Cross Commerce

One of the youngest subdivisions is Cross Commerce and their customers want solutions for e-commerce. They are very customer-centric and digitally focused which affects the strategy needed for lead generation. The customers are rapidly moving in the digital world and this is one of the reasons why Cross Commerce need to be present digitally with everything from information to lead generation. The lead generation thereby has to be focusing on matching the digital competences of the customers in all subdivisions.

3.3 Brand strategy

The brand strategy relies on the brand platform, which is based on six questions regarding the company and its offering, its values, its client promise, its key competences, and what the brand stands for.

The offering is mainly standard solutions with a broad offering more than tailored solutions for a specific customer, and they want to move in the direction of leading edge with a strict focus of the customer rather than their current position as a more traditional IT-service company. The customer is most important and customer, industry, and system knowledge are key factors to success. (X p.12)

The company recently reorganized their different brands so that the group name reflects the parent brand. This strategy makes it easier for the customer to understand what company they do business with since many companies use several different products from different subdivisions. In 2012, they did a study of what they deliver and what customers value most.

The result can be seen in this spider diagram and it shows a gap between the delivery and what matters to the customer.

The purpose of this thesis is more related to the process when a potential customer becomes a customer, but how the case company is ranked among its customers and the discrepancy between perceived importance and actual performance could be a factor to consider if the customers are looking for other suppliers or partner companies as seen in Figure 3-3. Follow up and service level can be seen as the most important discrepancies in that context. One possible explanation given by customers is the multiple brands within the company brand, and their inherent differences. With the new strategy in place of becoming more united as a company with one

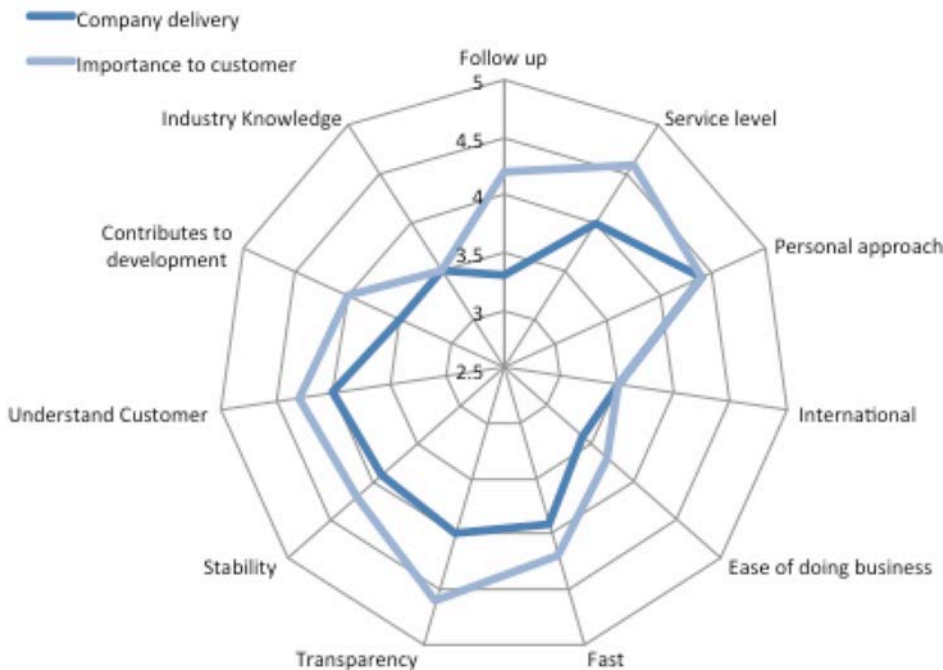


Figure 3-3: Customer needs and how customers rate Company X (Company X)

brand, this may improve with time if the internal communication improves. The different buyer types of ERP and Cross Commerce can be challenging when uniting marketing and sales strategies to one, but the goal should be to present the company as one brand to its customers.

4 Theory

This chapter covers the theoretical models both needed to interpret and to structure the empirics, and then later to analyze data. It will act as the foundation of this thesis and need to be understood by the reader in order to fully grasp the different sections of this thesis.

4.1 Introduction

The theoretical framework created for this thesis will serve as a foundation to identify the effects of digitalization and changing buyer behavior on relationships seen across marketing and sales of knowledge-intensive services in a B2B context.

The theoretical framework has a holistic approach, and the guiding theory to explore relationships in the marketing and sales context is Gummesson's 30 relationships of relationship marketing (2008). This theory can be used to analyze all the different relationships seen in marketing and is therefore useful in identifying the many complex interactions that are affected by digitalization and changing buyer behavior.

The SWOT matrix will be used to explore factors that affect digital applications across these relationships. These factors are presented both in a general view of effects on marketing and sales, as well as in how they directly affect Company X. The open-ended and simple nature of the SWOT matrix enables identification of key factors in relation to the relationships that are studied.

Lastly, specific buyer behavior from a buyer perspective as well as insight of buyer behavior from a supplier perspective will be analyzed using the buyer persona canvas. This is also tied to the 30 relationships, but most importantly to the strength of the most important relationship, the relationship between the supplier and the customer.

4.2 Relationship marketing

Relationships, networks and interaction are the key components of relationship marketing. These components will remain regardless of

changing market conditions and technological advancements. (Gummesson, 2008 pp. 5-6)

4.2.1 Relationships inside and outside the marketplace

The relationship between suppliers and customers is the most important relationship. The playing field of suppliers, customers and competitors is the very foundation of marketing. These market relationships have different characteristics depending on different networks and interactions. Consideration must also be put on the enablers of these types of relationships. The first ones, also external in nature, are relationships within society and the economy in general. These present the platform from which market relationships can be established. The other ones to consider are internal relationships as they influence all external relationships. (ibid. pp. 36-39)

4.3 30 R's of relationship marketing

The guiding theory chosen for research is the 30 relationships, or the 30 R's, of relationship marketing. Apart from the most important relationship of supplier and customer, there is no hierarchy between the different relationships as their applicability depends on type of firm and the relationships, interactions and networks that exist in that firm's business environment. (ibid. p. 36-251).

The 30 R's give a thorough walkthrough of all relationships, networks and interactions seen in relationship marketing. The actual market relationships are made up of *classic market relationships* and *special market relationships*. On the level above these, representing society as a whole, are the *mega relationships*. Below the market relationships are the *nano relationships*, and they deal with all relationships that can be seen inside the firm, enabling the external communication seen in the classic and special market relationships. (ibid. pp. 36-39)

The relationships will be presented within these subgroups. The idea of the theory has been visualized in Figure 4-1.

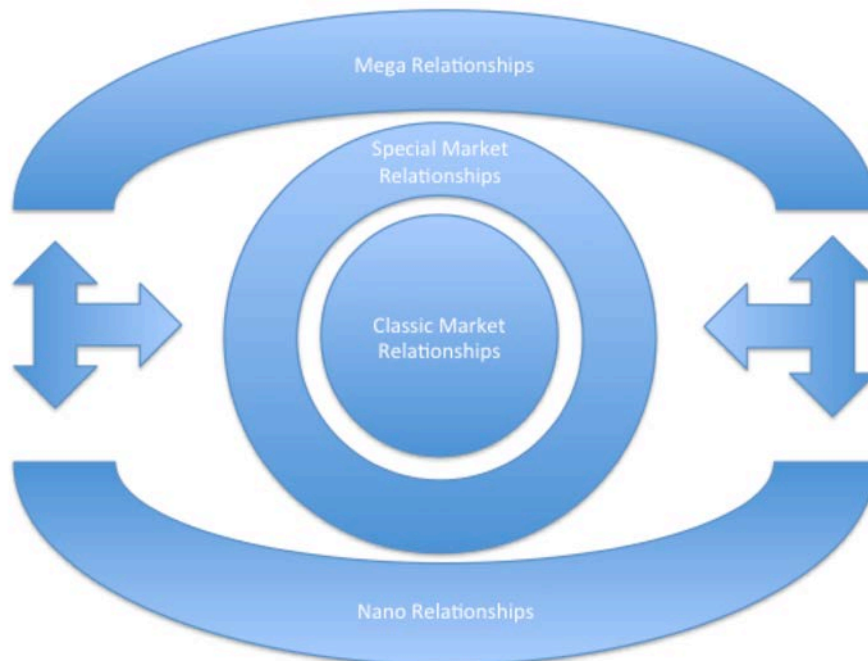


Figure 4-1: Interpretation of the four sub-groups of the 30 R's (X p.21)

4.3.1 Classic market relationships

The first group of relationships is made up of classic marketing, albeit viewed in the “relationship eye-glasses”. They are made up of supplier-customer relationships, supplier-customer-competitor relationships and lastly distribution. (Gummesson, 2008 p. 45)

4.3.1.1 *R1 - The classic dyad - the relationship between the supplier and the customer*

The supplier-customer relationship is the most important relationship of marketing, consisting of the co-creation of supplier and customer. It is the foundation of all business. (ibid. p. 37)

4.3.1.2 *R2 - The classic triad – the drama of the customer-supplier-competitor triangle*

The relationships of customers and current suppliers, of customers and the supplier's competitors and between competitors are central to the market economy. (ibid.)

4.3.1.3 *R3 - The classic network – distribution*

This relationship consists of everything that is traditional physical distribution and channel management of goods, services, people, information and whatever is made up of networks of relationships. (ibid.)

4.3.2 **Special market relationships**

Special market relationships deal with matters that are more specific while still being rooted in the classic supplier-customer relationship. They are not explicit in all marketing literature but are critical to success. (ibid. p. 77)

4.3.2.1 *R4 - Relationships via full-time marketers and part-time marketers*

Full-time marketers, FTM's, are those who work in marketing, sales and customer service. Their role is to be professional marketers. Part-time marketers, PTM's, can be just as important to the marketing of a brand or company. They consist of everyone who perform other main functions but have some influence on customer relationships. They can be both internal and external PTM's. (ibid. p. 37)

4.3.2.2 *R5 - The service encounter – interaction between customers and suppliers*

Traditional service production and delivery has included interaction between supplier and customer. With S-D logic, this has evolved to see the customer as co-creator of value in the service delivery. (ibid.)

4.3.2.3 *R6 - The many-headed customer and the many-headed supplier*

B2B marketing usually involves relationships between many individuals, both on the supplier-side and the customer-side. (ibid.)

4.3.2.4 *R7 - The relationship to the customer's customer*

Understanding of the customer's customer and how the supplier can help these relationships is often important to success. (ibid.)

4.3.2.5 *R8 - The close versus the distant relationship*

A company conducting mass marketing runs the risk of losing closeness to its customers. It runs the risk of being based on written information rather than real relationships. (ibid.)

4.3.2.6 R9 - The relationship to the dissatisfied customer

This is a relationship that is often badly managed by suppliers, but it is important and bad service can lead to rapid changes in the relationship. (ibid.)

4.3.2.7 R10 – The monopoly relationship

With limited competition, either the supplier or the customer may become exclusively dependent of the other. (ibid.)

4.3.2.8 R11 – The customer as ‘member’

This relationship deals with initiatives such as customer loyalty programs and clubs as a way to create long-term relationships. (ibid.)

4.3.2.9 R12 - The e-relationship

Electronic communication involving the Internet, e-mail and other IT applications are an increasingly large part of society. This needs to be put in relation to the human aspect of communication. This relationship is crucial to observe in relationship marketing and customer relationship management. (ibid.)

4.3.2.10 R13 - Parasocial relationships – relationships to brands and objects

Relationships are not limited to people. They might also include people’s relationships to brands or any other objects, both tangible and intangible. (ibid. p. 38)

4.3.2.11 R14 – The non-commercial relationship

This relationship includes any relationship or activities outside of the profit-based or money-based economy, such as governmental relationships, relationships to non-governmental organizations and voluntary organizations. (ibid.)

4.3.2.12 R15 – The green relationship and CSR

Changing buyer behavior, legislation, and influencers have increased the importance of environmentally and socially responsible business. (ibid.)

4.3.2.13 R16 - The law-based relationship

Relationships to customers can sometimes be based on legal contracts and threat of litigation. (ibid.)

4.3.2.14 *R17 – The criminal network*

The presence of organized crime and its tight networks are often disregarded in marketing theory as disturbers of market or industry function. (ibid.)

4.3.3 **Mega relationships**

These relationships leave the level of supplier-customer and look at the problem from the level above, from the viewpoint of society in general. Mega relationships set the conditions for market relationships. (ibid. p. 173)

4.3.3.1 *R18 - Personal and social networks*

These relationships are often the key to business networks. Business may be conducted only between friends and friends of friends in some cultures. (ibid. p. 38)

4.3.3.2 *R19 – Mega marketing – the real ‘customer’ is not always found in the marketplace*

In some cases, relationships must be sought with governments, legislators, influencers or others to make marketing possible on an operational level. (ibid.)

4.3.3.3 *R20 – Alliances change the market mechanisms*

Closer relationships and collaboration between companies can both curb competition and on the other hand be necessary to the market economy. (ibid.)

4.3.3.4 *R21 - The knowledge relationship*

Acquisition of knowledge can be the most important strategic initiative, depending on the level of knowledge required in an industry. (ibid.)

4.3.3.5 *R22 - Mega alliances change the basic conditions for marketing*

Alliances above the level of company and industry, for example with governments or trade organizations, can be of critical importance. (ibid.)

4.3.3.6 *R23 - The mass media relationship*

The relationship to mass media can be important depending on a company’s exposure and sensitivity to public opinion. (ibid.)

4.3.4 Nano relationships

Nano relationships are those relationships that are inside an organization, in their organizational structure, networks, systems and processes. They are critical to successful implementation of marketing strategies. These relationships show the tendency for market economies within companies, with less clear distinction of internal and external work. (ibid. p. 209)

4.3.4.1 R24 - Market mechanisms are brought inside the company

With the creation of independent profit centers in companies, an internal market economy is created, affecting both internal and external relationships. (ibid. p. 38)

4.3.4.2 R25 - Internal customer relationships

There are dependencies of both horizontal and vertical nature inside a company, made up of internal customer and internal suppliers. (ibid.)

4.3.4.3 R26 - Quality and customer interaction – the relationship between operations management and marketing

Modern companies have a bridge between operations and marketing. Both internal relationships and the quality of production, as well as the relationship to customers must be considered. (ibid. p. 39)

4.3.4.4 R27 - Internal marketing – relationships with the 'employee market'

Internal marketing is an important part of relationship marketing as it lays the foundation for the message that is to be communicated externally by employees. (ibid.)

4.3.4.5 R28 – The two-dimensional matrix relationship

The simplest form of relationship often seen in large corporations, that is commonly between production and sales. (ibid.)

4.3.4.6 R29 - The relationship to external providers of marketing service

External providers can support not only in marketing in the form of advertising agencies and market research agencies, but also in areas such as sales and distribution. (ibid.)

4.3.4.7 R30 – The owner and financier relationship

Marketing is always dependent on the resources allocated to its function. (ibid.)

4.4 Internal and external factors affecting digital marketing

To understand how digital applications can affect marketing seen in relationally strong businesses, both digital and non-digital factors must be observed. By observing the different relationships seen in Gummesson's theory, both internal and external factors of digitalization can be identified. These can all be analyzed using the SWOT matrix.

The SWOT analysis offers a simple way to break down the complexity of all the different relationships seen in marketing. The intended approach here is to find the external factors that affect how potential customers act, as well as the internal factors of the supplier's readiness to act on these changes.

4.4.1 SWOT analysis

The purpose of the SWOT analysis, figure 4-2, "is to summarize the external opportunities and threats" (Chaffey and Ellis-Chadwick, 2012 p.208).

The traditional SWOT was first used in the 1960's and it is a simple way of analyzing the business with a clear distinction between internal and external factors. Examples of internal can be financial factors or facilities and equipment analyzed for strength or weaknesses. Examples of external factors can be market trends or regulations analyzed as opportunities or threats. (Goodrich, 2015)

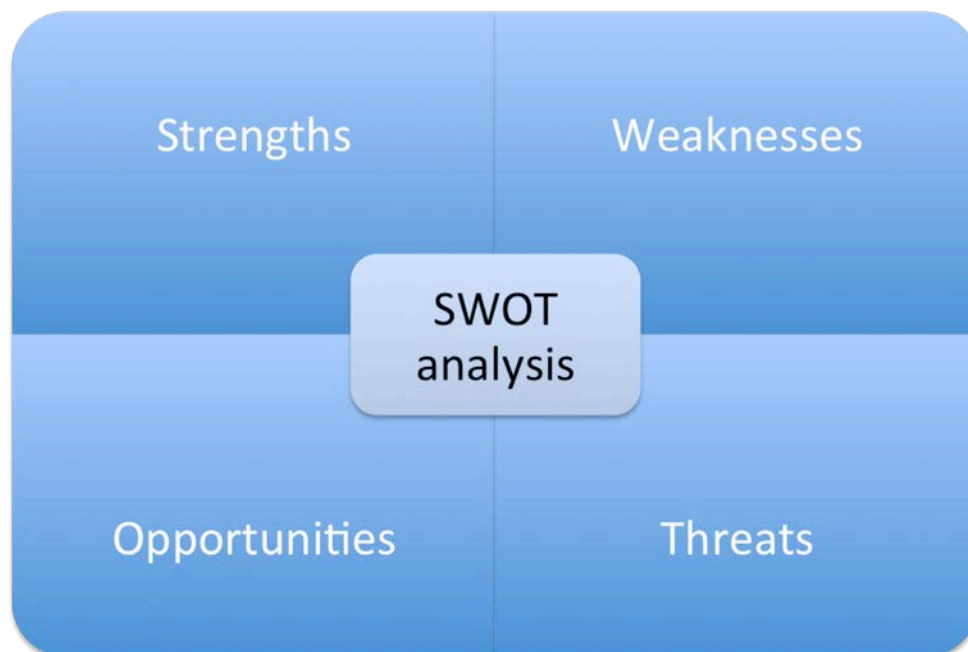


Figure 4-2: The traditional SWOT analysis. (Gummesson, 2008 pp. 36-20)

4.4.2 SWOT and digital strategy

The situation analysis in the SOSTAC planning framework used in Chaffey and Ellis-Chadwick (2012 p.199) relies heavily on digital SWOT assessment.

In the digital SWOT as seen in figure 4-3, the SWOT is focusing on the digital channels and the digital strategy. The difference is that the four boxes with strategies provide a viable way of combining the results in the normal SWOT when forming a strategy. In this context, it is of interest to briefly address the strategy boxes presented in this model.

The strategy based on the combination of strength and weakness internally and opportunities and threats externally will not be analyzed in depth, but it will be analyzed in the context of the theories used in the thesis.

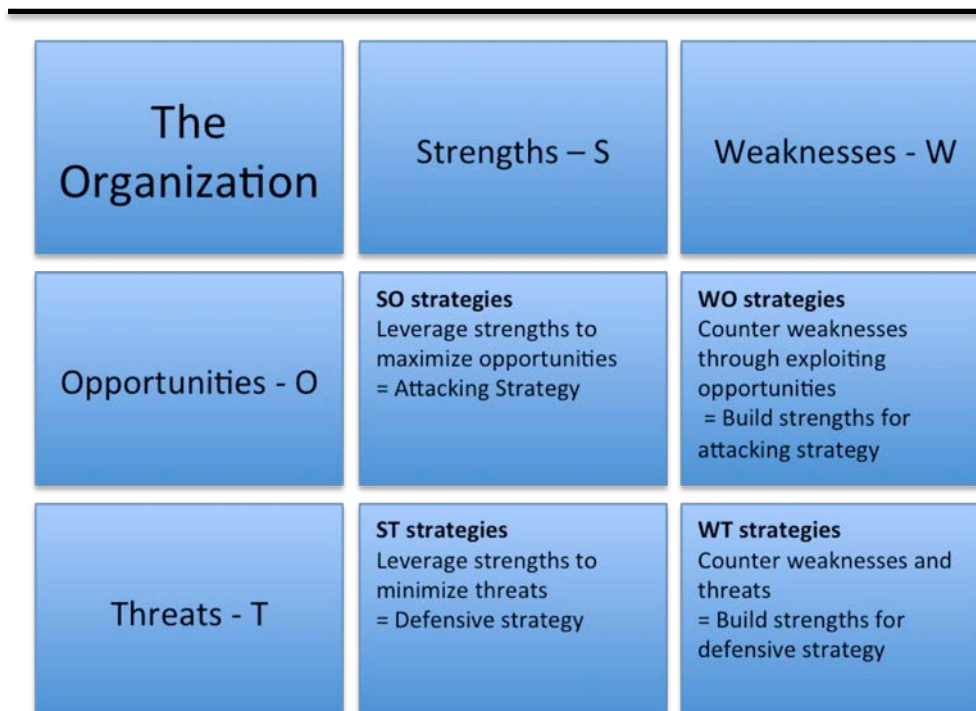


Figure 4-3: The general digital channel-specific SWOT analysis (Goodrich, 2015)

The perspectives given in the SWOT analysis aims at understanding the business and its markets from a customer standpoint. This is of value when understanding the buyer behavior and relationships, and this is the part of the strategy boxes that will be addressed based upon the answers given in the empirics. (ibid. pp.208-210)

4.4.2.1 *Digital SWOT*

The underlying SWOT analysis seen in a digital context is still the same SWOT, but with a strict focus on the parts of the business that affects the strategy seen as strengths, weaknesses, opportunities, and threats. The aspects considered in a digital strategy within the SWOT analysis can be the "areas of customer acquisition, conversion, retention and growth" (ibid. p.209) It hereby acts as an analysis tool for the relationship marketing activities performed based on internal and external factors. Chaffey and Ellis-Chadwick talks about *Internet-specific SWOT* but it is clear that Internet in this context can be seen as digital, which is the word used throughout this thesis. (ibid. pp. 208-210)

4.4.2.2 *Strengths and Weaknesses*

The factors to consider internally are related to internal and external communication and the strength and character of customer relationships and the technology used to enhance these. It can also be of interest to analyze how the brand is perceived and how the usage of new technology and intermediaries function. (ibid., pp. 208-210)

4.4.2.3 *Opportunities and Threats*

The external context of the analysis can be viewed in the eye of the customer. Whether the buyer behavior is changing and if it is affected by digitalization within the markets matter, as well as current market trends related to the product offering. The competitors may play a major role within these areas of inquires.

4.4.2.4 *Analysis*

The organizational aspects of a digital marketing activity can further be analyzed since it is of great importance that the digital marketing activities match the overall business strategy. The digital marketing activities are targeted towards the customer, and to get the depth required to understand this matter the buyer perspective need to be in place. The activities analyzed in a digital SWOT resemble the ones in a normal SWOT but should be reviewed in the digital context present in this thesis and in accordance with the earlier mentioned delimitations based on the purpose of this thesis. (ibid, pp. 208-210)

4.5 Buyer behavior and buyer insight

The identification of customer behavior is crucial for firms to gather insight about their customers. A potential customer in the context of this thesis will be referred to as a buyer. This stems from a choice of theory regarding the creation of buyer personas. Creation of buyer personas is an effective way for firms to categorize their buyers according to individual behavior.

4.5.1 Buyer persona canvas

The Buyer Persona Canvas is a modification of the Business Model Canvas found in Alex Osterwalder's Business Model Generation (Osterwalder et al., 2010). The use of personas as a design tool to leverage customer interaction can be traced to Alan Cooper's book "The inmates are running the asylum" (1998).

Revella's theory on buyer personas, the five rings of buyer insight (Revella and Ross, 2013), was also studied during establishment of the theoretical framework. It was decided that Zambito's framework would be more applicable to the overall purpose of the thesis, and that it would provide a clearer framework. Revella's theory provided many good insights, and could have been used in a similar study.

The buyer persona canvas highlights areas where firms need to gather in-depth knowledge about their buyer personas. The goal is to align internal buyer insight by observing problems from the buyer's perspective.

The analysis needs to be done by observing buyers in their professional setting while maintaining a personal view of each buyer. This is important to be able to understand preferences of information, how buyers obtain information and most importantly the type of content that will affect buying decisions. (Zambito, 2013b)



Figure 4-4: The buyer persona canvas (Chaffey and Ellis-Chadwick, 2012 p.209)

4.5.2 Buyer Persona

Establishment of a buyer persona can vary in difficulty. It may be easier to profile existing customers than it is to profile potential buyers in new markets or buyers of new products or services. (Zambito, 2013b)

4.5.3 Goals

Goals are important in understanding behavior of personas. These goals can be of both professional and personal nature, and are powerful motivators of the persona. (ibid.)

4.5.4 Initiatives

Initiatives can be explained as the specific prioritized areas of and industry or company. It is crucial to know the main initiatives of a company. (ibid.)

4.5.5 Influencers, stakeholders, buying team

It is important to know the role a persona plays in the buying team of the buying firm. Different stakeholders or decision-influencers can

have different degrees of interdependencies that need to be understood. The understanding of how different team members interact presents a big opportunity for a supplier. (ibid.)

4.5.6 Buying process

The buying process of the buyer requires a typical mapping of the different steps from initial problem identification to a purchase decision or lasting relationship of supplier and buyer (ibid.).

4.5.7 Timing

Knowledge of timing, or when to interact with buyers is important intelligence to supplying firms. This can include lots of industry- or company-specific patterns. It is important to understand the buying inclination of buyers from these patterns. (ibid.)

4.5.8 Buyer thinking

This is a hard area for selling organizations, especially early on in a relationship. It includes understanding the perceptions, attitudes and beliefs of buyers. The buyers themselves might have a hard time expressing their inner thoughts. (ibid.)

4.5.9 Channels

Understanding of the channels that buyers use to gather information and eventually make purchases is important intelligence, especially in the digital age with many different channels for information and communication. Buyer behavior is constantly affected by new ways to find information. (ibid.)

4.5.10 Why buy?

Why buyers buy is another area where buyers may be reluctant or unable to specify their reasons for purchasing. There should be effort to also unlock the not so obvious reasons for buying. (ibid.)

4.5.11 Content and information

To understand the information gathering of modern buyers means to understand the meaning, usage and sharing of content. The intelligence that is interesting is the actual content and information that serves as drivers of purchase decision. (ibid.)

4.6 Creating buyer personas

Creation of buyer personas can draw from many different methodologies. The main method used for research in this thesis is

the interview method. Other methodologies will be presented but not tested. This is meant to give the reader an understanding of other vital aspects to buyer persona creation. It is also important to future studies within the theoretical framework.

The buyer persona canvas can be used as a guiding framework for data collection. This was deemed reasonable given the time frame and prior experience of the authors. For future studies it is recommended that the canvas serve as an aggregator of information. The data collection should be contextually adapted and not controlled by set models.

4.6.1 Combination of qualitative and quantitative insight

The use of buyer personas can be seen as a type of market segmentation, where qualitative and quantitative data is collected with the goal of identifying specific types of individuals in a larger audience. It can be seen as predictive analysis based on observed *behaviors* and *attitudes* of individuals. (King, 2014b)

There are many different ways to create insight that can be put into a framework like the buyer persona canvas. The different methods are of both qualitative and quantitative nature, and performed both online and offline. A combination of many methods is ideal for profiling of great personas. (ibid.)

The difference between segments and personas is that segments are often determined by broader, often pre-selected, parameters. The goal of buyer personas is to find more specific attitudes and behaviors that lead to creation of sets of archetype buyers. It is more *outside-in* than segmentation. The research needs to be more thorough to capture every nuance of buyers. (ibid.)

4.7 Summarized theoretical framework

The theories and models used for research are summarized in figure 4-5. The current state of relationships at Company X is described using the 30 R's of relationship marketing.

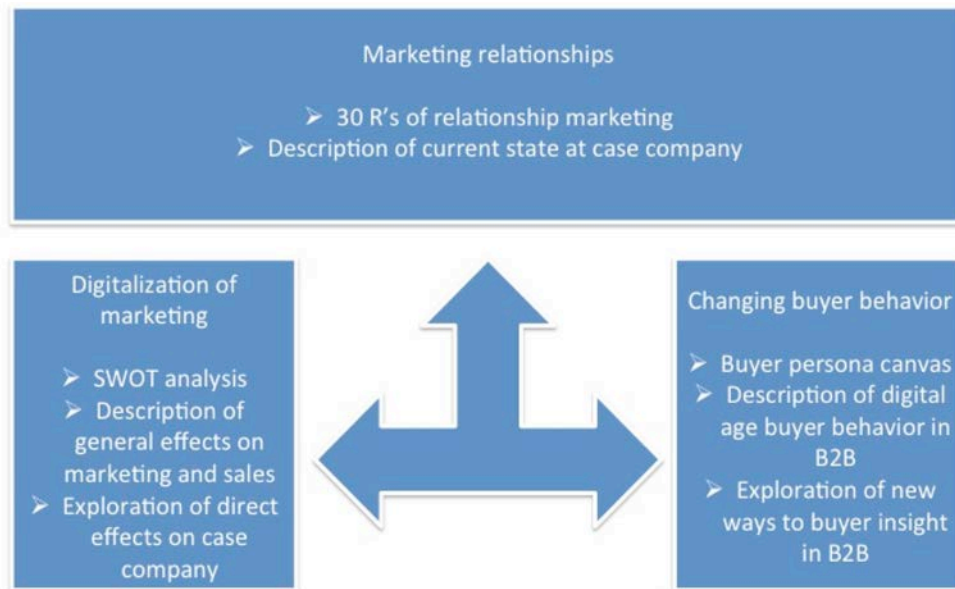


Figure 4-5: Summarized theoretical framework

The general effects on marketing and sales of the new digital world are described, and its more direct effects on Company X further explored. Strengths and weaknesses of Company X as well as opportunities and threats of the surrounding environment are researched using the SWOT framework.

The general state of buyer behavior in B2B is described, followed by a more thorough exploration of how marketing firms can leverage increased buyer insights. The description of buyer behavior is general and applicable to the entire buyer persona canvas, while exploration of new ways to buyer insights have been researched for each part of the canvas.

Table 4-1 is used to summarize the analysis of each relationship. The analysis is based on all assimilated data and whether effects can be seen from digitalization and changing buyer behavior and

buyer insight. Effects on relationships will be noted with checkmarks, while crosses will indicate no significant effect on relationships.

30 Relationships of relationship marketing	Digitalization	Buyer behavior and buyer insight
Classic market relationships		
1. The classic dyad - the relationship between the supplier and the customer	<input type="checkbox"/>	<input type="checkbox"/>
2. The classic triad - the drama of the customer-supplier-competitor triangle	<input type="checkbox"/>	<input type="checkbox"/>
3. The classic network - distribution	<input type="checkbox"/>	<input type="checkbox"/>
Special market relationships		
4. Relationships via full-time marketers and part-time marketers	<input type="checkbox"/>	<input type="checkbox"/>
5. The service encounter - interaction between customers and suppliers	<input type="checkbox"/>	<input type="checkbox"/>
6. The many-headed customer and the many-headed supplier	<input type="checkbox"/>	<input type="checkbox"/>
7. The relationship to the customer's customer	<input type="checkbox"/>	<input type="checkbox"/>
8. The close versus the distant relationship	<input type="checkbox"/>	<input type="checkbox"/>
9. The relationship to the dissatisfied customer	<input type="checkbox"/>	<input type="checkbox"/>
10. The monopoly relationship - customer or supplier as prisoners	<input type="checkbox"/>	<input type="checkbox"/>
11. The customer as "member"	<input type="checkbox"/>	<input type="checkbox"/>
12. The e-relationship	<input type="checkbox"/>	<input type="checkbox"/>
13. Parasocial relationships - relationships to brands and objects	<input type="checkbox"/>	<input type="checkbox"/>
14. The non-commercial relationship	<input type="checkbox"/>	<input type="checkbox"/>
15. The green relationship and CSR	<input type="checkbox"/>	<input type="checkbox"/>
16. The law-based relationship	<input type="checkbox"/>	<input type="checkbox"/>
17. The criminal network	<input type="checkbox"/>	<input type="checkbox"/>
Mega relationships		
18. Personal and social networks	<input type="checkbox"/>	<input type="checkbox"/>
19. Mega marketing - the real "customer" is not always found in the marketplace	<input type="checkbox"/>	<input type="checkbox"/>
20. Alliances change the market mechanisms	<input type="checkbox"/>	<input type="checkbox"/>
21. The knowledge relationship	<input type="checkbox"/>	<input type="checkbox"/>
22. Mega alliances change the basic conditions for marketing	<input type="checkbox"/>	<input type="checkbox"/>
23. The mass media relationship	<input type="checkbox"/>	<input type="checkbox"/>
Nano relationships		
24. Market mechanisms are brought inside the company	<input type="checkbox"/>	<input type="checkbox"/>
25. Internal customer relationships	<input type="checkbox"/>	<input type="checkbox"/>
26. Quality and customer orientation: the relationship between operations management and marketing	<input type="checkbox"/>	<input type="checkbox"/>
27. Internal marketing - relationships with the employee market	<input type="checkbox"/>	<input type="checkbox"/>
28. The two-dimensional matrix relationship	<input type="checkbox"/>	<input type="checkbox"/>
29. The relationship to external providers of marketing services	<input type="checkbox"/>	<input type="checkbox"/>
30. The owner and financier relationship	<input type="checkbox"/>	<input type="checkbox"/>

Table 4-1: The overview of analysis on different relationships.

5 Empirics - The effects of digitalization on marketing and sales in general

This chapter covers the general effects of digitalization, mainly covered by external factors in the SWOT model. The opportunities and threats given by digitalization in this context will be further analyzed in chapter 9. The connection to the purpose is to investigate the external environment outside the case company to better understand the changing forces.

The digitalization of the modern society has accelerated the change in how potential customers interact with marketers. The Internet has drastically reduced societal barriers of communication. Social media has taken this development further, with communication in vast global networks. This change has given customers and society as a whole increased power in their relationship with suppliers of goods and services. (Labrecque et al., 2013)

The new digital communication channels are increasing the ways in which businesses can communicate a message, to larger crowds or to more niched crowds. The channels are, with a few exceptions, equally available to both private and professional users, suppliers and customers. Power is in the hand of the party who can figure out how to best apply them for their intended purpose. A strong presence in online channels is most likely critical to future business. (ibid.)

The challenge for knowledge-intensive B2B firms lies in identifying channels that will offer *co-creation of value* and channels that will most likely be *value-destroyers*, mentioned in SD-logic as consumption of output without knowledge exchange (Lusch and Vargo, 2009).

Policies and politics can play a role in the speed of digitalization. Big data is one of the foundations of online personalization. The use of big data is a controversial issue, and big data itself can be problematic with future legislation. The laws surrounding data protection have barely been touched the last 20 years, and this is something that might be changed in the near future in Europe. This can affect the ability to do profiling used in lead scoring. If profiling

would disappear completely, the value of marketing automation would drastically diminish. (Whitfield, 2014)

Interview questions regarding effects of digitalization are presented in Appendix B.

The following experts were consulted for questions regarding general, or indirect as it relates to Company X, effects of digitalization on marketing and sales.

- Patrik, Talamo, Preem
- Annica Thorberg, Marketinghouse
- Lars Dahlberg, Business Reflex
- Johan Eriksson, Google
- Beatrice Sablon, Microsoft

Due to reluctance of other experts asked to participate, interview data was complemented with online research of established individuals in the field of digital marketing. Experts who are not named have not contributed to this thesis.

5.1 Moving from outbound to inbound marketing

The goal of marketing is to spread the word about a certain product or service. This has traditionally been done through outbound marketing where the marketer tells the buyer about the benefits of a product or service via one-way communication. With new information and choice available to the buyer, there is increased need to listen to the customer to understand what he wants and needs. (Halligan and Shah, 2014 p. 3)

The customer is much more sensitive to interruption via outbound marketing as he is no longer dependent on it for information. The result is that outbound marketing is less effective (ibid.).

Inbound marketing can be described as “marketing focused on getting found by customers” (Burnes, 2008). It is “an 'out with the old, in with the new' form of advertising that engages consumers by

appealing to their interests, not by shoving ads in their faces." (Walgrove, 2014)

The era of endless information and the diminishing value of salesmen early in the sales process calls for radical rethinking of how to handle buyers. Even in traditionally relational B2B marketing, buyers are less inclined to contact firms before they have gathered all available information. This information could come both from the firm itself and from external sources. (Scott, 2013 p. 227)

Bear refers to today's buyers as passive-aggressive. They do not necessarily want to be contacted with offers or fill out forms of interest. They may just want to do their own research before deciding on alternatives. (Baer, 2014 pp. 89-90)

5.1.1 Content marketing

Content marketing is not a new phenomenon, with first iterations seen in the 19th century. Oetker turned carton recipes into cookbooks and John Deere published a farming industry magazine. (Postma, 2014)

When put into relation with the explosion of new media channels in the digital society, content marketing is increasingly complex (Rothman, 2014 p. 21). Content marketing can be defined by the following quote (Content Marketing Institute cited in Rothman, 2014 p. 21):

The marketing technique of creating and distributing relevant and valuable content to attract, acquire, and engage a clearly defined and understood target audience—with the objective of driving profitable customer action.

Content marketing is a central part of inbound marketing and it is information presented in forms like text, images, audio or video. The purpose of the content is to provide what the viewer sees as valuable information. (Chaffey and Ellis-Chadwick, 2012 p. 44)

5.1.1.1 *Connecting content marketing with business value in B2B*

Correct use of B2B content marketing can help firms build and nurture relationships rather than just market products. Forrester (2014a) argues that marketers need to stop creating content that explain features and benefits and instead create content that delivers valuable business information. There are not enough trained content

marketers. What is lacking in content production is (Forrester, 2014a):

- Explanation of how products and services help customers be successful in their business
- Use of research and insight-driven content that educates customers on certain issues
- Relationship building as opposed to content created to satisfy short-term goals of customer acquisition.

In connecting business value with a content strategy, the strategy should consider the most important parts of content marketing in a B2B context. These are, according to Johan Eriksson at Google, relevance and a clear thought of why content marketing is the answer. The key KPI should be 'time spent with the brand'. (Eriksson)

5.1.1.2 Content for thought leadership

An effective starting point can be seen in the way marketing content is presented to potential customers. This starts with less focus on company-related content and increased focus on content regarding *the problems of the buyer personas*. To be true *thought leaders*, marketers should present material that is absolutely free of all things regarding company or product. (Scott, 2013 pp. 193-194)

5.1.1.3 Content platforms

The platforms in which the content is provided are important for the marketer to be successful. Not many years back, digital content was viewed on a monitor in front of a desktop computer. Now digital content is available on different mobile platforms, on airplanes, trains, and desktop- and laptop computers and more will most likely be added to that list in the near future. (Chaffey and Ellis-Chadwick, 2012 p. 44)

The content strategy requires a platform strategy as well since different buyers will respond differently to the different types of platforms and in different parts of the buying process. (ibid.)

A study on behavior in online advertising concluded how important behavioral targeting is (Patrice Muller, 2011 p. 51):

Users who clicked on the same advert can be over 90 times more similar than the users who clicked different adverts. This finding shows that behavioral targeting can truly help online advertising by segmenting users based on user behaviors.

Although this is more applied for B2C and E-commerce, the customer may behave accordingly in a B2B context. (ibid.)

5.1.1.4 Engage and participate

The content type can vary according to the purpose it should meet. A big difference between outbound content marketing and inbound content marketing is that the outbound material is somewhat static. If something engages a buyer or leaves him in despair, nothing can be done other than contacting the marketing company or to write letters to the editor.

Content published digitally in forms of audio, video, or text is something that can be spread to social media or comment on directly. This opens up for discussion and can either be positive or negative for the publishing company. It is something worth taking notice of and to be prepared for. (Chaffey and Ellis-Chadwick, 2012 p. 44)

5.1.1.5 Content in context, marketing and sales conjoined

Digitalization, in addition to increased interaction between firm and customer, has led to better interaction and flexibility between marketing and sales divisions. The once clearly defined boundaries are disappearing. (Scott, 2014 p. 73)

Marketing could supply sales with the content they need to be successful. This content might be stored offline or online, but the important thing is that it is quickly available for the salesman to find. Marketing needs to be present through the entire sales funnel, not just the top end of it. The salesman still needs to apply expertise of knowing what to say at what time. There must be understanding of *which content to use in which context*. Messages must be personalized to buyers, and must also respect preferred buyer communication. (ibid. pp. 73-74)

In order to create good content marketing, the content needs to be of value for the target group. To understand the target group requires a

deeper understanding of their interests and knowledge in the matter. (Talamo)

5.1.1.6 *Content culture*

Gummesson was cited reinforcing culture as an important part of marketing in section 1.1. Lieb and Groopman reinforce the importance of culture in content marketing (Lieb and Groopman, 2014):

Companies that evangelize, reinforce, and institutionalize the importance of content throughout and beyond the marketing organization are more successful not only across their marketing initiatives but also with other internal and external success benchmarks, such as sales, employee advocacy, customer service, audience engagement, thought leadership, and hiring

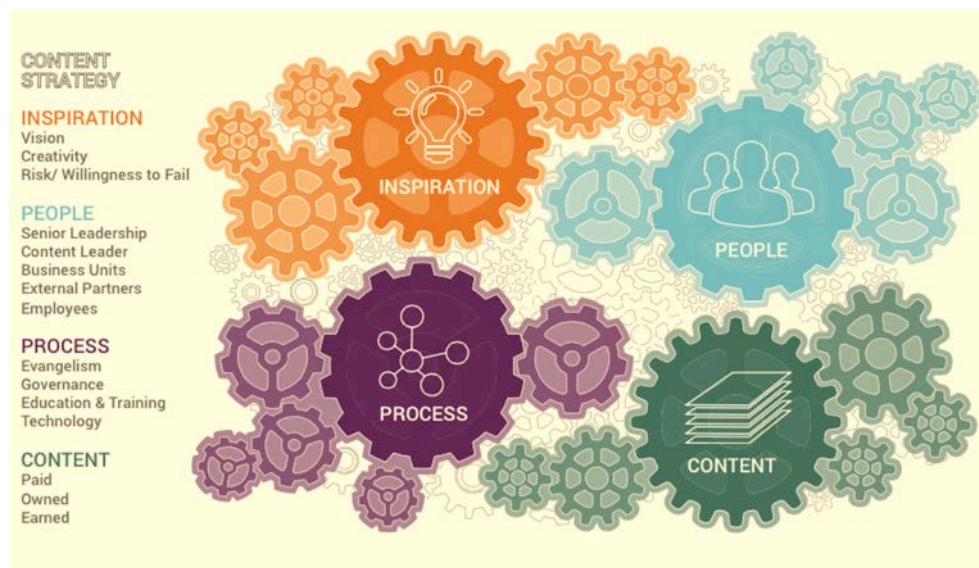


Figure 5-1: A culture of content is an engine of content (Zambito, 2013b)

The key points to a content culture are summarized in figure 5-1.

Content in the digitalized world can be split up into three categories, as shown in figure 5-2 (Lieb et al., 2012):

- Owned media is the content that a firm completely either owns or controls. This can include the company website with all its content as well as all content available on company-controlled social media. It does not involve any purchases related to the actual content.

- Paid media is every form of content placed as an advertisement in other media outlets involving a media buy.
- Earned media is every form of sharing, by customers or other users of media channels, that is related to the firm's business. This is not as easily controlled as the other two types.

Converged media is the combination of two or more of these categories across channel or medium, online or offline. (ibid.)

The development of media demands that firms are able to handle the intricacies of converging media in their content strategy. This includes creating a consistent brand story across all touch points the buyer will encounter. The more complex the combinations of channels and content are, the more resources will have to be put on managing media channels. (ibid.)



Figure 5-2: The Convergence of Paid, Owned and Earned Media (Lieb and Groopman, 2014 p. 5)

It is necessary to be aware of target groups and what competitors do. The marketing activities will likely be irrelevant otherwise. It is necessary to have a marketing strategy that consists of owned, paid and earned media, where the paid are a necessary evil. (Talamo)

5.1.1.7 *Creating high quality content*

To create great content, Handley writes that marketers need to combine three crucial aspects (Handley, 2014 p. 7; 48)

- Content must have *utility*. Marketers must be able to help buyers make decisions or solve problems. Content must make the buying process less painstaking.

-
- There must be *inspiration* in the created, or curated, content. It should be genuine and personal and draw from buyer experience, either data-driven or through direct contact.
 - *Empathy* is very important, and Handley calls for “almost pathological empathy” as something that can be trained. It is a matter of spending time with buyers, to understand their environment, to ask why and how they do things, and to tell stories from their point of view. When creating or curating content do not talk about *what we do*, but rather about *what you do*, as in explaining the problem from the buyers point of view.

Utility x inspiration x empathy = quality content (Lieb et al., 2012)

5.1.1.8 People affecting content culture

Organization-wide understanding of the content strategy is more important than the tools and technology of marketing. C-level executives are probably not going to do the bulk of the work, but their approval, support and ability to communicate to employees is important. (Lieb and Groopman, 2014 pp. 6-7)

Content leaders need to be present. This can be centralized in the marketing function or controlled in individual business units. Either way, business units should not feel that they are merely watching marketing. They need to be able to put their respective context on content. (ibid.)

Employees need to be brought into content culture. One area is the empowerment of employees in social media. Future marketing agility will probably call for the use of employees in expressing the brand socially. This can be enabled by the use of employee advocacy platforms. (Schaffer, 2015)

Firms can use initiatives to encourage employees to perform well in social media. This may include grading employees based on their authority and relevance in social media. (Snickars)

5.1.1.9 *Content curation*

Content curation can be predicted to play a big part in moving away from talking about the company and more about the actual problems that are solved by the company's solutions. Content curation is about finding all information that is relevant for the explanation of a problem that will lead customers to your business. Content creation is part content curation. (Cohen, 2015)

5.1.1.10 *The process of content culture*

A great content culture needs evangelism. This includes understanding the needs of customers, external partners and the cross-functional needs of the organization. There also needs to be clear governance of who is responsible for what. This includes coordination of content accessibility and cross-functional needs of content. Internal education and training is also necessary for content creators. (Lieb and Groopman, 2014 pp. 9-10)

5.1.1.11 *Storytelling*

Storytelling is the use of content to tell a story about a firm and its brand. Handley (2014 p. 121) explains it as:

At its heart, a compelling brand story is a kind of gift that gives your audience a way to connect with you as one person to another, and to view your business as what it is: a living, breathing entity run by real people offering real value

The endless ways to express oneself in the digital age opens up new possibilities for all types of business to be honest and communicate real stories to its buyers or stakeholders (Scott, 2013 pp. 27-30).

The act of storytelling can be traced back to the ancient Greeks. The five-act pyramid in its elements has been used for hundreds of years. Shakespeare used it to build his plays and many of the successful advertisers today use the same structure, as shown in figure 5-3. (Monarth, 2014)

FREYTAG'S PYRAMID

This simple storytelling structure has worked for thousands of years.

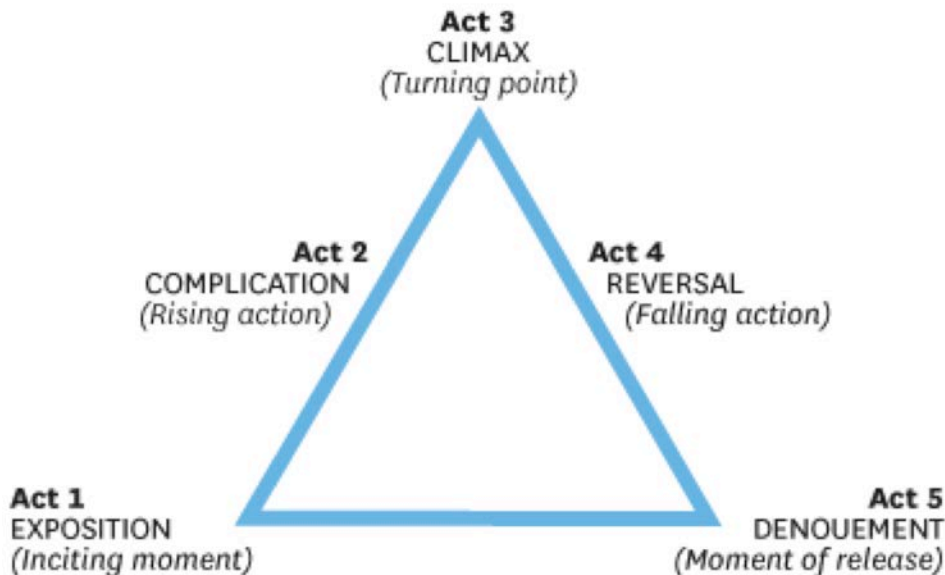


Figure 5-3: Freytag's Pyramid. (Handley, 2014)

Before Super Bowl 2014, a two-year study had been conducted on 108 super bowl commercials and how they were perceived. As quoted in (ibid.):

They found that, regardless of the content of the ad, the structure of that content predicted its success. "People are attracted to stories," [Keith] Quesenberry tells me, "because we're social creatures and we relate to other people."

The ads using Freytag's five acts were among the most popular and Quesenberry even predicted the winner to be Budweiser's commercial. The reasoning behind this was mainly based on how the commercial was structured. (ibid.)

While this is B2C, the specific ad in question from Budweiser is still relevant. Synergies will most likely exist since the audience is made up of humans. Baer was quoted in Comcowich (2014):

If your stories are all about your products and services, and how they help improve your customers' businesses, that's not really storytelling...it's a brochure.

The usage of storytelling can keep information relevant for the customer. By focusing on the customer, the material can go from boring to intriguing. It will not be seen as pure advertising and can be more successful. This may increase the number of readers and thus increase the overall value of the advertising regardless of the format or media. (Comcowich, 2014)

ICA-Stig and Tele2-Frank are examples of long-term storytelling, although with more B2C focus. B2B is usually a bit behind compared to B2C. One way to tell a story is to use travesty on a popular subject. There is always the possibility of tweaking a story and to add it to your marketing message in order to gain views based on the trending subject. B2C companies do it all the time. (Thorberg)

The first-mover advantage can be vast with storytelling since very few B2B companies use it. Storytelling is like the Nirvana state of content. (Dahlberg)

5.1.1.12 Content readability

Readability of content should be high to ensure that the reader understands it. Context is however still key as certain businesses might require some degree of complex writing to properly explain their offerings. (Handley, 2014 p. 79)

Apart from words that explain your offering there can still be room to improve on the use of unnecessary words. Scott (2013 p. 206) uses the word *gobbleydygook* in reference to words like *market leading*, *next generation*, *cutting edge*, *industry standard* and *best of breed*.

The length of content also affects readability. The ideal length of paragraphs has been found to be no more than four lines of text. Longer paragraphs lead to either skimming or skipping. (Crestodina, 2014)

Warren Buffett is a strong advocate for plain writing. This can be seen in his annual letter to shareholders (Buffett, 2013). Buffett's writing follows these easy rules (Weiner, 2013):

-
- It is written in plain English and is free of jargon
 - It is honest and to the point
 - It has short paragraphs and sentences
 - It is entertaining

Readability can also be scored and the scores present easy ways to analyze content of entire websites based on ease of reading. The score might not be totally indicative of the quality of content but it offers an easy way to assess if there might be room for improvement. One of these tests can be run via read-able.com. (Handley, 2014 pp. 79-83)

5.1.1.13 Marketing grader score

Hubspot has developed a tool called Marketing Grader. The tool quickly grades digital marketing efforts and provides an easily interpreted score. (Pedigo, 2015)

The utility of Marketing Grader is twofold. Users can easily grade the effectiveness of their website and inbound marketing efforts. On the other hand, the tool itself was excellent automated marketing of Hubspot. They automated previously human marketing. In this case that meant showing how organizations could make inbound marketing and digital lead generation more effective. The ability for users to share their results in social media enabled viral spread. (Halligan and Shah, 2014 p. 101)

5.1.2 Use of inbound marketing in digital channels

Understanding today's digital customers means to understand where they go for information. Marketers need to understand the Internet and where buyers go. It starts with the company website but marketers also need to understand search engines, the blogosphere and social media. (ibid. p. 6)

According to Derringer, inbound marketing needs to expand the normal sales funnel with an inbound marketing funnel as shown in figure 5-4 and explained in table 5-1. The normal sales funnel is not looking into exactly how the leads become sales. The inbound

marketing sales funnel looks at the different types of content that could increase the number of leads-to-sales as seen in table 5-1.

Owned and earned media would be everything from press releases to web pages. Landing pages with cookies and typed-in information transform the visitor from someone anonymous to someone who could be scored based on actions taken at the web. Different types of content, based on how active the visitor or lead is, build up the lead nurturing phase. Sales interaction is the second to last step where customers are generated. Retention is the last step with the sole purpose of keeping the old customers.

Steps	Purpose
Owned and earned media	Traffic, brand image etc
Landing pages	Capture email and IP
Lead nurturing	Generate more qualified leads
Sales interaction	Generate customers
Retention	Reduce churn rate

Table 5-1: The 5 steps of the inbound marketing funnel. (Monarth, 2014)

As Darringer (2012) puts it:

In today’s ultra-competitive environment getting inbound right can mean the difference between business success and mediocrity. Getting it right tomorrow may mean the difference between business success and failure.

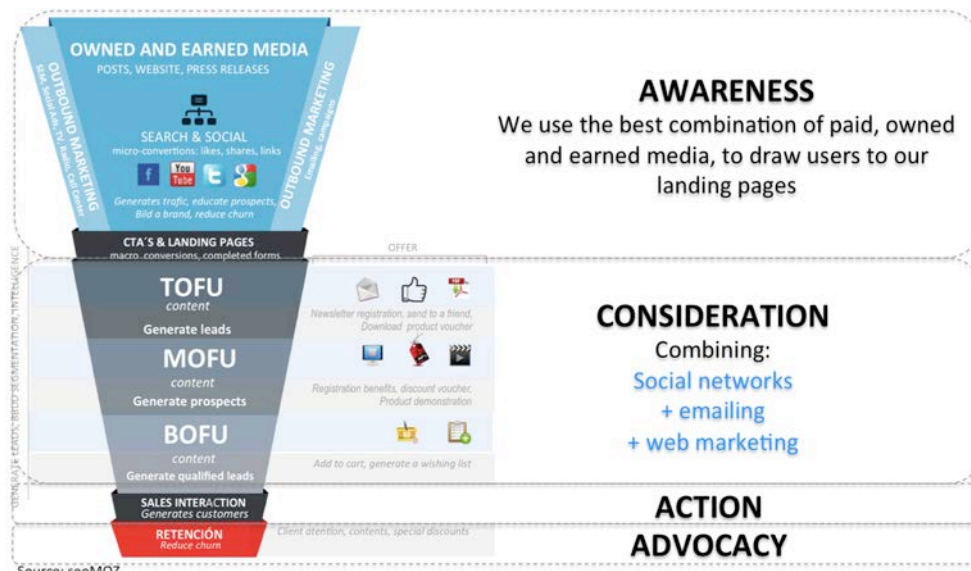


Figure 5-4: The inbound marketing funnel. (Darringer, 2012)

A funnel strategy needs to be in place. It needs to take digital activities in consideration and match the business plan with different channels. The use of content to create interesting leads and to grade them can be really successful. (Thorberg)

The right content to the right buyer persona can make the actual persona more interested in the company or the products offered. The opposite is true with bad or wrong content. Podcasts and video content will be useful in the near future and can also strengthen the brand. (ibid.)

Moving content in a short format will probably be of great value in the near future since a company needs to break through the noise of every other company's marketing activities. (Talamo)

We are all impression junkies and since there are a lot of messages out there with various qualities, most people categorize almost everything as bad commercials or bad marketing. That is also why paid media needs to be bought in order to get content out there. (ibid.)

The fastest growing trend in content marketing right now is video, and it will likely be that way in the near future. The presented content needs relevance, something unique and it needs to have a really clear sender. The latter is really important, since it will otherwise benefit competitors. (Eriksson)

5.1.2.1 B2B websites and social media

The B2B company website can be an effective inbound marketing channel. Websites can be of varying quality in terms of visual appeal, but great content is what keeps people there and what makes them come back. This content is not necessarily on the website, it can also be linked via the website. (Halligan and Shah, 2014 pp. 12-13)

The transformation of the website from outbound to inbound is explained in Table 5-2.

	Outbound websites	Inbound websites
Interaction	One to many	Many to many
Content	On your domain only	Syndicated across web
Focus	The website	The rest of the Internet
Consume	Through browser	Browser, mobile
Links	Hundreds	Tens of thousands
Facebook page	n/a	Thousands of fans
Twitter account	n/a	Thousands of followers
LinkedIn group	n/a	Thousands of connections

Table 5-2: From outbound to inbound websites (as interpreted in Halligan and Shah, 2014 p. 13)

A B2B-company can absolutely use all forms of social media, but it needs to be based on what should be achieved. Like every other media, it needs to be evaluated based on Reach, Impact, and Cost. (Eriksson)

Social media will take over much of the assignments from the websites, and this is not on par with marketers' minds. Social media and blogs will most likely replace much of the purposes with the web and it will be crucial as a part of the inbound marketing strategy. It is of importance to adjust the company websites for a possible increase in the importance of social media in B2B. (Thorberg)

5.1.2.2 *Mobile websites*

Websites need to present increased mobile utility. They must be easy to load across a wide range of mobile devices. Since the screen size can be limited, the most relevant content should be presented in short and concise language with easy to read graphics. They must also be adapted for SEO, which is handled separately for mobile web. (Scott, 2013 pp. 233-234)

An important possibility or opportunity of the company website is the increased use of mobile applications as full replacements of websites (Dahlberg).

5.1.2.3 *B2B weblogs*

Scott points to four areas of use for blogging in marketing. They can be used to *monitor* what people say about your company, your market and your products or services. They can enable *participation*

in conversation about subjects relevant to your business. Companies can *work with* bloggers who write about industry, company or products. Lastly, the best way to *shape conversation* is to have an own successful blog. (Scott, 2013 p. 84)

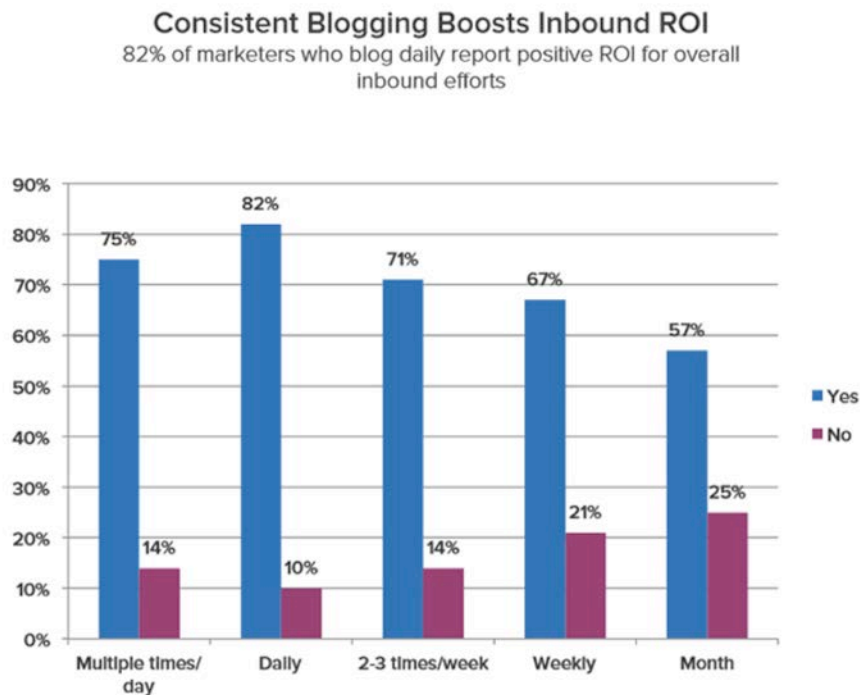


Figure 5-5: How blogging affects inbound marketing ROI. (Gummesson, 2008 p. 189)

Whether or not weblogs are crucial to get your company message out seems to be a divide. One purpose of having a blog is that it can serve as an important inbound link. As mentioned earlier, it needs to be done right. The message in the blog should be targeting specific personas. The goal is not to publish PR material with any direct target audience. The exact content on the blog itself can also function as an SEO tool increasing the number of viewers of the corporate website or social media posts. (i-Scoop)

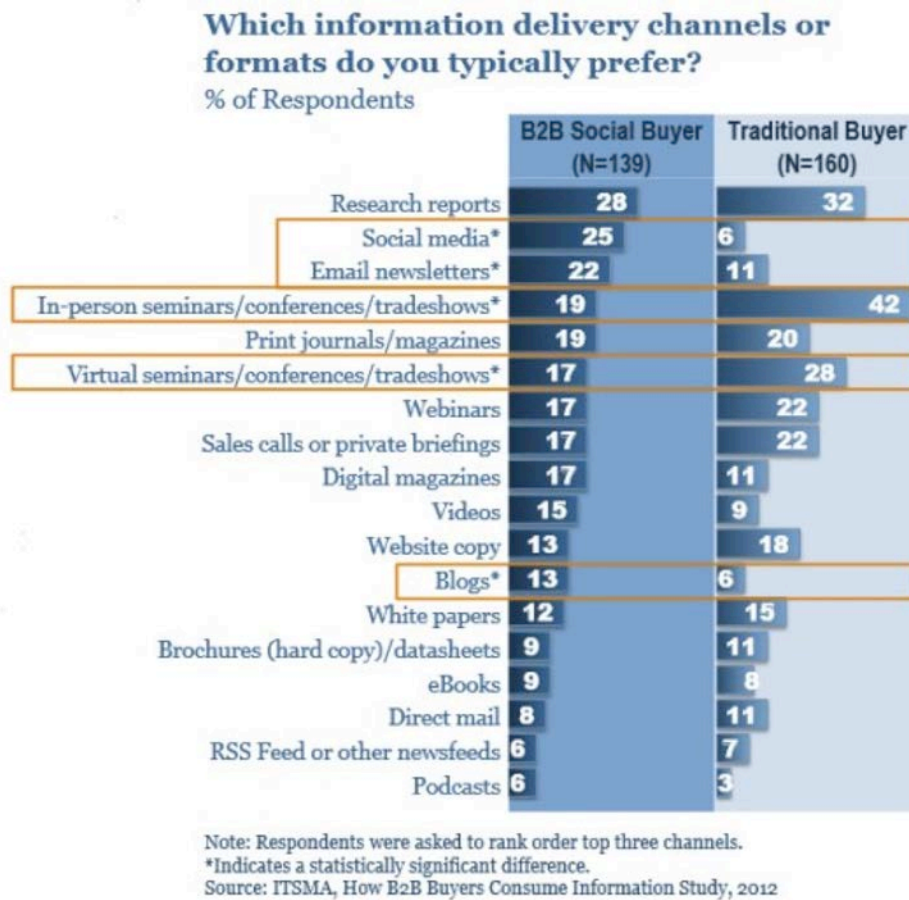


Figure 5-6: Delivery channels and buyer types. (Elósegui, 2013)

The effect on inbound marketing is related to the posting frequency and, as shown in figure 5-5, the most positive marketers posted daily on their blog. Different buyers act differently though and while the traditional buyer may not like weblogs, some do. When a study was made about how buyers consume information in a B2B-context. The results were a significant difference in some of the delivery channels, as shown with yellow markings in figure 5-6. This further implicates the need for a target audience, and the notion that this group of buyers will likely increase in a few years. (i-Scoop)

Blogging in business is still modestly used in Sweden. People tend to think of blogs like Blondinbella when discussing blogs. Blogs may be a link to communication with certain personas. (Thorberg)

5.2 Digitalization affecting marketing tools and skillsets

5.2.1 Marketing automation

If a physical customer visits a physical store, the staff will watch the patterns of behavior, but first and foremost what products the potential customer look at. Marketing Automation is in its definition the same activity online. (Kantrowitz, 2014)

With the help of technology, the visiting patterns of a website can be monitored and stored in combination with the specifics regarding a potential customer. The practical use can be widespread, but includes content personalization, data mining, relationship building, and usage of lead scoring as a part of lead management and the buying process. (ibid.)

Marketing automation is software intended to streamline, automate and measure different marketing tasks and workflows. While not as old a concept as content marketing, it has been around in different shapes since the 1980's. MA consists of a series of powerful tools to counter the power of the informed buyer. While there are several vendors offering MA, there are differences in how each vendor meets all needs of digital marketing. (Miller, 2013 pp. 6; 16; 37-47)



Figure 5-7: The link between marketing automation and CRM. (i-Scoop)

In reality, the usage of a marketing automation system creates two significant benefits. It provides the vital link between marketing and sales with all marketing info going into the marketing automation system. It also acts as a link to the CRM system used by the sales department. It is further used to analyze and visualize the digital visitors into leads as shown in figure 5-7 above. (Justen, 2014)

A marketing automation system needs to be compatible with every other system you use in order to feed the right information to the right people (Eriksson).

5.2.1.1 Big data behind automation

In the patterns of Internet exploration, search engine usage, smart device usage, consumption of content and socializing in online communities lies a great deal of information and insight about buyers in the digital age. This is commonly known as big data (Shirazi, 2014).

The role of big data in marketing automation is somewhat related to the role of wheels on a car. The technology uses information regarding the visitors to provide and sort information back to the site owner and this information can be used to better target the potential customers. Marketing automation is a marketer's way of organizing and profit from the vast amount of data provided.

As Shirazi (2014) puts it:

The value of big data doesn't stem from the volume of data you aggregate, but rather, from the relationships between the data. To extract insights from sets of data, data scientists have to take the volume, velocity, variety, and veracity of data into account; they don't just experiment on data, they merge, organize, clean, and test data as well.

Ineffective use of this technology can confuse rather than create new business. It can however provide new opportunities when used correctly. (ibid.)

The systems in use are still very simple. There are a lot of possibilities and potential not currently in use, especially on the integration side. (Dahlberg)

The system must be designed based on contextual communication with the target group and based on their perspective. This can be seen as a data driven process with quality data in order to get the right perspective from the customer. The opposite is often the case. (Talamo)

The ROI of a system like this need to be carefully assessed. Marketing automation can lead to significant productivity benefits. (Eriksson)

Big data can be a way of reaching a better understanding of who the buyer is. The buyer in this context does not necessarily have to be a decision maker, but needs to be involved in the buying process. (Thorberg)

5.2.1.1.1 Big data and legislation

The technology used is based on information gathered from cookies. The cookies provide information about the visitor and store it. How marketing automation and similar technologies and tools will be

affected is hard to predict, but it is unlikely that policy makers will not touch this matter. (Whitfield, 2014)

The legislation can be required to be sharpened if it all develops too fast due to ignorance. Brand damages might also be inevitable in such situations. (Thorberg)

In Denmark, there are already rules regarding email marketing. It is very likely that the legislation on newer types of digital marketing activities will be regulated harder in the near future. One needs to know that the tracking possibilities also carry a lot of positive aspects into the equation, and to find them and push those can be a way forward. (ibid.)

The U.S. is a precursor in this context. The opt-in clause for email and such given in the contact with the company is rigidly monitored in many companies. It will most likely be brought here as well, albeit not necessarily that carefully monitored. The cookie technology and its development is a future development to follow. It will probably not be a problem regarding content marketing in B2B. (Dahlberg)

5.2.1.2 Search engine optimization

Search engine optimization, or SEO, is about presenting content online in a way so that users of search engines find it. For a firm this means that content must be presented so that searches for the firm's business will have a higher probability of leading the potential buyer to the firm's content, rather than that of competitors or other offerings. For Google searches, this includes many parameters. The key idea is that a search engine like Google's does its best to lead searchers to great content and well-presented media. (Rothman, 2014 p. 45)

The search results on Google are divided into two columns. The main body of the search engine results page includes natural or organic results. Next to these are paid or sponsored results. (Halligan and Shah, 2014 p. 45)

SEO only affects organic search results. There are a few guidelines to follow regarding SEO that will affect search rankings. The common denominator to these guidelines is that all content related both to the website in itself and the representation in search engine results is

easy to use and easy to read from a user perspective. (Google, 2010)

They must present the content in the most descriptive and simple way possible. This includes page title, meta description and URL in the search results page. The URL for example should be kept to actual words and not include code lines. Every part of on-page text should be streamlined and readable. The actual website should be as descriptive and simple as possible, and optimized for both desktop and mobile. (ibid.)

5.2.1.2.1 *Optimize content instead of individual ranking factors*

There is good reason, as stated both by Google and other individuals, to stop chasing a website optimized for every parameter used in search engines and their respective organic rankings. Focus should be on great content. (ibid.)

Google's algorithms for search increase in complexity and they also adapt to changes. It is also moving to be a battle against machines rather than the engineers of Google (Levy, 2015).

Fishkin argues that marketers should look for *correlation* instead of *causation*. Marketers should look for the same thing that Google's algorithms are looking for, instead of adapting to the algorithms themselves. It is a bad long-term strategy to find specific aspects that affect rankings and exploit them. Marketers who create a great customer experience with transparent and relevant content have and will find long-term success. (Fishkin, 2015)

Hubspot's 2014 paper on Internet marketing also stated that search engines are getting too sophisticated to fall for individual tweaks meant to trick the search engine into giving websites a higher position in organic search, a higher ranking. The optimization should have users in mind, not search engines. (Vaughan, 2014a p. 3)

5.2.1.2.2 *On-page SEO*

Observing SEO over a longer period of time, two factors can summarize the effect on search engines: authority and relevancy of content. On-page content needs to express keywords that are relevant to the content, and it must also be clear to search engines that the content reflects these keywords. (Shuey et al., 2014 p. 4)

The old way of using keywords was to stuff websites and individual pages with as many keywords as possible. Google has since learned to punish that behavior. Keywords should be used to explain the content of individual pages, without repeating themselves too much. Variety and diversity is important. (ibid. p. 6)

This guideline is relevant to all parts of a website and its respective web pages. This includes the page title, meta description and URL displayed in the SERP, Search Engine Result Page, as well as all forms of content of the website. Included here are all text-based information, its respective headings and clickable links as well as images and other forms of media seen on the web pages. (Google, 2010)

There are many different aspects to consider regarding site structure, with construction of directories and links, as well as tools to measure SEO. This is outside the scope of research in this thesis. All information is available to marketers via Google themselves (ibid.) as well as other companies offering SEO analysis.

5.2.1.2.3 *The Long Tail of Marketing*

One aspect of variety and diversity to content and keywords is the goal of capturing not only predicted searches but also searches that might have relevancy but that have not been immediately obvious as keywords. They can be said to reside in the *long tail* of search results. (Shuey et al., 2014 p. 6)

Andersson (2004) noticed that one of the first to take advantage of the long tail was Amazon. They identified how a book that had not sold very well suddenly started selling very well following the success of the next book released by the same author. By linking buyers of one book to the other, they could generate additional sales. Algorithms were developed for recommendations and sales were able to increase even more, especially for products not in the mainstream. These products can be said to reside in the long tail, which is the name of Anderson's theory (Anderson, 2004).

As observed by Scott, while Anderson's original theory stemmed from observations regarding models of distribution and availability of consumer products, this theory is very much relevant for web content of all kinds. On one end a company in a competitive market can increase the probability of buyer traffic by optimizing their content to

match more specific searches. Traffic can be increased for example by identifying specific keywords and phrases used by potential buyers when they use search engines. There is an opportunity for firms to analyze the buyer's problems based on their searches. The generated insight might lead to new business in underserved areas in the long tail. (Scott, 2013 pp. 30-31)

5.2.1.2.4 Content

The content that is presented on-page is the critical part of SEO. There should be enough content for search engines to find, while repetition of content should be kept to a minimum. (Shuey et al., 2014 p. 8)

Content should not be duplicated either from the own site or other websites, as this will affect search rankings. Content should also be created mainly with the user in mind, not the search engine. (Google, 2010)

Ideal Length Guidelines for Everything In Your Marketing	
Blog Posts (<i>for ranking</i>)	1,500 words
Email Subject Lines (<i>for open rates</i>)	50 characters or less
Line of Text	12 words
Paragraph	4 lines or less
YouTube video (<i>for views</i>)	3 to 3.5 minutes
Podcast	22 minutes
Title Tags	55 characters
Meta Description	155 characters (<i>maximum</i>)
Facebook Post (<i>for likes & shares</i>)	100-140 characters
Tweets (<i>for retweets</i>)	120-130 characters
Domain Name	8 characters or less

Table 5-3: Ideal length of content (Justen, 2014)

The length of content needs to be adjusted for searchability and the balance lies between excessive repetitive use of keywords and having too little content for search engines to crawl. (Shuey et al., 2014 p. 8)

Crestodina (2014) presented guidelines for optimal length of most content seen in marketing as seen in table 5-3.

5.2.1.2.5 *Maintaining searchability on desktop and mobile*

The goal of SEO in regards to having both a desktop and mobile version of a website or web page is *responsive design*. What this means is that both desktop and mobile versions should use the same HTML and URL while the formatting may differ. (Vaughan, 2014a p. 7)

Apart from the purely technical aspects of mobile web pages, consideration must be put to what content needs to be presented in the mobile version compared to the desktop version to maintain readability and ease of use. (Thorberg)

5.2.1.2.6 *Off-page SEO*

The part of SEO that is off-page can be summarized as the links that lead to a web page. Past goals of off-page SEO was to get as many inbound links as possible. Much like low value on-page content, this is not rewarded by modern search engine technology. (Shuey et al., 2014 p. 16)

The goal is to have *natural links* that reward the searchability of web pages by considering the value of links to users. One of the main ranking factors here is the amount of shares that can be seen for individual links. (ibid. p. 17)

5.2.1.2.7 *Social search*

Social media usage is rapidly increasing from year to year, also among the type of persons that are the influencers or buyers in this context. This is why the social aspect of SEO cannot be forgotten. In complex B2B sales, this cannot be translated directly, but it can give some guidance on how content marketing and keywords should be improved with this in mind.

Lee Traupel (2014) says that:

Marketing strategy, technology and tactics are evolving like never before, we live in an algorithmic tech immersed world with applications and machines "deciding" what gets shared across the social web. Smart marketers and execs have to invest quality time understanding what's going on in the world around them.

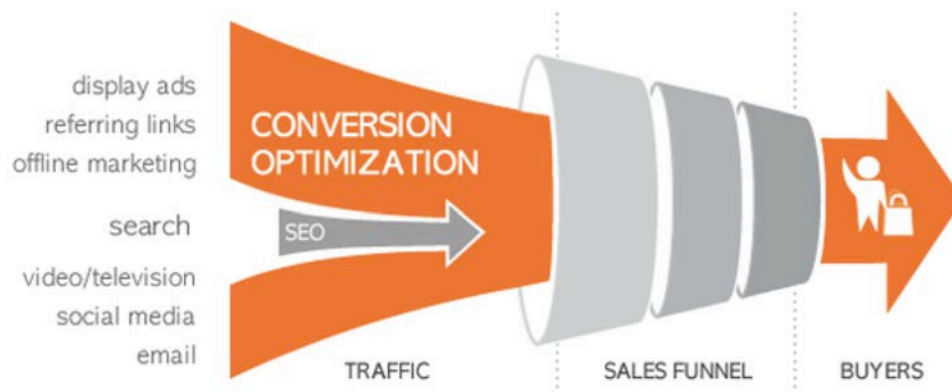


Figure 5-8: SEO is just one part of the whole digital sales process. (Crestodina, 2014)

The rapid evolution of this, like Traupel says, implicates that the roles of different technologies or concepts is changing as fast. The strategies around this evolution need to be evolving at the same rate to respond to the changing environment. (Traupel, 2014)

Social search is increasingly becoming a part of search engine algorithms. Social activity can be seen to have a large influence on search rankings. (Moz, 2013)

What this means is that searches are increasingly affected by social activity related to content. If a blog post is shared numerous times this will lead to a better ranking when searches are made on the topic of the blog post. (Shuey et al., 2014 p. 28)

The ranking of social media activity in search engine crawlers can be expected to rise. Marketers should therefore make an effort to combine SEO and social media strategy. All content that is of interest to share should have easy ways to do so, and keywords that have been found to be important for on-page SEO should be equally important in social media. (ibid. pp. 29-30)

5.2.1.2.8 Click-through rate

One indicator of content appeal across all channels is the click-through rate. The click-through rate in search "is measured by dividing the number of times a link appears on a search engine results page by the number of times it is actually clicked on by a visitor." (BrickMarketing, n.d)

The rate when using search engines like Google is very dependent on the position a page acquires in every search. People tend to click the first, and skip the rest. If a page ends up on the second page, or later, it will probably not get many clicks. To increase the position of the company web in the ranking requires a lot of work. (Chaffey and Ellis-Chadwick, 2012 p, 27, 397, 491) As explained above, the future of this work revolves around quality content, not short-term cheating of algorithms.

5.2.1.2.9 The future of SEO



Figure 5-9: The old SEO process according to Moz. (Traupel, 2014)



Figure 5-10: The new SEO process according to Moz. (King, 2012)

Most current SEO processes are based on keywords, not humans. As King (2012) puts it:

As much as I hate to say it, the reality of SEO is that it disrupts much of digital planning even when it's included from the onset.

Most other digital capabilities start from the target audience before they do anything. User Experience has user stories, personas and user flows. Strategy teams build personas and need states by examining demographics and psychographics in efforts to really try and understand what does and will influence and fulfill the target audience.

King argues that the current SEO processes therefore need to be replaced with a searchable content strategy based on what people actually search for. It should be linked to personas instead of keywords and let the SEO process enhance and start the marketing activities instead of letting it be the goal or purpose. (ibid.)

You have to get 'the basics' right, but the things that change tend to only have effect on those who constantly tries to 'manipulate' the system and rank high, short-term, with small websites (Sablon).

The most important thing is to do things that are relevant for people. Good content that people actually want. (Eriksson)

5.3 New tools enable new dimensions of analysis

5.3.1.1 *Relationship building and lead scoring via automation*

Customer insight is the sole foundation of marketing automation. Profiling is normally connected with creative and thorough content marketing. The stored information can then be made into personas or profiles, which can represent different target audiences but often includes personal information that can be used in lead scoring. These profiles, as mentioned earlier, are the key to understanding the underlying need of the potential customer and serve as the base for further targeted marketing attempts through lead scoring and inbound marketing. As mentioned in Kantrowitz (2014):

Research from advisory company CEB found that 57% of a b-to-b buyer's decision-making process is completed before they first reach out to sales, which means buyers are learning as much as they can before a company has a chance to speak with them.

It is clearly a fact-based solution to increase use of marketing resources in the early stages of the selling process. The relationship itself must however come from personal activities with the client and

not rely solely on automated activities. Kristen Luke (2013), a CEO of a strategic marketing company says:

As the world around us becomes more automated and less genuinely personalized, you have the opportunity to use personalization as a way to stand out from the crowd

In this context, this is something you want to do with the potential customers that rank high in lead scoring. The use of lead scoring is not by any means a new way of thinking, but the usage of automated lead scoring in three dimensions is definitely new. The three dimensions are demographics, behavior, and lifecycle. The categories on which the scores are based are however not optimized for B2B sales processes. (Burk, 2012, Luke, 2013)

The effects of a marketing automation system can be a viable boost in the sales, but also affect the brand strength (Talamo).

Marketing automation does not differ between B2C and B2B. The interesting subject is what will be achieved and what it is worth. If that decision is taken, the rest will come naturally. (Eriksson)

5.3.1.2 From lead scoring to predictive analysis

Rosenberg (2015) argues that the lead scoring model that has been used, where past actions of customers are measured, is only a small part of what needs to be done in terms of scoring of leads. Applications that are capable of predictive analysis will enable companies to gather more data and to better know which leads to focus their sales and marketing efforts on.

Predictive analysis can be summarized as the use of vast existing data about customers to be able to find certain traits that make them great customers. It is going to enable companies to be even more direct problem-solvers in their presentation of content, and ultimately their pitch to customers. (Gow, 2015)

Convergence of all assimilated data in various channels or touch points will play a huge role in understanding what customers are more likely to buy, when they are more likely to buy, and what the triggers of their purchase decisions are. (Kardon, 2015)

5.3.1.3 *Measuring outside of content consumption*

There are other types of measurements to consider, according to Baer. Online consumption of content should be fairly easy to measure since they almost always come from the providing firm's own platforms, or their owned media. All data should be available regarding how many people visit your blog or consume your different types of content online. (Baer, 2014 p. 271)

The measurement should not however stop merely at how many and who consumed the content. What visitors do before consuming content could be just as important. Specific search phrases could give great data for search engine optimization and long tail exploration. What visitors do after consuming content is also important, for example if they visit the same content shortly thereafter, what other content they are consuming and which content leads to interaction with the firm. (ibid. p. 272)

How people share content is another area to consider that might not be easily analyzed. Some of it may only be measured in numbers, like the number of likes or shares of existing content. Another example is review of firm content like apps, as negative reviews could carry more weight than positive. (ibid. pp. 273-275)

5.3.2 **New roles that can be seen in digital marketing**

The use of content marketing and marketing automation across digital channels are a necessary initiative in organizations. Halligan and Shah (2014 p. 141) argues that both hiring criteria and performance measurement must change

DARC is suggested as a framework for digital hiring (ibid. pp. 141-145). It is presented in Table 5-4.

New hiring criteria of digital initiatives	Purpose
Hire Digital citizens	People that <i>live</i> on the Internet, not people who just use it. Hire based on blog presence, social media activity, use of Internet aside from “touristing”.
Hire for Analytical chops	Hire analytical people. Test their analytical ability and ability to comprehend complex material and turn it into simple visualizations.
Hire for web Reach	Search for influential people with many followers in many channels. Is there value in the individual’s web reach to your company?
Hire Content creators	Hire someone with great writing ability, maybe a journalist. Test the ability for the individual online by asking him or her to create content that instantly generates online buzz. Also hire someone that has a great feel for visual content.

Table 5-4: The DARC framework (as interpreted in Halligan and Shah, 2014 pp. 141-145)

While marketing departments traditionally have been made up of people with some sort of higher business degree, they are not necessarily best suited to understand what resonates with a reader. This is where people with journalistic backgrounds will rise in importance. (Heinz, 2015)

5.3.2.1 *New ways to measure individual engagement*

While tools to measure engagement have been around for some time, many of them share the following flaws (Chaffey, 2015):

- They cannot distinguish individual behavior, but rather collect aggregate information across customer segments.
- They cannot properly cover repeat behavior by groups of customers.
- They cannot identify behavioral differences across different content consumption devices.

5.4 Summary of the indirect effects of digitalization on marketing and sales in general

The digitalization of the modern society has accelerated the change in how potential customers interact with marketers. The Internet has drastically reduced societal barriers of communication. Social media has taken this development further, with communication in vast global networks. This change has given customers and society as a whole increased power in their relationship with suppliers of goods and services. (Labrecque et al., 2013)

5.4.1 Summary of moving from outbound to inbound marketing

Traditional marketing with one-way communication, in this context called outbound marketing has begun to shift through inbound marketing. Inbound marketing can be described as “marketing focused on getting found by customers” (Burnes, 2008) and focus on engaging customers by appealing to their interests.” (Walgrove, 2014)

5.4.1.1 Content marketing

Content marketing is another buzzword but is however not a new phenomenon. With new digital channels, its value has increased vastly. (Rothman, 2014): Content marketing can be defined by the following quote (Content Marketing Institute cited in Rothman, 2014 p. 21):

The marketing technique of creating and distributing relevant and valuable content to attract, acquire, and engage a clearly defined and understood target audience—with the objective of driving profitable customer action.

Business value connected with a content strategy in a B2B context should rely on the KPI ‘time spent with the brand’ (Eriksson)

5.4.1.2 Content strategy

The content strategy in itself should rely on a culture of content. This content strategy could be based on inspiration, people, process, and content. Content could also be split up into the three categories: owned media, paid media, and earned media based on how the media reaches its channels and whether or not you pay for, deliver yourself, or earn the content. (Lieb et al., 2012)

5.4.2 Summary of digitalization affecting marketing tools and skillsets

5.4.2.1 Marketing automation

Marketing automation is software intended to streamline, automate and measure different marketing tasks and workflows. (Miller, 2013 pp. 6; 16; 37-47)

A marketing automation system needs to be compatible with every other system you use in order to feed the right information to the right people (Eriksson).

The role of big data in marketing automation is somewhat related to the role of wheels on a car. The technology uses information regarding the visitors to provide and sort information back to the site owner and this information can be used to better target the potential customers. (Shirazi, 2014)

The technology used is based on information gathered from cookies. The cookies provide information about the visitor and store it. How marketing automation and similar technologies and tools will be affected is hard to predict, but it is unlikely policy maker will not touch this matter. (Whitfield, 2014)

5.4.2.2 Search engine optimization

Search engine optimization, or SEO, is about presenting content online in a way so that users of search engines find it. (Rothman, 2014 p. 45) Google's algorithms for search increase in complexity and they also adapt to changes. It is also moving to be a battle against machines rather than the engineers of Google (Levy, 2015)

Hubspot's 2014 paper on Internet marketing stated that search engines are getting too sophisticated to fall for individual tweaks meant to trick the search into giving websites a higher position in organic search, a higher ranking. The optimization should have users in mind, not search engines. (Vaughan, 2014a p. 3)

One aspect of variety and diversity to content and keywords is the goal of capturing not only predicted searches but also searches that might have relevancy but that have not been immediately obvious as keywords. They can be said to preside in the *long tail* of search results. (Shuey et al., 2014 p. 6)

The content that is presented on-page is the critical part of SEO. There should be enough content for search engines to find, while repetition of content, as explained above, should be kept to a minimum. (ibid. p. 8)

Social search is increasingly becoming a part of search engine algorithms. Social activity can be seen to have a large influence on search rankings. (Moz, 2013) What this means is that searches are increasingly affected by social activity related to content. If a blog post is shared numerous times for example, this will lead to a better ranking when searches are made on the topic of the blog post. (Shuey et al., 2014 p. 28)

5.4.3 Summary of new tools enable new dimension of analysis

5.4.3.1 *Customer insights*

Customer insight is the sole foundation of marketing automation. Profiling is normally connected with creative and thorough content marketing. The stored information can then be made into personas or profiles, which can represent different target audiences but often includes personal information that can be used in lead scoring. Kantrowitz (2014)

Marketing automation does not differ between B2C and B2B. The interesting subject is what will be achieved and what it is worth. If that decision is taken, the rest will come naturally. (Eriksson)

5.4.3.2 *Content consumption*

Online consumption of content should be fairly easy to measure since they almost always come from the providing firm's own platforms, or their owned media. All data should be available regarding how many people visit your blog or consume your different types of content online. (Baer, 2014 p. 271)

The measurement should not however stop merely at how many and who consumed the content. What visitors do before consuming content could be just as important. Specific search phrases could give great data for search engine optimization and long tail exploration. What visitors do after consuming content is also important, for example if they visit the same content shortly thereafter, what other content they are consuming and which content leads to interaction with the firm. (ibid. p. 272)

How people share content is another area to consider that might not be easily analyzed. Some of it may only be measured in numbers, like the number of likes or shares of existing content. Another example is review of firm content like apps, as negative reviews could carry more weight than positive. (ibid. pp. 273-275)

5.4.3.3 *Digital marketing roles*

New roles can also be seen in digital marketing and this should be considered both as performance measurement as well as hiring criteria. DARC is a suggested framework for this.

6 Empirics - The direct effects of digitalization on Company X

This chapter covers the Company X specific effects of digitalization, mainly covered by internal factors in the SWOT model. The strengths and weaknesses given by digitalization in this context will be further analyzed in chapter 9. The connection to the purpose is to investigate the case company to better understand the changing forces directly affecting the company.

The new digital playing field requires analysis. Digitalization starts with data, and without it, no system in the world will enhance business. Without an outcome of the data, no decision can be made on the basis of the data. (Khare, 2014)

B2B customers today act digitally in their personal lives and are starting to demand certain aspects of this in their professional life as well. Demographics are another aspect. In a few years time, the contact persons or direct customers will be born after the Internet was born and will have grown up with Internet. The digitalization can most likely be said to put a strain on an organization that cannot communicate properly with its prospects digitally. (Crabtree et al., 2014)

There is not a single company not affected by digitalization. The whole society is largely affected by the digitalization and whether you like it or not, you cannot deny it. It is a paradigm shift. It can create new business opportunities if you are a fast-paced company who can benefit from the new technology and behavior. (Sellö)

Interview questions for Company X staff regarding direct effects of digitalization are presented in Appendix A. The interviewees of Company X were:

- Jan Sellö
 - Hanna Nätt-Falkäng
 - Filip Lindwall
-

6.1 The Organization

6.1.1 External environment

The political landscape can affect the business both indirect and direct. There are laws and rules governing the use of personal information, such as cookies. If the private space of Internet users are invaded with advertisements, then the person may at one point say 'enough', like many have done with telemarketing activities. The general objective is to avoid having customers feel like they are being surveyed. There are no shady business endeavors and no effect of political decisions targeting these. (Lindwall)

The world is becoming more and more conscious about how things work. If you do something, with cookies for example, that the customers does not like, they will not choose to buy from you. Digital traces can also be worth mentioning, from a company perspective. Even if one client might not be controversial today, they can still be controversial tomorrow. Whether or not they are customers at that time may not make a difference, it may still be online for anyone to see. (Sellö)

The laws governing digital sales and marketing, especially on the EU level will most likely be much more strict than today. It is however not very likely that the laws will put an end to digital marketing, and all competitors will have to oblige to the new rules as well. When using a third party supplier for marketing tools, the supplier needs to have good insight in what happens to the market. (Nätt-Falkäng)

The marketing department is usually the first place where cuts will be present in bad economic times. These cuts lead to a long startup time when the marketing efforts are wanted again. These decisions are made by the owners, not the individual marketing manager. (ibid.)

There is a potential risk in the declining amount of manufacturing companies in Sweden. That implies a risk of less activity on the ERP systems targeting manufacturing companies in the future. Right now, Company X's markets are strong and thriving. (ibid.)

The increasing competition as a result of globalization can be a problem or an opportunity in the future. Company X currently has a

few big customers in the United States without any connection to the Nordic countries at all. At the same time, companies in India are beginning to compete with Company X. This will increase with time. Both this business and the region of Stockholm are among the winners of globalization. There is nothing to be afraid of. Globalization has given Company X customers they only would have dreamt of 10 years ago. Digitalization can bring a wonderful productivity increase. The downside is that those who do not dare to stand in the winner's half of the knowledge society will experience difficulty. (Sellö)

6.1.2 Brand

The brand can be defined as what people talk about when you leave the room. It would be great if people talk of Company X in terms of loyalty, continuity and flexibility. With the new marketing structure in place, the outcome of the marketing spending will be vastly increased. The prediction is that the upcoming five years will lead to completely different brand recognition than before, hopefully associated to something positive. (ibid.)

The brand is still widely unrecognized. People tend to believe that Company X is much smaller than it actually is because they are unaware of the brand. The company is very good at a lot of things, but is equally bad at telling people about it. Some companies are very bad at what they do, but great at talking about what they do. The proposed way of doing this is by using telemarketing even more, and get even more cross-sales processes started. An opportunity may be to have specialized 'cross-salesmen', with the whole package of services and products going out to every customer. (Lindwall)

6.1.3 Usage of technology

The customers must be a part of the technological shift towards more digital communication externally. If they are not, they may be scared away. This would be very bad for business. (Nätt-Falkäng)

The IT department has done some dramatic improvements. A more thorough and clear IT strategy with usage of bread and butter systems is in development. Cross Commerce is trying out some of the new tools. There is development of a very clear strategy and the unit has done a great job so far. The more you work with something however, the more you realize that there are things left to do. A lot of focus right now is targeted towards the CRM system. Company X's

CRM needs to be used more extensively. The answer here is change management. They need to reach their targets and goals about these systems. (Sellö)

6.1.4 Communication

Right now, there are tons of different thoughts about social tools and some have already been chosen. The question is how to implement it further, which is currently a work in progress. (ibid.)

CRM is something that must be used extensively. The usage of some form of internal social media can be useful, a system like Yammer for example. There is however a problem that more senior staff tend to be quite bad at using social media frequently. They are not against it, but also not that interested in using it. (Nätt-Falkäng)

Company X is currently operating on a few different social media platforms and there are plans for even more activity here in the near future. LinkedIn is an important channel for Company X. The different departments wanted to start their own social media platforms, but that will inevitably lead to a scattered message. The different channels must help each other in attracting traffic. Furthermore, the content must be of high quality. Image sharing platforms are not used however since the imagery will not be that sexy, with pictures of technical systems. (ibid.)

Company X is using both physical and digital channels. The physical channels are events, contacts through employees and telemarketing. The digital channels in use are LinkedIn, email and some other ways of increasing the number of visitors to the company website. The old marketing department did not have focus or knowledge to go digital. (Sellö)

6.1.4.1 Questionnaire data

The answers on the level of internal communications between divisions were, as observed in figure 6-1, very similar for the different groups. Noticeable is that salesmen and management answered exactly the same on average.

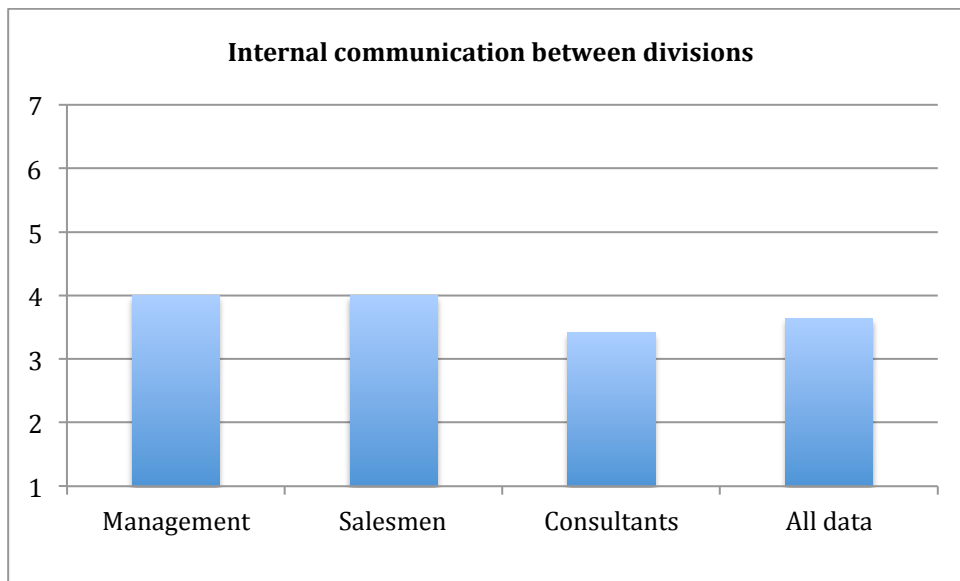


Figure 6-1: Internal communication between divisions.

The results in figure 6-2 show that the rank is pretty high regarding openness of communication. Results are about the same across different roles.

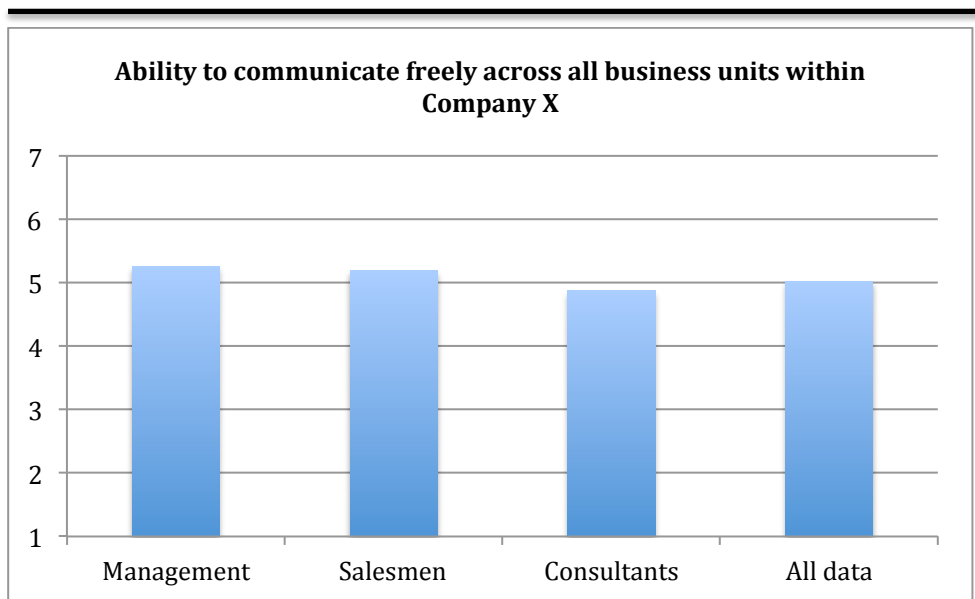


Figure 6-2: Ability to communicate freely across all business units within Company X.

6.2 Marketing and Sales

6.2.1 Customer behavior

A great deal of the customer base is long-term customers, and it is great for a company to have that type of loyal customers. To nurture this loyalty requires sometimes taking great responsibility if the delivered projects do not meet the qualifications. (ibid.)

The customer base is really big, and the goal is to have customers use different areas of the Company X offering. The company strives for cross selling opportunities. To achieve this, information is needed for customers to understand all things that Company X does. There are a lot of new customers in Cross Commerce. Some other business areas have few big clients while CC has many smaller customers. (Lindwall)

Some parts of Company X are maintaining very long relationships with its clients while some tend to have shorter projects. It really depends on the type of customer and the culture of the customer company. (Nätt-Falkäng)

Some customers are much more digital in their behavior than others. It is quite obvious. If you are in e-business and use the Internet all the time to do business, you are more likely to search the web for

information in your B2B environment as well. Even within different types of companies, digital behavior is really varying depending on roles. Marketing or sales directors within the IT industry are generally very active on LinkedIn. Others may be more into analog discussions. The old techniques cannot be abandoned right away. (ibid.)

If there is no content telling the potential customer that you deserve to be the supplier of services or products, then they will not contact you. It used to be the other way around where potential customers could be contacted and companies told them that they were good at this or that. The only way to do that in the near future is through relevant content online targeting the specific customer with personalized content. (Sellö)

It does not matter how good you are if you are lacking a personal connection. It all comes down to the specific and complex relationships involved in the buying process. In solution selling, there is a concept called redefining vision. If Company X is at the same playing field as a competitor, they will compete on that playing field. That is why it is important to know about the offer from the competitor and to redefine your own offer to match and excel to redefine their vision. The problem however can grow if the competitor and the potential customer know each other. If they play golf or tennis, you are not going to get a deal. A strong brand could balance out the personal relationships. (Lindwall)

6.2.1.1 Questionnaire data

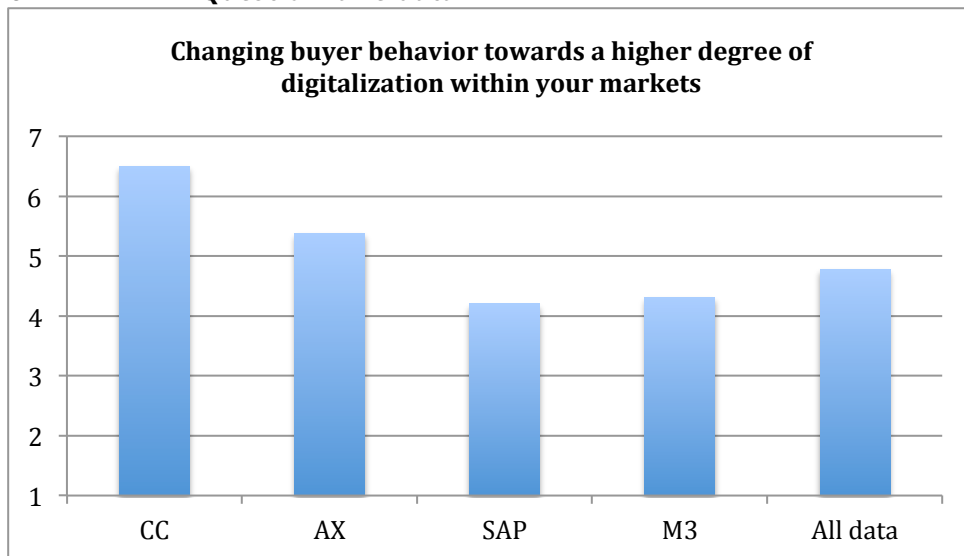


Figure 6-3: Changing buyer behavior towards a higher degree of digitalization within your markets.

Differences can be seen in figure 6-3 between business areas. SAP scores lowest while CC scores considerably higher. The CC score of 6.5 is among the highest of the survey.

6.2.2 Relevance of digital activities

Cross-selling opportunities can come from digital marketing activities, but the customer need to be involved in the transition. Some of the ERP customers may not be that active in social media. What is most important however is that the consultants have good knowledge in products and services. This is crucial since they have daily contact with the customer, and therefore are among the best marketing tools. (Nätt-Falkäng)

There are still challenges in the cross-sales activities. With more and better digital activities, the success might be bigger since the information will be out there. One of the best cross-sales activities has been telemarketing campaign. The peer-to-peer meeting with a salesman is crucial for the company, but the salesman can sometimes be too focused on the specific products offered in that particular segment since it is what he or she might be best at selling. This of course can be changed quite easily, and the unused potential here is vast. Digital strategy is very important to improve the brand

image or to widen the offer to the customers and other points of contacts. (Sellö)

There is a direct correlation between the business areas with few customers and the digital maturation among their customers and how they use digital marketing. CC and CRM are using digital marketing the most, has the most number of business deals, but are also the smallest in numbers. (Lindwall)

If the digital marketing activities were so good that customers in other segments contact their representative to talk about it, they could really make a difference. Digital marketing can open up new markets or services, but it is not a given. The last few years, we have been in the age of information. Until about 2010, all information was out there all the time. Email marketing was used where a company could send out thousands of emails to see if someone responded. Since then, we have gotten into the age of engagement where the focus has shifted into engaging the customer, not just informing them. (ibid.)

Customer experience management can be a way of leveraging this, where the customer can be tracked based on activity in all channels. This makes it possible to learn about customers before you have even met them. Marketing activities could be adapted to customer profiles to make them interested in offerings based on prior interests. The more relevant it is, the more interesting will it be for the potential customer. (ibid.)

The key here is to look at what the actual visitors look at and search for. If the content is interesting enough and relevant for the customers there is a possibility to widen the concepts and to open up new services and product offerings. (Sellö)

One way of creating this type of interest can be through trial versions of less complex software. There are lots of things that can be made. The company website for example can act like a portal or one-stop shop. Support can be increased online. The future is much more automated with a more effective digital approach for much of the matters now requiring valuable time and manual labor. The system in question will likely be possible to create right now, but it is not yet clear how the customers would like it. A chat function could also be a possibility here, which could also act as a lead generating function. (Nätt-Falkäng)

6.2.2.1 Questionnaire data

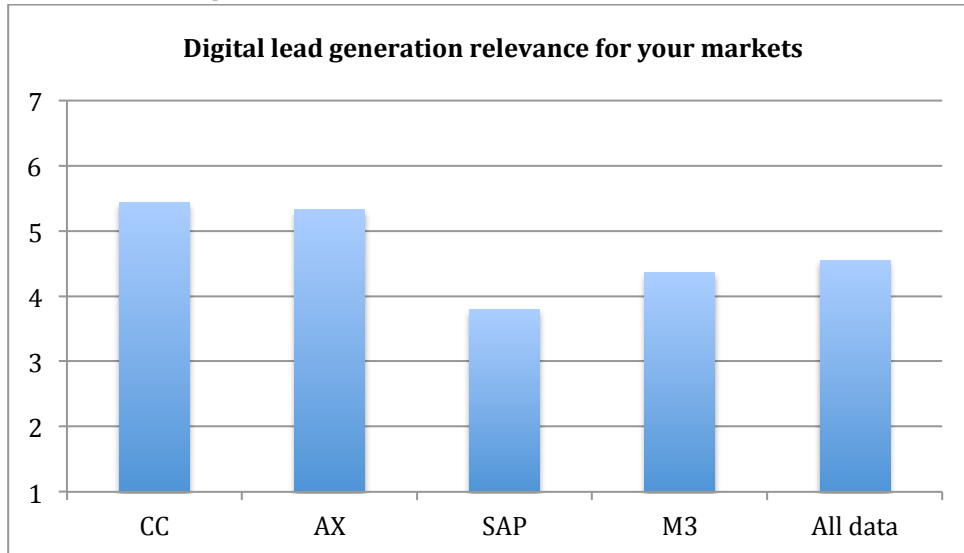


Figure 6-4: Digital lead generation relevance for your markets.

One observation in figure 6-4 regarding the relevance for digital lead generation is that SAP ranks the lowest, and that AX and CC rank about the same on this question.

6.2.3 Inspiration of content

The true vision of Company X is to be a trusted advisor of its clients, as explained in section 8.1.1.4.2. It is a necessity that all parts of the organization understand this vision.

There needs to be creativity and risk or willingness to fail. There needs to be empowerment to try and to fail. Short-term goals cannot be prioritized over willingness to try and learn from mistakes. (Lieb and Groopman, 2014 pp. 4-6)

The willingness to fail needs to be combined with decisions to kill bad tools quickly. Inbound marketing is all about iteration and improvement. (Halligan and Shah, 2014 p. 103)

Coca-Cola applies a 70/20/10 rule to their content creation. What this means is that 70 percent of content is produced with previous

knowledge of appeal to larger audiences. Twenty percent of content is considered somewhat more experimental, with trends that are starting to resonate with new audiences. Ten percent of content is seen as truly experimental in new and untested areas of knowledge. (Lieb and Groopman, 2014 p. 6)

The difference between B2B and B2C is that B2C is far ahead in this. In some business areas, the interactions are limited to IT managers. Other business areas target marketing or sales directors. IT managers in a B2B company might be one of the least digitally mature positions when it comes to marketing. E-business is at least ten years ahead. (Lindwall)

Digitalization is currently reshaping the buyer behavior among the potential customers out there. Everybody googles everything in B2C and the behavior follows into B2B. (Nätt-Falkäng)

There is not yet a fully developed strategy on how to share content between different channels in Company X. The information should be the same but presented differently between different channels, even if there is information from Gartner or Forbes. (ibid.)

There is not yet a system in use at Company X that shares and follows up on content sent out in the different channels. The CRM system should be the source of information of what has been done. Everything from sales visits to email marketing should be noted in the CRM system available for others to act upon. Regarding standardized marketing material, Company X is currently using both internal company material and slides with information from the software suppliers. (Lindwall)

6.2.3.1 *Readability scores of Company X compared to competitors.*

Readability testing was mentioned in section 5.1.1.12. A test was run for Company X and three competitors.

It can be seen in figure 6-6 that Company X, in comparison to competitors discussed in interviews and other personal communication, scored the best readability in this particular test.

These scores are not exclusive to this particular site. Readability can be quickly assessed using these methods, some available in regular

word processing software, but also part of more sophisticated marketing software. (Handley, 2014 p. 80)

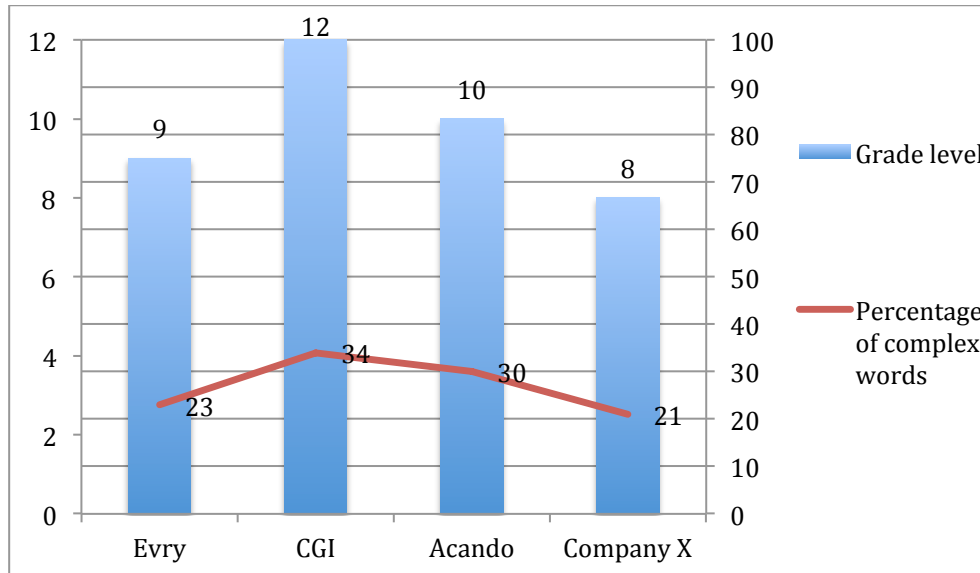


Figure 6-5: School grade level required to understand company website and the percentage of complex words used.

6.2.3.2 Marketing grader score of Company X compared to competitors

The marketing grader score was mentioned in section 5.1.1.13. Although the elements scored vary between the different companies in the marketing grader depending on how many of the items scored are available online, the score can serve as an indicator of the marketing value.

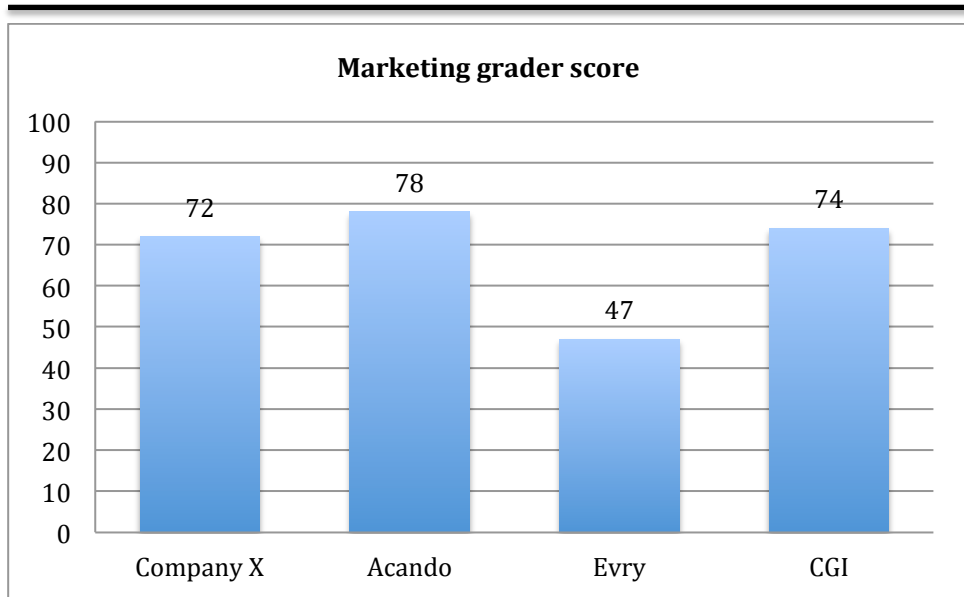


Figure 6-6: Marketing grader score.

The score achieved by Company X was 72 overall in the test. The rest of the results can be seen in figure 6-7. The top three results were similar, with no distinct leader.

6.2.3.3 Questionnaire data

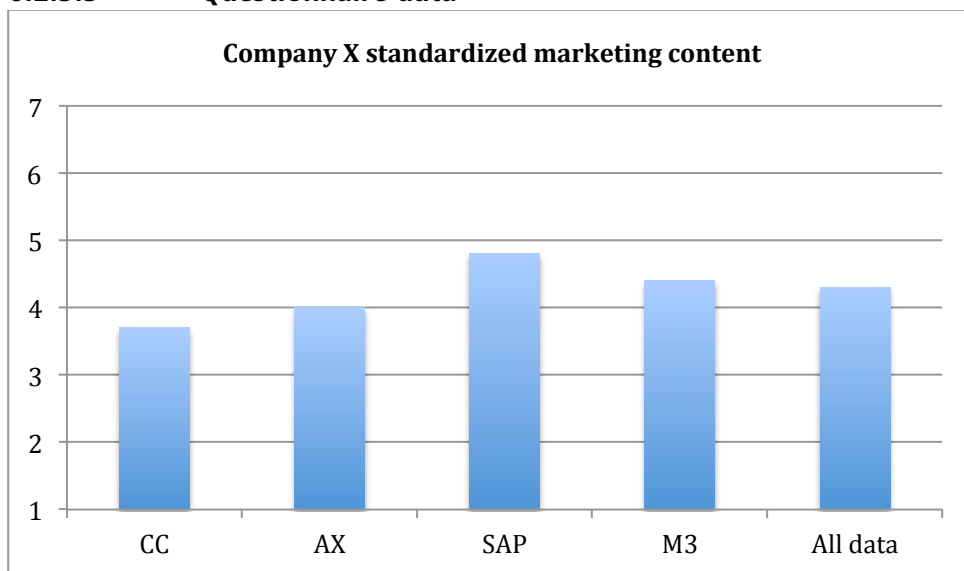


Figure 6-7: Company X standardized marketing content.

It is observable in the question regarding Company X standardized marketing content in figure 6-8 that the view on this matter is scattered. All the answers are in the mid-range and the people working with SAP score the highest on this.

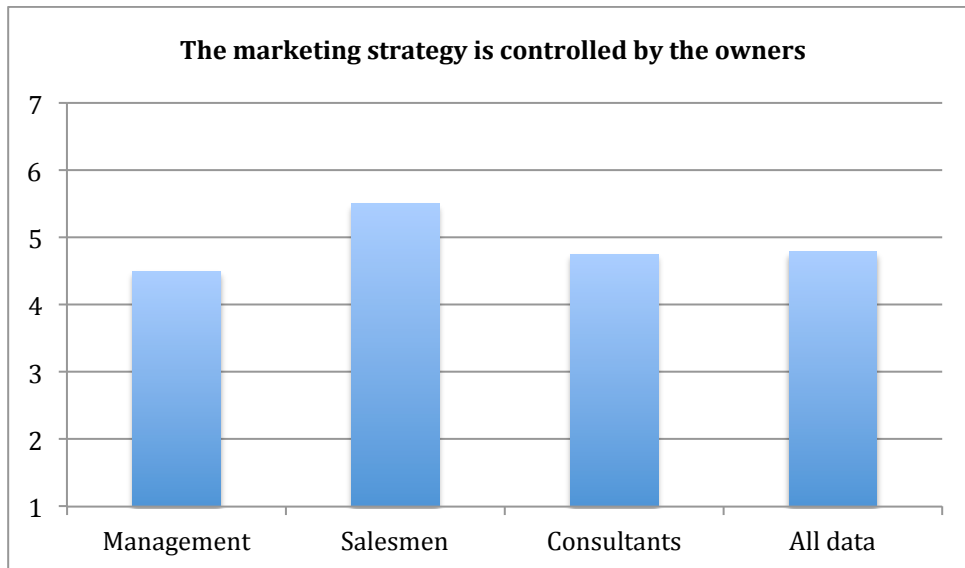


Figure 6-8: The marketing strategy is controlled by the owners.

Varying results are seen in figure 6-9. Salesmen had the strongest belief that marketing is owner-controlled.

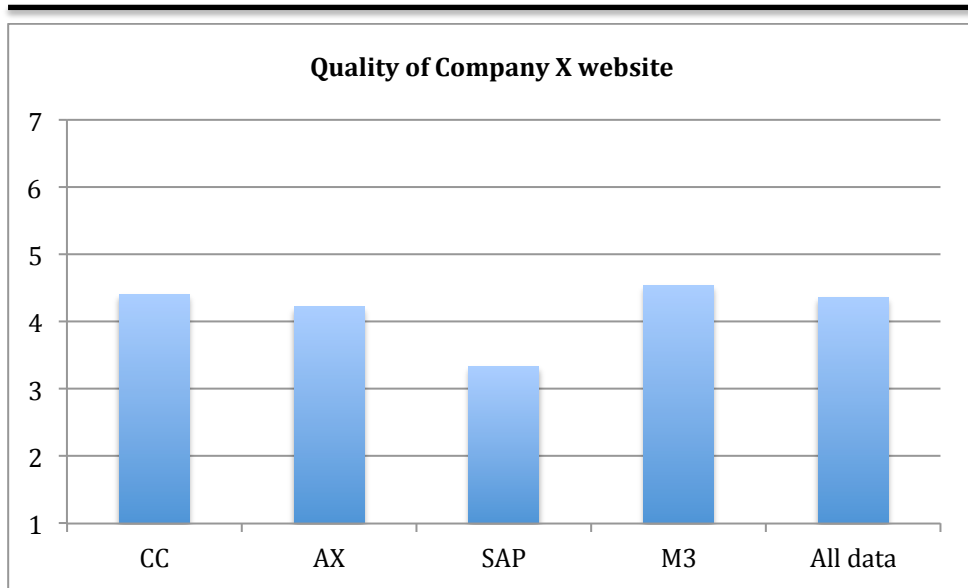


Figure 6-9: Quality of Company X website.

The ranks in figure 6-10 present generally low scores of the company website. SAP returns the lowest score.

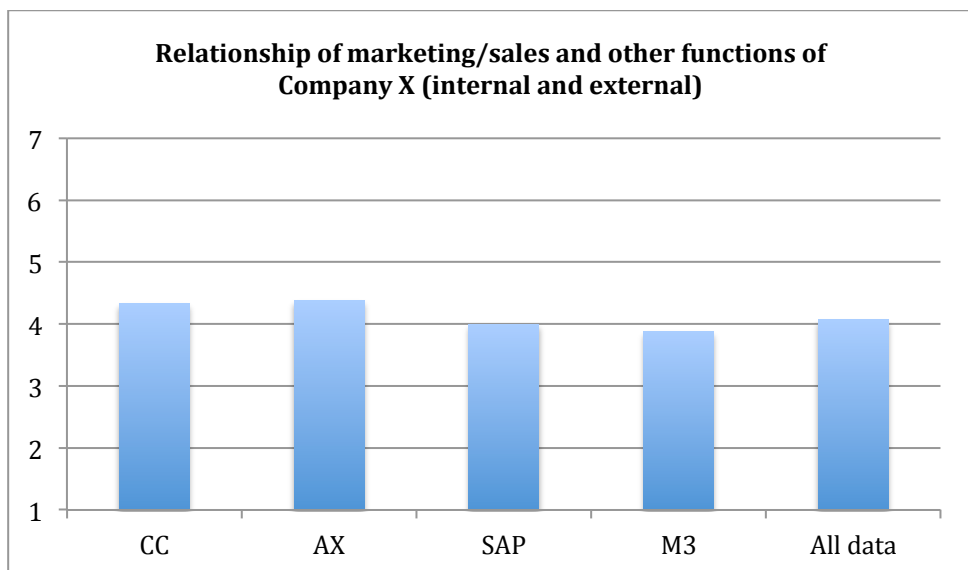


Figure 6-10: Relationship of marketing/sales and other functions of Company X.

What can be said about figure 6-11 is that the view on this question is equally ranked among all business areas. There seems to be an

average relationship of marketing and sales with other functions of the company.

6.3 Tools and skillsets

6.3.1 Third parties

There will be more third parties involved in the sales and marketing efforts of Company X. It is currently a work in progress on how to do it and what it will cost. The efforts in SEO need to be in place and there has to be someone with more knowledge about it. The same goes for MA systems and inbound systems. Company X will probably need a lot of help in the startup phase. (Nätt-Falkäng)

Company X does not have the strategy internally to cope with the vast field of content and digital marketing. They will need to get someone from outside to help. Telemarketing partners might have a completely different role here in the future. They could call on digital leads from the MA system instead. The company to do so would probably be alone in that field if they started out with that service. (Lindwall)

6.3.2 The usage of digital channels

If employees follow guidelines for using digital channels, there will be no conflict. One possible problem is if the information online differs too much from the offline material. That could lead to misinformation and possibly hurt business relationships if the information is delicate for the deal. (Nätt-Falkäng)

It may not be possible to entirely control what people do in different channels. The more languages used, and the more activity there is, the higher the risk is of getting a faulty message out there. An invoice to a customer can also be seen as a channel, which can be used for marketing purpose. If firms do not keep track of what marketing message goes out in which channels to which customers, it will be impossible to do it properly. (Lindwall)

The complexity when working with possibly 10-20 different channels, in different languages, is enormous. To handle this with a specific tool or software can be really expensive. There is no guidance on this. If someone wants to upload something on LinkedIn for example, it is hard to determine beforehand if it is good or bad. Client confidentiality may also be a sensitive matter on the web. (ibid.)

6.3.3 Future automation and alliances

Alliances can be formed both internally and externally and can be a way of improving the service offering given to the customer. Internal business areas could need more collaboration to create more interest in other products or service offerings available. More external alliances could be beneficial in some cases, especially with suppliers of systems whose clients say they need a certain type of software or service that Company X could deliver. (Nätt-Falkäng)

The more digitalized you become, the more automated you can become. In Sweden where salaries are expensive for companies, automation becomes more interesting since people can be assigned other tasks instead. This can increase the efficiency of the whole company. There is a risk that the supplier side takes it all with an increasing amount of automation even in the work done with customers. (ibid.)

One example is the way supplier invoices are handled. This has not changed much since the 60's, with the only exception being digital invoice attestation. It is very standardized today and the same functionality can be found in almost all ERP systems. This means that in the future, you could find a supplier who is specialized in a certain area. Much of this industry will be much more common market. The competitiveness lies in the ability to find excellence. If not, the most important factor in dealing with customer will be the price offered. That would be a downfall for the industry. (Sellö)

Email marketing systems is an example of systems that can be irrelevant in the near future. Almost all of them has gone into partnerships with or developed a marketing automation and CRM system. All the big companies have gone into this business. The amount of these systems are vast, but the recommendation must be to chose a system which is cutting edge on the things you are looking for. If there is a system that is well integrated but is not good, then the value of the system will be equally bad. The complex integration of a cutting-edge system that is not pre-integrated in the development phase can be costly, but in the end, it is worth it. (Lindwall)

6.3.3.1 Questionnaire data

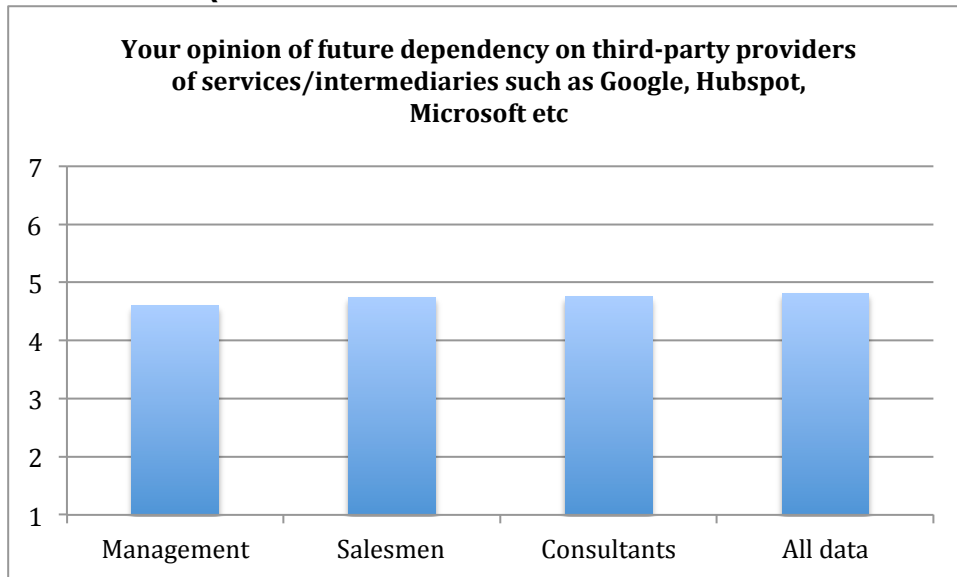


Figure 6-11: Opinion of future dependency on third-party providers of services/intermediaries.

Figure 6-12 presents only small differences between roles.

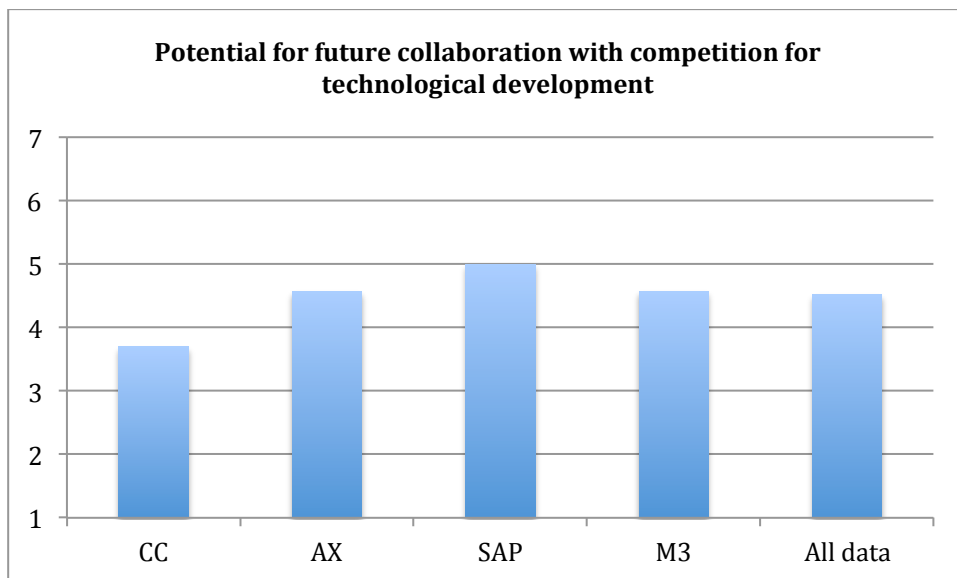


Figure 6-12: Potential for future collaboration with competition for technological development.

The perception of lacking potential according to Cross Commerce is significant in figure 6-13. SAP ranks this the highest.

7 Empirics - Changing buyer behavior and buyer insight in the digital age

This chapter describes the changing digital age buyer, mainly the B2B buyer but also its increasing similarities to the B2C buyer. New ways to gather buyer insights are explored. This includes qualitative interviews with current buyers of Company X services. The chapter ends with suggestions of further methods to gather buyer insights.

7.1 Digitalization and information-age changing buyer behavior

The foundation of changing buyer behavior is the shift of power, the empowerment of the customer relative to the supplier. This presents a challenge for marketers who need to find the right ways to re-empower themselves as suppliers or sellers. (Labrecque et al., 2013)

Power in a relationship of parties is rarely symmetrical and either party will be the stronger one. The Internet has drastically changed the balance of power via information in the relationship of salesman and customer. (Gummesson, 2008 pp. 30-31).

The consumer is empowered by increased reach, information and the ability to consume and create content in networks outside of the supplier-consumer relationship (Labrecque et al., 2013).

7.1.1 Digital marketing expert interviews, buyer behavior B2B

The experts presented in chapter 5 were also asked to answer questions regarding buyers, comparing the B2B and B2C buyer.

The use of online research is on the rise. An increasing part of the B2B decision process will be done online, just like the B2C decision process (Eriksson).

The trend of increased online research will continue to grow. There will be less reliance on existing sales contacts (Sablon)

B2B customers will use digital channels to assess suppliers much like B2C customers do. They will ask for recommendations from their established networks. (Talamo)

Suppliers will face increasing demands to act professionally based on the customer's desired digital transformation. This includes more self-serve and real-time interaction. (ibid.)

7.1.2 Empowerment of different professional roles

In B2B there are many empowered buyers across the organization. Everyone from management to end users of products and services are potential buyers. They all research and purchase online with increased frequency. (Forrester, 2014c)

The end user can be a particularly interesting buyer, even if he is not part of formal decision-making in the customer firm. This buyer presents an opportunity to penetrate B2B firms to a much higher degree. (ibid.)

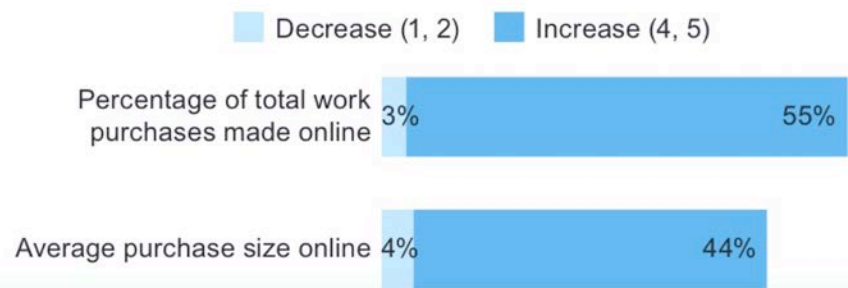
The end user is empowered to reach information much more easily, and could also be empowered to purchase to a higher degree, as seen in figure 7-1. (ibid.)

B2B marketers need to become more intimate with all their buyers. There needs to be a personalized buying journey that is tailored to the individual. This advancement has been seen in digital B2C selling. (Forrester, 2014b)

Both procurement and non-procurement buyers need to be interacted with on a personal level across all of their desired channels of interaction. (ibid.)

End User Buyers Expect Online Work Purchases To Increase Significantly

On a scale of 1 to 5, where 1 = significantly decreased and 5 = significantly increased, please tell us how your buying behavior with work purchases has changed in the past 18 months.



Procurement Encourages Business Buyers To Research Online

“To what extent do you agree with the following statements? We are encouraged by our procurement function to . . . ”
(Respondents who answered 4 or 5 = encouraged)

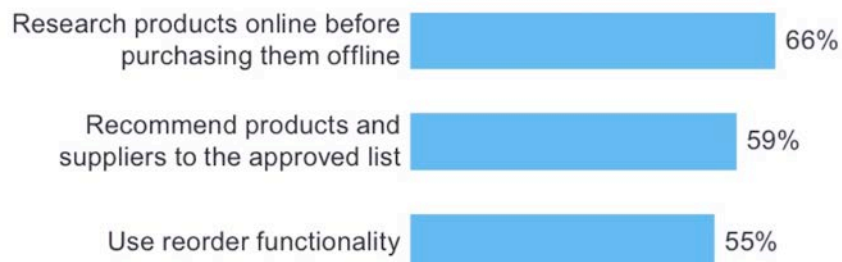


Figure 7-1: Empowerment of end users. (Forrester, 2014c)

The end user is becoming a part of value creation. This was mentioned in chapter 1 in S-D Logic.

End users also present complex networks with other end users. The complexity of these interactions varies, but it is an important area of value creation. Value co-creation is not limited to decision-makers of both sides. (Gummesson, 2008 pp. 98-100)

S-D Logic reinforces the importance of every stakeholder in the process of co-creation and co-production (Lusch and Vargo, 2009):

What S-D logic argues is that firms embrace customers, suppliers and other stakeholders as knowledgeable resources to co-produce and co-create in a collaborative manner the firm's entire marketing program and strategy.

The different relationship dynamics will be examined further in chapter 8.

7.2 Buyer persona profiling for buyer insight

Every source of empowerment of the buyer might also be sources of disempowerment, in other words re-empowerment of suppliers. This can be seen as the *paradox of technology*. The increased amount of buyer-created information presents an opportunity for marketers to re-empower themselves if they can find the right ways to use the new forms of buyer behavior brought on by digital mediums. (Labrecque et al., 2013)

7.2.1 Company X problem formulation

Company X shares two sides regarding relationships in the buying process. Company X is generally good at addressing the problem solvers of customer firms. This means that they have good ability to address individuals that have been assigned to solve a specific problem, or to procure a desired solution. (Sellö)

The other side to it is that Company X is not as good in addressing the need *before* it reaches the problem solver. In other words, they are not as good at identifying individuals that have had some specific need that led to the problem solver being assigned to solve this particular problem. (ibid.)

There have been initial test runs regarding the concepts of buyer personas, but there is an expressed need for further research into these areas. (ibid.)

Age was mentioned as an important parameter for digital engagement in B2B. There is no use in being where the intended buyer is not present. (ibid.)

7.3 Digital marketing expert interviews, buyer persona profiling in B2B

The digital marketing experts were also asked about their opinion of the current state of buyer persona profiling in B2B. They were also asked to elaborate on what they thought was important in general for persona creation.

7.3.1 See the human behind the professional

B2B companies often fail to see the personal side of buyers. They need to stop focusing on titles and roles of B2B buyers and see the individual. There is not enough knowledge about the buyer's environment in B2B sales. (Dahlberg)

Persona creation needs to look more to specific personal characteristics. Marketers can for example ask themselves if this individual is technically minded, creative, focused on development or a do-it-yourself type. (Thorberg)

The differences of communication in B2B and B2C will lessen. It is more a matter of Business-to-Human, B2H, than B2B. (Sablön)

Both B2B and B2C buyers will always look for information that is quick to find. The mutual challenge to all businesses is real-time presence, independent of time, place and platform. (Eriksson)

The goal is to find a representative stereotype that can be seen with many of your potential customers. (Talamo)

7.3.2 Listen to buyers

Interviews should be held either in the start or end of the buying process. These interviews should focus solely on listening to the buyer, not to talk about products or services. If these interviews are done right, there is potential to build a good base for the persona in

the start of the process and to get great persona insights at the end of the process. (Dahlberg)

7.3.3 Goals and initiatives of buyers

The primary emotion of each buyer needs to be understood. The buyer acts primarily from either company or personal goals and initiatives. Individual behavior determines whether company or personal goals are the primary driver for purchase decisions in B2B (Talamo).

Company culture is a strong influence on B2B buyer behavior. Certain individuals might have strong influence within the organization. (Sablon)

7.3.4 Timing in the buying process

Personas can help with timing of content for each part of the buying process. It can be divided into three basic steps: Identification, comparison, decision. (Dahlberg)

“Soft data” is crucial to be able to deliver the right message to the right individual. Wrong information sent out to many individuals can have negative effects. (Thorberg)

7.3.5 Personalize for specific individuals in the buying process

Differences of B2B and B2C buyer behavior may not be too significant, but marketers still need to consider the increased number of heads involved in a B2B decision-making process. (Talamo)

There can be an increased role of content spread among external influencers, and between customers as word of mouth, in B2B. All new channels for interaction are a new way to handle business references. There are many individuals to consider. (Dahlberg)

7.3.6 Different types of data needed for full view of buyers

Big data was also seen as a way to better understand buyers. There are endless amounts of data regarding the “*who, what, when, why, etc.*” of buyers. Decisions need to be made on the right data. (Thorberg)

Social media is in a lot of ways unexplored territory in B2B. Companies are starting to utilize LinkedIn and also Twitter and Facebook to some degree, but there is potential for more work here. (Dahlberg)

CEO presence on Twitter has been seen to have rising importance to brand stories. It is an excellent opportunity to tell a brand's whole story, both the human and business side of things. (Snickars)

B2B has a long way to go compared to B2C when it comes to visual content. There is an opportunity to create content that breaks through the noise. Apart from still graphics, there is also increased potential for video and audio, the latter currently seen in podcasts. (Thorberg)

7.4 Expert insights developed in buyer persona canvas

7.4.1 Listen to the human behind the professional

The ability to listen to buyers can be seen as necessary in filling out insight regarding the personal side of buyer personas, their specific buyer thinking and why they buy.

It is important to capture the buyers' own ways of expressing themselves, to be able to speak their language. The ability to construct marketing content that uses the buyer's own real words can be a critical advantage in digital marketing. (Scott, 2013 p. 170)

Buyer Persona	Goals	Buying Process	Buyer Thinking	Why Buy
	Initiatives	Timing	Channels	
Influencers, Stakeholders, Buying Team		Content and information		

Figure 7-2: Buyer persona, buyer thinking and "why buy?"

The concept of thought leadership was mentioned in section 5.1.1.2. The goal of establishing buyer personas is not to find individuals to tell your product about, but rather to find individuals to interact with regarding these individuals' problems. The channels for expression of thought leadership must also be adapted to the buyer's preferred content consumption. The marketer must listen to find emotions and personality of the buyer. (ibid. pp. 193-194)

7.4.2 Taking an outside-in view of goals and initiatives

The goals and initiatives of the buyer persona canvas need to be separated into personal or professional goals, and into individual- or company-related initiatives. (Zambito, 2013b)

Buyer Persona	Goals	Buying Process	Buyer Thinking	Why Buy
	Initiatives	Timing	Channels	
Influencers, Stakeholders, Buying Team		Content and information		

Figure 7-3: Buyer goals and initiatives

The prioritized initiatives should be observed separately from the supplying firm's solutions. By observing both company-wide and individual priority initiatives it is possible to identify where to put efforts of marketing and sales of the *problems* your product or service solves. (Revella and Ross, 2013)

The goals of a buyer, also referred to as success factors, can be of both tangible and intangible nature. Tangible goals can be related to increased revenue or efficiency gains of the firm, while intangible goals can relate to personal matters such as increased influence or respect in the buyer's environment. (ibid.)

The goals must be viewed from the buyer's perspective. The aim of identifying buyer goals is not to identify benefits, as these can be non-specific and derived from the supplier's solution rather than the desired results of the buyer. The goal is to get precise information regarding the buyer's most specific expectations. This is hopefully something the competition is unaware of. (ibid.)

When observing Kramer's theory of Human to Human, H2H, a set of needs are presented that relate to both personal and professional goals (Kramer, 2014 pp. 32-36):

- Humans want to *connect*.
- Humans need to be *significant*. They need to master something.
- Humans want *certainty* and *uncertainty*, safety and adventure.
- Humans need to *grow*, to learn new things.
- Humans need to *contribute*, they need to matter, to make a difference.

Marketing that adheres to these needs should have better potential for engagement of audiences in both B2B and B2C. (ibid. p. 36)

7.4.3 Knowing when and how to engage buyers in the buying process

Understanding of the buying process can be seen as to help marketers understand the more untold aspects of timing. In terms of digital marketing and content marketing, marketers must know how to time efforts and how to approach buyers depending on their position in the buying process. (Zambito, 2013b)

Buyer Persona	Goals	Buying Process	Buyer Thinking	Why Buy
	Initiatives	Timing	Channels	
Influencers, Stakeholders, Buying Team			Content and information	

Figure 7-4: Buying process and timing

The buying process of the buyer requires a typical mapping of the different steps from initial problem identification to a purchase decision or lasting relationship of supplier and buyer (Zambito, 2013a).

The different steps of an individual buyer can be illustrated by the buying cycle seen in Figure 7-5. An *audience behavior* is seen in the larger crowd that is not yet in the market for a product or service. *Lead behavior* is seen when a potential buyer exhibits interest in solving a specific problem. *Buyer behavior* is seen when there is clear engagement to a process of buying. This is where the buyer persona can be shaped. The last two steps are *customer behavior* and *brand behavior*. The goal here is to satisfy existing customers enough so that they become advocates of the brand. (ibid.)



Figure 7-5: Persona buying cycle (Zambito, 2013a)

7.4.3.1 Audience personas

The identification of audiences, especially digital, was done masterfully in the election campaign for Barack Obama. The Obama presidential campaign understood better than the Republicans the changing digital playing field. (Scott, 2013 pp. 87-89)

The 2008 election was the first to have more than half of the voting-age population use the Internet for political purposes. 45 percent watched video online, 33 percent shared content on politics online and 52 percent of social networkers engaged in politics in their social media networks. (ibid. pp. 187-189)

Obama's online strategist countered initial limited funds by using every possible way of inbound marketing. The goal was to enable Americans to connect with Obama via his blog, Facebook, Twitter, LinkedIn, YouTube and other networks. The online strategies of other candidates failed in listening to audiences. Obama's strategy succeeded because it focused on engagement of voters rather than education of voters. (Halligan and Shah, 2014 pp. 6-7)

Obama focused on buyer personas, he identified undecided voters state-by-state, clearly and simply stated what these individuals wanted to hear, focused on voters rather than competition, inserted a personal image and understood where he could reach buyers with this. (Scott, 2013 pp. 189-191)

7.4.3.2 Timing of conversion

The *zero moment of truth* was introduced by Google in 2011. It refers to the timing aspect of engaging individuals at the exact time that they are having a specific need, problem or question they want answered. The zero moment of truth is growing along with the increased complexity of digital buying behavior. There are more moments to consider. Buyers are no longer limited to information search on desktop computers. The timing aspect of providing the right information in the right channels has never been more complex. (Lecinski, 2014)

7.4.3.3 Converting audience personas into lead personas

Companies are exposed to potential customers in large numbers of contact points as explained in section 5.1.1. This means that all these contact points need to show visitors in the right direction.

Inbound marketing enables more potential leads in the top of the sales funnel. (Halligan and Shah, 2014 p. 109)

Buyer persona creation can enable firms to create content for a large variety of keywords in the long tail. The long tail was presented in section 5.2.1.2.2. Content can be personalized as early as in page titles and meta descriptions in organic search. (King, 2014b)

Content needs to be *valuable* even before the buyer has a thought out need. It should help a buyer understand their market better or to do their current jobs better. It should be valuable enough that it motivates some sort of action from the buyer (Halligan and Shah, 2014 pp. 110-111)

The channel that includes content must be *easy to use*. It should be immediately clear what to do to get the content. The content needs to *stand out* in a way that it attracts interaction. The possibility to interact must be placed in clear sight from the initial loading of the page containing the content. The *call-to-action* that is available to visitors should clearly explain what is offered when this action is taken, for example “get content marketing report”. (ibid. p. 112)

Depending on the type of content and its purpose, thought should be given to whether a company should require registration to provide content. An area to consider and measure is the frequency of downloads of content that requires registration of user information compared to content that is *free of registration*. Another area to consider is the willingness to share to other users if no registration is required. (Scott, 2013 pp. 184-185)

For content that needs registration, another common mistake is to request too little information of users. If they are going to give away their e-mail address, there should be an effort to collect some other data to be put in the CRM system. (Halligan and Shah, 2014 p. 113)

7.4.3.4 *Converting prospects into leads*

More targeted audiences, commonly referred to as prospects, will demand more personalized content. This includes creating landing pages that are simple and to the point regarding the requested content. A landing page is where a visitor arrives when searching for information and clicking the result of the search. (ibid. p. 115)

The information on the landing page should be focused on the type of content the searcher was interested in. This means that it should be possible to keep things simple. It should maintain the value, ease-of-use, prominence and call-to-action methods of the more untargeted audiences in the previous section. The difference lies in the entry. The prospect has shown interest in a specific piece of content ahead of arrival to the company web. (ibid. pp. 116-117)

The discussion of giving away content without registration is still relevant for prospects. If companies do decide to collect user information, it should not be only e-mail as stated above, but it should also not be too long. Users must feel that the form can be filled out fast. Sensitive information should be kept to a minimum. (ibid. pp. 119-120)

7.4.3.5 *Converting leads to customers*

Lead scoring has been discussed in section 5.2.1. When inbound marketing efforts have resulted in a sufficient amount of leads, these leads need to be converted to customers. *The establishment of clear buyer personas lies in between these steps*, as seen in the buying cycle in section 7.4.3.

A common mistake here is low priority of leads that are not ready to buy in the near future. They are either ignored or handed to a salesman who in turn will ignore it, as he will not be able to close. (ibid. p. 128)

In a B2B many-headed relationship, discussed in section 8.2.3, this phase can be crucial. Even if the buying organization as a whole is not ready to buy, there might be certain individuals that are ready for nurturing. This is a great opportunity to contact these individuals to establish credibility. (Gummesson, 2008 p. 92) The opportunity to turn a lead into a customer is easier if buyer personas have been established.

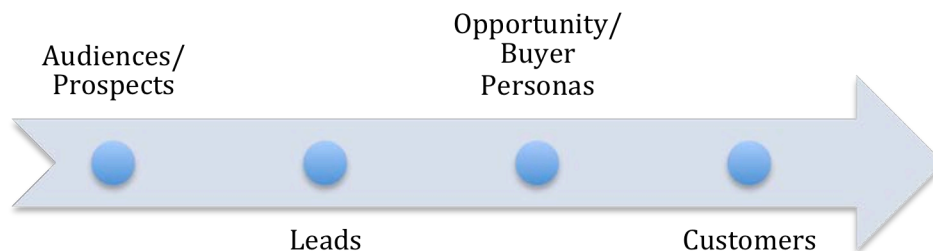


Figure 7-6: The funnel of all inbound efforts (as interpreted in Halligan and Shah, 2014 pp. 138-139)

Figure 7-6 shows a pretty straightforward funnel of the process. It is however crucial to remember that this funnel does not include the aggregate of all marketing efforts. The funnel can be applied individually to many different campaigns, channels or different buyers within the same organization. (Halligan and Shah, 2014 pp. 138-139)

With a complete view of the buyer and his journey, marketers can engage with buyers in real-time. They can be relevant to every need of the buyer and predict their journey across different channels. (Baer, 2014 pp. 151-152) Leads can efficiently be turned into customers.

7.4.4 Understanding the different individuals of the B2B buying process

The composition of the buying team, the role of the buyer in this team and internal and external influencers need to be accounted for, as seen in the buyer persona canvas. The buyer's role in decision making needs to be understood, as well as the necessary communication or knowledge of adjacent decision makers or influencers. The buying process of B2B includes more potential decision-makers, advisors and influencers of purchase decision.

Buyer Persona	Goals	Buying Process	Buyer Thinking	Why Buy
	Initiatives	Timing	Channels	
Influencers, Stakeholders, Buying Team		Content and information		

Figure 7-7: Influencers, stakeholders and buying team of the buyer persona

Goals and initiatives may differ between the different stakeholders seen across the buying firm. Buyers should not be viewed in isolation from their network of influencers. Every insight that is seen with many buyers of a firm can help build storytelling directed to groups of buyers. (Zambito, 2014)

Research and creation of multiple personas will tell marketing *who* is going to take part in procurement. It will also tell them what type of marketing will be effective for different individuals of the buying team. (Revella, 2014)

A survey on B2B buyer behavior presented the average number of people involved in the decision-making process across a wide range of businesses. Many of the respondents were within Company X's customer segments. 48 percent of respondents were buyers of IT systems or consultancy services and business critical nature of purchases were on average 7.7 out of 10. (Bottom, 2015)

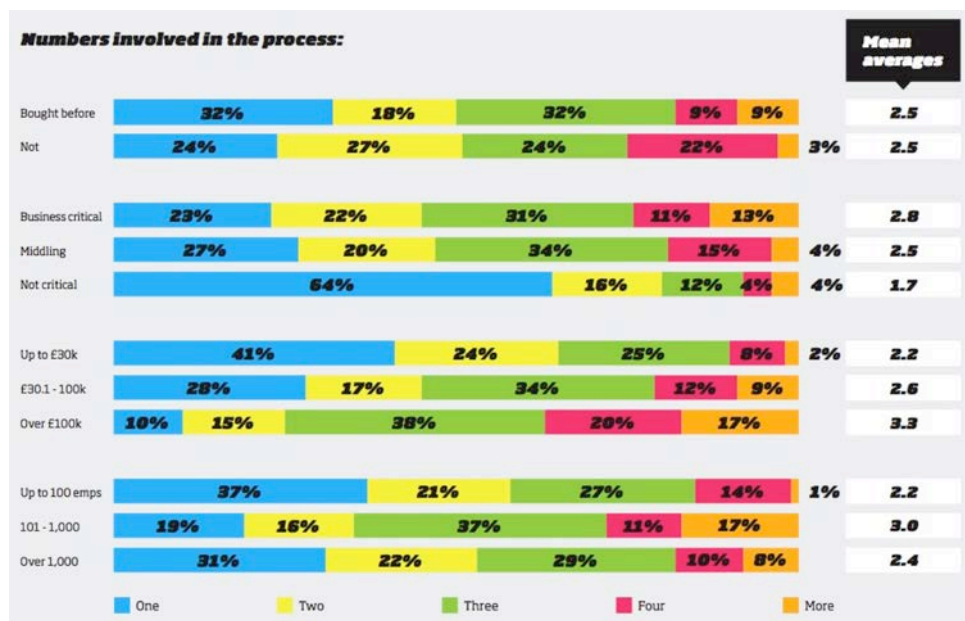


Figure 7-8: Number of people involved in B2B decision-making processes (Bottom, 2015)

Additional data was presented regarding four steps of the buying process:

- 1.6 individuals on average were involved in identifying the initial need
- 1.7 individuals were involved in researching potential solutions.
- 1.5 individuals researched potential suppliers.
- 1.9 individuals were involved in final decision-making. (ibid.)

The survey also outlined influence seen with different parts of companies during purchases. Among the roles presented, IT can be seen as more weighted towards an advisory role while business leaders are more involved in need identification and final decision.

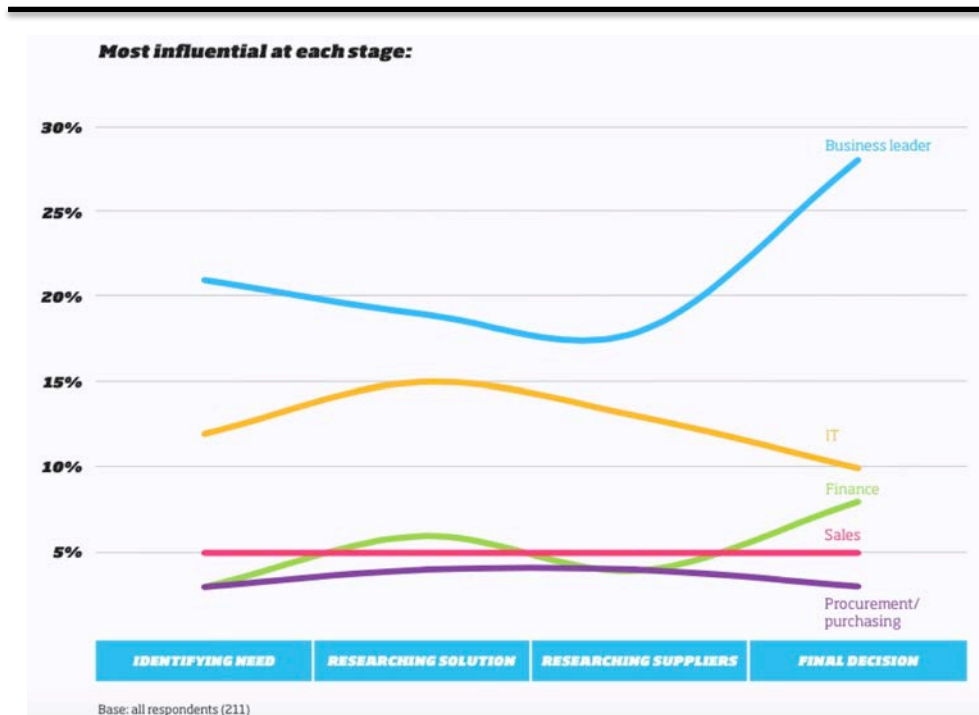


Figure 7-9: Influence of individuals on buying team (Bottom, 2015)

7.4.5 Information and data important to buyers and where they find it

The last two parts of the buyer persona canvas concerns the information that is valuable to buyer's decisions as well as the channels they use to find information and to communicate.

Buyer Persona	Goals	Buying Process	Buyer Thinking	Why Buy
	Initiatives	Timing	Channels	
Influencers, Stakeholders, Buying Team		Content and information		

Figure 7-10: Content and information important to the buver

The sourcing of information, online and offline, was presented as follows in the B2B survey:

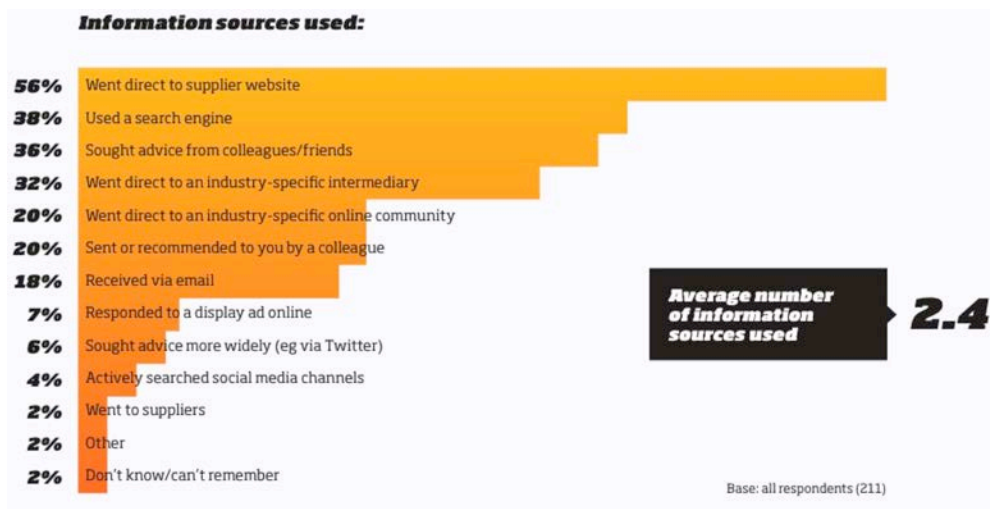


Figure 7-11: Sources used to get information (Bottom, 2015)

The average number of information sources used were 2.4, and the three most common were direct entry of supplier websites, search engines and advice from colleagues and friends.

7.4.5.1 Social media

The Base One survey presented the use of social media among B2B buyers. Industry-specific forums or LinkedIn were most commonly used. The majority answered that they did not use any social media. This was also related to age. 70 percent of users up to 40 years of age used some form of social media. These numbers dropped to 51 percent and 39 percent for users between 41-50 and older, respectively. (ibid.)

LinkedIn is the most obvious channel for B2B buyers. It is based on professional social networking. It does not tailor to as many different types of users as other social networks, and *business* is the common denominator of all users. (Halligan and Shah, 2014 p. 73)

Twitter has become the most popular form of *micro-blog*. It is based on short-form writing. Users of Twitter can both find and share information with a large public spread. There are also effective possibilities for targeted marketing via the use of hashtags. (ibid. pp. 77-80)

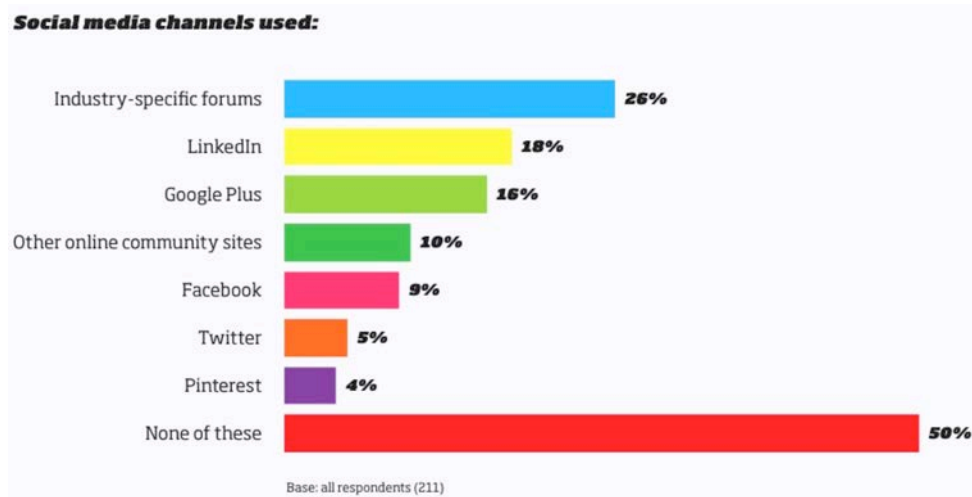


Figure 7-12: Use of social media in B2B (Bottom, 2015)

The tonality of Twitter enables B2B individuals to incorporate both their professional and personal values. The key is to personalize but not get too personal as a B2B user of Twitter. This channel offers a great way to show the human side of B2B individuals. It is a great way to engage in conversations on topics outside of the business domain. It is about dialogue rather than monologue. (Handley, 2014 pp. 188-190)

The use of social networks like *Facebook* or *Google+* also enables companies to present both a professional and a personal view of the business. They will however demand more time to manage being in the site-form like LinkedIn. (Halligan and Shah, 2014 pp. 69-73; 80-82)

A few common guidelines can be seen to get the most out of social networking sites (Scott, 2013 pp. 270-271):

- Know your target audience
- Be a thought leader, show expertise in the market not the product
- Be authentic and transparent
- Link to own content and other relevant content
- Encourage contact from visitors
- Create and participate in online discussion
- Experiment with trial and error, the buyer is the guide to success

7.4.5.2 Visual content in B2B

Buyers go to many new places to consume visual content (Halligan and Shah, 2014 pp. 84-86; 92-97):

- *Youtube* is the most popular destination for video content. There are large audiences to find for content like customer stories, expert interviews or educational content.

-
- *Slideshare* was recently acquired by LinkedIn and has good potential in B2B as it is a social network centered on professional presentations regarding many different subjects.
 - *Visual.ly* is another community where potential buyers come to consume visual content. It has high authority in search engines and social media integration.
 - *Pinterest* is traditionally B2C-oriented. There is potential for B2B firms to be among the first movers here. Use of this social network can enable easily shareable infographics as well as both internal and external *human stories*.
 - Three social networks that can also be used are *Instagram*, *Vine* and *Snapchat*. They have large crowds, but their use in B2B will probably require some creativity.

7.5 Interviews with Company X buyers

Customers of Company X were interviewed regarding their role as buyers of products related to Company X's business. Questions were formulated using the buyer persona canvas framework. The questions were open-ended with the goal of allowing interviewees to elaborate without much control of interviewers.

The questionnaire used can be seen in Appendix D. The full results of interviews as summarized in the buyer persona canvas can be seen in Appendix F.

The intent was to include five buyers with ERP contact and five buyers with Cross Commerce contact, or as many as possible with both. Five of the contacted buyers were not available for interviews.

7.5.1 Summary of interviewees

The following five individuals were use for buyer interviews:

- Krister *CustomerA*, IT manager
- Håkan *CustomerB*, Application leader CRM/PIM
- Magnus *CustomerC*, IT/Finance manager

-
- Stina CustomerD, Project manager, web and e-commerce
 - Magnus CustomerE, Contract manager

These summaries are not to be mistaken for buyer persona summaries. They are merely summaries of interviewees. The goal is to find stereotypical traits from interactions with different buyers. A preliminary analysis of buyer personas is made in chapter 9.

7.5.1.1 Interviewee 1, Krister CustomerA, IT Manager

Krister is an experienced and mild mannered IT manager. He has been with the company for 17 years His main areas of responsibility are to provide the right systems and technical equipment for ERP with associated BI, planning, logistics and inventory. He values structure in that goals should have a clear time frame and scope. He is normally one of the key decision makers on bigger projects, and involved throughout the buying process.

Krister prefers early contact with suppliers to establish a dialogue. He still conducts extensive information search on the Internet and within networks but values personal relations higher due to complexity of problems and needs.

Krister likes most marketing material on supplier websites and generally appreciates salesmens' approach, with the exception of telemarketing, especially third party. (CustomerA)

7.5.1.2 Interviewee 2, Håkan CustomerB, Application leader CRM/PIM, business area food and beverage

Håkan has an IT and business role and is responsible for targeted communication. He is outgoing and very talkative when asked about his different areas of work. He has an educational background in engineering and finance, and ended up in retail in his professional life. He has been with the company for 15 years. He has long experience of IT, PIM, CRM, communication and E-commerce. Håkan appreciates automation, and letting computers do what they do better than humans.

The prioritized initiative for Håkan is to execute in real-time and to serve customers on request. The development of the systems to support this is his primary goal. Håkan normally takes an advisory role in decision-making, with occasional decision-making in smaller

scale projects. He appreciates advice from consultants with broad knowledge. Håkan is mainly part of the evaluation process regarding purchases.

Håkan prefers face-to-face communication due to complexity of solutions. He also uses Internet search and LinkedIn to stay updated regarding industry developments. He mainly consumes content when using LinkedIn. Håkan does not appreciate telemarketing, and would rather prefer to find initial information online. He does not want to spend too much time meeting salesmen, and appreciates to search and receive more targeted information for example via white papers. (CustomerB)

7.5.1.3 Interviewee 3, Magnus CustomerC, IT/Finance manager

Magnus is a calm individual with many different areas of responsibility at his company (CFO, IT, M3, administration). He enjoys the long-term success of decisions, a decision that might not have seemed to be logical at first but grew long-term. He prefers to be happy and to develop as a person before money.

The prioritized initiative is to streamline functionality and technology across the organization. Technological platforms should not be a side track, it should move forward with the organization. Magnus role on the buying team is often to both specify and decide on solutions. His input carries weight with decision makers.

Needs in parts of the organization are evaluated to see if similar needs are present in other parts. The problems that can be seen across most units are prioritized first. End users of systems are involved in the evaluation process, before negotiation.

Magnus rarely uses online search to find initial information. This is prioritized when a specific solution has become interesting. He rarely opens marketing mail, and generally prefers face-to-face contact. He participates in user forums to share knowledge with other users and to discuss future applications. He believes that marketing is not always targeted to his specific industry and could use more customer insight regarding this industry. He also prefers people that are like himself in that they have thought out opinions. He does not appreciate individuals who talk too much without substance. (CustomerC)

7.5.1.4 Interviewee 4, Stina Customer D, Project Manager Web and E-commerce, business area retail

Stina is a calm project leader, responsible for online presence as part of omni-channel strategy at her company. She is educated within project management as well as marketing and PR.

Online functionality is a prioritized project within Life. Stina's role in the buying team includes specification, purchasing and implementation. She is the leader of the online project group. She is usually part of the entire buying process

Stina attends seminars to get information, to discuss online matters with other companies, and also appreciates recommendations from existing partners. Her primary sources of information are Internet searches, colleagues and current suppliers.

Telemarketing pitches rarely convince Stina, and she rarely accepts meetings this way unless convinced of value beforehand. She prefers to do some own research before contacting suppliers, and prefers mail for initial contact. She wants to receive relevant marketing material, with content in context. Salesmen occasionally fail to consider the customer's need. (CustomerD)

7.5.1.5 Interviewee 5, Magnus CustomerD, Contract manager

Magnus is a mild mannered contract manager at his company. He is very descriptive when discussing his work. He has long experience of IS/IT, and has seen both the sales side and purchasing side of business negotiations. He has an engineering education within supply chain and production. His professional career is formed by his time with the ERP company Intentionia, from where he draws his primary values regarding transparency and open communication. He has been at the sales side of negotiations until starting at current company, from when he took on a purchasing role.

Magnus specifically enjoys the negotiation format, and to meet different kinds of people in face-to-face interactions. Having seen both sides of the table he enjoys the battle, and to give away as little as possible for the things that are received. He enjoys ensuring efficiency of processes in his professional life and to feel satisfied and lead a simple everyday life.

Magnus is always part of the buying team regarding new systems and solutions, sometimes in more of an advisory role and sometimes as purchaser. He sometimes consults external analytical companies during RFI and sometimes likes to receive web demos on solutions. He prefers relatively early contact with suppliers, sometimes without initial RFI.

Magnus believes that marketing in IS/IT is relatively bad with many traditional channels. He particularly does not care for telemarketing and aggressive salesmen that want too much information regarding future plans. He does not care much for digital marketing, other than directed information he has chosen to subscribe to. It is used mainly to stay updated regarding the market. (CustomerE)

7.5.2 Complementing qualitative data

The research regarding the interviewees aside from the interviews themselves was limited to LinkedIn profiles. A more thorough research of all their digital activity can help unlock more qualitative insight. It is a necessary future study regarding qualitative research. The insights of LinkedIn activity have been added to the interviewee profiles.

7.6 Qualitative and quantitative buyer persona insight

The following section will discuss qualitative and quantitative methods of use to buyer persona research. Both qualitative and quantitative methods can be found in the use of big data as well as in offline methods.

Big data is a very large part of profiling buyer personas. It cannot however be the only method used. Big data is necessary to make sense out of a large quantity of buyers, but more qualitative research for true insight regarding some buyers is necessary. Combined use of big data and predictive buyer mapping can lead to great insight. (Zambito, 2013c p. 21)

The usefulness of buyer personas is dependent on internal communication. This rises in complexity with a large number of inbound and outbound activities. Big data regarding buyer activities must be integrated into CRM, and buyer insight or buyer profiles must be available to all outbound activities. (ibid. pp. 42-44)

7.6.1 Qualitative insight

Below are summarized common methods to reach qualitative insight regarding buyers or a larger audience.

7.6.1.1 Affinity mapping

Affinity mapping is the method of gathering customer-facing staff to collect insights about customer needs and attributes (Siu, 2015).

Internal adoption may be helped by also engaging management in the process. Affinity mapping can normally be performed in 90-minute rounds. It should include the following steps: (King, 2014b)

Assumption round one (needs)	Everybody writes down a need, goal, activity or problem of a buyers. It should focus on what the buyer is trying to accomplish. It may be possible to identify groups of buyers in this initial phase.
Assumption round two (attributes)	The second round will focus on more personal attributes of each buyer. With the needs done in the first round, participants can now focus on more specific demographics and psychographics.
Factoid round	This round calls for data to back up the assumptions of the first two rounds. It can come from analytics, sales data as well as internal and external research. Segments of buyers should be dumped if there is no data to back them up.
Build personas	The final step should result in 3-5 skeletal personas. This means that they can, and should, be updated as more information is added later on. Creation of more personas is possible but is hard given the time frame.

Table 7-1: Affinity mapping

7.6.1.2 Focus groups

Focus groups can generate insights from a larger group of people within the target segment. There should be a skilled moderator and around 6-10 participants of a target audience. (Siu, 2015)

7.6.1.3 Buyer interviews

Buyer interviews were the primary method used for this thesis, as presented in section 7.5.

In B2B, a buying process is often a long journey with many obstacles. There are many questions to ask every buyer regarding this journey. The real insight of buyer persona interviews often does not come from the first question asked. The first question of each stage will normally reveal the obvious. The real insights require a skilled enough interviewer to ask the right follow-up questions. This cannot be scripted beforehand. (Revella and Ross, 2013)

The goal of the interview should be to capture the less obvious pains of the buyer. The challenge is to ask questions that give information that is not equally available to all competitors in the marketplace. (ibid.)

The buyer persona interview will not be done in one thirty-minute session if the interviewer hopes to capture semi-hidden personal beliefs. There needs to be an anthropological skill with the interviewer. Questions should not lead interviewees to answer what they will perceive to be a correct answer. (Anthrostrategist, 2011)

7.6.1.4 Ethnographic research

The increased relevance of ethnographic research in B2B has been discussed in recent years. Marketers will have to stop considering strictly professional functionality and start thinking about how personal attitudes and beliefs shape perception. (ibid.)

Capturing buyer thinking by spending lots of time with buyers, in their own environment, can provide added insight. Buyers should not be invited to a selling firm's own offices. Interactions should also not be limited to only the workplace. They should be interacted with in different environments of their personal liking. (Handley, 2014 p. 48)

The expenses of conducting extensive ethnographic research must be put in relation to the time wasted in implementing systems and procedures that fail to create buyer insight. All data must be treated as important, and cannot be dismissed based on pre-existing wishes of outcome. The initially time-consuming anthropological approach needs to be accepted within the organization. There also needs to be rethinking of the intended audience about how and where they consume content. (Anthrostrategist, 2011)

7.6.1.5 Netnographic research

The online version of ethnographic research has been referred to as netnographic research. This is done strictly on the web instead of in buyers' natural physical habitats. These methods can include social listening, forum searches and keyword research to build personas. (King, 2014b)

There are many tools available to marketers for online listening. It can be done both small-scale for free and larger-scale with paid services. The process of ethnography both online and offline is to observe, and to find similar patterns of behaviors and attitudes that can be shaped to personas. The findings can be more or less subjective and must be validated by quantitative measurement. (ibid.)

The first of the use of the long tail was Amazon's algorithms, discussed in section 5.2.1.2.2, to direct buyers in the direction of content that has been consumed by other viewers of the same landing page.

One way to gain more knowledge about buyers is to scan social media and see the effects it has on search queries. The awareness of trending topics in social media helps to visualize what the overall subjects are. The actual search queries used can visualize how buyers are searching for this information. This can be used to match all digital content to these word choices. (King, 2014a)

The effects of listening to social media and search can be visualized using the ladder below. It shows the progression of awareness of a topic to detailed insight regarding buyer needs. The ladders can be linked to decision process of buyers and how searches are conducted in different stages of buying cycles. (ibid.)

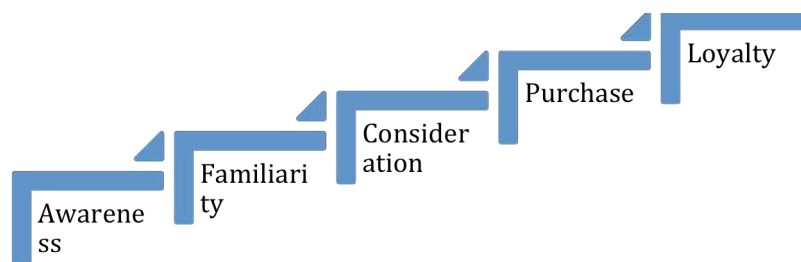


Figure 7-13: The different steps of keyword mapping (as interpreted in King, 2014a)

This could be exemplified as an overall topic like “ERP” in the awareness state. The familiarity stage could include a query like “what makes a good ERP system”. The consideration stage could include keywords like “best ERP for SME”. The purchase stage may show searches like “ERP service providers Sweden”. The loyalty stage in the context of the case company may state “cloud solutions ERP Company X”. (ibid.)

7.6.2 Quantitative insight

Although qualitative insight was the focus in studies of Company X buyers, the quantitative data is also important to validate findings, as mentioned by King (2014b). Quantitative measuring is also mentioned in chapters 5 and 6.

7.6.2.1 Multiple-choice surveys

Multiple-choice surveys can be used to quickly gather hard demographic data like age, gender, ethnicity income and location to pair with the softer qualitative data. (Siu, 2015)

7.6.2.2 Analytics

Analytics can provide substantial knowledge to validate qualitative research. They can help show volume of target audiences, for example (Vaughan, 2014b):

- The specific landing pages they visit
- Previous website activity
- Demographic information

-
- Activity across all touch points/channels
 - Click-through rate of content
 - Conversion rates

7.6.2.3 *User profiles*

User profiles can regard for example the earlier mentioned entry of users in exchange for content on websites (King, 2014b)

7.6.2.4 *Internal data*

Internal data can be a great resource for quantitative data. Previous transactions can either serve as parameters or added dimensions to persona insights. (ibid.)

7.6.2.5 *Market segmentation tools and publicly available data*

Market segmentation data can be gathered from sources like Nielsen, Experian or ComScore. These can give insights regarding different usage statistics. (Siu, 2015)

8 Empirics – Marketing relationships at Company X

This chapter presents the 30 relationships of relationship marketing and the results of interviews and surveys at Company X. The interview questions are presented in Appendix C and Appendix E. Survey questions were formulated based on the outcome of interviews. The survey results are presented for ERP and CC business units, and compared to the overall results for all Company X respondents. Survey questions were formulated and used to support or complement the answers gathered in the face-to-face interviews.

8.1 Classic market relationships

8.1.1 R1 - The classic dyad - the relationship between the supplier and the customer

The relationships between supplier and customer are increasingly moving towards co-creation, as explained in S-D logic. This is illustrated in Figure 8-1

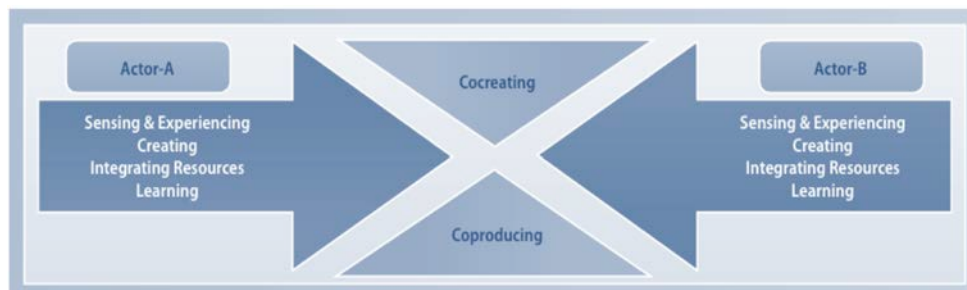


Figure 8-1: The supplier and customer as co-creators (Lusch and Vargo, 2009)

The dominant customer segments of Company X are customers with physical goods flows. They account for 75 percent of all customers. Other customers can be seen in the service sector and the public sector. (Sellö)

There are seven primary customer segments: Manufacturing, Distribution, Retail, Fashion, Equipment, Food and Beverage and Pharmaceutical (Nätt-Falkäng).

The most common representation of the supplier-customer relationship is that of the salesman and the external customer. For a B2B setting more complex negotiations are assumed, with more extensive negotiations and involvement of more team members from either side. Another point of difference compared to B2C settings is a smaller scope of customers, enabling more intimate relationships. (Gummesson, 2008 pp. 45-47)

8.1.1.1 *The role of primary contact persons*

The main contact person of Company X as a whole and the ERP business unit is the IT manager. If IT managers are not the primary decision makers they usually have some advisory role. Depending on customer segment there is increased contact with other individuals, mostly corporate level management staff. Daily contact with clients is maintained with IT manager. (Nätt-Falkäng)

The Cross Commerce business unit does not have IT manager as their primary contact. Marketing or sales managers are the primary targets for salesmen. There is however some degree of continuous contact with IT managers. (Lindwall)

8.1.1.2 *Loyalty of customers*

The major share of long-term relationships at Company X comes from mutual loyalty with clients from the ERP business unit M3. These customers were originally from another company but stayed loyal to the interpersonal relationships in 2006 as Company X was founded. (Nätt-Falkäng, Sellö)

There are 20-25 key accounts that make up 60-70 percent of turnover. These customers are very loyal. (Sellö) Cross Commerce sees great cross-selling potential in the established and loyal ERP customer segment. (Lindwall)

The balance of new and existing customers differs between ERP and Cross Commerce as a result of the long relationships of the ERP segment. The Cross Commerce unit currently has a steady stream of new potential business. The amount of new business compared to existing loyal customers was estimated to be at about 50/50. (Lindwall, Sellö)

It is a challenge to weigh the balance of nurturing existing ERP customer versus high efforts to get new Cross Commerce customers.

At the same time, the well-established ERP segment must be maintained to keep cross-selling opportunities. (Nätt-Falkäng)

8.1.1.3 Customer relationship management

Customer relationship management, CRM, is a technique to handle customer relationships. It is a way to turn the values and strategies of supplier-customer interactions into practical applications that are dependent on both information technology and interaction of humans. (Gummesson, 2008 p. 7)

The information technology side of CRM can easily shoot off target and be costly when firms are looking for new functionality ahead of determining its value to business (ibid. p. 52).

Problems are solved by people who understand the new, have incentives to implement the new and have resources to do it – and who understand customers (ibid. p. 52)

The process of implementing new technology at Company X was described as a long set of steps. A new CRM system has been installed that has many steps left in its most basic functions. To achieve the right data quality means to register lots of data that have been stored in other places. The process of tying everything together may take years, why it is crucial that everything is done right and in the right order. (Sellö)

The basic functions of the CRM can be attributed to *operational CRM*, including all data from supplier and customer that is helpful to sales and customer service by providing a historical backlog of activities. *Collaborative CRM* may be necessary if the logged activities are not enough to replace direct contact with the customer. (Gummesson, 2008 p. 51)

Analytical CRM regards all activities of collecting customer data, using customer data and manipulating customer data. This can be useful in creating targeted campaigns or when looking for cross-selling and up-selling opportunities, the goal of getting customers engaged in other products or services offered by the supplier or to get customers to upgrade, respectively. (ibid.)

8.1.1.4 The purpose of Customer Relationship Management

The goals of CRM are to establish long-term relationships and profitability. The steps seen in figure 8-2 summarize one-to-one marketing. (ibid.)

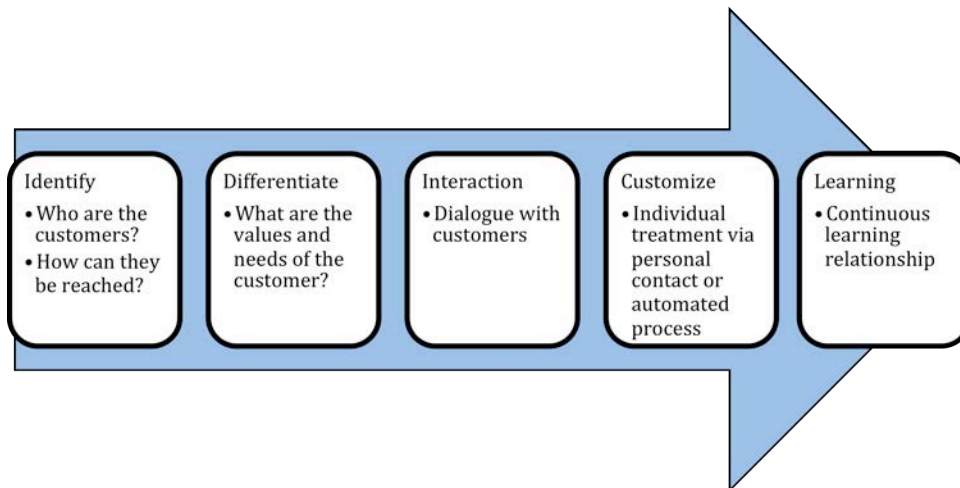


Figure 8-2: The steps of one-to-one relationships (Gummesson, 2008 p. 51)

8.1.1.4.1 Identification of potential customers

The selection process of co-created services often includes factors not relevant to a firm offering a finished product. This might include the urgency and priority of a project within the client firm, the budget and resources allocated, operating philosophy and culture, the client's goals and objectives as well as the complexity and level of customization of the desired service or solution. The most important of these factors is likely the first, high priority and urgency most likely means top management support as well as high organization-wide motivation for the project. (Bettencourt et al., 2002)

Company X stressed this as a priority. They are generally good at relationships with the problem solvers at customer firms, the ones who have been assigned to solving the problem that can be addressed by Company X's services. What could be improved by increasing digital efforts is the ability to predict a need by identifying a problem at the customer firm before initial contact is made. (Sellö)

The *physical ways* of identifying customers that are currently seen at Company X include contact of own personnel, via partners, via use of telemarketing agencies and by attending various events. The

digital presence seen today is the company website, blogs, e-mail marketing, LinkedIn along with other limited presence in social media. (ibid.)

8.1.1.4.2 *Differentiation*

The goal of Company X is to become a one stop shop for their clients, meaning that they can cover all needs regarding IT and business consultancy, for business critical systems. The vision is to become a trusted advisor to their clients regarding all things related to the market and its future. (Sellö, Nätt-Falkäng, Lindwall)

There needs to be both depth and breadth in the offered solutions. This means that they should offer every business critical solution but also that they should be able to compete with any best of breed solution. (Sellö)

Services have become an important part of differentiation, as explained in section 1.1. There are two distinct strategies in the service offering of Company X. The first one is to have partnerships with the three best suppliers of each business unit, and to make this a mutual relationship in that they want to be one of the top three partners of the supplier. (ibid.)

The other is to be able to provide the customer with many different solutions, from many different suppliers of Company X. This creates a strategic lock-in. It will be harder for customers to change IT systems once they have implemented many different compatible solutions. (ibid.)

In IT services there will always be a need for knowledge that can only be gained through co-creation of suppliers and buyers. There will always be value, but to unlock the full potential there must be mutually beneficial relationships that enable long-term business. (Bettencourt et al., 2002)

8.1.1.4.3 *Dialogue with customers*

Communication openness is important in knowledge-intensive business relationships. Customers need to be open and honest in their sharing of information. This is the only way that the service provider will know the exact desired solution to a problem. The optimal outcome of communication is to understand as much as possible about a potential customer's environment. (ibid.)

The sales process has changed into a buying process. Company X needs to learn to capture customers early in the buying process. The customers themselves handle most of the process today. The company that can make a significant digital statement will have an advantage. (Sellö)

8.1.1.4.4 Customization

It is in the nature of knowledge-intensive service firms to *customize* their offering based on the customer. Something to consider however, is the possibility to achieve *standardization* and how efficiency can be improved much like in a manufacturing firm. (Maria et al., 2012 p. 120)

The strategy of Company X to establish partnerships with the three leading suppliers of each business area gives this flexibility. It enables them to offer the best solutions in the marketplace while maintaining flexibility towards customers by not being locked to one supplier. (Sellö)

8.1.1.4.5 Learning

One aspect of learning that was identified during interviews was the understanding and creation of cross-selling opportunities. This requires employees that are skilled enough to understand other Company X solutions than their own immediate responsibilities. They need to use relationships to understand what other solutions could be useful to customers. (Sellö, Lindwall)

8.1.1.5 Company X-customer survey results from ERP and CC

The organization-wide survey did not show any major differences in existing customer relationships between ERP and CC business units. Strength of customer relationships and loyalty of customers are presented in figure 8-3. Loyalty can be seen to have scored lower for the SAP business unit.

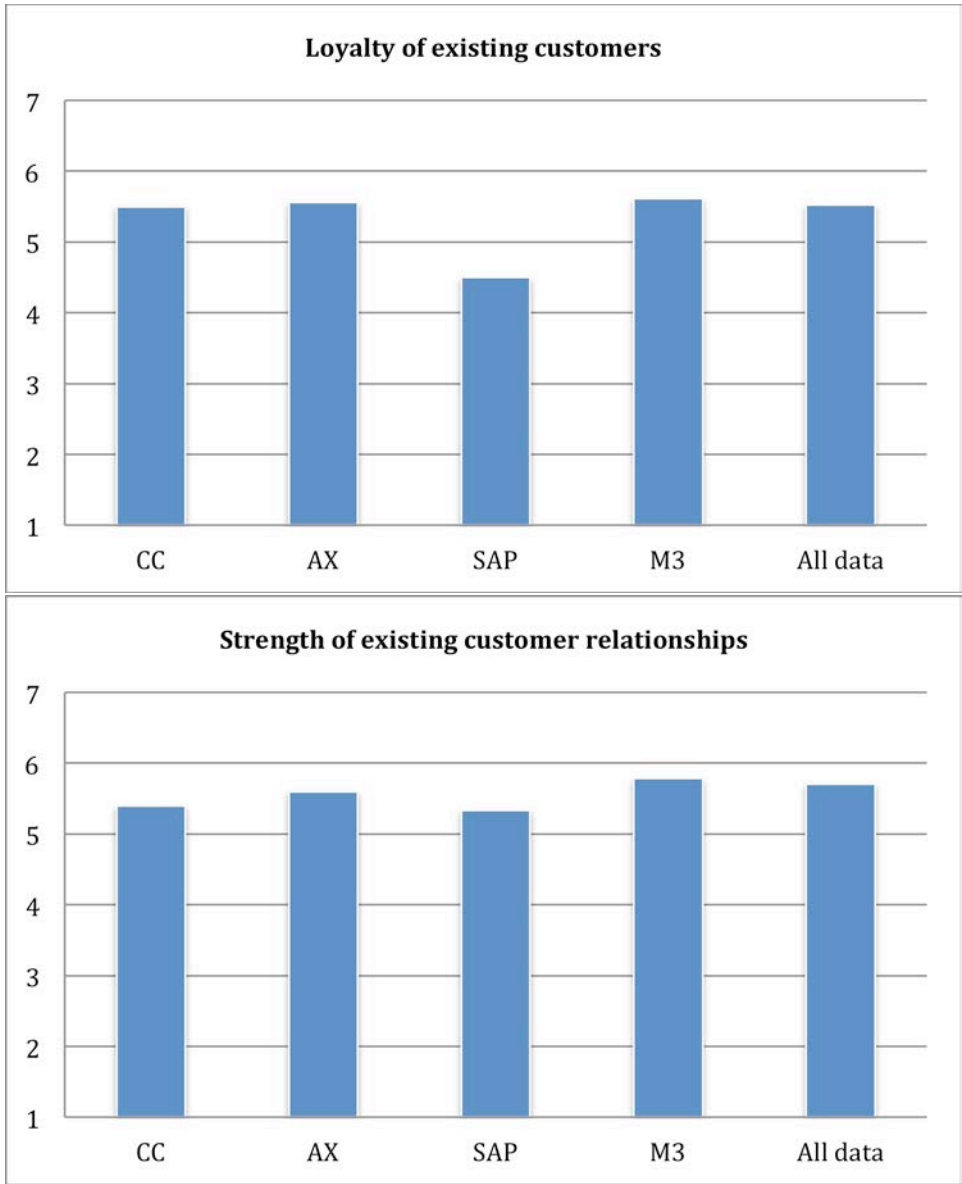


Figure 8-3 Strength and loyalty in existing customer relationships

One area that showed some distinct differences between business units were that ERP business units seemed to be more satisfied with current CRM than the CC business unit, as seen in figure 8-4.

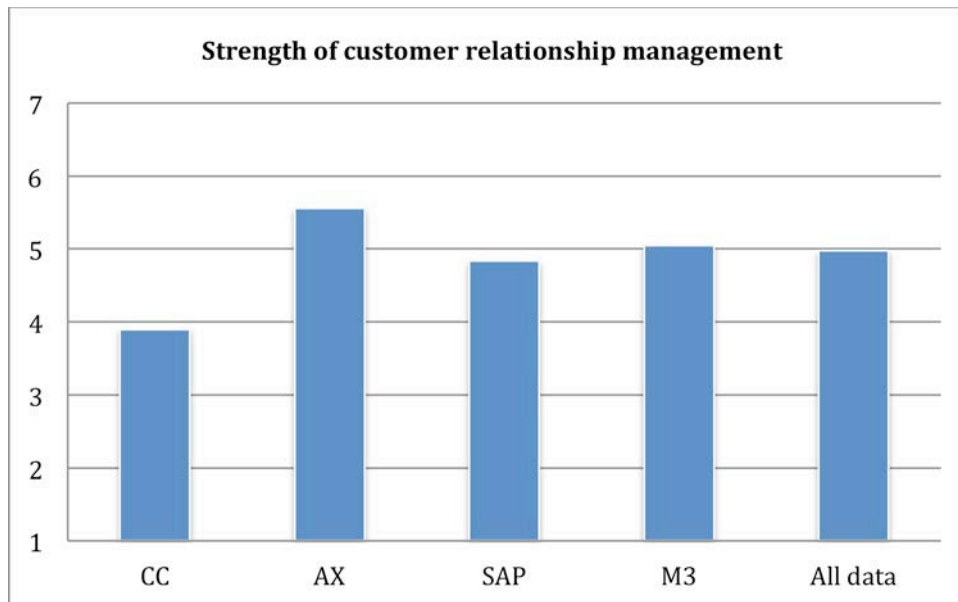


Figure 8-4: Perceived strength of customer relationship management

Another observation was that CC and one of the ERP units, AX, believed that they had a relatively strong ability to differentiate and to attract new customers, compared to SAP and M3. This can be seen in figure 8-5.

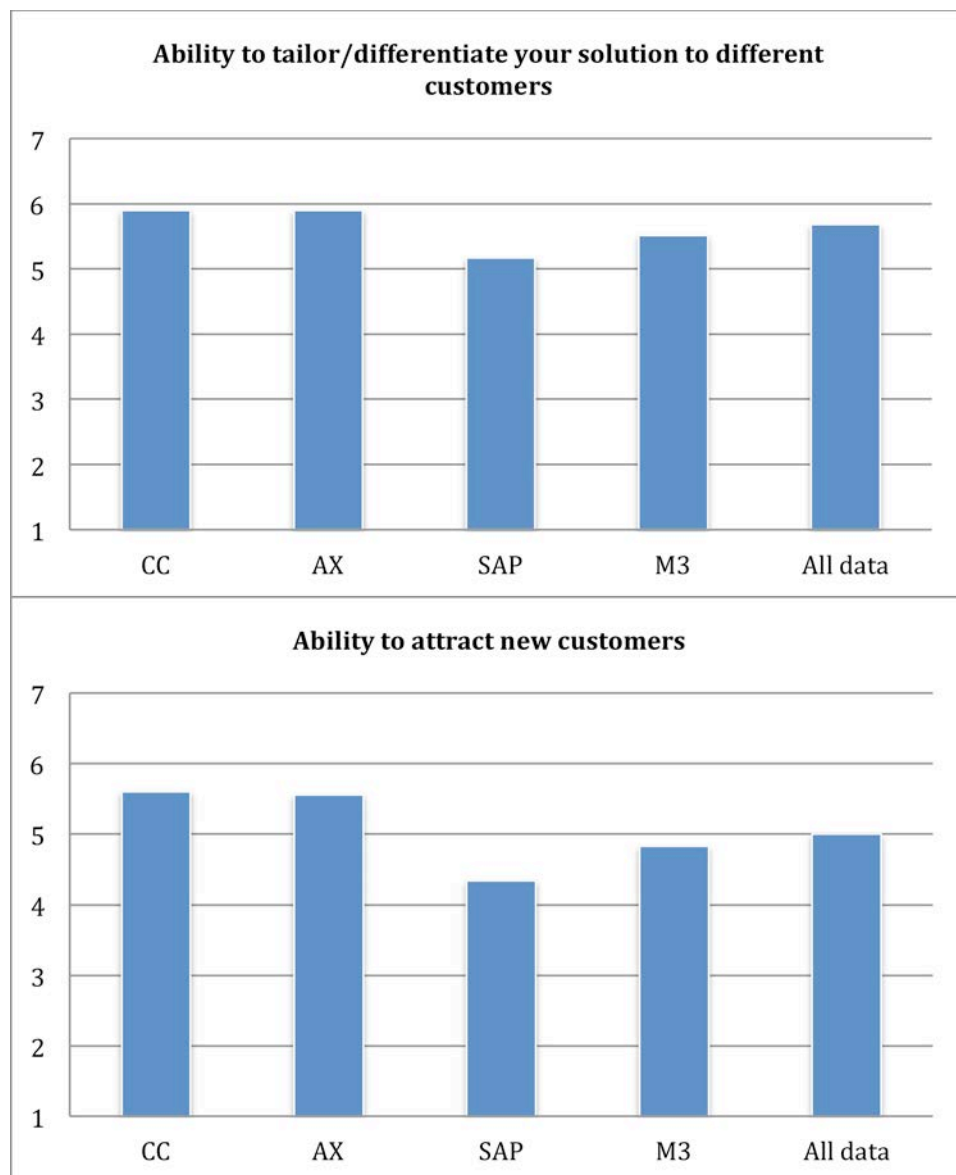


Figure 8-5 Ability to differentiate for different customers and ability to attract customers

8.1.2 R2 - The classic triad – the drama of the customer-supplier-competitor triangle

There are many different competitors seen across Company X. This is because they offer services in many different business areas, for many different products or services. Competition exists for many different business units. A few competitors can be identified that

strive to be the same one stop shop for IT and business consultancy. They have a common goal in that that they want to build strength by being good at many different types of services. (Sellö)

A couple of topics regarding competition were identified from Gummesson's theory.

8.1.2.1 *Blue or red ocean strategy*

There are benefits in knowing the strategy of competitors, but there is also another side to consider. Gummesson mentions Blue Ocean Strategy (Kim and Mauborgne 2005, cited in Gummesson, 2008 p. 58). Instead of looking to overpower competition, firms should look for unexplored territory. They should look for what competitors *are not doing* as opposed to what they *are doing*. In the spirit of S-D logic focus should be on value *creation*, not *destruction* of other's value propositions.

Company X believes that the competition will largely be in the same place as Company X digitally, where the customer is. The challenge is to be first with effective presence in new digital channels. (Sellö) Company X must establish new digital channels quickly to enable a 360-degree view of customers. (Nätt-Falkäng)

8.1.2.2 *Collaboration*

There are three forces in the market economy: competition, collaboration, and also regulations and institutions. The right combination of the three factors is one way to success. Collaboration might be necessary to cope with new market rules from regulations or institutions (Gummesson, 2008 pp. 60-61).

There is daily cooperation with competition at Company X. They may act as suppliers of parts of a solution or collaborate upon customer request. Digital communication plays a role in the efficiency of these collaborations. (Sellö).



Figure 8-6: The three forces of the market economy (Gummesson, 2008 p. 61)

8.1.2.3 *Company X survey results regarding competition*

The results of the survey regarding knowledge of competitors' solutions could not identify whether it was strong or weak. Most scored in the middle of the scale. Knowledge of key competitive factors to attract customers scored higher for everyone except SAP, which scored it about the same as knowledge of competitors' solutions. The results of the survey pointed to higher degree of collaboration in ERP business units than CC.

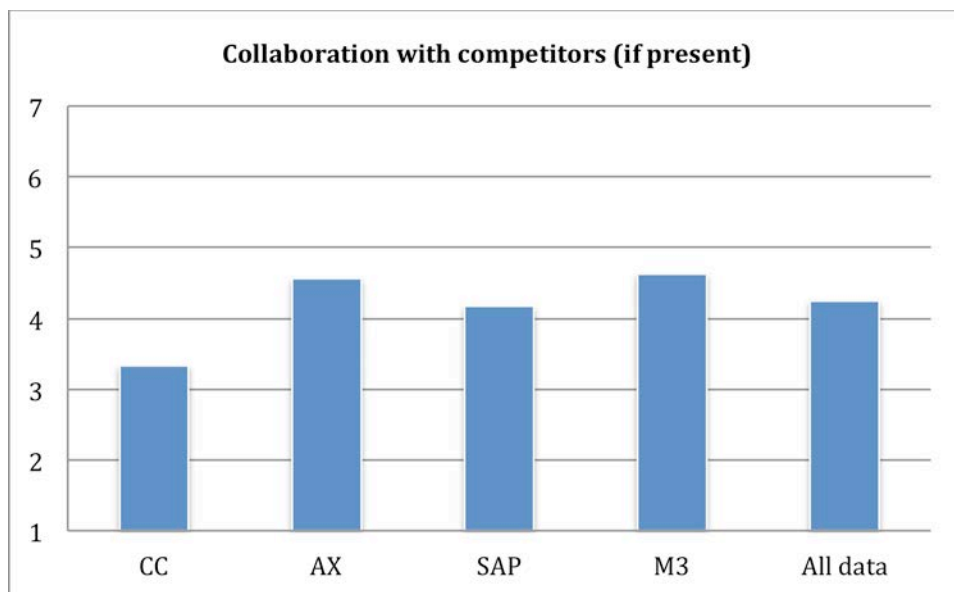


Figure 8-7: Degree of collaboration with competitors

8.1.3 **R3 - The classic network – distribution**

In distribution of service, rather than physical goods, effective management of distribution of people in after-sales service is a key aspect (Gummesson, 2008 p. 70).

Face-to-face interaction will remain important due to the knowledge-intensive and complex nature of solutions provided by Company X. The difference is that more and more information will be available to the customer in the digital realm. The increased level of preparation of customers will require the same level of preparation of salesmen and consultants. Human to human will not disappear, but it will change. (Sellö)

8.2 Special market relationships

8.2.1 R4 - Relationships via full-time marketers and part-time marketers

The bridging of the gap between marketing and sales is probably not enough in future organizations. All actors, internal and external, need to be considered. Gummesson points to a distinction of full-time marketers and part-time marketers, or FTM's and PTM's. They are briefly explained in table 8-1.

Resources	Internal	External
Role as marketer		
FTM	Marketing and sales staff	Distributors, advertising agencies etc.
PTM	All those who are not FTM's	Customers, investors, media etc.

Table 8-1: Internal and external FTM's and PTM's (Gummesson, 2008, p. 77)

There is potential for improvements within Company X. Consultants are spending lots of time with customers. They need to be educated in the same way as marketers and salesmen in promoting the Company X brand. (Sellö)

The salesmen can also improve. They are very skilled at their respective areas of responsibility. What they need is encouragement to promote other areas of the organization. (ibid.) Salesman can be seen as FTM's of their respective business units, and PTM's for other business units.

Digital marketing can also be effective for internal cross-unit education. (ibid.) This will be discussed in section 8.4.

8.2.2 R5 - The service encounter – interaction between customers and suppliers

S-D logic has expanded the service interaction to include all types of suppliers and value propositions. It has also expanded the range of

important interactions, including more actors than just salesman and buyer. Interactions can be equally short in both B2B and B2C, with the difference being that B2B usually includes more recurrent interaction in long-term relationships. FTM's assume primary responsibility of customer contact, but depending on business PTM's might spend more time with customers (Gummesson, 2008 p. 82)

8.2.2.1 *The T-shaped professional*

An opportunity for modern knowledge-intensive organizations is to employ T-shaped professionals. There are potential weaknesses in employing only experts and generalists when a firm needs to communicate knowledge, both internally and externally. Depth and breadth is an opportunity to many companies with strict hierarchy and specialist employees, I-shaped individuals. (CVC, n.d)

Without proper bridging of disciplines and systems there is a risk for doing more of the same, failing to develop new knowledge. T-shaped professionals possess deep knowledge of at least one discipline and system, and are also acquainted to other disciplines and systems within an organization, enabling them to better understand many team-oriented projects. A key quality of a T-shaped professional is empathy, the ability to understand individual experiences and learn from these. (ibid.)

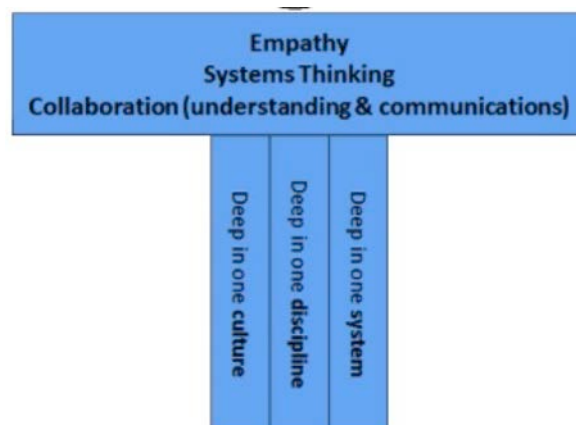


Figure 8-8: The T-shaped professional (CVC, n.d)

The depth and breadth of the Company X as an organization are seen as strengths. This needs to span the entire organization. Consultants are to a higher degree made up of specialists while salesmen lean more towards generalists. They can both however improve in knowing about adjacent areas of the Company X services. There is room for improvement in both depth and breadth. (Sellö)

8.2.2.2 *Company X employee skill survey results*

The results of the survey in figure 8-9 seem to support that there is more specialist skill than generalist skill at Company X. The perceived service level can be interpreted as high overall in CC and ERP. SAP was the only unit to grade provision of skilled after-sales service slightly lower.

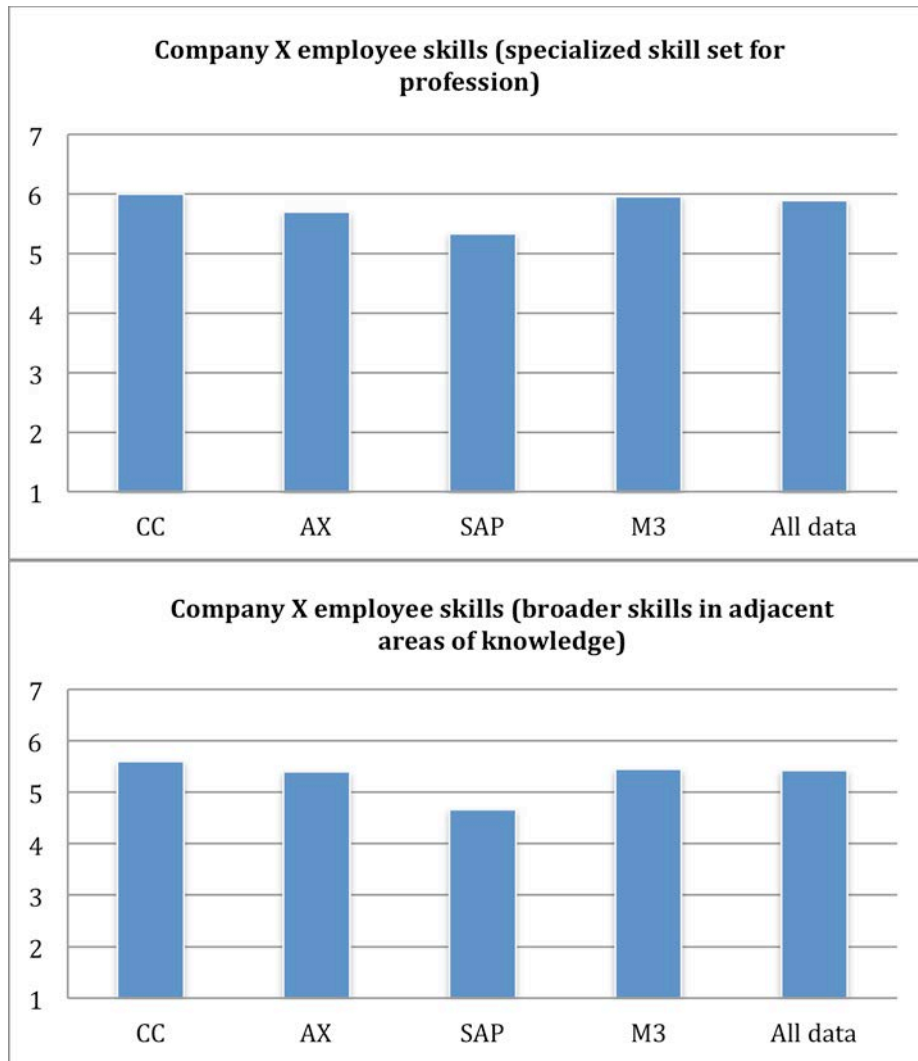


Figure 8-9: Company X specialist skill and Company X generalist skill

8.2.3 R6 - The many-headed customer and the many-headed supplier

One of the initial problems stated at Company X was that the company lacks insight into the different individuals *during the buying process*. There are often good relationships and insights regarding the person in charge of solving a problem at the buying firm, while there is a lack of insight regarding the individuals that either initiate or play some role in decision-making during the buying process. (ibid.)

Buyer persona establishment is prioritized as a future marketing strategy. There is a chain of events within customer firms between different individuals. One individual might identify a problem and ask other individuals for a solution. There is a need to understand at least the person that precedes the problem solver in this chain. (ibid.)

There have been test projects on personas. Sales are planned to incorporate these methods to a higher degree. The goal is to be relevant to all individuals involved in the buying process. This includes both creation of personalized messages to personas and development of the sales function to use this. (ibid.)

The concept of buyer personas is explored further in section 7.2.

8.2.4 R7 - The relationship to the customer's customer

There is generally better awareness of the customer's customer in B2C customer segments, partly because Company X employees can relate from their own personal consumption. B2B awareness could be better. To achieve relevancy there must be understanding of all problems facing the customer. (ibid.)

8.2.5 R8 - The close versus the distant relationship

The importance of closeness to customers was supported by interviews (Sellö, Nätt-Falkäng, Lindwall) as well as the organization-wide survey.

The trend of increased interest in customers can be seen to lead to both increased *distant knowledge* and increased *intimate knowledge*. The former of these has led to increased use of external sources of

marketing and sales support. (Gummesson, 2008 pp. 100-102) This will also be discussed in R29.

The external support that can be seen today at Company X is telemarketing, advertising agencies, financial function support, digital marketing and other services. The goal is to cooperate with partners that are among the best at what they do. (Sellö)

A risk in the use of marketing and sales support is not only to lose direct interaction with customers. Consideration has to be put on which skills may erode internally if there is too much outsourcing of marketing and sales activities. It can be a non-optimal situation to be too dependent on external support. This is a fine balance of internal control versus efficiency. Telemarketing is currently one of the best sources of cross-selling. (ibid.)

Digital communication comes with a risk in that you have to convert anonymous personas to known personas. It is not an optimal outcome to deal with personas that are largely anonymous. Tracking of activities requires either some sort of registration or advanced tracking of personas. The latter comes with the risk of more stringent legislation. Customer attitudes also need to be monitored to avoid dissatisfaction from perceived surveillance. (ibid.)

8.2.6 R9 - The relationship to the dissatisfied customer

Dissatisfied customers have three options. They can *exit*, in other words stop buying products and services or leave for a competitor. They can *voice* their displeasure and demand correction. They can also remain *loyal* due to different reasons like switching costs, lack of alternatives, inertia or ideological reasons. (Hirschman, as cited in Gummesson, 2008 p. 105)

Company X puts great effort in handling projects that have not had optimal outcomes. One example is the offering of free consulting, which may look bad on the balance sheet but nurtures long-term loyalty. (Sellö) *Loyalty, intimacy, flexibility* and *continuity* were mentioned in R1 as keys to the customer relationship. The results of the survey regarding the handling of customer dissatisfaction did have an overall positive result, although some seem to be undecided on whether it is a strength or a weakness of Company X.

8.2.7 R10 – The monopoly relationship

The areas affecting Company X's marketplace that can exhibit monopoly tendencies are right now seen in hardware. Mobile phones are a great example of this. Fewer brands can survive hyper competition. Overall, monopoly or hyper competition is not seen as a problem for Company X's market. (Sellö)

8.2.8 R11 – The customer as 'member'

Customer loyalty programs are not present at Company X. The company is however delivering platforms for these types of engagements. Future relevance can be seen. (Sellö)

8.2.9 R12 - The e-relationship

The digital landscape was primarily observed in chapter 5 and chapter 6. To understand the effects of digital on a value-creating network requires both creativity and perseverance. As technology shifts faster so do the effects on relationships, networks and interactions. There is another side to it however, in that the actual useful effect of IT can be seen as a *slow evolution*. Many new networks and tools appear but the understanding and learning of their utility does not move as fast. (Gummesson, 2008 pp. 120-123)

Digital marketing must be seen as a tool to increase the potential amount of close relationships. Company X must learn about customers via technology but they also need to learn about technology from their customers. (Sellö) It will probably be harder to distinguish the role of CMO and CIO in modern marketing organizations. (Nätt-Falkäng)

8.2.9.1 Balance high tech and high touch

"The more high technology around us, the more the need for human touch" (Naisbitt cited by Gummesson, 2008 p. 125). This is a frequent weakness in IT strategies. Great technology needs to be combined with great human interaction. Technology should not be treated as a substitute to human interaction. It should be treated as a way to increase human contact, some of it in old forms and some of it in newer forms. (Gummesson, 2008 p. 125)

8.2.9.2 *Survey results on digital relationships*

The CC business unit is more digitally active. This was confirmed by interviews (Sellö, Nätt-Falkäng, Lindwall) as well as the organization-wide survey. CC sees more relevance of digital marketing and sales communication, and a higher digital presence of clients. AX provided the highest score among ERP units. The use of social media was low overall between ERP and CC units. Results can be seen in figure 8-10.

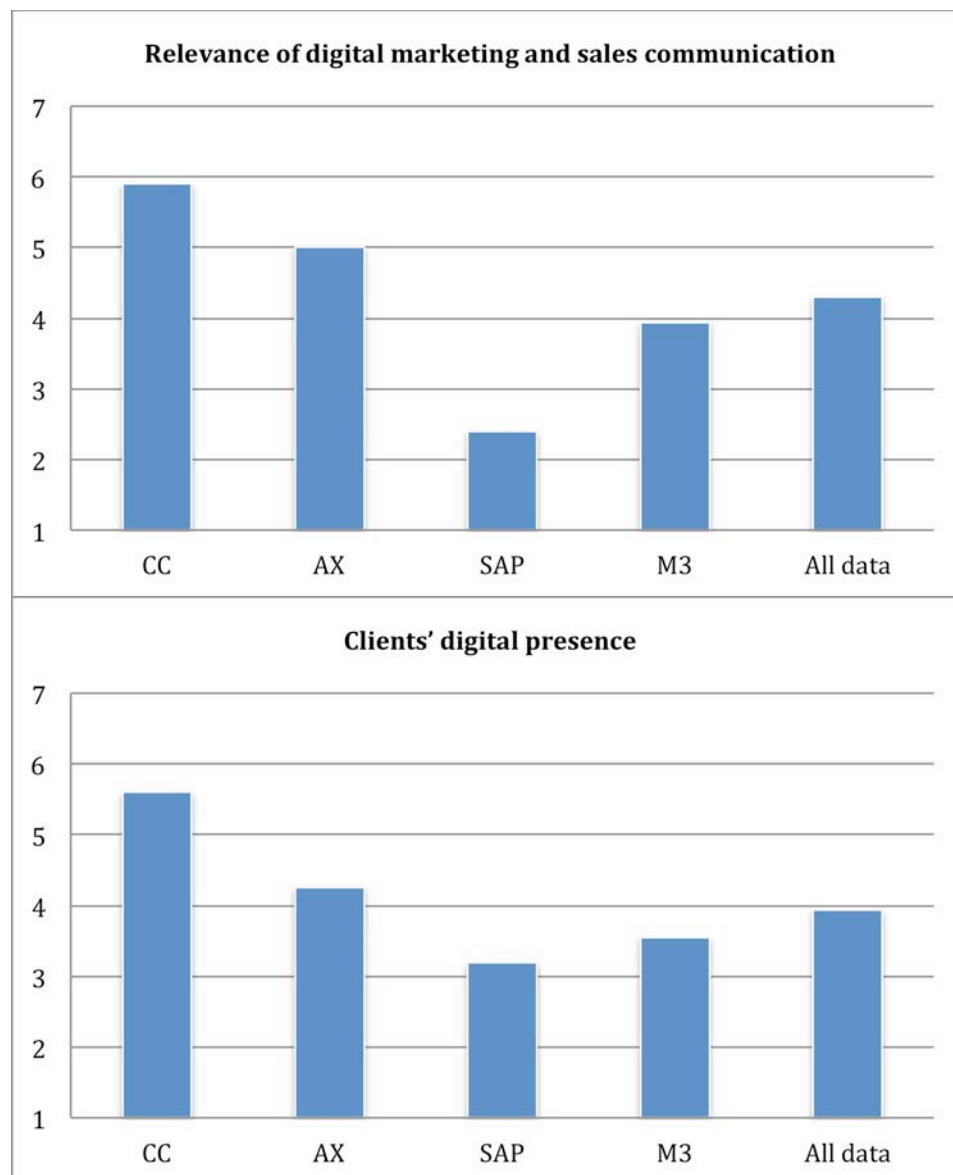


Figure 8-10: Relevancy of digital marketing and sales and customer digital presence

8.2.10 R13 - Parasocial relationships – relationships to brands and objects

The definition of a brand can be seen as the things people say about you when you leave the room. The goal of Company X is to be referred to in terms of loyalty, intimacy, flexibility and continuity. This is present with the long-term clients. These core values are seen as a base for increased brand strength and word of mouth. (Sellö)

One internal belief is that Company X needs to get better at explaining what they do to new audiences. They are very good at what they do, but not as good at telling people about it. The relevancy of marketing needs to increase and also the earlier mentioned ability of marketers to promote other areas of Company X. (Lindwall)

8.2.10.1 *Company X survey results on brand perception and unity of Company X brand*

There are varying answers regarding brand strength and unity of the brand, as seen in figure 8-11. Unity is seen as lower overall and CC and SAP score lower for both statements.

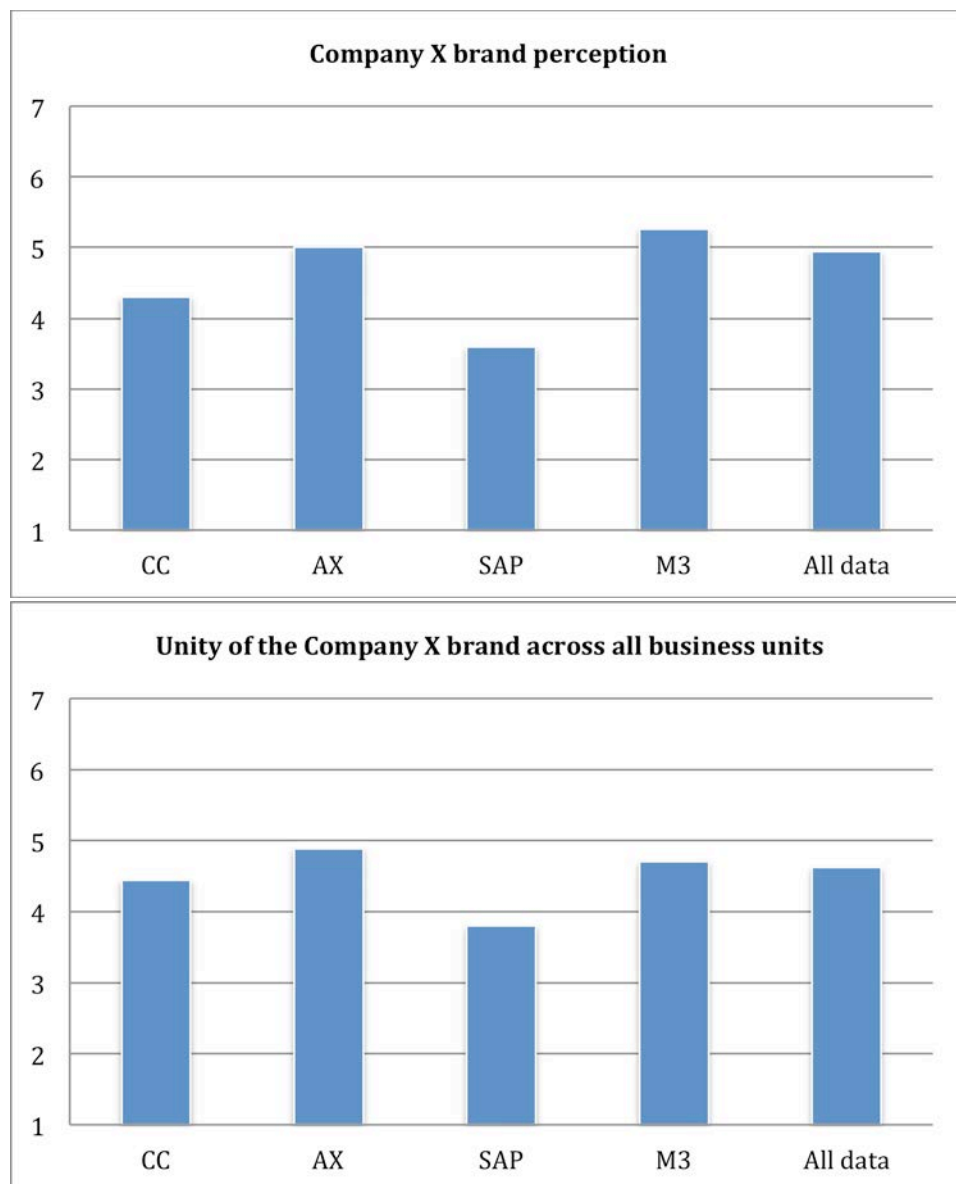


Figure 8-11: Company X brand perception and unity of Company X brand

8.2.11 R14 – The non-commercial relationship

There is not a belief that non-commercial organizations in general are in the forefront of digital marketing. What might be interesting are the methods of political campaigns like the United States presidential campaigns. They are very good at identifying target groups and

using social media in marketing. (Sellö) This is explored in section 7.4.3.1.

8.2.12 R15 – The green relationship and CSR

Even if Company X is not in a particularly sensitive business regarding environment and social responsibility, there is awareness of an increasingly aware business landscape. One recent initiative was conducted where a children's organization received a solution to a reduced price. Company X also purchased Christmas gifts from the same organization. (Sellö)

On the other hand consideration must be put into which type of references are published in marketing channels. Increased awareness means that there more social attitudes to consider in marketing. (Sellö)

8.2.13 R16 - The law-based relationship

The aspects of law that are relevant in the case of Company X marketing are the possible legislation regarding tracking cookies, combined with social attitudes towards online tracking. This is however not understood as a problem that will lead to any significant law-based consequences. (Sellö, Nätt-Falkäng)

8.2.14 R17 – The criminal network

The only aspect of crime that might be relevant in this context is possible hacker attacks, and partners handle all those matters (Sellö)

8.3 Mega relationships

8.3.1 R18 - Personal and social networks

The personal and social networks that are not directly connected to the workplace but in some way enable interaction to spill over into professional relationships are interesting to observe. They can be especially important in times of recession or other threats to business. It can be considered crucial to know ones partners outside of the business equation. (Gummesson, 2008 pp. 173-178)

A problem that stems from the relational prowess in B2B marketing is that personal relationship might sometimes overshadow the professional decision-making.

8.3.1.1 *Personal relations trump professional services*

A problem observed at Company X is when personal relations override professional reasoning. On several occasions, even though the buyer admitted to the fact that Company X offered the best solution, social relations or activities between the buyer and a competitor would lead the buyer to choose or remain with the competitor. (Lindwall)

8.3.2 R19 – Mega marketing – the real ‘customer’ is not always found in the marketplace

One way to promote the Company X brand is to be used as examples from external influencers. A great scenario would be presence in either material from acclaimed research organizations like Gartner or Forrester, or among influential industry individuals. (Sellö)

8.3.3 R20 – Alliances change the market mechanisms

There are different types of strategic alliances to consider. The competitive arena can be split into “*present competitors, potential competitors, competitors that offer substitutes, customers and suppliers*”. These forces translate into strengths and weaknesses, and different possibilities to bargain. This is how different types of alliances might appear. Alliances can be one-off projects or longer strategic alliances. (Gummesson, 2008 p. 184)

Collaboration with competition within Company X was explained in R2. As explained in R1, their entire business idea is based on intimate relationships with suppliers. It was stated in interviews that this way of working is intended to stay for new partnerships (Sellö, Nätt-Falkäng, Lindwall).

8.3.4 R21 - The knowledge relationship

It is not believed that there are different levels of knowledge co-creation across different customer segments across Company X. No segment-specific challenges were mentioned. Technology is a common denominator across all segments. (Sellö)

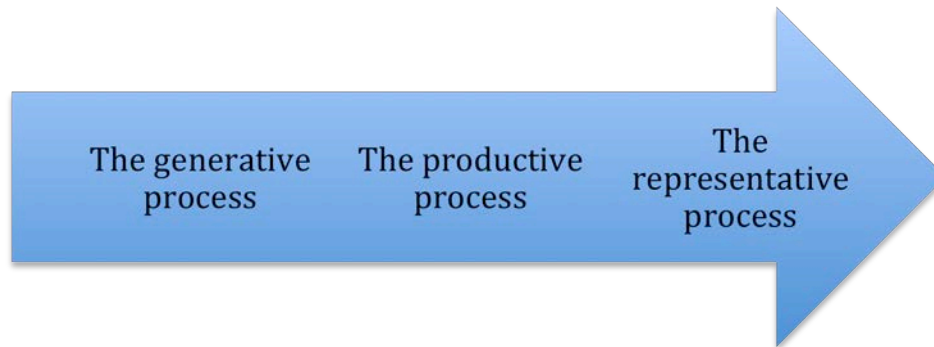


Figure 8-12: Three knowledge processes (Gummesson, 2008 p. 189)

Gummesson (2008 p. 189) mentions three processes of knowledge:

- The *generative* process is where knowledge is created.
- The *productive* process is where value propositions are created from knowledge
- The *representative* process includes the handling of customer relationships.

8.3.5 R22 - Mega alliances change the basic conditions for marketing

An aspect to consider in digital marketing is the political influences on digital marketing. The use of tracking online might meet resistance if there was widespread social awareness of the risks associated with online activities in regards to privacy. (Lindwall)

There will probably be regulations on the use of tracking cookies. Some of it can be seen today. At the same time it is believed that new ways of working online will be found. Supranational regulations on online tracking might present some obstacles, but is not believed to be a major issue moving forward. (Nätt-Falkäng)

8.3.6 R23 - The mass media relationship

PR is an important part of marketing. Company X wants to be present in media. There is some work on trying to create a positive image in mass media today, but more could be done in this area. It

starts with creation of interesting content in the form of relevant articles for example. (Sellö)

There are three angles to consider in mass media relationships (Gummesson, 2008 p. 200):

- The relationship of the own organization and the media.
- The relationship of the media and their audiences
- The relationship of the own organization and the audience of the media.

An increased journalistic approach to content was mentioned in section 5.3.2.

8.4 Nano relationships

8.4.1 R24 - Market mechanisms are brought inside the company

Company X does have independency between business units. Marketing is an area that can be seen as somewhat scattered today. There are aspirations to centralize marketing content through the marketing function to present a unified brand image. (Sellö, Nätt-Falkäng)

Content may be created locally in business units but all external communication should run via or be approved by marketing. Communication of what Company X does well is not always good. It sometimes takes an inside-out character and this needs to be improved. This is not strictly a digital matter. Communication needs to change from the bottom. Even more focus needs to be put on customers' problems. (Nätt-Falkäng)

The internal interviewees seem to agree that there is increased efficiency in having marketing as a centrally controlled function. Marketing should approve all marketing material and salesmen wish to receive complete marketing material to use. (Lindwall, Sellö, Nätt-Falkäng)

8.4.2 R25 - Internal customer relationships

The treatment of customers normally needs to be good. There is however another angle to consider. In order to be able to communicate freely and without prejudice, internal communication needs to carry the same respect as customer communication. The internal customer – the view of one organizational function as another function’s customer – may carry much weight in driving changes in marketing culture. (Gummesson, 2008 pp. 214-215)

Internal communication within Company X is expected to be good, hopefully better than customer communication. The question carries many different layers but the company is currently looking into technology for internal communication. New channels of communication are easier to evaluate internally. It is harder to know the communicative preferences of external customers. (Sellö)

The theory of internal suppliers and internal customers considers both vertical and horizontal interdependencies. Different specialist functions need to abandon silos and work transparently. This also goes for hierarchical divides in vertical communication. (Gummesson, 2008 p. 215)

8.4.2.1 Company X survey results on ability to communicate across all units

The results of the survey regarding ability to communicate across horizontal and vertical boundaries returned a higher score for CC, and the lowest score for SAP, as seen in figure 8-13.

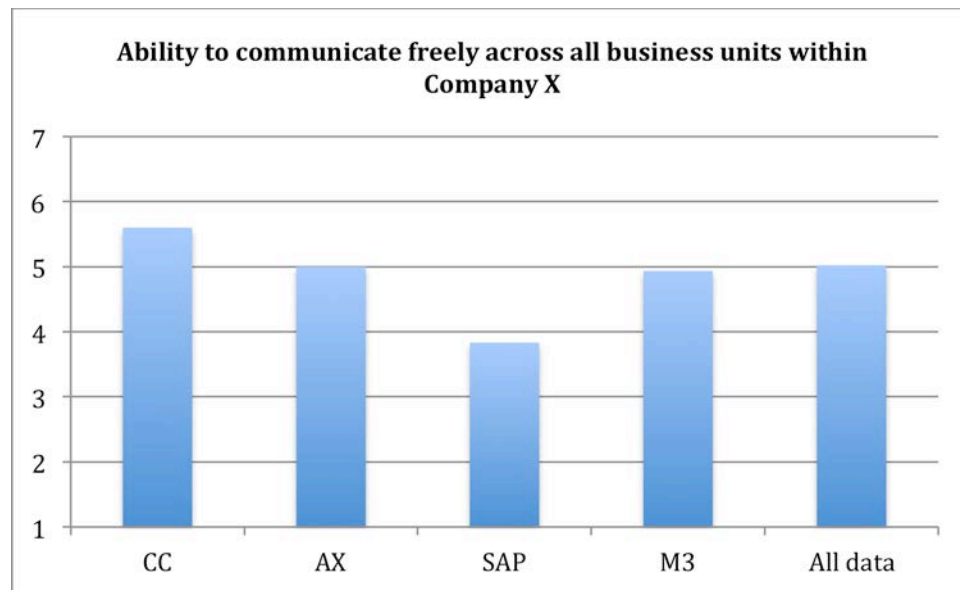


Figure 8-13: Ability to communicate across all units

8.4.3 R26 - Quality and customer interaction – the relationship between operations management and marketing

The offering of Company X was defined earlier, by the goal to ally Company X with the three best suppliers of each business unit, and to be one of the three best partners of each supplier. (Sellö)

Gummesson's theory touches on the relationship of a market-oriented approach to business, versus a technology- or systems-driven approach. The first has the external market and customer as driver for business decision, while the latter focuses on quality in delivery internally. This sometimes leads to decisions on whether to emphasize quality of internal delivery or quality in the eyes of market demand. (Gummesson, 2008 pp. 219-222)

8.4.4 R27 - Internal marketing – relationships with the 'employee market'

Internal marketing regards both strictly internal communication, as well as employees' perception of external marketing. The distinction of what is internal and what is external communication might not be as clear in the digital era. (ibid. pp. 225-226)

The objective of internal marketing is to reinforce what has been discussed in previous relationships. It must be used to eliminate boundaries horizontally between functions and vertically between management and employees. A basic version of internal marketing is to empower front-line service staff in independent representation of the company. This must apply to all functions. “Efficient internal marketing is an antecedent to efficient external marketing” (ibid. p. 226).

Company X is currently developing their internal communication with new technology. A lot of the work goes into creating internally oriented social media. The IT manager has established a good bread and butter base of systems on which to build these new strategies. (Sellö)

One example of an effective combination of internal and external marketing is the publication of the corporate magazine in both print and digital editions. (ibid.)

Yammer has been used internally. At the time of writing this is limited to communication between the marketing and cross commerce units. The marketing manager sees good potential in Yammer to be used for all company-related matters, both everyday matters of the offices as well as information regarding new business. (Nätt-Falkäng)

8.4.5 R28 – The two-dimensional matrix relationship

An area of interest regarding two-dimensional matrix relationships are differences seen in the operation of business units depending on customers segments, as well as the communication of business units’ respective offerings across functions. (Gummesson, 2008 p. 233)

Differentiation of service offerings was not seen as significant. As explained in R21 there is a common denominator in that the *intended delivery* of the Company X value proposition is the same for every customer segment, customized based on their respective markets.(Sellö)

The common thread across internal interviews however, is that communication of the value proposition needs to be adjusted based

on the customers seen across different segments (Sellö, Nätt-Falkäng, Lindwall).

The coordination of marketing to many different audiences is a challenge. Managers must handle a large number of different dynamics. Another challenge lies in giving enough support to other staff to be able to expect superior performance. (Gummesson, 2008 p. 235)

8.4.6 R29 - The relationship to external providers of marketing service

Relationships with external providers of marketing and sales service were discussed in R1, R4 and R8.

There is risk in outsourcing marketing activities while trying to adapt to increasingly inbound marketing of the brand. The external provider needs to understand the overall brand message. This can only be achieved by close relationships between the firm and the external provider of marketing service. (ibid. p. 241)

As mentioned in R8, the goal is to balance efficiency in using skilled third party suppliers of service versus the risk of losing internal skills and control (Sellö).

8.4.6.1 *Company X survey results regarding external marketing support*

The results of the survey in figure 8-14 seem to show that CC and AX are more inclined towards digital marketing. They see a stronger need for support in adopting digital marketing.

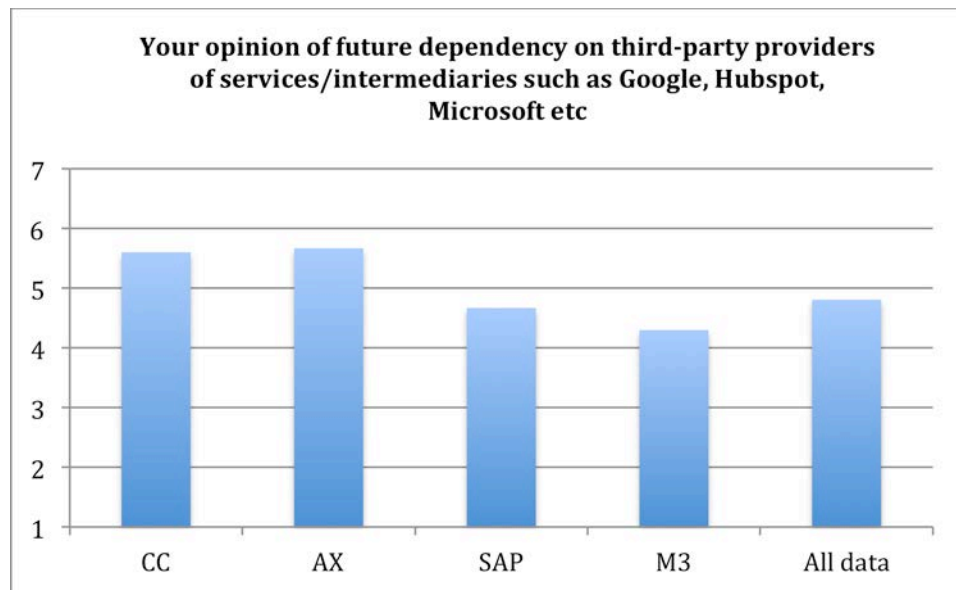


Figure 8-14: The perceived need for third-party marketing support

8.4.7R30 – The owner and financier relationship

The importance of management and owners in marketing is rarely mentioned in literature. As competition and demands on short-term results increase, the importance of financing marketing increases. (Gummesson, 2008 pp. 241-242)

A pattern can be seen where there will be increased need of marketing resources while the importance of traditional sales will lessen. (Sellö)

It is believed that the new marketing unit has started work that is on the right path of modern digital marketing. They are using resources more effectively, which should motivate increased focus on digital marketing. (ibid.)

9 Analysis - Effects of digitalization and changing buyer behavior on marketing relationships

To further understand the complex findings in the empirical chapters, the analysis will follow the empirical chapters and is based on the theoretical framework. Effects of digitalization cover parts of the SWOT analysis, and effects of buyer behavior and buyer insights covers parts of the buyer persona canvas. This enables a logical structure that should be easy to follow for the readers.

9.1 Overview of analysis

The effects of digitalization and changing buyer behavior will be analyzed as explained in section 2.4.3.1. The relevance of digitalization and buyer behavior has been analyzed with collected primary and secondary data.

Table 9-1 summarizes the analysis of each relationship. The analysis is based on all assimilated data and whether effects can be seen from digitalization and changing buyer behavior and buyer insight.

Effects on relationships are noted with checkmarks, while crosses indicate no significant effect on relationships.

The chapter ends with a summary of analysis. This highlights key changes that can be seen across marketing relationships. It also summarizes the effects that have been analyzed as most important given the context of Company X and its industry.

30 Relationships of relationship marketing	Digitaliza tion	Buyer B & I
Classic market relationships		
1. The classic dyad – the relationship between the supplier and the customer	✓	✓
2. The classic triad – the drama of the customer-supplier-competitor triangle	✓	✗
3. The classic network - distribution	✓	✓
Special market relationships		
4. Relationships via full-time marketers and part-time marketers	✓	✓
5. The service encounter – interaction between customers and suppliers	✓	✓
6. The many-headed customer and the many-headed supplier	✓	✓
7. The relationship to the customer's customer	✗	✓
8. The close versus the distant relationship	✓	✓
9. The relationship to the dissatisfied customer	✓	✓
10. The monopoly relationship - customer or supplier as prisoners	✗	✗
11. The customer as "member"	✗	✗
12. The e-relationship	✓	✓
13. Parasocial relationships – relationships to brands and objects	✓	✓
14. The non-commercial relationship	✗	✗
15. The green relationship and CSR	✗	✗
16. The law-based relationship	✗	✗
17. The criminal network	✗	✗
Mega relationships		
18. Personal and social networks	✓	✓
19. Mega marketing - the real "customer" is not always found in the marketplace	✗	✓
20. Alliances change the market mechanisms	✓	✗
21. The knowledge relationship	✓	✓
22. Mega alliances change the basic conditions for marketing	✓	✗
23. The mass media relationship	✓	✓
Nano relationships		
24. Market mechanisms are brought inside the company	✓	✗
25. Internal customer relationships	✓	✓
26. Quality and customer orientation: the relationship between operations management and marketing	✓	✓
27. Internal marketing - relationships with the employee market	✓	✓
28. The two-dimensional matrix relationship	✗	✗
29. The relationship to external providers of marketing services	✓	✓
30. The owner and financier relationship	✓	✗

Table 9-1: The overview of analysis on different relationships.

9.2 Analysis of classic market relationships

9.2.1 R1 - The classic dyad – the relationship between the supplier and the customer

9.2.1.1 R1 - Effects of digitalization

Information is king and collaboration is the kingmaker. Collaboration with information is the only way to ensure that information is spread throughout the organization. This enables a better understanding of the target market and customer.

If the digital relationships with customers are emerging as the most important relationships, there will be an information gap that will act as a hurdle or a barrier. The CRM system, when used correctly, is an effective way of bridging the gap between physical and digital, sales and marketing.

If every action taken with a customer or target is carefully noted in the CRM, the overall intelligence about the customer base will grow. This is particularly important when talking about digital marketing activities since it will not necessarily be the salesmen who are taking action.

Most predictions discussed in this thesis come to the conclusion that the role of the salesman will be changing throughout the upcoming years.

9.2.1.2 R1 - Effects of buyer behavior and buyer insight

The changes in buyer behavior that was discussed in chapter 7 will probably affect Company X during the digital transformation of both the company itself and its current and future buyers.

Company X speaks of specific individuals that with whom close daily relationships are maintained, mostly IT managers. The interpretation of the interviews is that these people carry a lot weight in representing the interests of their company.

With increased digital interaction, the end users of systems may be more involved in future business relationships. It was showed in the survey conducted by Forrester that these individuals will be empowered to play a bigger role in both research and some parts of decision-making.

Companies will also expect increased presence in different channels, which naturally removes part of the buyer interaction from traditional sales meetings. The current transition will probably pose a great challenge in knowing which buyers are digitally mature and which buyers are not.

The usefulness of buyer persona profiles can be seen in the five steps of customer relationship management presented in section 8.1.1.4.

The interpreted desired outcome regarding the relationship between Company X and the customer is to know how increased understanding of digital technology and digital buying behaviors can help in identifying customers, how it can differentiate their marketing, how it can improve dialogue with customers, how it can improve customization and also learning within existing CRM.

The *identification* of customers can be improved by incorporating buyer persona profiling ahead of explicit needs. Urgency was said to be a key indicator in this type of business and it must be captured before it is explicit. This requires engagement of potential customers in their preferred channels, both professional and nonprofessional.

Information might lead to matches regarding existing offerings but also to new opportunities in the marketplace. Identification of many buyers at buyer firms will be discussed in R6.

Differentiation is also helped by not limiting customer interaction to only the business setting. B2B IT companies such as Company X already have close relations to customers, and efforts to improve on customer expectations would need to move beyond the more obvious insights of buyer persona profiling as discussed throughout chapter 7.

One form of *interaction* should not exclude another. The strength of B2B services lie in fewer intimate relationships, and this strength should not, and probably will not, be neglected in favor of automated work for example via online analytics. The key again is to use the information available online to strengthen what is already strong.

There is first mover potential for new forms of B2B interaction to *customize* existing practice depending on customer preference for information and communication.

The continuous *learning* relationship also holds great potential in B2B. The non-explicit insight should be prioritized. A context-dependent issue is what type of persona engagement comes first for both new and old customers.

One expert was adamant that the buyer persona interview should often be the first step from where to build online analytics. This was also supported by much of the literature on persona creation. Just like the actual buyer persona creation, this is probably not possible to standardize for every interaction. If every insight is treated as important the most successful way should become clear in the long-term.

Buyers in B2B should not be constrained by set parameters like professional roles when using buyer personas. The message that will be effective with the IT manager may very well be equally effective with a finance manager, end user or owner. This aspect will also be brought up in R6.

The identifier of a need does not have to be above the problem solver in the organizational hierarchy, and organizations should probably be seen as flat in the buyer persona context.

The outcome of interviews with Company X customers showed that the chosen method was somewhat flawed. The approach generated usable answers but largely failed to capture the human behind the answers.

Personas were created to visualize the methods of persona creation that was suggested by experts and supporting literature. The profiles would be more accurate with a larger number of interviewees along with complementary online research of qualitative and quantitative nature. The profiles show how the basis of these profiles might look, using the buyer persona canvas.

To move away from the expected distinction of professional roles other options are possible based on collected data. The two *complete* personas that were feasible based on interviews are

presented below. Buyer thinking is excluded, as it was not possible to find any real interesting emotional patterns of thinking. The presentation follows the buyer persona canvas, with quotes lifted that were seen to fit the respective personas.

Persona 1 Advisor Anna	
Buyer persona	Anna is an analytical advisor to most purchase processes. Her main areas of responsibility are in advising on systems that are critical to business operation.
Initiatives	“Functionality and technology platforms must be synchronized with the rest of the organization. Systems and processes should not be a sidetrack, it should move forward with the organization.”
Goals	“The company goal is ‘to be easy to do business with’.”
Buying team	“I have had many roles within the buying team. Most of the time I provide advisory expertise but I am also sometimes part of decision making. I can decide on smaller scale decisions. Management and other stakeholders affect decisions.”
Buying process	“Organization/management demands solution for new IT system, expertise, efficiency or to reduce costs. Procurement contacts advisory consultants, optimizes and makes the right decision. It is measured on cost and investment. I am mainly part of evaluation process.”
Timing	“There is no budget planning affecting timing. We take relatively early contact with suppliers”
Channels	<p>“Information is gathered from the Internet, colleagues, and current suppliers. Communication is preferred via mail, at least for initial contact. I seldom have time for calls. I dislike telemarketing. I would rather research company web before contact.”</p> <p>“I can enjoy the information search process, and usually take some time to create my own view of a problem. I attend seminars and user groups. I have no preferences in communicative channels but enjoy face-to-face meetings. I use LinkedIn for social networks related to industry.”</p>
Content and information	“Functionality is key, what does this system solve? Technical platform, outlook is second, does it work in our environment. The third aspect is money, is it too expensive? Is it only compatible with some systems? Do we need to buy more?”
Why buy?	“Unlocking drivers for purchases are price, function, and whether it is a good solution that is compatible, easy to run, manage and own. Long-term cost is important, as well as reliability of supplier”
Buyer thinking	

Table 9-2: Persona 1 from interviews

Persona 2 Decision-maker Dean	
Buyer persona	Dean is a mild-mannered decision maker on purchases. He has many responsibilities in the organization and is usually present in the entire buying process.
Initiatives	<p>“Functionality and technology platforms must be synchronized with the rest of the organization. Systems and processes should not be a sidetrack, it should move forward with the organization.”</p> <p>“Money is not made with initial sale, there should be a life cycle approach. Money is made from services and products during life cycle.”</p>
Goals	“I want to thrive and develop. It is satisfactory to make a decision that might not seem logical at first, but that shows to be the right decision long-term.” “Success at work is to develop individually. Money is secondary”
Buying team	“My role is often to deliver both specifications and make decisions”
Buying process	<p>“A need surfaces in some part of organization, it could be production, management, administration etc. Is this need present in other parts of the organization? The problems that are seen in many parts are prioritized. End users at company should be involved in evaluating available solutions. Evaluation follows. If solution is satisfactory we enter negotiation. I am involved in all parts of the buying process”</p> <p>“There is a sales meeting, which I am often attending. If solution is interesting it is brought to project groups. Decision on further action is then taken. Long-term relationships are preferred due to time needed for supplier to understand business. Different number of people are involved depending on project, smaller IT systems may only involve a couple of individuals.”</p>
Timing	“Do we have relationships with any suppliers that can solve this problem? I sometimes have knowledge of some solution, and I will then contact a supplier directly.”
Channels	“I rarely use online search for initial research, only if specific solution is known. I receive mail regarding solutions, but there is rarely something of use. “
Content and information	“Prices and conditions during life cycle are required. I wants to have ‘termination for convenience’. Transparent information regarding supplier status in market and financial numbers are necessary. References are important. I will find information on supplier websites or via contact before RFI. RFI is made and specific questions are made for supplier to address”
Why buy?	“Supplier needs to show benefits to organization. Obstacles arise if benefits are not clear”
Buyer thinking	

Table 9-3: Persona 2 from interviews

The results still led to somewhat useful suggestions as far as how to move away from judging buyers based on their organizational hierarchy. The data needs follow-up however, to be truly useful.

This realization does not have to be negative as far as results of the study. The results show that there probably cannot be a script to these interactions, as was alluded to in section 4.5.2.

The authors see three clear characteristics of individuals tasked with doing interviews with buyers:

1. They may need some separation from everyday interaction if the interview involves an existing client.
2. They may need prior knowledge of the industry, if not with the particular buyer or buying firm.
3. They need to be skilled enough that they do not have to rely on any form of script. One to three starting questions to build on should be sufficient. This point was frequently repeated by Revella, as discussed in section 7.6.1.3

The above personas represent a move away from judging people solely based on their titles. It also well represents the most obvious common denominator from all interviews. The buyer was either an advisor or a decision-maker or a mix in between depending on scale of contracts.

Next in persona creation is to take it one step further and touch on the personality traits behind these advisors or decision-makers. It should also be noted that the distinction of advisor and decision-maker is related to Company X's initial distinction of problem solver and problem identifier. The problem solver can be an advisor or a decision-maker, as can the problem identifier.

Another clear trait of interviewees was their willingness to share information about business. Age and experience could be identified as a factor in how comfortable interviewees were in developing their stories.

Initiatives and goals of company and individual resulted in good answers. This was also true for the buying process and buying team. Why buyers buy, more in-depth buyer thinking as well as the channels of information and communication, and what content resonates, did not generate as clear answers.

In the context of contribution to the existing relationship between Company X and customer, this could very well be reversed. The insights of buying process and buying team were valuable to the authors as there was no previous experience of these matters.

Buyers are often hard to “read” outside of the professional setting. This was noticed in the buyer interviews that were done. In a first meeting the interviewer will have a hard time understanding personal nuances. The interviewee also shows hesitancy in revealing personal details if there is no prior relationship.

If knowledge on basic business processes were known beforehand, questions could have been asked more directly towards certain attitudes and behaviors, with the intention of capturing buyer reasoning and emotion behind decisions.

Another common denominator was telemarketing. This was seen as negative across all interviews. There was however an insight regarding the approach of telemarketers. Telemarketers who refrain from talking about their market dominance or products could probably be given time. Telemarketers who listen and are satisfied with listening may avoid being dismissed.

Whether in-depth information is shareable to third party marketing and sales support is unclear. This information could be seen as sensitive. This has to be discussed not least for third party telemarketing support. On one hand telemarketers could provide valuable information by asking great questions, but they would also need access to prior knowledge to know where to enter with new questions.

The interviews did not result in enough material for entire profiles regarding the ideas presented below. They will however be presented as suggestions, along with suggestions for methods of engagement with these buyers.

The outgoing person, let us call him “Outgoing Ola”, was very keen on telling stories about company success. His intensity in delivery results in lots of information. This is good, but it also requires skilled breakdown of this information to determine what is most pertinent as complementary information to previous knowledge. This individual will probably gladly share online activity to promote discussion. He can provide valuable insights regarding *differentiation, customization and learning*. His preferred means of contact are assumed as:

- Face-to-face, open discussion about a wide range of topics.
- Interaction in online forums and professional social media like LinkedIn
- “Teleresearch”, or telemarketing with intent to listen and then discuss buyer problems.

“Friend Freddie” is a very close friend to many people at the supplying firm. There may be exclusively private friendship, or that there has been previously shared workplaces. This buyer should probably not be extracted from his close relations. Use of outsourced contacts or excessive monitoring of online activities must not diminish this relationship. Friend Freddie is a great resource when looking to reach other individuals at his firm.

All online activity should be mutually beneficial in that it provides some value to the buyer. Interactions should not start out of the blue. The supplier should know enough about this buyer to present them with content that stimulates further engagement in online channels. The channels of interaction with Friend Freddie should start from whatever works best in the current state.

“Digital Diana” is a relatively young professional. She is not receptive to old marketing techniques such as push-oriented telemarketing. She would probably be receptive to contact in less common B2B forums like Twitter or Facebook, and even to graphical presentations in visual.ly or Pinterest. Her digital ways may educate the supplier in terms of new ways to *identify* potential buyers, and also in terms of *differentiation, customization, interaction and learning* in a *netnographic* setting.

The Coca-Cola rule of 70/20/10 as seen in 6.2.3 could be applied here. Digital Diana may very well be receptive to tests of the last ten percent. These ten percent include untested and experimental methods or applications that are not yet implemented into overall company strategy. The communicative methods should include:

- Face-to-face when there is a clear intent of purchase
- Online discussion on every possible forum that Digital Diana has shown some inclination towards
- Consumption and interaction within Digital Diana's created content online.

The goal of these three subsets of personas was to distinguish them based on Company X's clear statement that there is no need to be where buyers are not present. Close friends should be respected for their preferred communication, outgoing individuals should be interacted with extracting as much information as possible and to let them talk outside of the business interaction, and digital experts should be used for more experimental small-scale trials.

One last interesting persona approach was the "do-it-yourself" type mentioned in the expert interviews. A person of this nature in an online setting could provide many possibilities for interactions. There should be many digital traces left to use for marketing departments. These traces may be connected across owned, earned and paid media.

The interviews with Company X buyers would have had to generate more insights regarding channels, content and information to provide some sort of DIY online researcher persona.

The relationship of supplier and buyer is the whole foundation of buyer insights, but more effects will be discussed below along with effects of digitalization.

9.2.2 R2 - The classic triad – the drama of the customer-supplier-competitor triangle

9.2.2.1 R2 - Effects of digitalization

The analysis of digital presence compared to competitors showed some significant findings. According to the marketing grader score, Company X did well compared to competitors and this is also true for the readability score. This is however no exact science and should be treated likewise.

What is more important is that all four companies analyzed have some challenges left. When talking about either social media or different types of content, none of the four really excel. The digital playing field is open for newcomers.

Some customers are more digitally mature and therefore expect a higher level of digital experience than others who might simply just check the visiting address or other trivial information.

The interesting part here is if Company X might be able to take lead on the digital market. The brand recognition might benefit greatly from this with the new type of B2B buyers. With the new strategy of a unified brand in place, this might actually be a very viable way of accelerating this process.

9.2.2.2 R2 - No effects of buyer behavior and buyer insight

The effects of buyer behavior and how to generate buyer insight were not seen as significant regarding competition. These observations should be observed exclusively for the supplier-buyer relationship.

Knowledge of competition is important and there could be ways to share buyer information to benefit everyone. This is however limited to more basic market knowledge. There should not be any benefits in sharing the type of in-depth information that is the goal of quality persona creation. It is probably also hard to gather intelligence regarding such knowledge from competitors.

9.2.3 R3 - The classic network - distribution

9.2.3.1 R3 - Effects of digitalization

The entry point for the salesman might be totally different in the near future. The need for pre-sales meetings with the main purpose of giving information might already be a thing of the past in some industries. This will put a strain on the whole sales organization if the digital marketing activities cannot make up for it. It is important to mention that this will probably be a continuing transformation over time with very different processes in different industries.

The understanding of this difference and the information about customer segments required can help and it can be carried out through pilot projects for certain early adopters. Some customers might already be expecting this while others might be years away. Information will again be the key factor in this adaptation.

9.2.3.2 R3 - Effects of buyer behavior and buyer insight

The distribution of service definitely has potential to be more efficient if buyer data can help pinpoint where face-to-face interaction is most effective. Some buyers may be more of self-serve nature while others may thrive with direct on-site interaction.

One optimal outcome is that all basic inquiries will be solved ahead of on-site work and that these interactions can focus exclusively on customization to clients' specific needs.

9.3 Analysis of special market relationships

9.3.1 R4 - Relationships via full-time marketers and part-time marketers

9.3.1.1 R4 - Effects of digitalization

The increasing importance of digital marketing and a more well-informed customer requires everyone to have more insight about what the company as a whole offers. The distinction here is part-time marketers and full-time marketers as mentioned in section 8.2.1.

The need for a broader view of marketing is crucial and is also a foundation when going digital. The ambition of increasing cross-sales goes hand in hand with this as well. In order to have a functional

cross-sales mentality, people need information. Digital marketing activities can send the message out for the salesmen to manage.

The previous telemarketing activities also serves this purpose and some interviewees within the company also mentioned this as a foundation in the cross-sales activities. The digital content educates the current and future customer and the customer itself can create cross-sales opportunities with specified interest in several services or products when the contact is made by the salesmen or telemarketing calls. A potential scenario is that the salesman only acts when there is a clear and defined need of a well-informed customer.

9.3.1.2 R4 - Effects of buyer behavior and buyer insight

In the context of buyer persona creation and a strictly inbound setting, part-time marketers could have greater potential to uncover interesting insight. Outside of the interview format, part-time marketers like consultants can interact with buyers in a less formal way. It is not a matter of a person with marketing as first priority interacting with customers. It is rather an opportunity for a part-time marketer to listen and document what has come forward during interaction. This can be used effectively by marketing and sales with the right routines.

9.3.2 R5 - The service encounter – interaction between customers and suppliers

9.3.2.1 R5 - Effects of digitalization

Digital marketing activities can benefit greatly from t-shaped professionals. The questions in the survey regarding specialized skills and broader skills in adjacent areas of knowledge give a better view on this. To be able to identify possible new business and to get a balanced marketing message, a clear understanding of the business as a whole is needed. In this case, some are better at this than others, but the ranks are high in the survey.

The sales funnel in combination with the inbound marketing funnel requires cross-sales activities, and cross-sales activity is what Company X wants to be better at. This goes back to part-time marketers and full-time marketers in R4.

9.3.2.2 R5 - Effects of buyer behavior and buyer insight

Empathy was described as a key component of a T-shaped professional. It can also be seen as the core component in understanding the less obvious thoughts of buyers. The balance that can be seen lies between sufficient knowledge to understand a particular business setting, and enough openness to be able to treat all information as valuable.

Based on interviews and literature, the optimal starting point for persona creation is to combine recurrent interaction and learning with independent research by individuals outside of the day-to-day relationships. The client should dictate whether further research is weighted towards ethnography or netnography. Some are receptive to online interaction while others are more receptive to face-to-face interaction.

The buyer interviews of current customer interviewees gave answers that often reflected a preference for non-digital ways of doing business. The further conclusion that can be drawn from this is that initial interviews probably failed to capture hidden nuances of online behavior with these individuals. This can include how they act in their B2C behavior. Interviews mainly stayed in the B2B sphere. This was not an intention of the interviewers but probably stemmed from expectations of the interviewees. To capture greater insight, greater empathy and interview skill is necessary. If interviews are to be used, this should be a hiring priority.

9.3.3 R6 – The many-headed customer and the many-headed supplier

9.3.3.1 R6 - Effects of digitalization

The sheer number of people involved in a B2B buying decision requires the digital marketing tools to be able to scout for relationships between different people at the same company. This can present a whole picture of what services or products they might be interested in.

Two different professionals might be looking at social media and the company web. One of them is by far more active online, but without a clear focus, and the other is more focused on a single product. They might not be interesting to call or monitor more closely individually, but combined there might be enough specific interest to show that

they might be in a process where they are looking into new alternatives.

To understand that these sales processes are complex in its nature and lack the clear linear pathway associated with many B2C situations is fundamental.

9.3.3.2 R6 - Effects of buyer behavior and buyer insight

To be able to provide as much insight as possible for buyer personas, as many people as possible need to be involved on both sides of the business relationship. This does not necessarily mean that every important individual of every buyer firm needs to be included. It means that buyer research must include enough people to create as many possible stereotypical personas as possible.

On the buyer side, initial research should treat every individual with as little bias as possible. There should not be any pre-determined expectations regarding for example online preference of a young IT manager versus an older finance manager. The multiple individuals of a buyer firm should not be locked to their respective roles in the company. A lower-level end user of one company may be very similar to the CEO of another company.

From the supplier side, every interaction is a possibility for new insight. Management may be able to get insight that is not available to lower-level staff and vice versa. Some information is more available online while some information is more available in a face-to-face context.

The challenge is to know which interactions generate new insight, and how to coordinate this within the company.

Buyer insight is useless if it not communicated properly internally. There needs to be standardized ways of logging all buyer insight into the CRM. Salesmen provide their insight, consultants provide their insights, interviewers provide their insight, and an analytics division must be responsible for all inbound data across all channels. Someone also needs to be responsible for coordinating all these pieces of information into buyer profiles in the CRM.

9.3.4 R7 – The relationship to the customer's customer

9.3.4.1 R7 - No effects of digitalization

Digitalization can create behavioral changes in the customer due to the relationship to the customer's customer, and this knowledge is crucial when doing business. In the early stages of doing business, which is affected by digitalization, this will more likely be something that is not picked up by the tools available today and something that can be added into the same category as other things affecting the mindset of the customer. It will be more a thing of the buyer personas and not directly affected by digitalization.

9.3.4.2 R7 - Effects of buyer behavior and buyer insight

Knowledge of the customer's customer could also include knowledge of preferred communication between these two parties. This is valuable insight to marketing and sales.

Online buyer research may not only be limited to the buyer as a buyer of its supplier's products and services. It could also include their activity as suppliers of their own products and services.

9.3.5 R8 – The close versus the distant relationship

9.3.5.1 R8 - Effects of digitalization

During specific campaigns or during cross-sales activities, the relationship to the customer might be distant if a third party is carrying out the activity. This includes telemarketing activities as well as the automatic analysis of digital activities. The relationships become close only when you act on the information or decide to meet the potential customer.

This can be both negative and positive. It can be positive if all communications are carefully registered with a lot of information about the potential customer and as long as the marketing message is carried out properly. It can however be negative if information gets lost somewhere along the way.

With a marketing automation system, it is possible to hand out the semi-qualified sales calls to a telemarketing organization and act on hot leads. Again, no information can get lost during this process.

If done right this can narrow down the tasks carried out by the salesmen and these resources can be focused on the marketing activities instead and this is also the prediction of the future as mentioned earlier.

9.3.5.2 R8 - Effects of buyer behavior and buyer insight

The problem formulation regarding buyer personas stated that the desired outcome of persona creation was to increase awareness of buyer decisions at an earlier stage in the buying decision process. The need that required a solution has to be identified before it reaches the person in charge of addressing the need.

In the context of relationship intimacy, the question that arises is how firms should generate this information. An all-out online tracking of buyers could compromise intimacy of relationships. Some buyers may be put off by aggressive sales contact after leaving “online traces”.

One way of avoiding this would be to interact in online forums like LinkedIn and use referrals to content. The buyers that were interviewed had some form of membership in online communities regarding their work responsibilities.

The online insight could be followed or preceded by an inquiry for direct contact, in interview format as described in chapter 7. The inquiry should state that there is awareness that this particular company is interested in a particular type of solution.

The initial contact could then be presented as a way to ask about this company’s needs, and how far they have come in their evaluation of such solutions. A listening approach could be followed by a request for repeat contact. The customer gets to speak his mind, and the supplier can deliver on these direct requests.

The goal of personas is to increase closeness to buyers. The wrong approach could tarnish already close relationships. The conducted interviews, presented in R1, are important but remain one piece of a larger puzzle.

9.3.6 R9 – The relationship to the dissatisfied customer

9.3.6.1 R9 - Effects of digitalization

The message from marketing needs to be adjusted to the targeted customer. Everything from a post on social media to what is written on an invoice can be marketing and needs to be carefully planned. One other factor to consider is the readability that needs to be good with a clear understanding of the length expected in certain media. Twitter is well known for its 140 character limit, but other media is expected to be of a certain length as well. The insight in this combined with the right language for its target readers will enable effective communication.

The importance of this will increase with the amount of digital activities carried out. Irrelevant digital content can be frustrating since it clearly shows that these people have not done their homework. A customer might otherwise be dissatisfied with the company as a whole and this is especially true with the aforementioned 'digital citizens' who are valuing what they see online higher than most other people today. Effective internal communication is thus critical to ensure high quality of all external communication.

9.3.6.2 R9 - Effects of buyer behavior and buyer insight

To understand customer dissatisfaction is a matter of *empathy*, understanding of customers' feelings. This involves understanding but also to make an effort to correct negative feelings of customers.

A well-developed buyer persona profile can help avoid further dissatisfaction with customers. Depending on the problem that has arisen, a buyer may be eased by different approaches. One buyer may react positively to a direct visit to clear the situation, while another one may prefer other forms of contact until there is a clear decision on how to solve the problem.

Knowledge of preferred communication channels is an easy first step to maintain good relations in case of dissatisfaction. If the buyer persona profile has captured some inner values of certain buyers this could be of value as well in maintaining a long relationship.

9.3.7 R10 – The monopoly relationship – customer or supplier as prisoners

9.3.7.1 R10 – No effects of digitalization or buyer behavior and buyer insight

The monopoly relationships was not chosen for analysis due to the answer provided by Company X stating that their industry is not showing signs of hyper competition. If existent, this is limited to suppliers that are not crucial to their business model.

9.3.8 R11 – The customer as ‘member’

9.3.8.1 R11 – No effects of digitalization or buyer behavior and buyer insight

The customer as member may very well be important in the digital future, but it was not chosen for analysis within the boundaries of this thesis. Company X did not currently engage in loyalty programs and the overall problem was analyzed in other relationships.

The broader effects of digitalization can affect this relationship, but in the context of Company X this is not the case. Generally speaking however, to access a member site or loyalty program online can affect the desired outcome. It can provide easier access or give back usage information to learn more about the customer.

9.3.9 R12 – The e-relationship

9.3.9.1 R12 - Effects of digitalization

The electronic relationship is one of the most important relationships to analyze and this area is already analyzed to some extent in the other relationships. The timing must be right with every action taken in the e-relationship as mentioned in R9. The lead management system in the marketing automation system is closely connected to the CRM. With a lot of information, there is a possibility of turning lead scoring into predictive analysis.

It might be possible that we will see the possibility for interaction with the right timing, before the potential customer even realizes it is the correct timing. This would implicate that the company could identify targets before the potential customer even has begun to investigate the area further, but with a timing that opens up the relationship in its

early stages. It needs to be carried out professionally though and in a way that does not give the feeling of creepiness.

The different cases of digital presence of Company X's customers however further complicate matters. What might be the accurate timing for a Cross Commerce client might be pushing an ERP client into a competitor's arms. Collaboration and knowledge about the market and the different individuals is of importance.

9.3.9.2 R12 – Effects of buyer behavior and buyer insight

It has been made clear by Company X that there are no current plans to launch digital strategies ahead of customer presence. It can however be a good idea to research customers outside of the B2B relationship. Buyers' personal life preferences may provide good indicators to new solutions that would be appreciated in the professional setting.

In regards to the theory of how high technology needs to be preceded by high touch, Company X has a good starting point in its current business. Every good relationship should be respected for why it works. The digital enhancements should only serve to further please customers. The keywords mentioned by the cross sales manager were loyalty, intimacy, continuity and flexibility. These keywords should be adhered to in all digital strategy.

9.3.10 R13 – Parasocial relationships – relationships to brands and objects

9.3.10.1 R13 - Effects of digitalization

The digital brand identity, as mentioned in R2, can be a viable way of strengthening the parasocial relationships, and also the brand itself. The goal of the Company X brand is to become a trusted advisor and one stop shop to all customer needs regarding business critical systems, as previously mentioned in R1. This can be interpreted in a way that the relationship of Company X and its customers is the actual brand.

How the brand is presented and perceived must correlate. Storytelling will be a great way of expressing this. The story of Company X and its strengths in combination with interesting stories of how their services has helped other customers is fundamental in normal sales and will be of value online as well.

The story of the brand and what the perception of it is among the different business units differ however. Within ERP, SAP views perception as low while M3 rates it higher. M3 is where Company X started and it is to be expected that the brand reputation in this field might be higher.

9.3.10.2 R13 - Effects of buyer behavior and buyer insight

The relationship to the brand may indeed be a critical factor in the buyer's perception of the company. The brand relationship can be a good way of establishing a non-forced interaction when talking to buyers. A firm with a well-established brand can present clear utility in its products and services. When this is clear, the interactions can move past this and focus on more unspoken aspects of *buyer thinking*. The strength of the brand relationship functions to remove barriers of communication. Buyer persona interaction can focus on further increasing brand strength.

9.3.11 R14 – The non-commercial relationship

9.3.11.1 R14 - No effects of digitalization or buyer behavior and buyer insight

The non-commercial relationships were not seen as important to Company X. The formulated question was if there could be anything to learn from non-commercial organizations' marketing. While there may be certain elements of interest, the overall view seemed to be that commercial marketing had made greater advancements. It would also seem that there is commercial intent behind most initiatives of Company X. This relationship is hard to analyze within the parameters of this research.

The non-commercial relationship might be affected by digitalization. It will not however affect the business strategy directly. This will not create new investments or affect the marketing strategy and will not be relevant.

9.3.12 R15 – The green relationship and CSR

9.3.12.1 R15 - No effects of digitalization or buyer behavior and buyer insight

The green relationship or the CSR relationship is equally hard to analyze and not really relevant to further analysis based on interview answers.

The products and services sold are not especially controversial today. It might change in the future and if so, it might be affected by digitalization since digital traces can stay online for a long time. Today, however, this is not the case and this will not be relevant.

9.3.13 R16 – The law-based relationship

9.3.13.1 R16 - No effects of digitalization or buyer behavior and buyer insight

The law-based relationship has to some degree been touched upon in other relationships, regarding the use of online tracking. It is not seen as something that will engage lawyers to a great extent, as the business in itself does not produce any law-sensitive products or services.

The laws governing the business do matter, but it is not the foundation of the business and laws affected by digitalization will not enable or disable the market. The cases where laws matter are discussed in other relationships where a more direct link can be found. This will not be relevant.

9.3.14 R17 – The criminal network

9.3.14.1 R17 - No effects of digitalization or buyer behavior and buyer insight

The criminal network is not analyzed in further detail. This relationship did not generate any workable answers, and the only point of discussion was of cyber attacks. This will not be analyzed further.

The ways of selling products and services are not affected by criminals. They are complex products and services not available in a store just to buy and cannot be traded with illegally. Therefore, this is not relevant.

9.4 Analysis of mega relationships

9.4.1 R18 – Personal and social networks

9.4.1.1 R18 - Effects of digitalization

There are people today who act almost as digital citizens. They live to a large extent online and want to carry out as much as possible of the business deal online before the time of purchase. For these people, a well-managed digital presence can be just as important as a golf- or tennis-buddy can be in face-to-face sales interaction. This is a positive side effect of digital marketing activities. It can attract other types of top clients into sales with a strong brand identity than with other buyers. To match this, people in Company X need to have people who are analytical digital citizens who can understand and act on this type of information, as seen in the DARC framework in section 5.3.2.

9.4.1.2 R18 – Effects of buyer behavior and buyer insight

There should be knowledge of a buyer's preferences online, just as there should be knowledge of a client's favored meeting places or activities in a more traditional business relationship. The digital citizens have a great opportunity to find and interact with potential customers not only in business related forums, but also in forums that are of personal interest. An online relationship that leads to friendship that can spill over into professional cooperation can be seen as untested waters.

If a buyer has had good interaction with a digital citizen of a supplier, he may be aware of this digital citizen's profession and contact him when a need surfaces.

9.4.2 R19 – Mega marketing – the real customer is not always found in the marketplace

9.4.2.1 R19 – No effects of digitalization

In this case, the customer is in the marketplace when talking about the effects of digitalization. There is no case of politicians ruling the decisions in these questions so this will not be relevant.

9.4.2.2 R19 – Effects of buyer behavior and buyer insight

In regards to buyer behavior and buyer insights, there is interest to see where buyers are. This could include what industry influencers they trust for decisions. This was commented on during interviews with Company X. It would be ideal to be seen in credible industry publications. From a buyer persona point of view, buyers should dictate which channels and actors are most pertinent to this exposure.

9.4.3 R20 – Alliances change the market mechanisms

9.4.3.1 R20 – Effects of digitalization

The market credibility given by different partnerships with suppliers such as Microsoft can be a double-edged sword. It can create new business possibilities and thus strengthen the brand image, but it can also base the brand identity and brand recognition on things out of the company's own control and thus create either unholy alliances or a fragile basis of the brand.

9.4.3.2 R20 – No effects of buyer behavior and buyer insight

Alliances will not be analyzed for effects of buyer-supplier power as it not possible to see immediate connections. Again, systems provided by partners may help in research of buyers and these demands may provide some effect on digital applications. The interaction with buyers could be seen as one type of alliance. The co-production of content is a non-official alliance, but this is analyzed for other relationships.

9.4.4 R21 – The knowledge relationship

9.4.4.1 R21 – Effects of digitalization

With LinkedIn and other digital platforms, information educating the customer can be spread. It is possible to track this with automation and this knowledge can be used and spread further into the organization to direct new interesting content into the right places. Knowledge generation and automation is therefore tightly intertwined. With more knowledge, the right decisions will come naturally and greatly benefit both traditional sales and cross-sales since it will be the foundation of lead generation on digital platforms.

9.4.4.2 R21 - Effects of buyer behavior and buyer insight

The tacit and embedded knowledge needed by Company X to be able to offer services of value comes from many relationships with both suppliers and customers. The process of knowledge assimilation, as explained in section 8.3.4, is reflected in the buyer persona creation process.

The buyer's knowledge or interest in pretty much anything will be the leading data in knowledge generation. The productive process will be based on the customer, but connected to the strengths of the supplier as they deliver their value proposition. A well-developed persona base will make easier the continued relationship in the representative process.

9.4.5 R22 – Mega alliances change the basic conditions for marketing

9.4.5.1 R22 – Effects of digitalization

The question is not if, but when there will be new legislation targeting personal information on the web and the use of tracking cookies. The matter is highly complicated and it would be foolish to draw too many conclusions on the very little information that is out there. It is highly unlikely that marketing automation and similar tools will be banned. It might become slightly different though, but successful players like Hubspot will probably respond to this threat immediately.

The development is simply too fast-paced to stop, and it has already gone so far that it would be a political suicide to ban a whole industry. While it requires some thought on what partner will be most suitable for a marketing automation system, it will only be a matter of time before all big players will create something good out of it.

9.4.5.2 R22 – No effects of buyer behavior and buyer insight

There are no new angles to the effects of buyer-supplier power shifts aside from those that were discussed under effects of digitalization. It is hard to determine a specific type of behavior that will affect conditions of online marketing. It is rather an issue of what policy makers believe is suitable for society as a whole.

9.4.6 R23 – The mass media relationship

9.4.6.1 R23 - Effects of digitalization

The media strategy needs to be based on the clear distinction between owned, earned, and paid media, as seen in section 5.1.1.6. This forms converged media and can in this case be used as a way of maximizing the exposure and as a consequence also increasing the number of visitors on the website.

With truly successful paid or owned media, earned media tends to follow. This needs to be based on content with business value. It has to contain information that educates the customer on a certain subject, explains products or services or in other ways builds relationships.

9.4.6.2 R23 - Effects of buyer behavior and buyer insight

The mass media may be part of a buyer's consumption. It is again important to remember that the primary goal of content should be visibility for the intended target. Knowledge of media channels and their influence is crucial.

This repeats the analysis of paid, owned and earned media above. One goal of buyer interaction is to grow earned media.

9.5 Analysis of nano relationships

9.5.1 R24 – Market mechanisms are brought inside the company

9.5.1.1 R24 – Effects of digitalization

Standardized marketing content may not be entirely possible, but the marketing message needs to be standardized. It is not clear where the optimal level of standardization might be, but it is clear that it should be more standardized than it is today.

The opposite way of this would be autonomy of business areas to create their own marketing content. This was encouraged to some degree in the paper on culture of content mentioned in section 5.1.1.6. Company X believes that everything should be run via the marketing function. There is probably some middle ground here depending on the context of each business area.

A certain level of standardization may be based on personas instead of only business area or industry. This requires further investigation to fully understand from the company's perspective. It might be valuable to actually consider alternative ways of carrying this out.

9.5.1.2 R24 – No effects of buyer behavior and buyer insight

The buyer research could be affected if there is a need for more extensive research in some business units. Overall though, there should not be any differences in the approach of increased efforts to capture buyer behavior.

9.5.2 R25 – Internal customer relationships

9.5.2.1 R25 – Effects of digitalization

The integration of CRM and marketing automation in combination with personas can be a challenge. The inbound marketing funnel can however be beneficial in this case. The big difference compared to a normal sales funnel is the integration of marketing automation tools and content marketing. It might be a complementary or an integrated part.

Correct usage can lead to a greater number of sales leads as well as more information about customers that do not qualify into being sales leads at that particular time. In this case, there needs to be a distinction between inbound and outbound, which is not strictly analog or digital as explained in chapter 5.

With an inbound focus and tools for analysis, the internal communication can be streamlined with external communication. Tools such as Yammer are finding their way into organizations and can be of great value in certain cases. A consultant may be at a customer's office, intercepting an internal communication between the staff for the need of for example an E-commerce tool. He can then contact the right individuals within Company X instantly without calling or he can compress the message into an SMS. This might enable the salesman to contact the company with a cross-sales offer with inside information. This is a way of becoming a more relevant partner with the customer.

9.5.2.2 R25 – Effects of buyer behavior and buyer insight

An interesting angle of Gummesson's theory that can be connected to the byer persona profiling is if large companies can have benefit in

treating their “internal customers”, the different business units and individuals that have interdependencies, in the same way as external customers. This may not be feasible due to already time-consuming external profiling, but it is worthy of consideration in the coordination of internal communication.

9.5.3 R26 – Quality and customer orientation: the relationship between operations management and marketing

9.5.3.1 R26 – Effects of digitalization

There might be an interesting effect of digital traces of potential customers. They might not always disclose their need for a certain product or service when contacting them for sales purposes. The question is then if they simply mislead or if they are not inclined to buy at this point. They may skew an expected market-driven approach. Information can be deceptive if it is based on the wrong assumptions.

Some may also dislike the tracking activities carried out in the data gathering processes running in the background of their digital activities.

The level of assimilated data decides the balance of the market-driven approach and the product-driven approach in the context of digital marketing, before focus is put on content.

Company X has a higher potential to increase market and customer focus by partnering with many different suppliers. They still need to deliver great service, but have well-established relations to ensure high quality of delivered products.

9.5.3.2 R26 – Effects of buyer behavior and buyer insight

Analysis of buyer behavior and subsequent buyer persona profiling may lead to a dominant market-driven approach. The question is whether the customer is always right. Information should be evaluated by cross-functional teams to determine where the greatest value of information lies.

It was concluded from buyer persona literature that no information should be discredited in early stages, but that there should be an

iterative process to determine which insights are most valid for buyer personas given the business context.

Buyer personas should make work more efficient. An abundance of data may lead to lower efficiency and limited results of persona usage.

9.5.4 R27 – Internal marketing – relationships with the employee market

9.5.4.1 R27 – Effects of digitalization

Section 5.1.1.6 talked of content culture and the people of content culture as crucial to content marketing success. The evangelism of not just management but all parts of the company must support every initiative. Management should empower employees to dare to take risks, as long as there is control of final output. This is again connected to full-time marketers and part-time marketers.

This approach should be the most effective form of internal marketing. Management leads by example both internally and externally and empowers employees to provide to the overall marketing message.

9.5.4.2 R27 – Effects of buyer behavior and buyer insight

Internal marketing is necessary for new routines to be effective. There needs to be organization-wide buy-in. The people of content culture are also important to organization-wide adoption of increased focus on buyer behavior and buyer insight.

9.5.5 R28 – The two-dimensional matrix relationship

9.5.5.1 No effects of digitalization or buyer behavior and buyer insight

The two-dimensional matrix relationship did not receive interview answers to motivate further research. It can be seen that the concepts of customization across different business units and for specific customers is touched upon in other areas of the research.

The internal organization structure will not be affected by digitalization in this way. Internal roles might be susceptible to change, but it will not induce a massive change in how the company

is organized, not at this level at least. There might be other companies affected by this, but they could be selling other products in other ways.

9.5.6 R29 – The relationship to external providers of marketing services

9.5.6.1 R29 – Effects of digitalization

The marketing message needs to be in place before external partners can affect it, direct or indirect. With partners like marketing agencies, telemarketing companies, or other with a close relationship to the business involved, the sole foundation needs to be in place to avoid getting a diluted marketing message or receiving negative reputation because of faulty guidelines or human errors.

The benefits of outsourcing parts of this can however be vast since the company as a whole can focus on its core activities.

9.5.6.2 R29 – Effects of buyer behavior and buyer insight

External support in regards to buyer research was mentioned earlier. External help may be needed to deal with added complexity of buyer research. This could range from systems necessary to capture buyer insight, to interviews conducted by third party firms.

The sensitivity of information was also discussed. Whether information on buyers is found to be sensitive or not will affect to which degree third party support is used. There may be less if firms keep in-depth information to themselves, and more if data collection is too large a task for the firm to do by itself.

9.5.7 R30 - The owner and financier relationship

9.5.7.1 R30 – Effects of digitalization

The financial resources and how top management evaluates digital investments will ultimately affect the outcome. From the authors' perspective this is not even remotely a problem. All of this is in place because of management decisions.

It is however necessary to point out once more that the resources allocated will need to be constant or growing, even in bad times, since even old activity will be on the Internet for years to come.

Continuity is therefore required to actually strengthen the digital brand identity.

9.5.7.2 R30 – No effects of buyer behavior and buyer insight

More buyer research will need more resources and therefore also affects this relationship. There are no other effects. Since this is largely connected to a full-scale buyer research effort, it is linked to digital resources. There is no additional effect of the supplier-buyer power shift.

9.6 Summary of analysis

Information really is the common denominator for everything that pertains to the power balance of supplier and customer. It is key to every facet of one-to-one marketing, as presented in R1. Information is necessary to:

- Identify new buyers and where they are best reached
- Differentiate offerings to each buyer
- Interact with buyers
- Customize each individual treatment both online and offline
- Continuously learn from buyers

The fact that there are endless new ways to consume and create informative content makes the information power balance very hard to grasp.

There simply is no one great way to success. It is largely about trial and error, where firms that dare to take chances will be rewarded, and firms that take too many chances may be punished for it.

Company X seems to be on the right track with a good foundation via their ERP business. This gives them good flexibility in launching digital strategies without risking adverse negative effects on their revenue stream. When observed through the choices of the R2 relationship, competition or collaboration, there seems to exist a good foundation to take lead on digital initiatives.

When observed through the 70/20/10 rule of Coca-Cola discussed in R8, the 70 percent that are made up “safe strategies” are probably best suited for ERP, while more digitally mature units like Cross Commerce may house in the less secure 30 percent. The digital presence of their clients should allow for more experimentation.

One of the repeated claims of both experts and literature is to dare to treat B2B like B2H or even H2H, like business-to-human or human-to-human. As the information of power changes, so should the actions of suppliers. The customer wishes to be talked to like a human being, not as a target of a non-human product. The importance of distribution of real people participating in real interaction is still great, as seen in R3. This is also reflected in R5 in the context of IT services.

Everyone has their own responsibility in maintaining these human relations, even as the amount of automated and digitalized communication increases. Full-time marketers oversee the bigger picture while part-time marketers provide critical buyer interactions and insights. R4 is indeed one of the more critical special market relationships.

High tech can only go so far without human touch as explained in R12, section 8.2.8.1. The goal of the future digital-minded organization should be to eliminate bottlenecks of information. As the customer becomes more and more informed, bottlenecks are created. Customer expectations rise and firms cannot answer to these expectations if they are not on top of the customer’s information.

To counter this is to be aware of everything that the buyer knows, and everything that the buyer does not know. Every full-time marketer and part-time marketer must be leveraged. Some have invested interest in the firm, while others need to be monitored for their effects on marketing.

Consultants play a key role in both provision and reception of information. Every other part of the organization can be put in situations that affect the brand-associated relationships. Customers, other stakeholders, former employees, and pretty much anyone with any form of interaction that affects the brand image should be

accounted for. To know how they can help is important. All these different actors affect the brand relationship in R13.

Common sense deems full insight an unreachable state, but there should be no fault in aiming for it via continuous iterations of knowledge assimilation. Failure breeds success.

The DARC framework in section 5.3.2 was recommended for future hiring. It might need modification depending on current expertise within the company. It is however a good indicator of new types of roles that are necessary to break out of digital plateaus. External experts can only teach so much. Expertise needs to be in-house.

T-shaped employee hiring, as brought up in R5, is one way to satisfy new needs without hiring a large amount of new individuals. Skilled individuals may be put in positions to coordinate vertical or horizontal intra-firm relationships. New employees may be trained to understand digital concepts or they may be trained in empathy as suggested by Handley in section 5.1.1.7 to produce a more buyer-centric organization.

Communication should not differ depending on hierarchy. If the CEO is the same human as the end user at his company, communication should be equal. Communication should be dictated by human emotion, not expected level of professionalism.

This is connected to R6. B2B service marketing usually includes many actors on both sides. Company X stated a need to gain better understanding of the many people that affect buying decisions. This is the entry point of buyer personas. The authors support the notion that the initial segmentation should be separated from only looking at professional roles.

In the context of provision of business critical systems, the customer's customer of R7 should not be neglected as a potential key part of R6. If the buyer is indeed most important then this should be true for the customer's customer, or the buyer's buyer, as well.

The suggestions for approaches to persona creation, as seen in R1, lead to some basic initial conclusions. It is hard to create great personas based on a few isolated interactions. This does not mean that a few quality interactions are bad. They should be better than

many half-measure interactions. The quantity should lie in the amount of different viewpoints of the buyer. Company X referred to this as the 360-view of all customers.

Whether research starts with qualitative or quantitative measures is hard to tell beforehand. It is dependent on the level of knowledge of each customer. There is a belief by the authors however, that the interview should not be dismissed as a starting point before trying to measure activity and create content online.

The use of different digital channels and social media is a playing field that is wide open and it is the authors' belief that risk will be rewarded. The optimal situation is to have leeway to take these chances. Again, stability in established ERP operation provides Company X with that chance in their current state.

There should not be any pre-determined expectations of what content will resonate or what buyers will say based on their profession. The buyer provides buyer insight, and this insight may not always be accurate for content creation. The process of turning insights to content should include both as many individuals as possible as well as repeat interactions of both digital and non-digital nature.

The use of third party support in any marketing activity, as discussed in R8 and R29, is a delicate balance regarding closeness of relationships. This is relevant to both produced content and buyer insight generation. It is a matter of time and resources versus control.

R18 was reflected in Company X interviews via the presence of strong social relationships affecting professional decision-making. There should be an opportunity in striving for this online with partnerships of digital citizens.

Another way to reach buyers online was discussed in R19. It helps to know what content buyers are influenced by. The goal should be to land as much presence as possible in these channels. This could be professional research papers or less formal social media like the more B2C-oriented Pinterest, to name an up-and-comer observed by the authors in research. Visual media was not mentioned as a priority due to a lack of eye-pleasing products in Company X's industry. The

authors believe however, that visuals such as infographics explaining services are relevant.

While there does not seem to be needs for collaboration with competitors on the key digital strategies there should be continued alliances with the top suppliers, as discussed in R20. This is something that has been observed during the research period as a work in progress from the marketing function.

The knowledge relationship of R21 is not really separable from R1 in the way that it has been analyzed for Company X. Combination of the two flow charts of R1 and R21 in chapter 8 presents an interesting checklist to all insight that is gathered in buyer interactions.

While the concepts of R22 with mega alliances and the future legislation of tracking cookies are highly relevant, it was hard to analyze further for this thesis. The conclusion is that marketing should be fine, as stated by most interviewees.

The balance of different forms of media in R23 should be dictated by the goal of reaching high levels of earned media. This is indeed the goal of digital strategies, to get great content shared across many different channels relevant to business.

The discussion on level of standardization of marketing content was mentioned in R24. This is a matter of autonomy regarding each business units marketing message. The conclusion was that a marketing function control of standardization could start with personas. There could be a lot of work in coordinating this across widely different business areas, but it should not be an insurmountable task.

The effectiveness of this could be connected to R25. In the same way that buyers need to be listened to, so do the internal customers. Marketing should be able to listen to suggestions from business units regarding modifications to messages. Marketing still has the last say, but they need to be open to discussion. This is probably the case at Company X even with increased standardization, as concluded from interviews.

The discussion on market-orientation versus product-orientation in R26 is not entirely obvious. It would seem that increased buyer-centricity should lead to a more market-driven approach. Put too much emphasis on listening however, and the product or service may suffer. It is again important to have skill in-house to do the best possible work with the provided buyer insights.

The most important part of internal marketing in R27 was concluded to be the culture of content and the empowerment of all employees to enable this, not just management.

R29 was mentioned earlier in this summary. Third party support is a tricky parameter to analyze. What can be concluded is that change does not have to mean that one support channel is substituted for another. There may be opportunities in revising approaches of current third party support.

Telemarketing is one example. These supporting agencies may come to be totally separate from any sales engagement. They could be seen as used solely for asking questions and listening. Based on this information, the main firm could take responsibility for all sales contact, including booking of meetings based on high quality information.

There is really not much to conclude regarding the area of owner and financier buy-in in R30. They should support great long-term initiatives, and marketing should be able to present and argue for urgency in digital matters.

The keywords mentioned by Company X in interviews, in relation to the most important relationship of R1, were loyalty, intimacy, continuity and flexibility. These words can be connected to the theoretical framework. Loyalty must be maintained in relationships, intimacy must be increased via buyer-centricity and continuity and flexibility should dictate digital initiatives.

The three chosen blocks of the theoretical framework present interdependencies that may take many different routes. A choice to keep relations mainly as is will limit knowledge of digitalization and new buyer behavior. A hard focus on digitalization may diminish some strong non-digital relationships and personal buyer relationships. All-out focus on in-depth buyer persona research will

require lots of focus on the closeness of relationships and a digital strategy that is even more customer-centric.

10 Conclusions

The concluding chapter presents the effects that have been observed on marketing relationships, as a result of increased digitalization and changing buyer behavior. It also includes recommendations for Company X as well as knowledge-intensive business service firms in general. The chapter ends with academic contribution, general concluding reflections as well as suggested areas of future studies.

10.1 Observed effects and how to address them for KIBS B2B companies

10.1.1 Changes observed

It is very likely that the walls between the marketing department and the sales department will be torn down rapidly in the near future. Marketing will likely be focused on the individual or the persona rather than the industry, and there will be targeting with customized content targeted at the right stage in the selling process. This will eventually be the normal way of conducting marketing activities.

Since this marketing effort requires precise knowledge about the customer or the potential customer, information about different parts of the buying process is needed for the salesman. On the other hand, customers will become more updated and thus require the salesman to be updated on the marketing message in a broader sense.

Collaboration will be the way forward and the CRM system will be the means of communication in many instances. If everybody uses the CRM system at all times, and the marketing automation system fills the CRM system with correct information on a regular basis, this will not be a hassle for anyone.

The personalized view of each buyer will become more integrated into B2B buying and selling. The theoretical balance of power will be weighted back to suppliers who can leverage buyer behavior into buyer insight. These strategies require first an understanding of buyers, followed by an understanding of the internal framework that is required to use this behavior to own benefit.

With the shifts in power balance that is the result of digitalization and increased buyer awareness, companies must use information that is most useful to business benefit. The relationship between operations and marketing is an interesting one to observe as more effort is put on observing and tracking buyers. If firms do not listen to buyers, they run the risk of too much product orientation. If they focus too much on buyers, and do not develop sound strategies to leverage insights, the level of market orientation will probably be too great.

Predictive analysis will be the logical next step in automated lead generation. This can revolutionize the way marketing and sales work. The results that can come from knowing exactly when to contact a lead, and to know exactly what message to use, are limitless. It will most likely become better and better with time, but collaboration between humans and computers to create new opportunities is the future. Marketing and sales could be combined before predictive analysis and probably should be.

When launching digital initiatives, one of the repeated claims of both experts and literature is to dare to treat B2B like B2H or even H2H, like business-to-human or human-to-human. As the information of power changes, so should the actions of suppliers. The customer wishes to be talked to like a human being, not as a target of a non-human product. The importance of distribution of real people participating in real interaction is still great, even in digitally oriented businesses.

10.1.2 Address the change

10.1.2.1 Hiring process

The DARC framework was recommended for future hiring. It might need modification depending on current expertise within the company. It is however a good indicator of new types of roles that are necessary to break out of digital plateaus. External experts can only teach so much. Expertise needs to be in-house.

T-shaped employee hiring, as brought up in R5, is one way to satisfy new needs without hiring a large amount of new individuals. Skilled individuals may be put in positions to coordinate vertical or horizontal intra-firm relationships. New employees may be trained to

understand digital concepts or they may be trained in empathy as suggested by Handley to produce a more buyer-centric organization.

10.1.2.2 *Understand the buyer*

A logical first step is to know the buying organization. The authors assume that most interactions are of many-headed supplier and many-headed customer nature, even if all heads are not present in face-to-face interaction.

The key points of buyer persona creation are summarized below:

- Do not create buyer personas based only on hard data
- Find deeper emotional responses by observing softer behavior and attitudes
- Use qualitative data to paint the picture of the persona, and quantitative data to validate further research into a specific persona based on potential for future volume of interactions.
- Do not disregard information based on pre-determined expectations
- Leverage skill in-house and determine what skills are needed to gather offline insight and online insight.

Similar to the importance of having the right people in the organization is the understanding of personas and how to address them. It is hard to create great personas based on a few isolated interactions. This does not mean that a few quality interactions are bad. They should be better than many half-measure interactions. The quantity should lie in the amount of different viewpoints of the buyer. The long-term goal should be a 360-view of all customers.

To assess the personas in the digital age requires the use of different digital channels and social media. This is a playing field that is wide open and it is the authors' belief that risk will be rewarded. The optimal situation is to have leeway to take these chances. A marketing function control of standardization could start with personas. There could be a lot of work in coordinating this across widely different business areas, but it should not be an insurmountable task.

A common mistake that has been observed during buyer persona research is that firms perform more of a classic segmentation rather than in-depth persona research. They try to create personas based on hard parameters like professional roles.

The goal should be to find out what the buyer really cares about in different parts of the buying process, and what triggers emotional response. There should also be mapping of a buyer's journey from first time customer, to recurring client, to brand advocate.

The specific goal for marketing should be to use buyer personas to create content that resonates, to increase open rate and click-through rate, to promote events and to stimulate dialogue in social media.

The specific goal for salesmen should be to reach a state where sales meetings start from the end point of the buyer's knowledge. The buyer will feel respected for his own collected insight, and the salesmen will know what to present and how to present it. It starts with the buyer and his needs.

Another important first step is to be aware of all knowledge that is in-house about a particular buyer. There may not have been any professional interactions firm-to-firm, but there may be other experience in-house of the intended target. This is related to correct coordination of full-time marketers and part-time marketers.

The optimal research of buyers to create buyer personas combines qualitative and quantitative insight. It should depend on context whether research starts out qualitative or quantitative. The goal is to create a predictive model rooted in specific behavior and attitudes across a range of buyers, represented in the persona.

The quantitative data should validate the qualitative data based on volume of interactions. Examples of combinations of qualitative and quantitative insight could be:

- Where do buyers go for information? How often do they go there?

-
- Where do buyers communicate? When do they communicate there?
 - What is the buyer's attitude towards mobile solutions? How much of their consumed content is mobile?

There are threats in dismissing either qualitative or quantitative insight.

To only look at qualitative insight runs the risk of launching into initiatives that are only relevant to a very small audience. It could also lead to large amounts of soft data to process. This might lead to marketers creating their own marketing wording, even though the goal of personas is to use the buyers' words.

By only looking at quantitative data, there is a risk to fall into basic segmentation. The person behind the data goes missing. There is knowledge of the topics of discussion among buyers, but limited knowledge regarding why they are talking about these matters.

The opportunity in leveraging both quantitative and qualitative insight is to get a 360 degree view of buyers, to be used in dynamic content that starts in search engine result pages or social media pages, and leads to the website or landing page as the intended marketing hub.

To realize the combination of quantitative and qualitative insights requires coordinated marketing efforts:

- Currently strong relationships need to be leveraged
- The coordination of FTM and PTM insights is critical
- The knowledge of interdependencies between many heads at the buying firm needs to be sufficient

Skilled interviewers are needed if more interviews are to be conducted. There needs to be anthropological skill with the interviewers. Their skill should be high enough to reduce the need for scripts.

Digital citizens are needed to scout the web for trends, and to interact with other digital citizens on topics regarding both business

and other areas. They should be skilled in seeing connections of social media and search, and they should be active in many different social media and forums. This will increase their value as resources in finding the right keywords, especially in the long tail.

The usefulness of personas is dependent on real-time assimilation and use of data. There should be a content manager and maybe even a buyer persona manager, if this is not handled efficiently by other roles of the marketing function. To make them separate roles should make possible more focused work.

The marketing function needs to enable internal communication on buyer insight, for everyone with buyer contact. The CRM should incorporate this data to be used in all marketing and sales initiatives. Individuals that are not immediately relevant for purchases may be assimilated to create more general audience personas, as mentioned by Zambito in chapter 7. This is relevant for example when searching the Internet for trends that indirectly affect the core business.

10.1.2.3 Content creation

There should not be any pre-determined expectations of what content will resonate or what buyers will say based on their profession. The buyer provides buyer insight, and this insight may not always be accurate for content creation. The process of turning insights to content should include both as many individuals as possible as well as repeat interactions of both digital and non-digital nature.

Another way to reach buyers online was discussed in R19. It helps to know what content buyers are influenced by. The goal should be to land as much presence as possible in these channels. This could be professional research papers or less formal social media like the more B2C-oriented Pinterest, to name an up-and-comer observed by the authors in research. The authors believe that visuals such as infographics to explain services are relevant.

The most important part of internal marketing in R27 was concluded to be the culture of content and the empowerment of all employees to enable this, not just management. To achieve this as well as the external initiatives, management should support great long-term initiatives, and marketing should be able to present and argue for urgency in digital matters.

The combination of digital marketing initiatives with content marketing is in itself nothing new, but the combination of content marketing and marketing automation is more recent. There should be focus on a content strategy with clear guidelines internally, and close monitoring of everything. If it cannot be traced, it is not worth doing as a part of marketing automation and digital sales business.

The combination of utility, inspiration, and empathy mentioned by Handley has been proven to create the right mindset in the content creation process. The different customer groups are reacting the same to content, thus there is a need to apply the right personas to the right content, constantly. With data driven analysis of the marketing automation data, matched with iteratively improved personas, this can be done easily.

What content marketing will be in the future is hard to predict, but it is very likely that video and audio will be popular in upcoming years. Regardless of content platform though, storytelling can be a vital part of a content strategy. Storytelling is not a new phenomenon but with all new marketing channels available, it has become a way of attracting more customers with ads. In the B2C market, it is already present but good examples in the B2B market are infrequent.

Cisco has built a storytelling portal with social media, video and much more. All articles, videos and other content are constructed to create the same feelings as the five stages in Freytag's pyramid. What content marketing will be in the future is hard to predict, but it is very likely that video and audio will be popular in upcoming years.

The Google algorithms are rapidly shifting and it is hard to tell if anyone will benefit from trying to beat the algorithms. The easy things to consider in SEO can still be practiced as long as it serves the purpose. Quality content should be prioritized to create a content culture and a culture of sharing content between channels and individuals. Analysis of marketing automation data into what customers want and like, including long tail observations, should be included. This merges content marketing and SEO.

Digital content educates the current customer, and if the customer finds something interesting, they might talk to suppliers directly about it or talk internally so that consultants may join the conversation. The

understanding of different marketing roles in combination with outsourced tasks can be a killer combination in creating an efficient sales organization in the 21st century and thus enhance cross-sales activities.

Quality content should be prioritized to create a content culture and a culture of sharing content between channels and individuals. Analysis of marketing automation data into what customers want and like including long tail observations should be included. This merges content marketing and SEO.

The differences between buyer groups can be enormous. In chapter 5, the groups called “B2B Social Buyer” and “Traditional buyer” valued the opposite of each other when it came to marketing activities. Blogs and social media ranked high among B2B social buyers and seminars and sales calls ranked high among traditional buyers. The quota between the groups will likely shift towards more B2B social buyers in time and the company needs to be prepared and already up and running with this in order to grow in market shares within these groups. The traditional buyers can however not be forgotten during this transition.

10.1.2.4 *Brand management*

The usage of different brand names towards customers instead of a unified brand name has caused some confusion in many cases in the past. With the new strategy of using a unified brand name in place, the brand will see increased strength. A strong brand name is necessary to attract customers to digital channels, but it is also important in cross-sales with current customers. If one key objective with a unified brand is to increase sales, then it will also be a part of increasing the transparency regarding information.

Digital traces are another thing to consider. One key feature of inbound marketing is the massive sharing of information – many to many. All activities carried out online will remain online, in some form, for a long time. Companies need to be prepared for this and think things through. A customer that might not be controversial today may be controversial in as little as 10 years time.

10.1.2.5 *Cross-sales activities*

The sole purpose of both inbound and outbound marketing is to sell and, depending on the organization, the methods of choice for this

may vary independently. The sales activities are affected by digitalization, but not determined by it. Digital sales and marketing channels can be portrayed as the electrical grid. The light bulb will not shine until someone at the other end generates electricity. An effective sales organization requires effort. Digital activities can expand your market, the product mix, or other things relevant, but it requires someone to do the hard work despite automation.

The purpose of marketing is sales and the sales organization relies on the marketing department to some extent. This is basically the same within every industry, but with the digital era in the offing, the need for synchronization is huge. Every salesman should know about marketing and work tightly with marketing and vice versa. All people with customer contact should know the marketing message and know about the product mix and not leave the salesman high and dry.

Marketing needs to leverage both part-time marketers and full-time marketers. Part-time marketers, especially those with frequent customer contact, are especially important.

Digitalization enables more people to be updated on the product mix, the competition, the company, and the customer base. The customer can take an active part and search the web for information. The consultant can market products. The competitors can, by mistake, market another company's products, and the product mix become public.

The usage of outsourced sales partners is also a very important source of cross-sales, especially in combination with digital lead generation.

10.2 Recommendation to Company X

The changing marketing landscape seen by Company X seems to be addressed correctly, with a good foundation via their ERP business. This gives them good flexibility in launching digital strategies without risking adverse negative effects on their revenue stream. When observed through the choices of the R2 relationship, competition or collaboration, there seems to exist a good foundation to take lead on digital initiatives.

10.2.1 Strengthen the brand

If one key objective with a unified brand is to increase sales, then it will also be a part of increasing the transparency regarding information. While conducting interviews, it became clear that the interviewees thought that the Company X brand would be much more widely recognized in about five years. It is perfectly logical as well if we talk about the digital transformation of business that it is unlikely to take less than five years.

While conducting interviews, it became clear that the interviewees thought that the Company X brand would be much more widely recognized in about five years. The content published must be easily connected with the brand in order to succeed. Buyers might end up buying Microsoft AX, but they might not buy it from Company X.

Company X should continue with its current redevelopment and be more present online, especially in social networks, to better reflect its size and market position. Although some of the customer base might not value a strong digital brand image, some will do and the verdict of these individuals can be quite harsh if the digital content is lacking. Correct procedures will affect the success of the digital initiatives currently in action and strengthen the brand.

While the majority of the customers today would not be even close to be controversial, some are closer than others and things can change rapidly. There are other things to consider when building the brand but this is one example worth consideration. The entire business can be at risk if no adaption takes place. Correct procedures will affect the success of the digital initiatives currently in action and work to strengthen the brand.

The content published must be easily connected with the brand in order to succeed. Buyers might end up buying Microsoft AX, but they might not buy it from Company X. The digital traces are equally important on a long-term basis. The internal communication needs to be thorough in order to avoid mishaps and things like publishing secret documents online or disclosing customers who want to be anonymous.

10.2.2 Merge content and SEO

The future of SEO is even harder to predict. If Google is the search engine to be optimized for, then SEO might be something completely different in a few years. The easy things to consider in SEO can still be practiced as long as it serves the purpose. Google wants users to search for good content, not optimized-to-the-search-engine content. The target for Company X should be to optimize the content in each channel and link the content between channels. A way of optimizing the content can be both by making it more interesting, and by looking at the long tail.

10.2.3 Enhance cross-sales activities

The ambition of cross-sales within Company X is right on target with what the challenges of digitalization require.

Digital content also educates the current customer, and if the customer finds something interesting, they might talk to suppliers directly about it or talk internally so that consultants may join the conversation. Even if no one from Company X is present, it is still marketing and a cross-sales channel

10.2.4 Buyer insight

The keys to buyer insight are presented in section 10.1.2.2. The B2B and B2C buyer will probably converge towards a more general and personal buyer. The overall approach to buyer insight should be in line with this development regardless of industry, with adjustments for certain industry-specific context.

Company X is good at addressing problem solvers in their marketing, sales and operations. They are not as good in addressing a need before it reaches the problem solver. This was stated during initial meetings and interviews with Company X.

The person that identifies the need has to be identified and interacted with. This person needs to find value in differentiation and customization of Company X, and Company X needs to use this person in a continuous learning relationship.

Market segmentation could be useful in combination with persona research, but it should not dictate set parameters for the persona research. Personas are created by observing more specific behavior

and attitudes in a target group. The goal is to create a fictive archetype from many real individual interactions.

The overall goal of Company X should be to use buyer insight to reach a state of thought leadership. Insights should not entirely dictate product or service development but it should dictate how overall industry knowledge is presented in marketing content. This is reflected in the wish of Company X to become a trusted advisor of clients. This starts with the buyer and the buyer's needs.

Company X needs enough knowledge to map interdependencies within potential client firms. The authors assume that most interactions are of many-headed supplier and many-headed customer nature, even if all heads are not present in face-to-face interaction.

10.2.5 Academic contribution

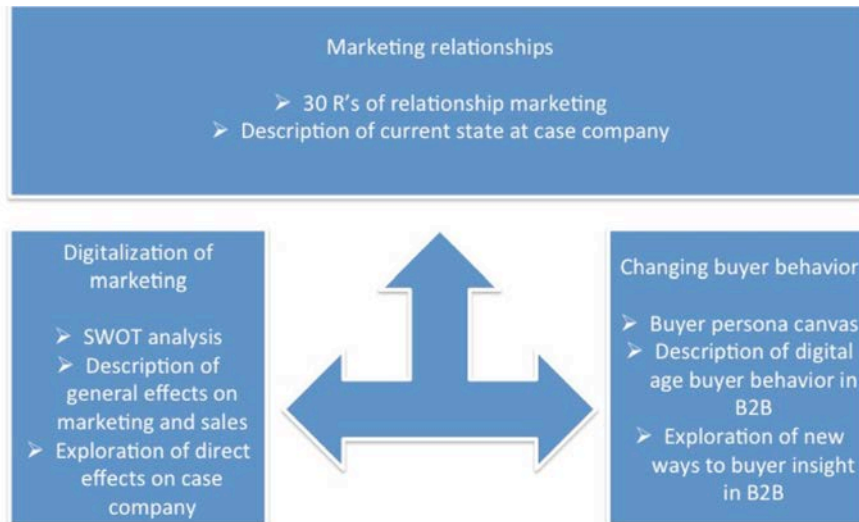


Figure 10-1: Summarized theoretical framework

The academic contribution of this thesis is mainly rooted in the goal to provide a theoretical framework, figure 10-1, that captured every block of the proposed problem definition. This is further developed into a checkbox table for each relationship as seen in table 10-1.

The relational strength of B2B was considered via use of extensive relational analysis. Not every relationship is important to the context of B2B IT consultancy, but the idea of observing historical developments and the current state of business requires a holistic view of complex B2B relationships.

The choice of a SWOT model to assess aspects of digitalization had the reverse logic. The scenarios for digital implementation are less clear and thus motivated a more open model.

The research of buyer behavior and buyer insight had many existing models for inspiration. Zambito's buyer persona canvas provided a simple overview of insight that is important to persona creation. While other approaches, like Revella's, were more open they also made research more complex and was therefore not chosen for this study.

The application of the presented framework is not limited to B2B. It was discussed in chapter 7 the possibility of a future buyer that will be very much the same buyer regardless of whether he is in his

professional B2B setting or his B2C setting. The same emotions can be captured if the buyer is fully understood regarding which relationships affect the buyer most, which behaviors the buyer tends to exhibit and where the buyer can be interacted with digitally.

The authors believe that the presented framework provides a good intersection of assessing relational strength in B2B and B2C, the ability to grade strengths and weaknesses as well as opportunities and threats in digitalization, and lastly the level of current buyer insight. The models are secondary and may be modified, but the choice to observe relationships, digitalization and more in-depth buyer behavior should provide a holistic view for similar studies.

The theoretical divide between B2B and B2C will be more or less eliminated. Methods and theories from B2C will become more applicable in B2B as an effect of the increased digitalization and changing buyer behavior. High tech can only go so far without human touch. The goal of the future digital-minded organization should be to eliminate bottlenecks of information. As the customer becomes more and more informed, bottlenecks are created. Customer expectations rise and firms cannot answer to these expectations if they are not on top of the customer's information.

30 Relationships of relationship marketing	Digitalization	Buyer behavior and buyer insight
Classic market relationships		
1. The classic dyad - the relationship between the supplier and the customer	<input type="checkbox"/>	<input type="checkbox"/>
2. The classic triad - the drama of the customer-supplier-competitor triangle	<input type="checkbox"/>	<input type="checkbox"/>
3. The classic network - distribution	<input type="checkbox"/>	<input type="checkbox"/>
Special market relationships		
4. Relationships via full-time marketers and part-time marketers	<input type="checkbox"/>	<input type="checkbox"/>
5. The service encounter - interaction between customers and suppliers	<input type="checkbox"/>	<input type="checkbox"/>
6. The many-headed customer and the many-headed supplier	<input type="checkbox"/>	<input type="checkbox"/>
7. The relationship to the customer's customer	<input type="checkbox"/>	<input type="checkbox"/>
8. The close versus the distant relationship	<input type="checkbox"/>	<input type="checkbox"/>
9. The relationship to the dissatisfied customer	<input type="checkbox"/>	<input type="checkbox"/>
10. The monopoly relationship - customer or supplier as prisoners	<input type="checkbox"/>	<input type="checkbox"/>
11. The customer as "member"	<input type="checkbox"/>	<input type="checkbox"/>
12. The e-relationship	<input type="checkbox"/>	<input type="checkbox"/>
13. Parasocial relationships - relationships to brands and objects	<input type="checkbox"/>	<input type="checkbox"/>
14. The non-commercial relationship	<input type="checkbox"/>	<input type="checkbox"/>
15. The green relationship and CSR	<input type="checkbox"/>	<input type="checkbox"/>
16. The law-based relationship	<input type="checkbox"/>	<input type="checkbox"/>
17. The criminal network	<input type="checkbox"/>	<input type="checkbox"/>
Mega relationships		
18. Personal and social networks	<input type="checkbox"/>	<input type="checkbox"/>
19. Mega marketing - the real "customer" is not always found in the marketplace	<input type="checkbox"/>	<input type="checkbox"/>
20. Alliances change the market mechanisms	<input type="checkbox"/>	<input type="checkbox"/>
21. The knowledge relationship	<input type="checkbox"/>	<input type="checkbox"/>
22. Mega alliances change the basic conditions for marketing	<input type="checkbox"/>	<input type="checkbox"/>
23. The mass media relationship	<input type="checkbox"/>	<input type="checkbox"/>
Nano relationships		
24. Market mechanisms are brought inside the company	<input type="checkbox"/>	<input type="checkbox"/>
25. Internal customer relationships	<input type="checkbox"/>	<input type="checkbox"/>
26. Quality and customer orientation: the relationship between operations management and marketing	<input type="checkbox"/>	<input type="checkbox"/>
27. Internal marketing - relationships with the employee market	<input type="checkbox"/>	<input type="checkbox"/>
28. The two-dimensional matrix relationship	<input type="checkbox"/>	<input type="checkbox"/>
29. The relationship to external providers of marketing services	<input type="checkbox"/>	<input type="checkbox"/>
30. The owner and financier relationship	<input type="checkbox"/>	<input type="checkbox"/>

Table 10-1: The overview of analysis on different relationships.

10.3 Reflections

The authors believe that the provided framework will provide an interesting view of the convergence of B2B relationship marketing with new digital concepts and more information-aware buyers. It should be applicable for Company X as well as other actors in the industry had a similar study been conducted with a different research object. It should also be applicable to B2B in general and to some degree to B2C, given that the theory of relationships is also relevant to B2C.

B2B was seen as heading towards B2H or H2H. It can be expected that the goal of B2C is to move towards H2H as well. The distinction of B2B and B2C will have lessened impact regarding supplier-buyer communication in the future.

This thesis has not gone into recommending direct strategies or providers of digital marketing tools. The goal was to explore and find interesting angles on the problem definition that hopefully could provide some interesting insights at Company X.

It has been understood that work has been ongoing at Company X to establish a digital strategy. This led to some revisions of the author's approach to create a more generally applicable model. This can be used both to review work that has been done, as well as future initiatives.

The goal has been to provide thorough enough research, followed by recommendations, to enable further research at Company X. The positive aspect of this is that there are many potential different viewpoints to be drawn from a similar framework in future studies.

With the shifts in power balance that is the result of digitalization and increased buyer awareness, companies must use information that is most useful to business benefit. The relationship between operations and marketing is an interesting one to observe as more effort is put on observing and tracking buyers. If firms do not listen to buyers, they run the risk of too much product orientation. If they focus too much on buyers, and do not develop sound strategies to leverage insights, the level of market orientation will probably be too great.

To succeed in this requires organization-wide buy-in, and a company culture that promotes increased efforts into digitalized buyer interaction. The challenge that can be seen right now is to know the level of initiative depending on buyer maturity. A buyer that is not yet digitally inclined should probably not be interacted with in digital channels. A buyer that is very digitally inclined may be a good test pilot for initial strategies. Long-term consistency, as well as the replacement of the old generation with the new should eventually even out digital maturity among buyers.

It was understood at the midway point of research that some of the intended interviewees would be reluctant to participate in interviews due to concerns regarding competition. Had this been known beforehand, the authors may have aimed more broadly in finding interviewees to avoid conflicts of privileged information.

It would have been preferable to get more different views of digital marketing and buyer behavior from interviewed experts, but the combined use of many different sources led to many interesting insights.

While the theoretical models and theories provided a good framework for research, the scope of relationships could be seen as somewhat broad given the time frame. The work on this thesis was planned for 20 weeks of full-time work. Revisions led to some extra time spent in the initial phase.

The *objectivity* of analysis is dependent on the researchers' background, their values, beliefs and eventual biases. Given the complexity of the research model some form of subjectivity is present. The goal was to listen to a lot of sources before shaping opinions. This is a skill that is mentioned as part of the research on buyer behavior and buyer insight. If fewer sources had been used prior to analysis, there may have been a greater degree of subjectivity present.

The other side of this is the *reliability* of analyzed data. The greater the amount of sources, the less probable a similar outcome of research will be. This is not a problem in this context as the theoretical framework encourages many iterations of research across different industries.

The *validity* of research was supported by lots of scrutinizing of data. If less credible sources were used to support theories, more triangulation was used to validate its relevance to research. Logbooks were kept of research methods, their outcomes, and of all data that was not immediately applicable to the framework. The latter would sometimes provide interesting angles to use in later interviews.

The supervisor at Lund University provided continuous feedback to maintain validity in research. This was especially crucial in the establishment of the theoretical framework, as well as in the last stages of research as the amount of information and time spent on research offered some degree of “home blindness”.

The way ahead is a slate wiped clean. Bad decisions in the past, or mistakes done are the foundation of an even better strategy for the company in the future. “Tomorrow is always fresh, with no mistakes in it yet” (Montgomery, 1908).

10.4 Future studies

It would be interesting to look into the following research questions to go deeper into the subject.

- Will predictive analysis in lead generation be a disruptive technology killing off dinosaurs who will not adapt?
- Are the thirty relationships in relationship marketing sufficient for explaining the processes affected directly by digitalization without the support of other theories and models or does it need to be updated?
- What will the long-term effects of buyer behavior be in the increasing understanding of digital traces that can be put together into a buying decision before your own brain or organization has understood it?
- What is the best strategy when creating personas, and what data is most important to be able to impose the right choices on sales and marketing staff?

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12 Appendix A - The direct effects of digitalization

This interview guide was used in interviews with Company X regarding direct effects of digitalization on their business areas. Some questions are reflected in relationships seen in Appendix C. This is due to overlap between theories in the theoretical framework.

12.1 Company internal environment

1. What can be said about the loyalty of the current customer base?
2. Are there mainly returning customers or mainly new or a balance in between, tell us?
3. Do you know how the Company X brand is perceived among potential customers and its trend?
4. What technological systems or knowledge in the Company X organization can be seen as strengths?
5. What technological systems or knowledge in the Company X organization are lacking and shows an organizational weakness?
6. What channels are you currently operating on (social media etc)?
7. How is information shared and followed up upon between various channels?
8. Are there any third parties involved in the digital marketing process that can affect the outcome of the efforts?

12.2 Company external environment

9. Are there any cross-selling opportunities involved that can benefit from digital information/content marketing campaigns?
 10. Can you explain if digital marketing can open up new markets or services?
 11. Are there any potential alliances to be formed when going digital with information and marketing?
 12. Can some products/services offered be irrelevant when seen in a digital context?
 13. Are there any potential conflicts between the various channels on which you operate when adding digital channels?
 14. What factors can change the buying patterns of potential customers into choosing a competitor?
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15. How does the political landscape affect a digital strategy?
 16. In a potential recession: will there be less or more of digital marketing activities?
 17. Do you have any thoughts or insight about the future national or EU-level legislation relating to the use of personal information (cookies etc?)
 18. What is the buyer culture among your current and potential customers?
 19. How is digitalization currently reshaping your and your clients businesses?
 20. Are there differences in the culture of buyers - key factors?
 21. Are you currently exploring new technological platforms for your digital strategy?
 22. How do you perceive the current economic trend in your different markets?

13 Appendix B - Indirect effects of digitalization

Interview guide for interviewees outside of Company X. All questions were not used depending on the answers given for preceding questions. This was a guide for the semi-structured interview, not a script. Interviews with external experts had the most open structure of all conducted interviews.

13.1 The effects of digitalization

1. Explain the key elements of a digital strategy
2. How is digitalization currently reshaping the business?
3. How does the political landscape affect a digital strategy?
4. In a potential recession: will there be less or more of digital marketing activities?

13.2 Buyer behavior

5. Are you familiar with buyer personas? Can you explain it in a B2B context?
6. What's the primary emotion you want to evoke in your buyers?
7. What tools or strategies are useful to learn the most about behavioral traits of the potential customer?
8. What are your views on marketing automation in B2B and the usual reliance on non-digital strong relationships?

13.3 Content

9. What is your view of what makes great content?
 10. What are the most important aspects of content marketing in a B2B-context?
 11. How can content drive sales and traffic to other channels?
 12. Can you predict any content that will grow in importance over the upcoming five years?
 13. Is video content a vital part of a great content strategy?
 14. How can a company prepare for viral success on its content?
 15. Tell us your view on the strategic role of storytelling and its effect on the organization?
 16. What are the unexplored possibilities of visual content?
 17. What's your opinion on the balance of brand awareness and creating intriguing content?
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18. You start a company from scratch - where do you start with the digital work?

13.4 Channels

19. How do you rank social media in comparison to other content platforms?
20. How does content vary between channels and the stage of the buying process?
21. What effect can external and/or internal influencers have on the content strategy and creation?
22. Can you describe the future B2B-website and how/if it differs from the B2C-website?
23. Should a company web be optimized for mobile use at all, everywhere or just somewhere?
24. Do you think that a B2B-company can use all forms of social media?
25. Can you tell us two-three prioritized outcomes out of SEO?
26. What roles are SEO and social media playing in a digital strategy?
27. What are the future possibilities with SEO?

13.5 Tools

28. Explain your view on big data and its use?
29. What digital marketing systems and tools are in use and what are they used for?
30. What is your view on the usage of marketing automation tools?
31. What is the single most important thing to consider when implementing a practical use of big data analysis?
32. What will be needed from a really good marketing automation tool?
33. What is important to measure?

13.6 Future development

34. Is content marketing mainly a thing of the past & present and not the future?
35. What is your view of possible future usage of big data?
36. What is the next big thing considering the above topics?
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37. Do you personally think there will be legal issues to consider regarding information from online sources?
 38. What are the external digital specific opportunities in the near future?
 39. What are the external digital specific threats in the near future?

13.7 Roles

40. Can you see a centralized responsibility for content production in the modern B2B company, or is it something that should be carried out throughout the organization?
41. Is there a need for an increased number of generalists or experts in digital B2B?
42. Are there any other new roles in the company in the near future to cope with the digital- and/or content strategy?

14 Appendix C – Internal interview questions for the 30 relationships of relationship marketing

This interview guide was used in interviews with Company X regarding the 30 relationships of relationship marketing. If a satisfactory answer to a relationship had been given in the overlapping questions in Appendix A, a more specific question was used for this particular relationship in the 30 R interviews.

14.1 Classic market relationships

R1 – Describe your current customer relationships.

R2 - Do you strive to match the competition or lead with new digital solutions?

R3 - Do you see digitalization changing the frequency of on-site consultancy with customers?

14.2 Special market relationships

R4 - Describe the relationship of marketing/sales and the rest of Company X. Do you see isolated silos or open communication?

R5 - Are consultants and salesmen generally experts or generalists?

R6 – What balance do you see in using digital tools versus meeting people face-to-face in getting to know many individuals at a customer firm?

R7 - How well aware are you of the relationship of your customer and its respective customer?

R8 - What risks do you see in losing close relations to customers by measuring online activity instead of using direct interaction?

R9 – How do you handle customer dissatisfaction?

R10 - Are there any monopoly tendencies or hyper competition within your market?

R11 - Have you started any customer loyalty programs, or are you part of such programs?

R12 - Should technology teach you about buyers, or should buyers teach you about technology?

R13 – How do you use your customer relationships in your branding?

R14 - Do think there are aspects to consider in how non-commercial organizations run their marketing?

R15 – Are you involved in any CSR or environmental engagements?

R16 – Is your business dependent on legal counsel?

R17 - Do you see any aspects of crime in the digital world affecting your business?

14.3 Mega relationships

R18 – How do personal and social networks outside of the business relationship affect your business?

R19 - Do you see a need to market via influential individuals outside of your direct marketplace?

R20 - Do you see potential for cooperation with competition in the digital implementation?

R21 - Do certain customer segments require you to gather more non-explicit knowledge?

R22 – Do you see any types of alliances regarding digital marketing in the future?

R23 - Is your brand visible in mass media, and if so what are the effects of this exposure?

14.4 Nano relationships

R24 - Are your different business units free to create own marketing initiatives, and if so how will this work for digital strategies?

R25 - What are the differences in intra-organizational relationships and customer relationships?

R26 – Are you primarily market-oriented or product-oriented?

R27 - What marketing do you use internally?

R28 - Do you differentiate offerings based on customer segments?

R29 - What risks do you see in outsourcing different areas of marketing and sales?

R30 - Do you see a current need for more resources in marketing?

15 Appendix D: Questionnaire for Company X customer interviews

Interview guide for interviews with Company X customers regarding their role as buyers of products and services that solve their problems (in general, not just for the Company X relationship). Respondents are asked to answer in as much detail as possible, with the mutual agreement that they may ask out of questions that they do not wish to answer.

15.1 Buyer persona

What is your background?

What is your professional role at [company]?

What are the main responsibilities of this role?

What is your age?

Can you tell us something about your personal life/personal interests?

15.2 Initiatives

Describe the prioritized initiatives, both your personal initiatives and the ones of your company.

What are the main business incentives of the company?

15.3 Goals

Describe your goals or how success is defined for you, both on a personal and professional level

15.4 Buying team

What is your role on the buying team in purchases you are involved in?

Are you the key decision maker on purchases you are involved in?

What are the other parties influencing purchase decisions that you are involved in?

Are there any external influencers to purchase decisions, for example external individuals as sources of knowledge frequently consulted for expertise?

15.5 Buying process

Describe the buying process you follow, preferably in as much detail as possible, from the initial identification of a problem or need to purchase and long-term relationships.

Are you involved in all steps or are you involved in a particular part of the buying process?

15.6 Timing

Do you follow any seasonal patterns regarding your buying or procurement?

Do you prefer contact with intended suppliers of a solution early or late in the decision process?

15.7 Channels

Which channels, professional and personal, do you prefer when searching for information about a problem and its solution?

What channels do you prefer for communicating?

Are you involved in any social networks related to your industry but not your company specifically?

15.8 Content and information

What is the primary source of information you rely on when researching about a specific solution to a problem?

How do you procure this information?

15.9 Why buy?

What are the most important factors for you when deciding on purchases?

Are there some areas that are more important than others? What would make you think twice about agreeing to business deals?

15.10 Buyer thinking

Tell us about your attitude towards today's marketing in general.

Tell us your opinion of salesmen you have encountered.

Tell us about what makes a good professional.

Tell us what makes you motivated as an individual.

What is your proudest accomplishment in life?

Tell us one cause you could get behind.

What personal qualities do you value most in life?

Tell us about something that inspired you.

16 Appendix E - Survey questions

Survey questions were meant to support answers given in face-to-face interviews. They enabled quantifiable answers from a larger amount of individuals in Company X. Questions were selected based on the takeaways from face-to-face interviews that preceded the survey. The respondents were asked to grade statements from weak to strong on a scale from 1-7.

16.1 Digitalization

16.1.1 Company X General

1. Company X-standardized marketing content (i.e. a variety of available white papers, case brochures, online material, email structure, ads etc)
2. Quality of Company X website
3. Relationship of marketing/sales and the other functions of Company X
4. Ability to communicate freely across all business units within Company X
5. The marketing strategy is controlled by the owners

16.1.2 Technology

6. Internal communication between divisions
7. Digital lead generation relevance for your markets
8. Changing buyer behavior towards a higher degree of digitalization within your markets
9. Your opinion on future dependency on third-party providers of services/intermediaries such as Google, Hubspot, Microsoft etc
10. Potential for future collaboration with competition for technological development

16.2 30R

16.2.1 Classic

1. Strength of existing customer relationships
 2. Strength of customer relationship management
 3. Loyalty of existing customers
 4. Ability to attract new customers
 5. Ability to tailor/differentiate your solution to different customers
 6. Ability to learn from your customers
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7. Knowledge of key competitive factors in attracting customers
 8. Knowledge of competitor's solutions
 9. Collaboration with competitors (if present)
 10. Ability to supply skilled after-sales personnel

16.2.2 Special

11. Relationships with many individuals at client firms
12. Company X employee skills (specialized skill set for profession)
13. Company X employee skills (broader skills in adjacent areas of knowledge)
14. Knowledge of the customer's customer
15. Ability to handle customer dissatisfaction
16. The importance of direct interaction between Company X and customers
17. Clients' digital presence
18. Relevance of digital marketing and sales communication
19. Company X brand perception
20. Unity of the Company X brand across all business units

16.2.3 Mega

21. Usage of social media

16.2.4 Nano

22. Ability to communicate freely across all business units within Company X
23. Use of intermediaries for marketing and sales support
24. Your opinion of future dependency on third-party providers of services/intermediaries such as Google, Hubspot, Microsoft etc

17 Appendix F: Interviewees summarized in buyer persona canvas

The interviews conducted with Company X buyers are summarized below. The goal was to summarize the answers from each respondent and to avoid leaving out information. Some interviewees were briefer in their answers, and some answered many of the questions in their answer of one question.

Buyer persona

Interviewee 1: 47 year old calm IT manager. 17 years of experience at company. Responsibilities include providing the right technical systems and equipment. Main area of responsibility last eight years has been ERP, along with associated system for planning, BI, inventory and logistics

Interviewee 2: 42 years old and outgoing, with an IT and business role. Education in construction engineering and finance. Currently in retail working with IT, PIM, CRM, communication and E-commerce. Responsible for targeted communication, and the content that is needed.

Interviewee 3: 50 years old IT/Finance manager. Background in IT systems. Main responsibilities: CFO (accounting etc), IT, M3, advisor. Calm individual who wants to have financial resources before deciding on purchases

Interviewee 4: 30 years old, calm demeanor. Previous experience of web and E-commerce Education in project management, marketing and PR. Full-time responsibility for project online, her company's online presence, one part of it is omni-channel.

Interviewee 5: 52 years old contract manager.

Engineering education in supply chain and production. Calm demeanor, open to questions, descriptive. In IS/IT since 1997, long-time interest. Different roles in large ERP company (Intentia, currently Infor). Has worked at SAAB, civil aviation. Always in selling role at Intentia. Purchasing role since starting at company. Responsibilities include managing and developing IS/IT-related contracts in Europe. 120 applications in Europe. Enjoys the negotiation format. Likes external meetings with people of different backgrounds and cultures. Would not prefer in-house duties

Initiatives

Interviewee 1: Company goal “to be easy to business with”. Personal initiative to provide right systems support and staff

Interviewee 2: Company strives to be “the good force” in FMCG, fair trade, eco-friendly
Personal initiative to execute offers in real-time.
Customer should be served on request.

Interviewee 3: Functionality and technology platforms must be synchronized with the rest of the organization. Systems and processes should not be a sidetrack, it should move forward with the organization.

Interviewee 4: Project online is one of the more prioritized projects of company

Interviewee 5: Must help company cut costs, find good solutions and good contracts. Money is not made with initial sale, there needs to be a life cycle approach. Company makes money from services and products during life cycle. Investments over a half million has special process, project analysis

Goals

Interviewee 1: Company goal to reach one billion in revenue. Personal goal to reach goals

within timeframe and scope

Interviewee 2: Personal goal is appreciation from wife and kids. Professional goals are to solve organizational tasks, make everyone happy, and to have Sweden's best solution for real-time execution.

Interviewee 3: Success at work to develop individually. Money is secondary. Personal goals are to thrive and develop. It is satisfactory to make a decision that might not seem logical at first, but that shows to be the right decision long-term

Interviewee 4: Personal and professional development. Company wants to increase revenue and help customers find balance between nutrition, exercise and rest

Interviewee 5: Goal to feel satisfied and to have a simple everyday life personally, and to ensure efficiency in processes professionally

Buying team

Interviewee 1: Either key decision maker, responsible for pre-study, evaluation, or a combination of these. He is often one of the decision makers on bigger projects. The other decision makers are management and his boss, the CIO. External sources that affect purchase decisions are seen in large established networks where discussion is maintained. If person in network has knowledge about system, ask this person for functionality, quality of the supplier etc. Rarely contacts third party for research.

Interviewee 2: Has had many roles within buying team. Most of the time as an advisory expert but sometimes part of decision making. Can decide on smaller scale decisions. Management and other stakeholders affect decisions. Extremely slimmed down

organization, advice from consultants with broad knowledge is welcome.

Interviewee 3: Role is often to deliver both specification and make decisions. Was responsible for Movex specifications. Received quotations and evaluated options. CEO always main decision maker, sometimes the board, and IT for some systems. Can make smaller decisions without management support. Will provide information and argue for decisions. His advice carries weight. External consulting for Movex purchase. Help in evaluating quotations. Saves time and skill for organization. Has good relations with other customers to get their opinion

Interviewee 4: Has had most roles regarding web projects: specification, purchasing, and implementation. Leader of project group. Other internal influencers are management and Nordic CMO (project owner). Attends seminars for information, where other companies talk about their work. Recommendations from existing partners are valuable.

Interviewee 5: Always part of buying team regarding new systems and solutions. Sometimes more advisory role, sometimes purchaser. Purchases over half a million goes to ICE board, the CEO, chairman, CIO, Executive VP, among other people. Project leader, head of enterprise architecture, business system managers, application specialists, purchasers are involved. Main decisions with CIO, CFO and head of enterprise architecture. External help depends on situation but might be necessary during RFI, RFP. Can consult analytical partners like Gartner.

**Buying
process**

Interviewee 1: A need is identified within the organization. He conducts own analysis of the

problem at hand and then aims to then contact 2-3 suppliers for dialogue. Strives to catch nuances, pricing, generate an overall view. Get quotations, analyze these for a couple of rounds, reach stage of evaluation. Further analysis and consulting of references. Usually ends with one supplier seen to be the best solution, part gut feeling. Goal is to strive for long relationships Per definition long relationships, unless something fails which is rare. Usually involved in entire process.

Interviewee 2: There are two parts: Organization/management demands solution for new IT system, expertise, efficiency or to reduce costs. Procurement contacts advisory consultants, optimizes and makes the right decision. Measured on cost and investment. Håkan mainly part of evaluation process

Interviewee 3: Need surfaces in some part of organization, production, management, or administration. Is this need present in other parts of the organization? The problems that are seen in many parts are prioritized. Involve end users at company in evaluating available solutions. Evaluate, if satisfactory enter negotiation. Involved in all parts of the buying process

Interviewee 4: Sales meeting, often attending. If interesting, brought to project groups. Decision on further action. Long-term relationships preferred due to time needed for supplier to understand business. Different number of people involved depending on project, smaller IT systems may only involve a couple of individuals. Usually part of the entire buying process

Interviewee 5: Purchases over half million, PROPS project management. ICE board, priorities and quality assurance regarding planned initiatives. Must be business case from

the start. RFI, gathering of information, needs and specifications. Evaluation, brought to ICE board for further evaluation. RFP, specify purchase intent. Long-term relationships, life cycle, commercial conditions

Timing

Interviewee 1: Usually more reserved in Q1. Larger part of sales in second half of year, but not extreme. Prefers early contact and dialogue with suppliers. Early contact is often important for feedback on how to approach the problem. Often needs to align that the intended approach is supported by suppliers

Interviewee 2: Budget planning October-November. Management decision for next year around Christmas. Small incremental improvements. Marketing generally agile, logistics stick to plan. Differences in different parts of the company. Likes to create own view of problem before contacting suppliers

Interviewee 3: Preferably plans activities for middle of spring or fall. Product/solution is primary, supplier is secondary. Do we have relationships with any suppliers that can solve this problem? Sometimes has gotten knowledge of some solution, and contacts a supplier.

Interviewee 4: Usually hard to plan activities for last month every year. Christmas takes up a lot of time. Prefers to do some own research before talking to suppliers, but depends on circumstances. Seldom convinced by first telemarketing contact

Interviewee 5: No budget planning affecting timing. Relatively early contact with suppliers, depends on situation, no policy. Likes early information, transparency regarding information search. Sometimes there is contact without initial RFI, for a quick scan of the market.

Channels

Interviewee 1: Information research depends on area of interest. Lots of Internet search. Can enjoy the information search process, usually takes some time to create own view of problem. Seminars, user groups. No preferences in communicative channels but enjoys face-to-face meeting. Uses LinkedIn for social networks related to industry. Part of LinkedIn groups forums regarding CIO/IT as well as M3

Interviewee 2: Information comes from Google search or direct contact with suppliers, and also colleagues or friends in other companies. Preferred communication is face-to-face meetings due to complexity of solutions. Uses LinkedIn to read about companies he likes and to see what is happening in the industry. Mostly reads others' content. Member of LinkedIn groups/forums regarding retail, Adobe software, Company X solutions, Microsoft Dynamics, PIM, CRM and Future Trends.

Interviewee 3: Information is gathered via contact with current suppliers, or other users of solution. Rarely uses online search for initial research, only if specific solution is known. Receives mail regarding solutions, but rarely something of use. Discusses problems when visiting other companies. Communication is preferably face to face contact, this leads to the most effective communication. Can possibly attribute this to age. Attends Movex user forums (competence groups etc.) Possible to lift issues and discuss with others

Interviewee 4: Information is gathered from the Internet, colleagues, and current suppliers. Communication is preferred via mail, at least for initial contact. Seldom has time for calls. Wants to research company web before contact. Part of LinkedIn groups regarding SEO, PR, E-

commerce and social media for businesses.

Interviewee 5: Google for information. Web demos. Prefers personal meetings to form long term relationships. Member of LinkedIn groups/forums regarding Infor/M3.

**Content
and
information**

Interviewee 1: Overall impression of the supplier. Good product is not enough, effort of supplier important. Cannot obtain this without personal relation. Seems to value personal relation over own information search.

Interviewee 2: Information on price and functionality. Time to market, easy to implement. Cost quality and time. Prefers to meet with suppliers to get information on price, functionality, agility of solution, future relevance etc.

Interviewee 3: Functionality is key, what does this system solve? Then technical platform, outlook, does it work in our environment. Third is money, is too expensive? Is it only compatible with some systems (need to buy more)?

Interviewee 4: The offering, costs included and price. Trust for supplier, big or small, references. Who is involved on the supplier side? Depends on service

Interviewee 5: Prices and conditions during life cycle. Wants to have "termination for convenience. Transparent information regarding supplier status in market, financial numbers, market leading? References, tried solution? Technology. Finds information on supplier websites or via contact before RFI. RFI and forward specific questions for supplier to address

Why buy?

Interviewee 1: Unlocking drivers for purchases are fulfillment of specifications, match of initial

need and good feeling about supplier. Main obstacles are negative feedback from references. Quotation can be really good, but negative feedback from close references can override this

Interviewee 2: Unlocking drivers are future of supplier, security, attitudes on environmental issues, skills in cloud solutions, functionality, price. Obstacles arise when needs are not well integrated into compact systems. He does not want many systems for the same problem in different parts of company.

Interviewee 3: Unlocking drivers are price, function, good solution that is compatible, easy to run, manage and own. Long-term cost is important, as well as reliability of supplier

Interviewee 4: Unlocking drivers are if she believes that something can have significant effect on web sales or traffic. Needs to show benefits to organization. Obstacles arise if benefits are not clear

Interviewee 5: Unlocking drivers are good references, life cycle maintenance policy, intelligence from for example Gartner, relationships in the market, others run solution successfully

**Buyer
thinking**

Interviewee 1: Dislikes third party telemarketing. Face-to-face salesmen are generally good, only rarely speaks only about their own product. He likes marketing material online, and usually finds interesting material. He usually likes suppliers' websites. He likes challenges and exciting tasks. Implementation of group ERP a proud accomplishment. Likes honesty and transparency. Enjoys sports like golf and tennis in his free time.

Interviewee 2: Does not want to be contacted by telemarketing. Prefers to find information via own search rather than getting sales calls. Likes LinkedIn and niche industry magazines. Likes targeted information, for example as white papers. Likes option to opt in or out via subscriptions. Does not have time for salesmen. Personal motivation comes from automation of processes, to let computers do what they do better than humans. Proud accomplishment are to have been a part of merging purchasing, PIM and niched price info in CRM, and the ability to launch real-time campaigns. Likes Frisbee golf, hopes to introduce his kids to the sport someday

Interviewee 3: Marketing is often not properly targeted to our systems or our business. Supplier is often very good at their solution, but could listen more to customers to understand their environment. Sales have gotten better, salesmen can be honest that a particular solution does not fit organization They want to maintain long-term credibility, and support companies. Personal motivators are personal development, to develop processes, functions, companies and other people is also great. Does not appreciate people who talk too much. Rather listens to people who does not say as much, but have thought through what they are going to say. Possibly because he is like that himself. Proudest accomplishments are journey at company, and establishment of subsidiaries in China, Italy. Personal interest in sports, soccer and ice hockey. Now involved in board/as manager

Interviewee 4: Wants to receive content in context, trend is increased personalization. Usually hesitant to accept meetings via phone if not convinced on value beforehand. Occasionally meets bad salesmen. Fails to describe value for company. A good salesman

should start with the customer's need. Personal motivators are to grow, learn new things. Wants things to happen, move forward. Proudest accomplishment is her family. Personal qualities valued are responsiveness, focus, humor and structure. Is inspired by music, dance, spending time with friends who do fun and creative things, and co-workers that do awesome stuff

Interviewee 5: Relatively bad marketing in IS/IT. Traditional channels, magazines and telemarketing. Too many sales calls with statements of market leading status. Calendar invites sent out directly. The ones with customer and relationship focus are remembered. The ones who talk too much are often small, does not match. Face to face salesmen good most of the time. Sometimes small problems, like when salesmen want too much information regarding future plans, more than one year ahead. There is too much digital marketing. Sees problems being a programmer himself. Subscribes on a few, deletes the rest if not particularly eye catching. Rarely buys this way. Mainly uses digital marketing to stay updated. Personal motivators are to be satisfied, with a simple everyday life, to have good business deals, and support the organization. Three elements are important: market conditions, easy to understand contracts, and easy to administrate contracts. Personal qualities valued are honesty and transparency, understanding of commercial benefits, negotiation skills, the skill to give away as little as possible and receive more in return. Inspired by time at Intentia. Everyone had each other's backs and there was open communication, and a transparent organization. Proudest accomplishments are family children and house. To go from student to well-established family man.
