

NEW APPROACHES TO THE BUSINESS-TO-BUSINESS MARKETING COMMUNICATION

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Abstract

Approach to the business-to-business communication goes through the significant changes. The global crisis caused the shift to cheaper communication methods with the stress to the overall communication efficiency. The Internet and social on-line networks gets to the foreground. Former approach of the group-to-group communication is also revised according to the new requirements on the business-to-business communication targets and new possibilities of more efficient marketing communication tools. The importance is given to the multi-layer communication and integrated marketing communication.

This paper is based on the revision of current theoretical literature and the main aim is to describe motives of integrated marketing communication creating, specifics of business-to-business messages and current significant change in the incentives from rational to emotional, which are targeting individual members rather than groups or firms. The paper proposes new trends and approaches in current business-to-business communication based on the Gilliland's and Johnston's communication model published in 1997.

Keywords: business-to-business marketing, marketing communication tools, IMC, organizational buying behaviour.

JEL Classification: M31.

Introduction

Differences between communication in business-to-business (B2B) markets and communication with consumers have to reflect the specifics of decision making process. On consumer markets, communication relates not only to pre-buying and buying behaviour, but mostly to general individual motivation for buying a product or a service (Fill, 1995). While the individual customers making their buying decision individually or within the influences of close social groups, the buying process on B2B markets results the most from problems of organisations, for nonpersonal use, rather on the individual feeling of insufficiency or dissatisfaction which is typical for business-to-customer markets. Also organisational buying decisions are done by a group of professionals on a more rational base, therefore the buying process of organisations is supposed to be more sophisticated. Moreover, members of a decision making unit (DMU) usually participate in purchase in the view of order frequency, its financial dimension, the complexity of buying decision and have different roles in the complex decision process with various level of responsibility. Also the structure and quantity of members in the DMU differ in individual enterprises according to the type and purchase complexity and according to the size of the enterprise itself.

The main aim of marketing communication in B2B markets may be the change of attitudes and opinions of the DMU members with the use of a mixture of personal and impersonal communication tools aimed at an organization purchase unit. Important is to target members who have significant influence on final buying decision (De Pelsmacker *et al.*, 2003). The influence of marketing communication message on the members of a purchase decision making unit is changing according to the phase of the decision making process. A key role is given to accessibility and achievability of information in the initial phases, that means in the process of recognition and evaluation of product specification (Fill, 1995).

The first step of the communication planning is to realize who the B2B communication is focused on. Nowadays there is a prevailing opinion that a customer is not an anonymous enterprise but a very particular person (e.g. an owner, a manager, a technician), who changes purchase motives.

It usually seems to be difficult to suppose how customers will react to specific types of messages, how they will process them, and how these messages will show up in their following purchasing behaviour. Even more difficult is the explanation of this process in conditions of group decision making where each individual member of a decision making unit is influenced and influence other members as well. Motivation of single members and their rate of involvement in the purchase process can also vary according to the rate of personal usage of the purchased product or interest in this particular buying task for the firm. Therefore, it is necessary to take into consideration personal effects and interaction of members within a unit and emotional motives for decision making about a purchase in communication (Gilliland & Johnston, 1997).

The Model of B2B Communication Effects

In the 1997 Gilliland and Johnston published a model of B2B communication effects mentioned individual preferences influencing business buying decision and other factors which create the dynamics of the DMU. Most of presented opinions in accessible literature presume that decision making about organization purchase is influenced more or less by rational arguments than emotional arguments. However, an emotional message has an essential role in forming individual attitudes, perception of a trademark and a product (Gilliland & Johnston, 1997).

This model is worked out in Elaboration Likelihood Model (ELM) that supposes that the motivation, ability and opportunity are high, the individual will create his attitudes and consequent decisions by the central way, it means cognitively, and if they are low, the attitudes are created on the basis of marginal phenomena and rather emotionally and sensually (De Pelsmacker *et al.*, 2003). Gilliland and Johnston (1997) assumes that the information processing and attitude creating towards the product in the atmosphere among firms is influenced by buy task involvement (BTI) shown in Figure 1 (Gilliland & Johnston, 1997).

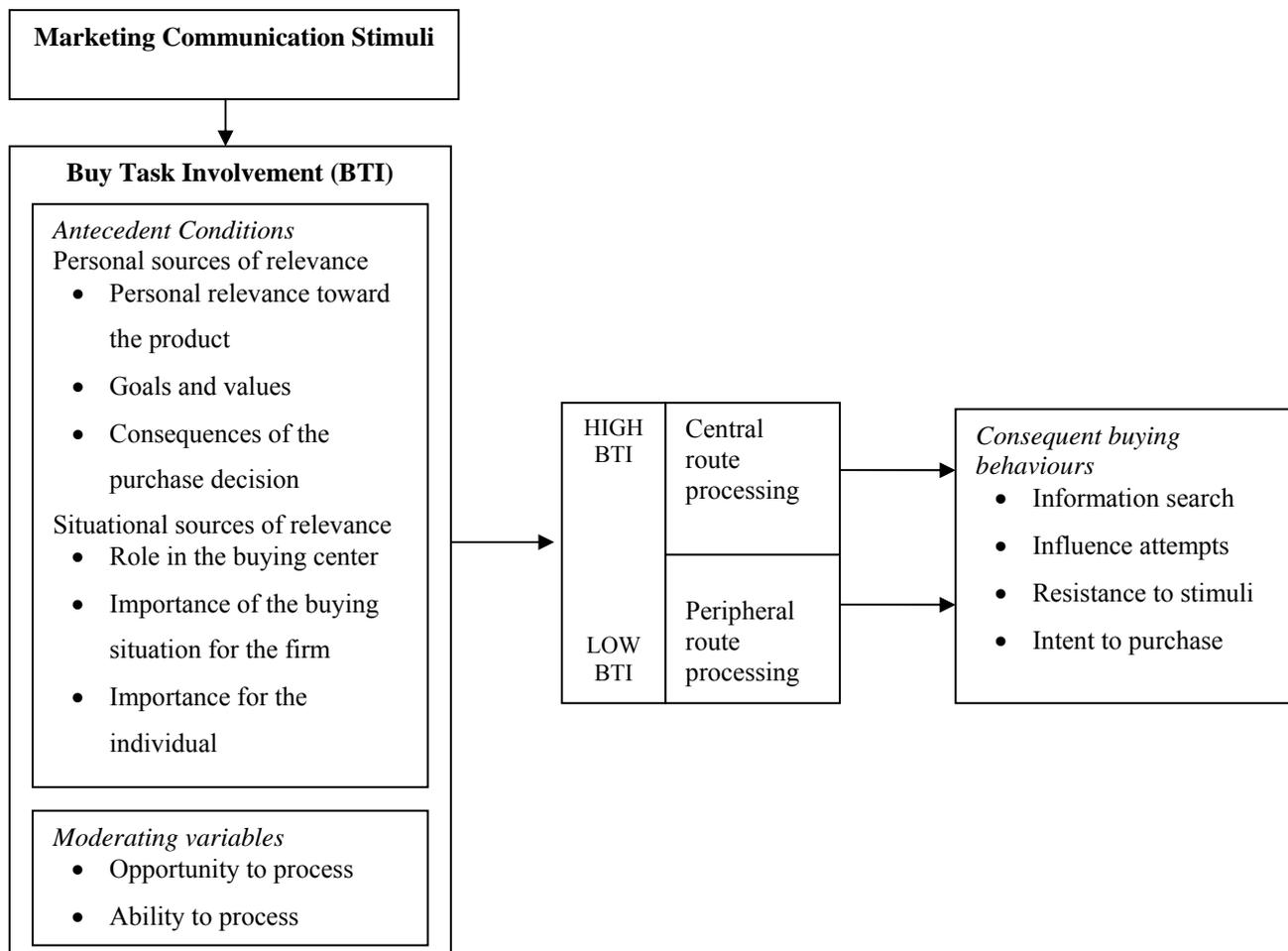


Figure 1. The model of advertising effects (Gilliland & Johnston, 1997)

The BTI is influenced by personal perception of the product, individual’s goals and values and some consequences of the purchase decision for an individual and enterprise. The attitude creation and consequent purchase behaviour of an individual is influenced by motivation of the individual, his ability to understand marketing stimuli and act and the opportunity to act (Gilliland & Johnston, 1997). Motivation of the individual means the willingness to make decisions that are based on rational reasons. If the individual makes a decision about purchase, he is motivated to get new information from many accessible sources and pay attention to marketing stimuli. To be able to make a decision about future purchase on the basis of obtained information, the individual must have the skill to understand information and process it, which is

especially complicated if the products are with high technical demands. As the opportunity we understand the situation that enables the individual to reach his goal or possibly the opportunity to be exposed to marketing stimuli (De Pelsmacker *et al.*, 2003). Then the BTI influences the rate of elaboration, it means the level of a cognitive process of a marketing stimulus.

The more the purchase is important for the person or organization, the higher the BTI is and the bigger is the likelihood that the member will process marketing stimuli by central way, it means rationally and cognitively. Moreover, the more the person knows about a product problem, the easier will process information. However, according to this model, the information can be processed by peripheral way; it means the emotional influence of the stimuli will influence a purchase decision more than the content of the stimuli and cognitive reaction on it, if the BTI of a member is low (Gilliland & Johnston, 1997).

Personal and Situational Variables and Communication Messages

Decisions made in buying centres are influenced by many other reasons, not only by the advertisement or communication messages. There are many personal factors, such as existing personal experiences with the consumer product of the business product producer (e. g. General Electric bulbs, Siemens mobile phones and other) or just negative perceiving of a brand of a supplier. Also monetary and non financial benefits of the members of the buying centres may change the attitude toward the brand. These presumptions and internal atmosphere of the buying unit is not evident to the supplier and therefore is the DMU hardly tangible with separate marketing tool devices. From this perspective, we suppose the purchase unit as a group of individuals and ultimately are those individuals seen as consumers who are influenced in their decisions on personal experience with the brand, eventually with experience their surroundings.

The most important part of the communication strategy planning is to choose right message to position the brand image in the minds of prospects and customers, because the knowledge of the brand and image of the brand precede the efforts to obtain additional information. If customers know the brand as a quality manufacturer with good reputation, have mediated or own positive experience, they will be more likely interested in buying process and the BTI will be higher. For this reason the potential and current customers as well should be exposed to any advertising (Gilliland & Johnston, 1997).

The individual members have various level of understanding the technical problem and therefore, the accurate, technical information with a rational nature are not suitable for brand building, which is the universal communication message for individual members and have the significant impact in the targeting the whole DMU. Some companies in the B2B market started to communicate brand image and to use the mass media. These are primarily large companies that have a broader product portfolio and are not able to communicate inefficient and separately specific products. If the brand is properly communicated, it facilitates the activities of the dealers, because prospects are already familiar with the company (Přikrylová & Jahodová, 2010; Bohuněk, 2010). At the same time, when the company try to create positive image, it reaches a positive response by the product advertising with lower costs (Přikrylová & Jahodová, 2010).

Company could also communicate through the corporate image and by the unified visual style. The main advantage of this activity is that the customer will identify the particular organisation with the coherent communication style in the case of communication noise. The visual style helps to identify the company in competition, promote it and also built a strong brand (Bohutínská, 2008).

In the past, marketing communication campaigns operating in the B2B market were based on communications of sales promotion of the products and had been so closely associated with the selling itself. Today, there are a combination of product communication and brand communication in integrated marketing communication (IMC). Such communication operates in several levels; all sub-levels of communication have to be built on each other and do not avoid emotional communication, which were formerly used exclusively in the consumer market (Bohuněk, 2010).

Processing of Information and Communication Channels

Processing of messages by the members of DMUs is according to a model influenced by the opportunity and ability to process the information. As mentioned above, the problem of ability is connected with the complexity of communication messages. The more a member of the DMU is familiar with the product or brand before considering a purchase, the better will be able to process information. With the further stages in the buying process member collects more information and become more familiar with the product to be bought and the BTI will be probably higher (Gilliland & Johnston, 1997).

The most commonly used tools in the B2B market are mainly personal contacts, phone calls, e-mail, direct marketing, trade fairs and exhibitions, public relations, sponsorship, advertising in specialized media (Vysekalová & Mikeš, 2010). Very important in the product perception process is also credibility of single tools that provide information about a product for members of a decision making unit. The goal of data gathering is to reduce risks of purchase. Members of a DMU use the enlarged amount of objective resources than consumers. A typical phenomenon is the use of various information sources in different phases of a making decision process.

We can meet an opinion in literature (Lichtenthal & Eliaz, 2005; Lichtenthal *et al.*, 2003; De Pelsmacker *et al.*, 2003; Fill, 1995) that interpersonal sources as well as most of commercial sources are used especially at initial stages of a decision making process, when a decision maker does not put much accent on credibility of the obtained information (Table 1). Towards the higher phases of a decision making process e.g. assessment of offers or supplier evaluation, the accent on personal and internal information sources is increasing.

Table 1. Business media linkages to communication objectives - modified (Lichtenthal & Eliaz, 2005; Lichtenthal *et al.*, 2003)

Objective	Awareness	Knowledge	Liking	Preference	Conviction	Purchase
Publicity	•		•			
Advertising	•	•	•			
Outdoor advertising	•	•				
Direct mail		•	•	•		
Catalogues			•	•	•	
Online	•	•	•	•	•	•
Trade shows				•	•	•
Incentives				•	•	•
Telemarketing					•	•
Personal selling					•	•

In order to attract the attention of individuals and build brand awareness, companies use more engaging, repetitive, colourful advertising messages. Advertising in B2B communication is used especially as a source of building up the interest and awareness, therefore it is better to use it rather as a bearer of non-tangible and emotional messages. Personal sale and technical documentation is traditionally considered to be the most important tool towards the need of team negotiation in final phases (De Pelsmacker *et al.*, 2003).

The opportunities to process the information have also influence on the overall BTI. The member of DMU has the more opportunities the more is exposed to media advertising. For this reason, business firms are starting to use mass media. In particular, the Internet and its devices has become an important communication channel (see Table 1). This tool has the potential to attract the customers in every phase of the decision making unit, which is more efficient in the integrated communication mix.

As a part of current facilities of the Internet, the social networks and social media are changing the way to communicate with DMU members and prospects. The social media provide instant communication skills and their immediacy provides a quick contact with customers, especially when speed matters. The problem is that this potential can be fulfilled only if customers are using social media means. In many B2B market rates, Twitter is considered an effective tool for customer contact due to the specific structure of blogging and its limited audience (Gordon, 2009). Some marketers are also using Facebook to build awareness for their credit union and build a strong online presence and community. Also the popularity of LinkedIn, where the audience has more than doubled in the past years, and the fact that even Facebook has become a business network, B2B marketers are reconsidering the social network environment. As the number of business users of social networks increases, advertising expenditures will raise accordingly, reaching an estimated \$210 million in 2012 (Williamson, 2008). The indisputable advantage is that these communication tools do not require more spending on promotion; the company has not to create them. The disadvantage, however, which should also be mentioned, is the reluctance of individuals to accept promotion of the brand on social networks as they come to communicate and have fun, not work. It is therefore necessary, especially in B2B markets, highly precise targeting through the direct marketing and use created databases.

But the main problem of the B2B communication is the efficient segmentation of DMU members and their targeting by the marketing communication campaigns which have to be integrated and long-term. Formerly was the accent given to the personal selling, which has more opportunities to communicate directly with the decision makers and react to their objection, nowadays, the main objective of the communication is to prepare bargaining position for the sellers and improve the efficiency of their work. The reason of this shift is twofold.

First, the economic barrier given by the crisis caused savings especially in the branch of marketing and communication. This is in contrast with the expenses on personal selling. The sales effort may vary accordingly to the type of industry and type of purchase, but literature mention that in average 4,3 sales calls for about \$212 (Smith & Gopalakrishna, 2004) per each are needed to close the deal. The amount of total cost spend on professional selling is the main issue of using IMC to decrease costs and enhance efficiency of face-to-face calls of the sellers.

Second, members of the DMU have usually different roles and bargaining power, which are not evident. Every single member have above all own experiences, which could positively or negatively influence the perceived image of the supplier and supplier's products. Therefore, the suppliers are enforced to intend the communication objectives to the image building and to the long term relationships creating. These objectives are relatively attainable by the personification of messages and by the integrated communication with the usage of the internet and on-line social networks.

Integrated Marketing Communication

Problems of the communication insufficiency are mostly solved by using multi-layer or integrated marketing communication, which is planned in the in the consequences of members' individuality, role and also in the ability to propose comprehensible quality and quantity of information. Through the integration and cooperation of communication efforts can company reach optimal coverage of audience and attend the target customers with fewer investments (Smith, Gopalakrishna & Smith, 2004; Wickham & Hall, 2006). The unified communication enables companies to exploit the synergic effect of integrated communication tools and attend well-sophisticated customers on current highly competitive markets (Wickham & Hall, 2006).

Marketing communication and relationships with key target groups are increasingly regarded as a source of competitive advantage. Modern communication is based on the interdependence of all communication activities, leading to the creation of communication tailored to individual target groups. These are called integrated marketing communication (Přikrylová & Jahodová, 2010). Integrated marketing communication is the concept of marketing communication systems, which provides a logical and synergistic whole (Pavlů, 2005). The essence of the process of integrated marketing communication is effort to combine various components of the communication mix into a unified whole and to ensure that the position of brands on the market, characteristic of product and communication messages will be systematically included in every element of communication, and to be transmitted within the single coherent strategy.

The important characteristic of IMC is retroaction, which enables to change proportions of communication elements to attract customers segments (Figure 2) (Smith, Gopalakrishna, & Smith, 2004). The IMC planning process includes mutually interacting marketing objectives, contact management and communication strategy which are creating appropriate stale of marketing communication (MC_{1A}) which is targeted to the segment A. Accordingly to the nature of target segment's reaction (responding A1 or not responding A2), which is analyzed from customers' retroaction, the planning process changes. The result is an appropriate new message (MC_{2A1} and MC_{2A2}). As the customers responding or not responding, the company can create sub-segments to utilize the communication and communicate more effectively (Smith, Gopalakrishna, & Smith, 2004).

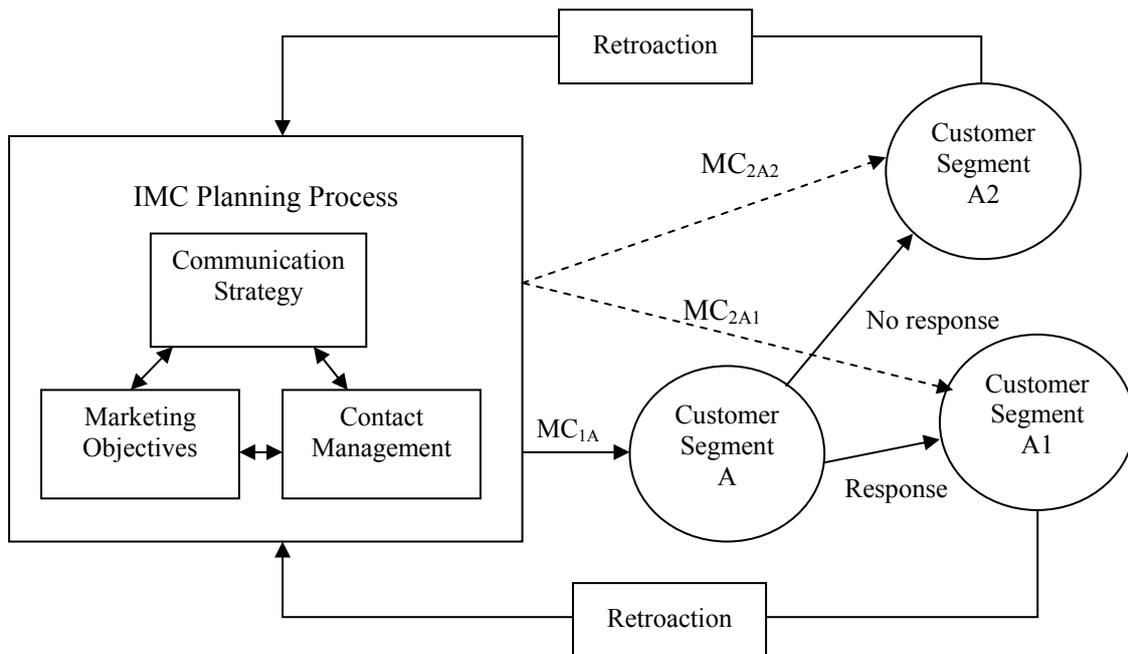


Figure 2. IMC framework (Smith, Gopalakrishna & Smith, 2004)

Conclusion

Nowadays, the approach to the B2B communication has changed. Modern communication campaigns started to include requirements of personality and individual characteristics of business customers and interpersonal influences and this new approach implied also the new possibility to use on-line social networks as Twitter or Facebook as a communication channel. Individuals are also more tangible with the emotional messages and therefore the social responsible image or green image started to be one of the main topics in the current campaigns.

From the current view is the model of Gilliland and Johnston still applicable in changing marketing environment, but the problem consists in the missing research documenting this relations and in the ability to distinguish how important is the buy task for particular member or for a company itself, which is the context of the member's perception of the product and therefore which type of the message will be efficient. Changes and dynamics of the global marketplace involve new approaches to the marketing communication systems to improve effectiveness. Problems of the communication insufficiency are mostly solved by using multi-layer or integrated marketing communication, which is planned in the consequences of members' individuality, role and also in the ability to propose comprehensible quality and quantity of information.

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