

# Internet and Web 2.0 practices in B to B marketing and communication

An international study carried by the Benchmark Group  
for BBN

Brazil / France / Germany / UK / US  
South Korea / Sweden

## Executive Summary

Online marketing and communication strategy

Web 2.0 actions

Projects

## **Context and methodology**

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### ***A study designed to understand the new marketing and communication practices in light of Web 2.0 empowerment***

The relationship between a brand and its customers has been deeply modified by the empowerment of Web 2.0.

**Consumers' insights, blogs, social networks, Web communities ... have made communication strategies more and more complex.**

This study was thus designed to comprehend **how B to B marketing and communication managers handle the rise of Web 2.0 and employ Web 2.0 solutions today.**

Moreover, as Web 2.0 new practices in marketing and communication have been mainly studied from a B to C prospective until now, this study was especially produced to fill the lack of literature in the B to B market.

### ***A sample of 112 interviews of marketing and communication managers in 8 countries***

This study is based on the results of an international sample of **112 companies**, from all B to B sectors, operating in Brazil, France, Germany, South Korea, Sweden, UK and the United States.

For 60% of them, the information was gathered during **phone interviews** with communication or marketing managers. Other companies have answered this study via an **online survey**.

This study has been conjointly conducted by the Benchmark Group and BBN.

## Main results

### *The rise of online communication tools in B to B marketing strategies*

**Internet is confirming its mass media position.** In 2009, 95% of B to B companies are using the Web to promote their products and services.

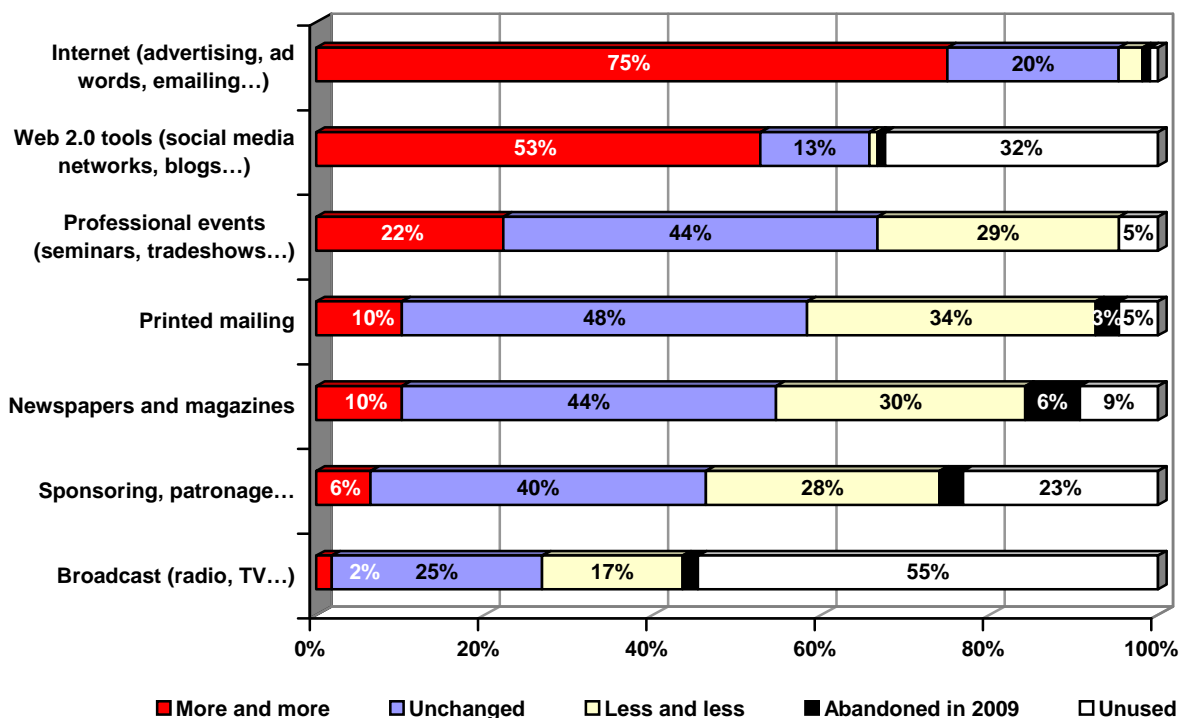
**The use of Internet is speeding up in 2009 and 2010 in comparison to other traditional media** such as newspapers, sponsoring or broadcast (Radio, TV...): 75% of B to B firms intend to increase their use of the Web in the future whereas 30% of companies plan to reduce print advertising and 28% want to use less sponsoring.

The very first objective of Internet communication is to improve brand image, especially for the industry sector. 72% of companies have set up a Website to improve their brand image (79% for the industry sector).

For more than half of B to B companies, online communication is at first targeting clients (58%). The use of this medium towards employees or distribution network is not so widespread (respectively 21% and 13% of B to B companies).

**Graph 1 B to B marketing and communication strategy mix**

*“Please rate the following media used in promoting your brand in 2009”*

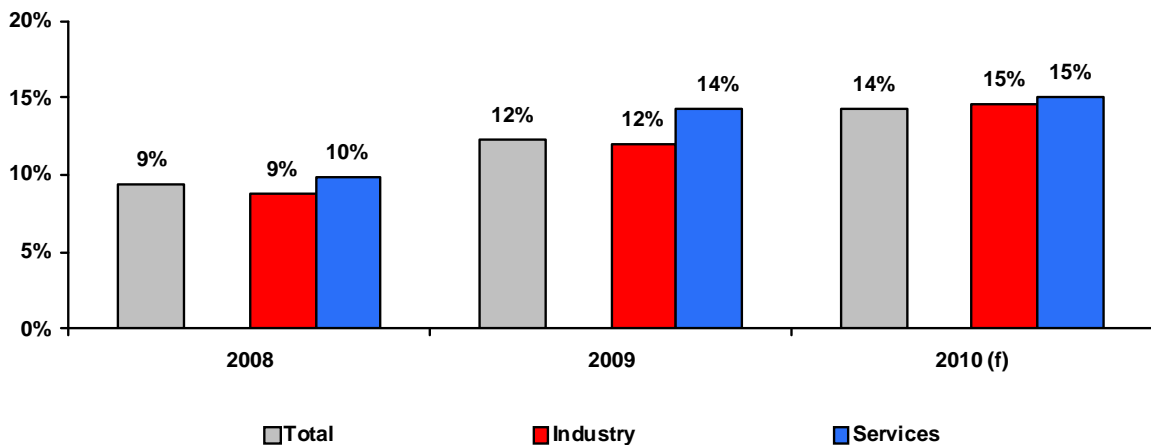


## **Online investment keeps increasing to the detriment of printed media and newspapers**

**Online investment is expected to weight more than 14% of all communication budgets in 2010**, which corresponds to a growth of more than 50% between 2008 and 2010.

Industry companies are standing a bit behind the services sector in 2009 but intend to reach the same level of investment in 2010.

**Graph 2 Digital budget compared to total marketing and communication budget (by sector)**



*"Total" includes companies from the sector of industry, services but also companies from other sectors (energy, health, media, agriculture....)*

**The current economic situation is seen as an opportunity to adopt Web 2.0 tools.** 23% of companies expect to increase their investment in this area in order to launch innovative and original concepts.

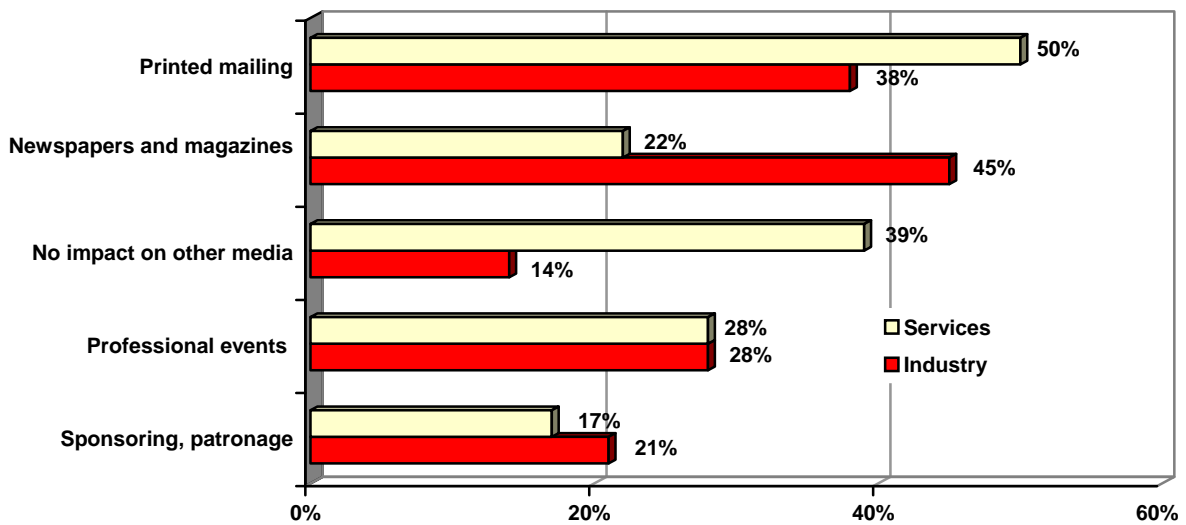
**More than 70% of B to B companies interviewed believe that the increase of their online budget is made to the detriment of other media.**

Companies in services and industry are not reacting the same way: whereas 86% of industry companies believe that the increase of online investment is affecting other media budgets, only 61% of services companies notice this budget reallocation.

Services and industry disagree on the media impacted by the increase of online communication budget: for 50% of services companies, the increase of online budgets has negative impacts on printed mailing whereas for the industry sector, the first media suffering from this increase are newspapers and magazines.

**Graph 3 Online vs. offline media: substitution effects (by sector)**

« If there is an increase in your online budget, the growth is to the detriment of which media? »



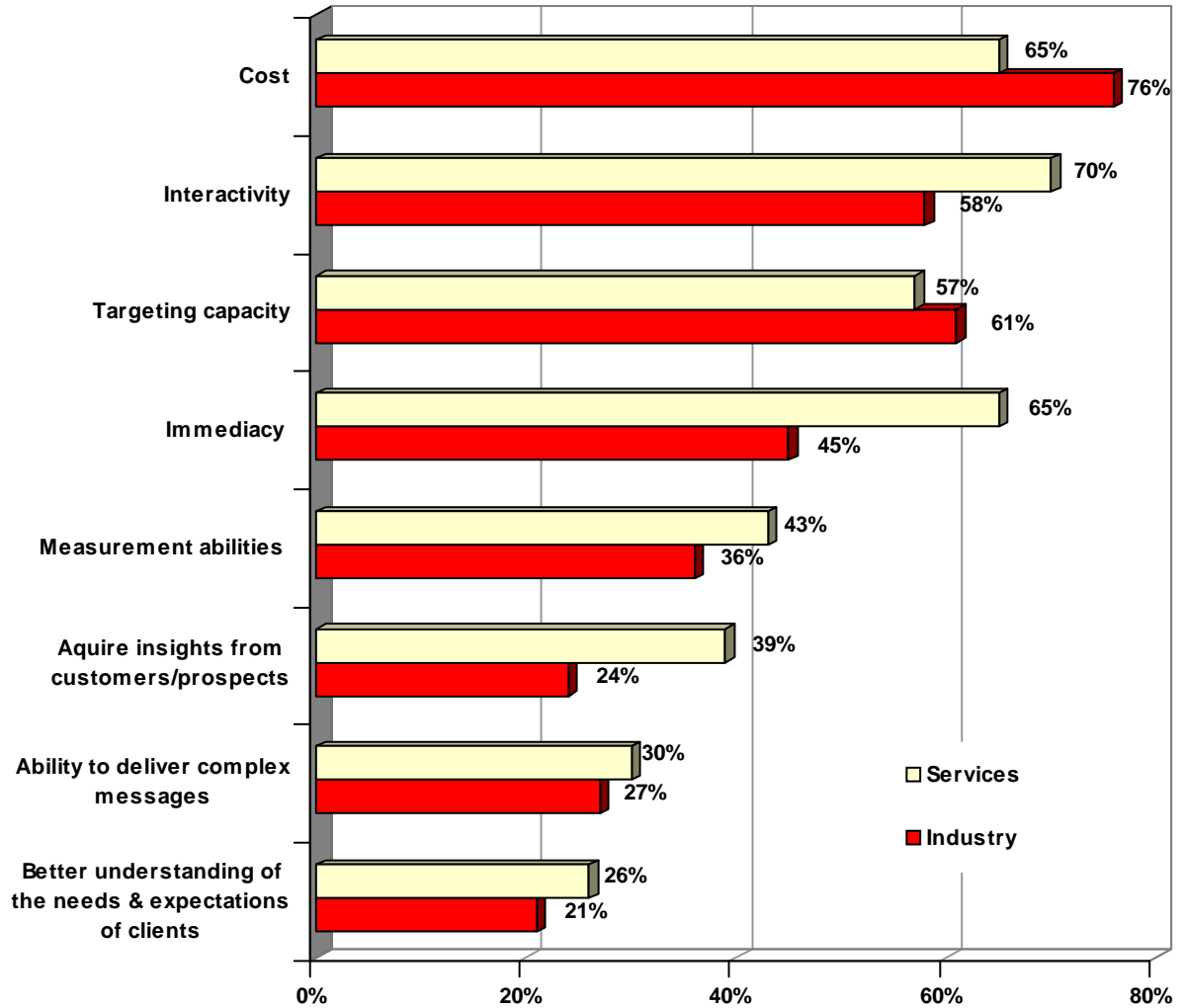
**Internet favored because of its low cost and interactivity**

The first advantages of Internet observed by B to B companies in comparison to other traditional media are its low cost (69% of all respondents) and its interactivity (66% of all respondents).

Its targeting capacity is also widely appreciated by industry companies whereas services firms see more its immediacy as an asset compared to traditional media.

**Graph 4 Online communication advantages in B to B communication  
(by sector)**

*“What are the advantages of using Internet rather than other media in B to B communication?”*



### The adoption of Web 2.0 tools in B to B is speeding up in 2010

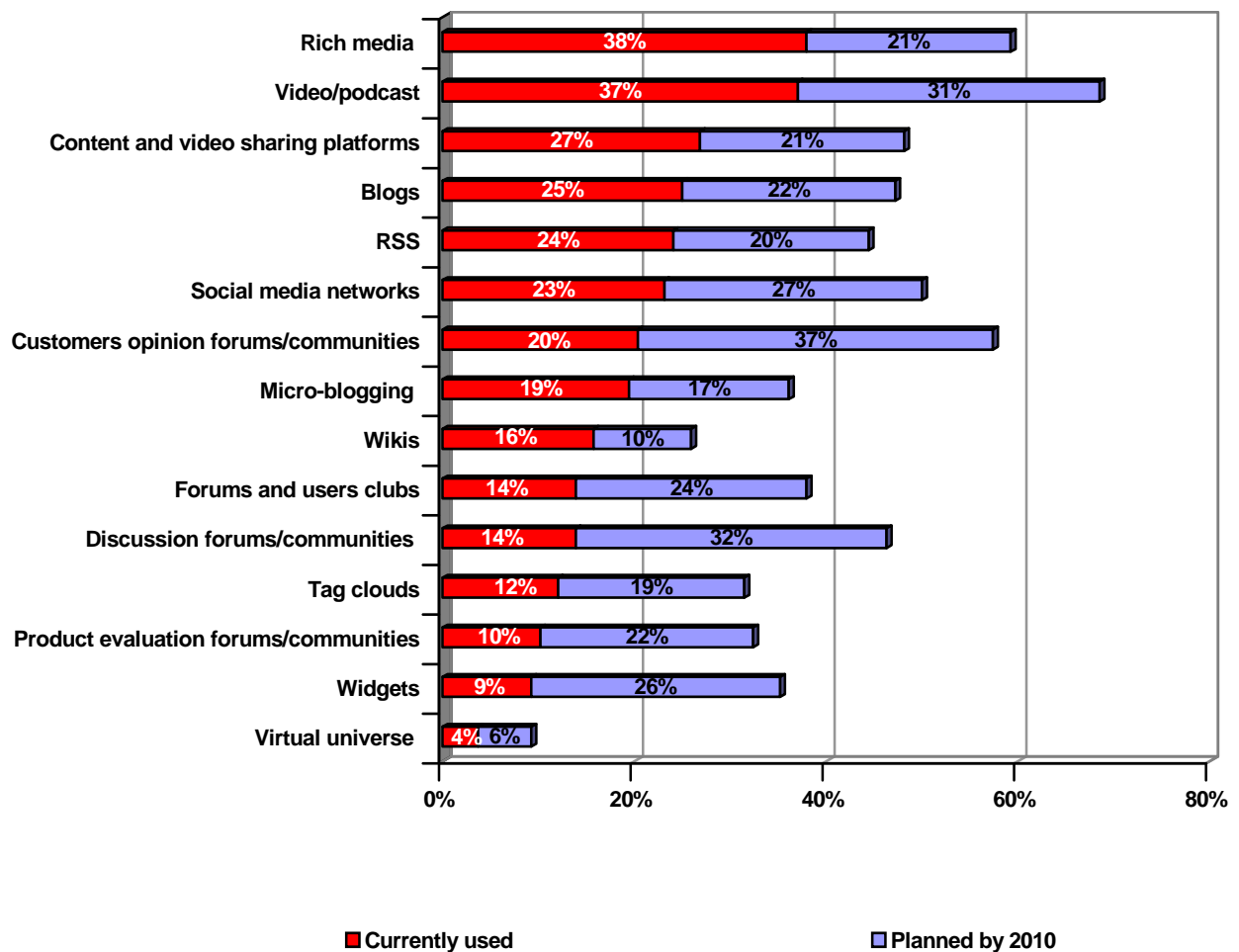
68% of B to B companies are using Web 2.0 solutions in 2009 and, for more than half of them, the use of Web 2.0 tools will continue to grow in 2010.

Rich media (RIA, Flash...), videos and podcasts are and will remain the most used Web 2.0 tools.

A quarter of B to B marketing and communication executives have already used video and content-sharing platforms or communicated directly with certain communities via blogs and dialog platforms. By the end of next year, almost 50% of them will be using these tools.

**Graph 5 Operational Web 2.0 solutions implemented in B to B communication**

*“What operational Web 2.0 solutions have you used in 2009 and which ones do you plan to deploy in the future?”*



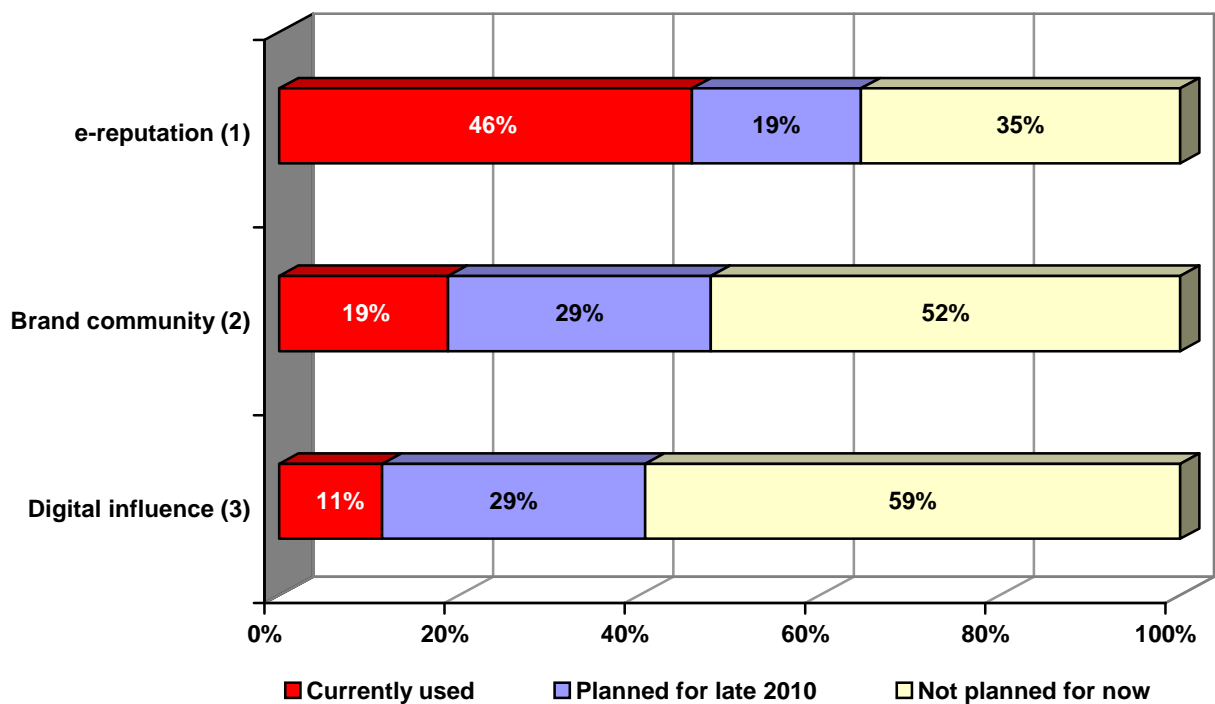
## Online customer opinions management to be enhanced in 2010

Online customer opinions are slightly monitored in 2009 but will attract more attention in 2010 as more than a third of B to B companies plan to monitor them in the future.

For the moment, **B to B companies favor monitoring their e-reputation than conducting actions** to improve it, such as developing brand communities or engaging opinion leaders. However, more than a quarter of B to B marketing and communication executives plan to use digital influence in the future.

**Graph 6 Online customers opinion management**

*"How do you currently manage online consumers' opinions?"*



(1) We monitor what is being said about brand and products on blogs, customers' opinions sites...

(2) Development of forums and sites fostering brand communities (corporate/product Website, mini-Websites...)

(3) We identify and engage opinion leaders who are expressing their opinions in various Web communities

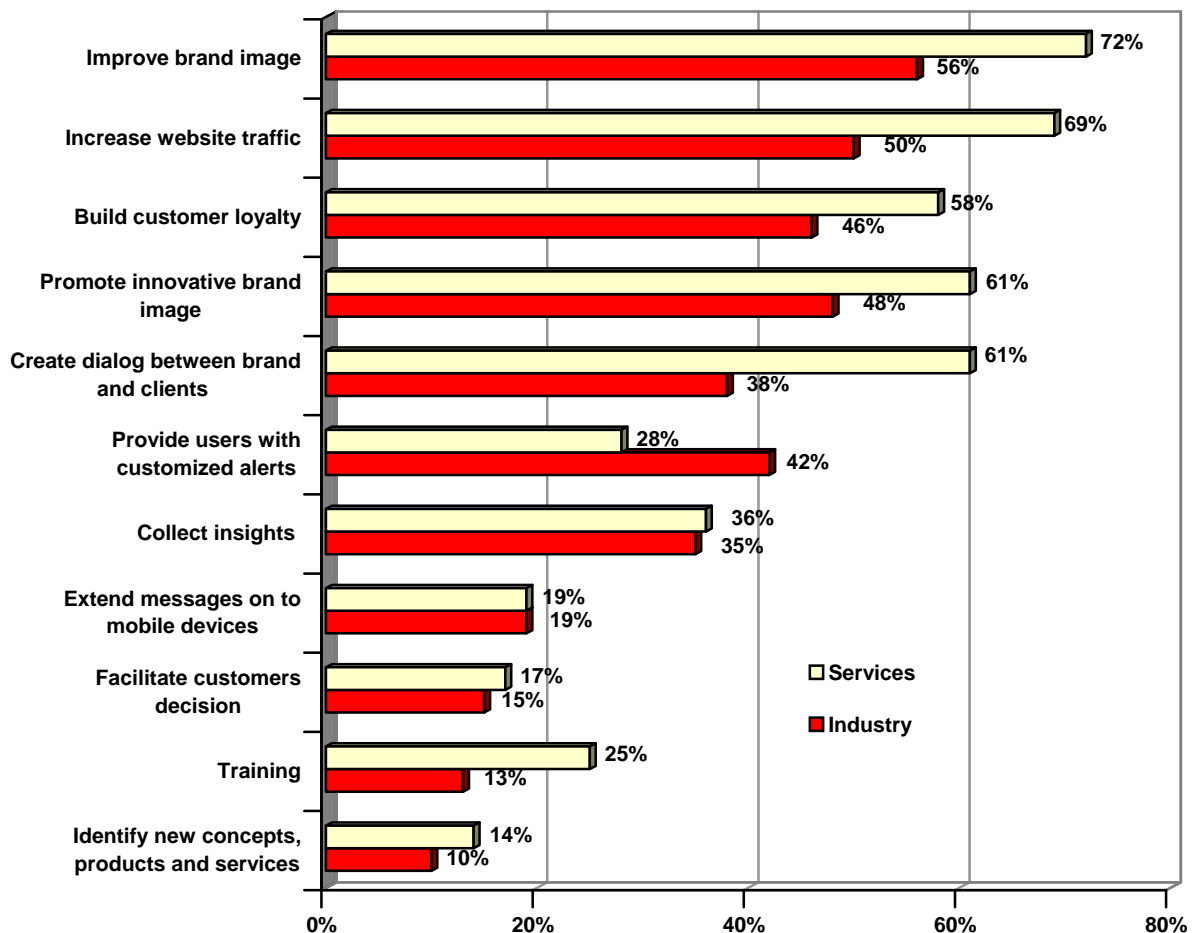
**B to B companies still do not utilize Web 2.0's full potential**

More than 60% of companies employ Web 2.0 in order to communicate about their brand or to generate traffic to their Internet site. However, only 38% among them see an opportunity to collect customer insights, 18% to implement training, and 15% see an opportunity to identify new concepts.

The disparity between services and industry is even more significant in the creation of a dialogue between the brand and clients (61% of companies in services and only 38% of companies in industry) and in training (respectively 25% of companies in services and 13% of companies in industry). On the contrary, 42% of companies in industry quote the possibility to provide users with customized alerts versus only 28% of companies in services.

**Graph 7 Why using Web 2.0 solutions? (by sector)**

*"Why do you use or plan to use Web 2.0 solutions?"*



**B to B Web 2.0 marketing strategies toward internal targets (employees)**

**Survey respondents are enthusiastic about using Web 2.0 solutions towards their employees: 70% of the respondents are using them.** Among them, 95% project to keep employing these tools in the future.

**When implementing Web 2.0 solutions towards employees, respondents favor data sharing solutions** (collaborative tools, content sharing and exchange platforms, online training tools) over idea sharing platforms.

Services are not aiming at the same goals as industry: industry firms wish to increase productivity and knowledge transfer whereas services companies see these solutions as a good opportunity to develop new products and services (using collective intelligence).

**The most quoted benefits noticed by the respondents are the improvement of internal communication and cohesion of the company** (“increasing of the membership feeling”) and the quickening of knowledge transfer. **The negative points raised by respondents are first the difficulties to adapt employees** in using those tools, and as a consequence, the poor use of these solutions; and then the loss of human contact.

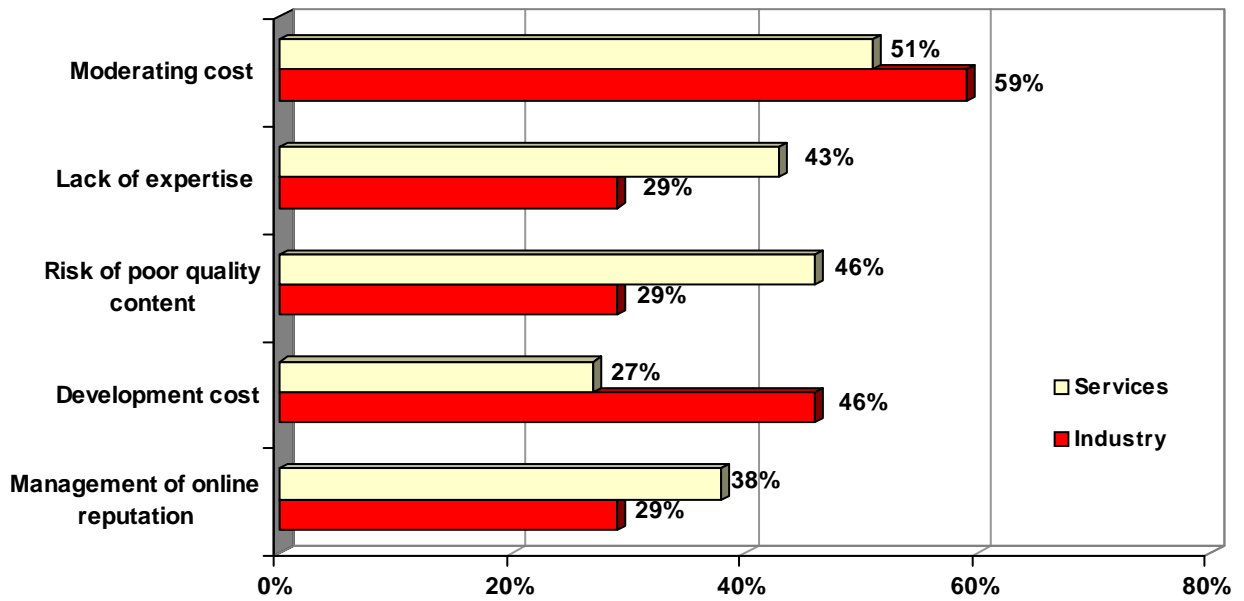
***Companies in services and industry demonstrate different learning curves***

**For 54% of respondents, the moderation cost is the most significant hurdle for putting Web 2.0 solutions into place.** Followed by the lack of expertise (42%) and problems related to poor content quality (39%), which are also perceived as significant difficulties.

**Companies in services and industry have different perceptions of difficulties to implement Web 2.0 tools.** Companies in services have a greater maturity in adopting online tools. They have developed a wider range of online tools in the past few years. In addition, they are clearer about the difficulties associated with Web 2.0. For example, problems related to the mediocrity of content are chosen by 46% of service-oriented companies versus only 29% in the industry sector. Admitting a lack of expertise in the area is another signal of their greater maturity: 43% of service companies admit their lack of expertise versus 29% in the industry sector.

**Graph 8 Main difficulties to set up interactive services (by sector)**

*“What are the main difficulties to set up interactive services using 2.0 solutions?”*



## **APPENDIX 1 – Global online marketing and communication strategy**

### **Key Learnings**

- Internet is confirming its mass media position. The very first objective of Internet communication is to improve brand image, especially for the industry sector. 72% of companies have set up a Website to improve their brand image (79% for the industry sector).
- For more than half of B to B companies, online communication is at first targeting clients (58%). The use of this medium towards distribution network or employees is not so widespread.
- The use of Internet is speeding up in 2009 and 2010 in comparison to other traditional media such as newspapers, sponsoring or broadcast (radio, TV...).
- In B to B communication, Internet is now widely used: 95% of companies are now using the Web to promote their products or services.
- At first sight, the low cost of the Internet medium is seen as the main advantage in comparison with other traditional media. However, services companies are at first mentioning the “interactivity” of the media as the most interesting advantage.
- Even though companies believe it is easier to measure ROI on the Web, few companies have implemented very detailed tools to follow ROI indicators.
- Online investment keeps increasing. In 2010 they are expected to weight around 14% of all communication budgets.
- This increase in communication budgets has negative impacts mainly for printed mailing and advertisement in printed newspapers and magazines.
- The current economic situation is seen as an opportunity to adopt Web 2.0 tools. 23% of companies expect to increase their investment in this area in order to launch innovative and original concepts.

## **APPENDIX 2 - Web 2.0 strategies toward external targets**

### **Key Learnings**

- For almost half of the companies in the B to B sector, the use of Web 2.0 tools will continue to grow.
- A third of B to B marketing and communication executives have already launched video and content-sharing platforms or communicated directly with certain communities via blogs and dialog platforms. In fact, by next year's end, almost 60% of them will be using these tools.
- For 54% of respondents, the moderation cost is the most significant hurdle for putting Web 2.0 solutions into place. Followed by the lack of expertise (42%) and problems related to poor content quality (39%), which are also perceived as significant difficulties.
- Companies in services and industry have different perceptions of risks. Companies in services have a greater maturity in adopting online tools. In addition, they are clearer about the difficulties associated with Web 2.0.
- Admitting a lack of expertise in the area is another signal of their greater maturity: 43% of service companies admit their lack of expertise versus 29% in the industry sector.
- Web 2.0 actions are decided and driven by marketing department in almost 70% of companies.
- Almost half of B to B companies are currently monitoring their e-reputation, but very few (11%) have indeed conducted actions to improve their e-reputation or to prevent from a bad buzz.
- Half of companies are also trying to create viral campaigns. In that context, video sharing platforms, information sharing communities, mini websites or actions on social media are the most common actions.
- Actions on blogs and social media seem to generate the most impact for interviewed companies who are using these tools.

### **APPENDIX 3 - Web 2.0 marketing strategies toward internal targets**

#### **Key Learnings**

- When implementing Web 2.0 solutions towards employees, respondents favor data sharing solutions (collaborative tools, content sharing and exchange platforms, online training tools) over idea sharing platforms.
- Some national specificities can however be observed: Germany favors training tools, France emphasizes on discussion and communication tools and the United States are more concerned by their brand and are therefore more willing to invest on blogs and social media networks.
- The main reasons exposed to use Web 2.0 solutions internally are knowledge and know-how transfer and the improvement of internal communication.
- Services are not aiming at the same goals as industry: industry firms wish to increase productivity and knowledge transfer and services companies see these solutions as a good opportunity to develop new products and services (using collective intelligence).
- Respondents are enthusiastic about using Web 2.0 solutions towards their employees: 95% of the respondents using these tools plan to continue to employ them in the future.
- The most quoted benefits noticed by the respondents are the improvement of internal communication and cohesion of the company ("increasing of the membership feeling") and the quickening of knowledge transfer.
- The negative points raised by respondents are first the difficulties to adapt employees in using those tools and as a consequence the poor use of these solutions; and then the loss of human contact.