

Digital Remix

The down economy pushes B-to-B marketers to embrace digital tactics

B-to-b marketers tinker with online channels, watch social media emerge and fret over fitting it all into a marketing mix dominated by conventional approaches. As the current recession continues through 2009, a company's marketing mix must produce sales-ready results using less expensive channels.

To understand if the current recession will wake up marketers who are asleep at the wheel as they chug along traditional tracks, Forrester Research recently conducted its Q1 2009 B2B Marketing Budgets and Tactics Online Survey with MarketingProfs of 317 B-to-B marketing professionals. We found that marketers are finally embracing digital channels to drive demand and boost brand.

At the top of the marketing tactic popularity list sits the corporate site. That 94 percent of respondents said they consider it a key element in the marketing toolbox is good news because most business buyers—84 percent of those surveyed earlier in 2008—say Web sites help them make purchase decisions.

Our survey showed that e-mail and search marketing have hit the mainstream. With 84 percent of survey respondents using them, e-mail and e-newsletters now equal trade shows in popularity. Search marketing gained

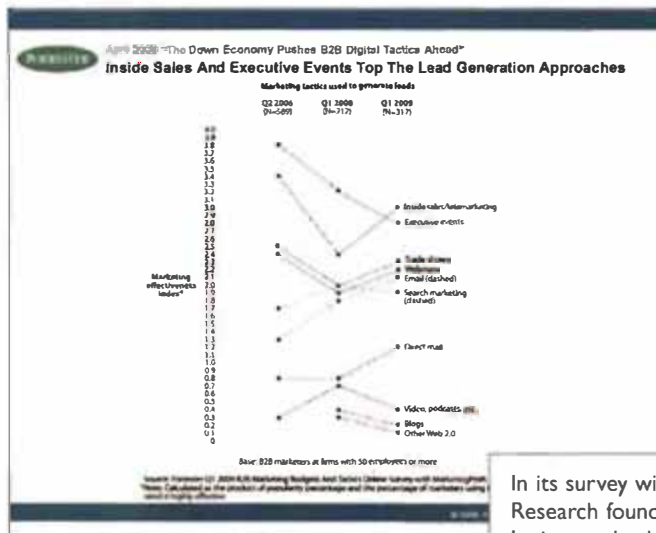
6 percentage points since our previous survey, with 68 percent of marketers using it. This is important because search marketing connects sellers to buyers who actively seek solutions.

Although digital channels are more targetable and measurable than offline media, our survey found that trade shows, public relations, direct mail and print still command center stage in B-to-B marketing programs. These traditional tactics represent familiar territory and—like eating comfort food in stressful times, even though it may not be best for the

Marketing Mix Choices Consistently Jump the Track

B-to-B marketers juggle an astonishing array of tactics across conventional and online channels to engage increasingly sophisticated, Web-savvy and demanding buyers. When we compared tactic popularity against what respondents told us about how well each tactic fared in building brand awareness or generating leads, we unearthed some interesting insights and trends.

When describing how effectively different tactics build brand or generate demand, most marketers admit that much of the marketing mix fails to deliver the returns they expect. Leaning on the same old things year after year—public relations and television for awareness, and executive events and inside sales for leads—locks marketing execs in an endless loop of fighting off budget cuts and justifying marketing spending



In its survey with MarketingProfs, Forrester Research found that inside sales/telemarketing, trade shows and webinars lead the demand-generation activities seeing growth from 2008 to 2009.

diet—marketers continue to turn to them, despite effectiveness measures wobbling and, in some cases, plummeting. With executives asking B-to-B marketers to generate the same results with dramatically reduced resources, marketers need to take a fresh, profound look at the marketing mix.

plans. Over a multiyear period, we found that marketers believe PR and trade shows outperform other channels when building brand. However, PR's effectiveness index—as measured

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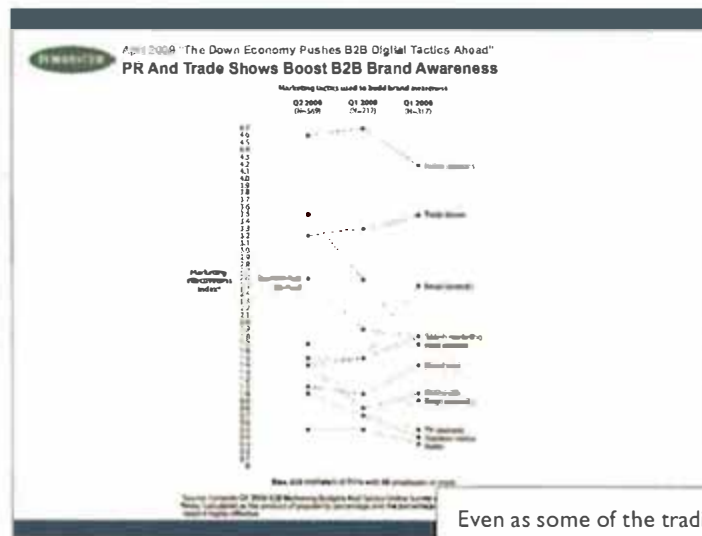
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by factoring popularity and perceived results—declined during this period.

The increase in nontraditional influence sources, such as bloggers and customer ratings, diminishes the value of established marketing communications vehicles like press releases and editorial coverage. In contrast, trade show indexes gained ground, as sales likes to press the flesh in these venues and buyers circle exhibit halls gauging product buzz. Face-to-face interactions help close deals in B-to-B selling. More than half of business marketers who use intimate, high-touch events rate them consistently high for generating leads. The big loser? Print: Our results echo the steep declines seen elsewhere in the media and advertising industry.

The Digital Train Is Leaving the Station

B-to-B marketers must find ways to make the marketing mix produce



sales-ready results as the economic slowdown persists through 2009. As they scale back on high-priced tactics like trade shows, direct mail and print, marketers will have no choice but to embrace digital channels to close the demand generation gap. Luckily, survey respondents have heard the

Even as some of the traditional forms of building brand awareness lose effectiveness, some digital tactics continue to gain.

interactive whistle blowing, as most now put online channels at the top of their lists this year.

To start, B-to-B marketers must upgrade their Web site experiences. They also must stop blathering incessantly about features and functions and shift to an outside-in perspective, where messages and communications focus on helping prospects and customers accomplish buying and adoption goals. Marketers must stretch budget dollars further and replace conventional tactics with digital approaches that create more targetable, measurable and engaging interactions. In addition, they must move Web 2.0 tools like microblogs, virtual trade shows and wikis from experimental to routine to react to customer cuts in corporate travel and to meet buyer desire for new sources of information during purchase decisions.

Use Digital Media to Boost Buyer Dialog and Engagement

Digital marketing uses the Internet to create dialog between marketers and buyers. Marketers who try to force-fit conventional offer-response-fulfill communications into these interactive channels miss new opportunities to connect with buyers and sort out qualified prospects. Shifting long-held marketing practices from outbound to inbound doesn't happen profitably unless B-to-B

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marketers create digital complements to conventional tactics.

Forget bleeding-edge stuff like avatars and virtual worlds. Instead, sit with your PR, field and corporate communications teams to brainstorm simple, logical approaches that use digital channels to supplement and enhance physical experiences. For example, add publication-specific URLs to print ads, or embed a key or code in event gifts that unlocks executive briefing content published on exclusive landing pages to link the online and offline worlds.

Despite boosting awareness and demand generation, automating e-mail conversations can be a daunting task. The trick is to make the content sound conversational but provocative. Start by asking your top sales people to contribute and rate the top 10 e-mail opening lines they've seen work with prospects. Narrow this down to three or four, and conduct A/B testing to determine which formats, elements and

offers work best on which audiences. Do this yourself, and then use the exercise to help select a creative/e-mail partner, if appropriate.

Finally, blend in digital marketing approaches to maximize trade show returns. Marry search engine marketing with telesales and direct mail to pull prospects to your Web site and start a conversation about the show. Use digital media like podcasts to record interviews with keynote speakers, and syndicate the content socially to further increase site traffic. Boost search term buys for key conference themes, speaker names and venue locations, and replicate these terms on your Web site for the duration of the show.

B-to-B's Next Stop: Community Marketing

Making the digital transformation endure means blending the old with the new. It also requires marketing to

focus less on campaigns and leads and more on fostering customer relationships before handing them off to sales. As marketers move budget dollars online, irreversible changes happen to the marketing mix that pave the way forward from broadcast communication to community marketing. The result is a new generation of B-to-B marketers who build relationships across virtual and live venues. Shifting to interactive tactics now lets marketers not only come out ahead of competitors when the economy turns, but also establish new marketing disciplines required to address more Web-savvy and socially connected buyers today. **||**

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