

Why are Finnish
companies so good with
B2B but so bad with
marketing?

Business Finland AI breakfast
3-March-2020

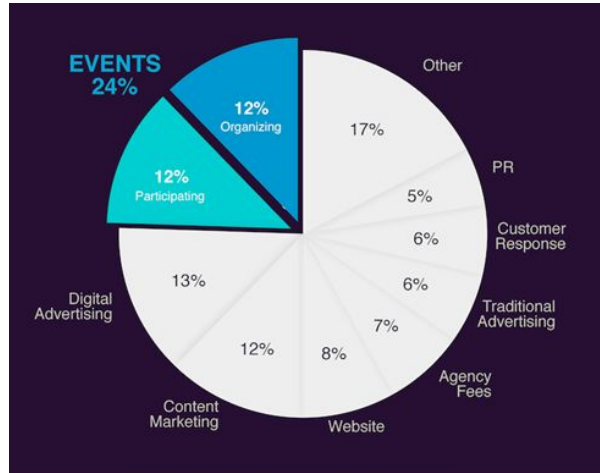


MARKUS STAHLBERG CEO, N.RICH

- 20 years experience from marketing technology field
- For 6 years working hands-on with Fortune 500 companies B2B Enterprise marketing stack
- Author of the pioneering book: Multi-Channel Marketing Ecosystems (Kogan Page)
- CEO and Co-Founder of N.Rich, the leading European SaaS ABM platform



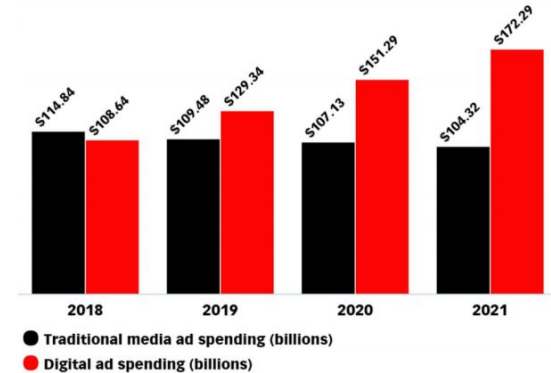
B2B is lagging behind in digital transformation



Digital advertising accounts for 13% overall B2B budgets

Digital vs. Traditional Ad Spending

United States, 2018-2021



Source: eMarketer, Feb 2019

www.eMarketer.com

Digital advertising accounts for 58% of overall B2C spend

Share of digital will keep increasing - main blocker of change is the ability to show ROI of digital → low budgets (even though was there ever somebody able to show total ROI of events)?

What's the biggest gap B2B companies have with marketing?

1

Product & Price

2

Creative & Content

3

Distribution

4

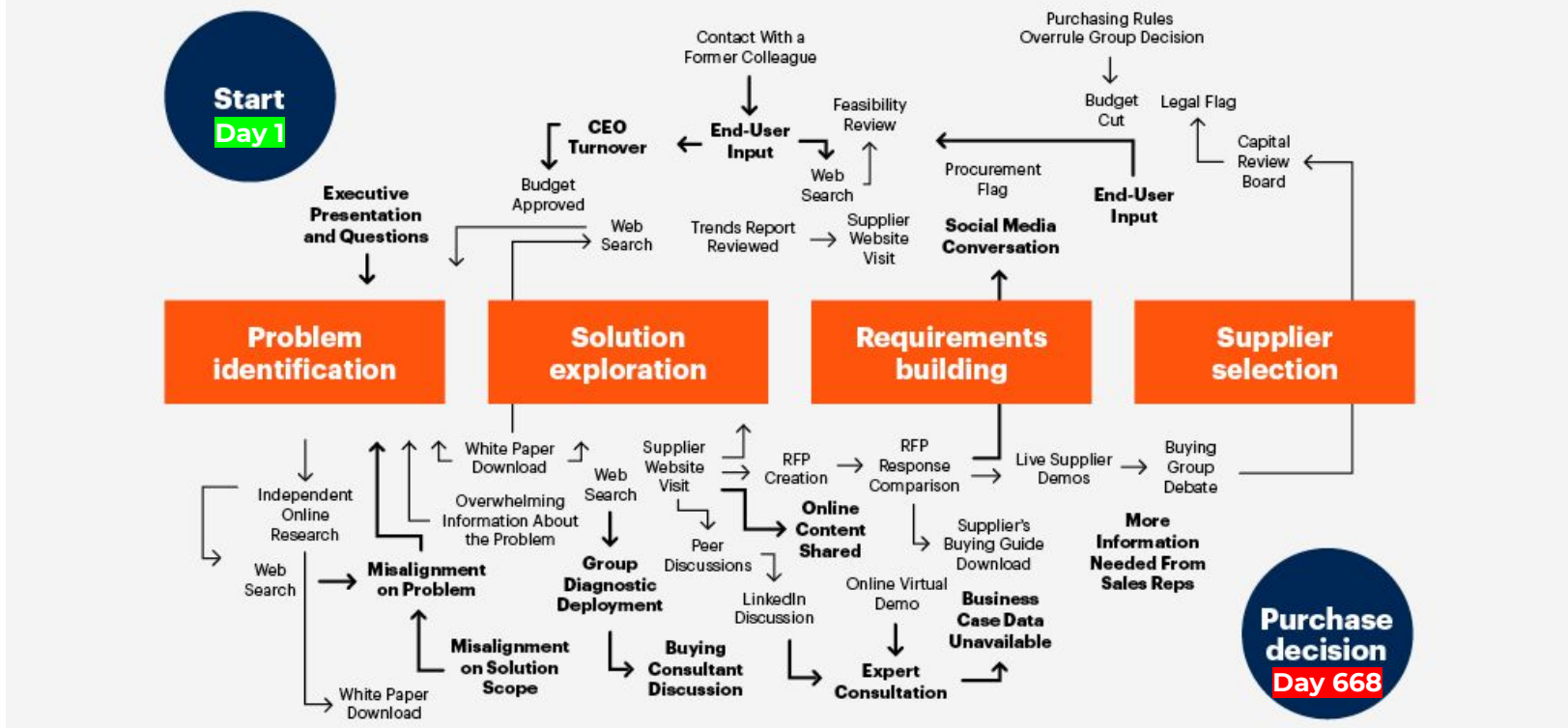
Data & Technology

Is this a B2B customer journey model?



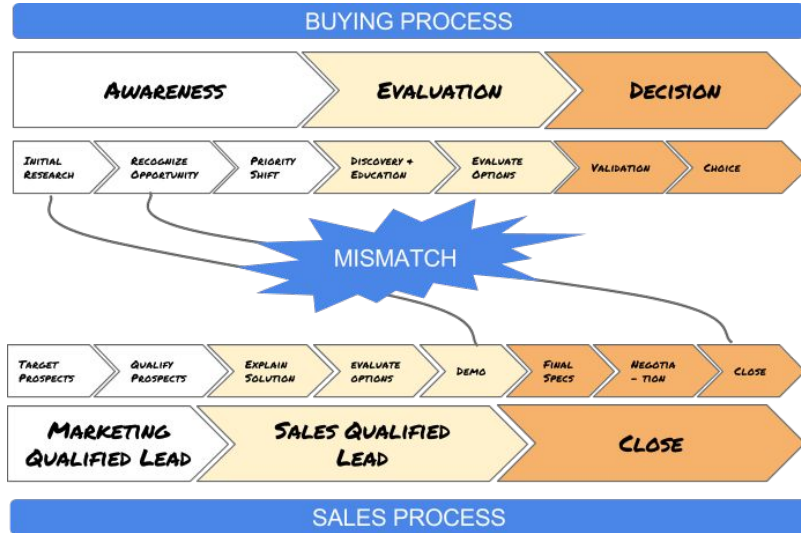
NO - it's an simplification of a marketing & sales process

Key asset: Customer journey data

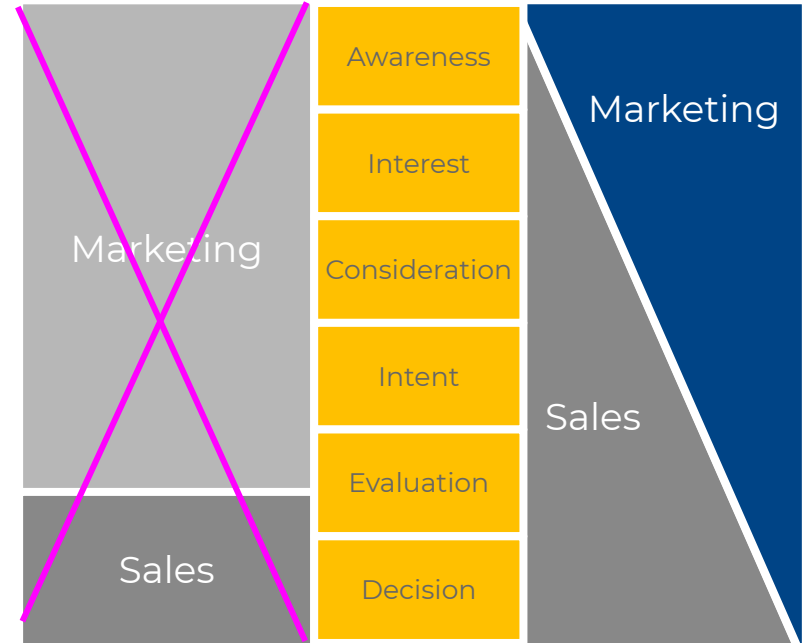


Customer journeys are complex, but what can you expect to achieve without understanding it?

Marketing and sales must align with customer



Sales and marketing processes must mirror customer's buying process

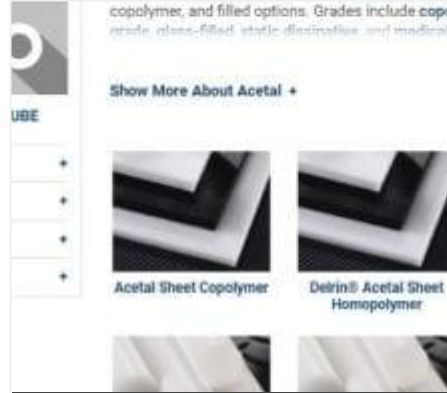


Marketing and Sales must plan and execute in coordination from start to finish. Away with the silos.

B2B Marketing is not 1-size-fits-all



Transactional products
(< 100K€) with personal
sales interaction



Transactional products
(<100K€) with
ecommerce



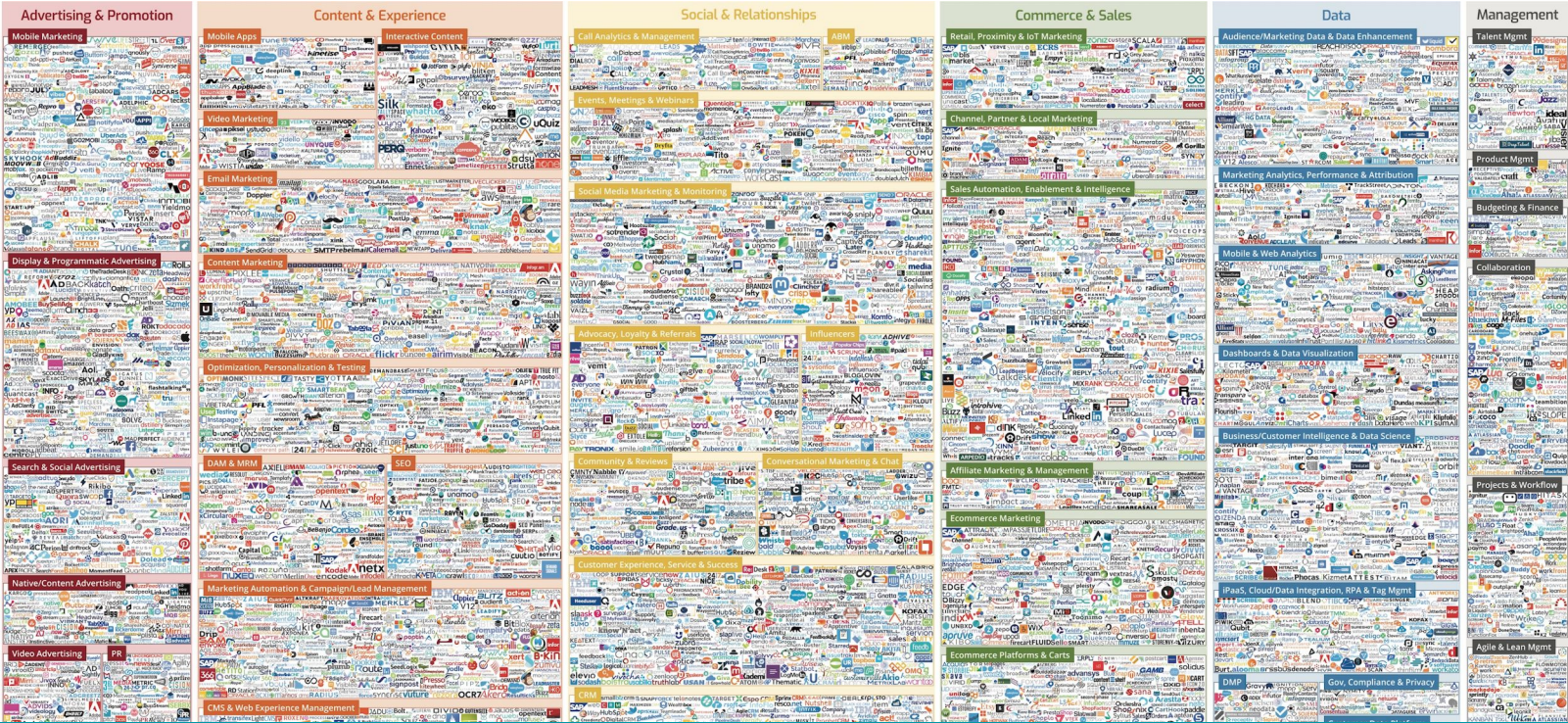
Enterprise products
(>100K€) with “new
logos” generating >50%
of sales



Enterprise products
(>100K€) with “Installed
Base” generating >50%
of sales

Decide which segment(s) focus on and plan your marketing activities accordingly

MarTech is mandatory to understand and manage customer journeys



You need to have strategy about your MarTech stack

MarTech vendors have a tendency of promising to solve everything (*hint: it's a lie*)

Marketing automation = emailing automation

Good for qualifying large quantity of leads / opt-ins.

If you don't have method for generating qualified leads, forget about it



Website visitor ("lead") identification

Great for transactional person driven sales with inside sales resources

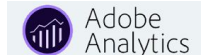
Not very useful for other segments than transactional, person driven (inside) sales



Website analytics

Good for general site optimisation for all visitors (transactional / ecommerce)

Useful only for transactional and especially ecommerce



One-to-many Account based marketing (ABM)

Ideal for ads and analytics for enterprise sales (either installed base or new logos).

Not useful for transactional or ecommerce businesses



You need to understand why and how each category provides measurable ROI

Choose the correct metric & always tie it to ROI

In-media metrics:

ad impressions or
click-through-rate

Might make sense
for ecommerce
business, generally
very hard to show
ROI

Website metrics:

visits, time on page

Works for all
segments. For
enterprise requires
account-dimension
to show ROI

Lead metrics:

Leads, Marketing Qualified
Leads (MQL), Sales Accepted
Leads (SAL)

Great for
transactional, bad for
enterprise. Always
use won sales as the
final metric.

Marketing influenced sales:

Influenced sales
opportunities

Works for enterprise:
Uses all data sources
to correlate to sales
(ROI)

The biggest mistake is to choose the wrong metric. Make sure to get top-management commitment to the logic of showing ROI of the selected metric.

The definition of Account-Based Marketing

Account-Based Marketing (ABM) is a strategic approach to designing and executing highly-targeted, personalized marketing programs and initiatives to drive business growth and impact with specific, named accounts.

Strategic focus on improving business reputation, relationships, and revenue

If it's just about lead gen, it's not ABM!

Tight partnership and integration with sales

If there isn't active, ongoing collaboration throughout the lifecycle, it isn't ABM!

Tailored and personalized programs and campaigns based on deep customer insight

If customers get the same experience and inside-out messaging, it's not ABM!

Types of ABM



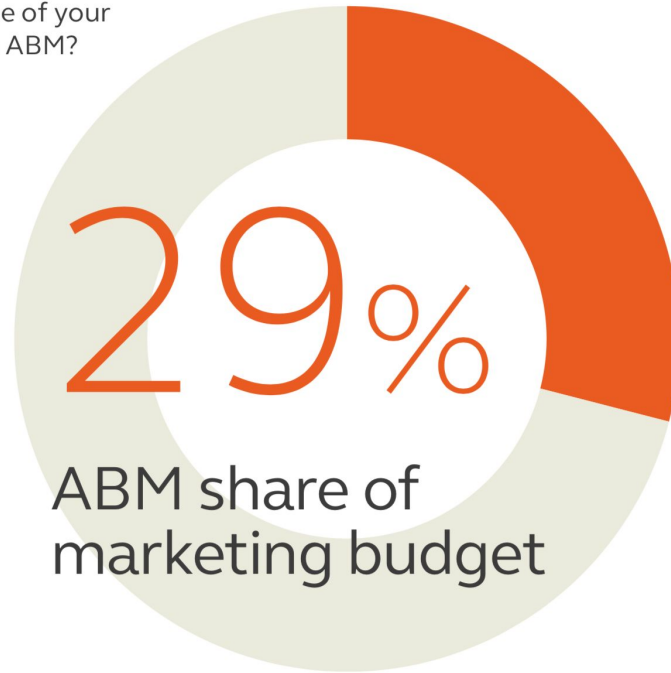
Sources: ITSMA, 2019; ITSMA and ABM Leadership Alliance, 2019 ABM Benchmark Study, October 2019

Source: ITSMA-ABMLA-Moving-to-ABM-Maturity Slide 9

ABM Budgeting

In FY2019, approximately what percentage of your total marketing budget is/will be spent on ABM?

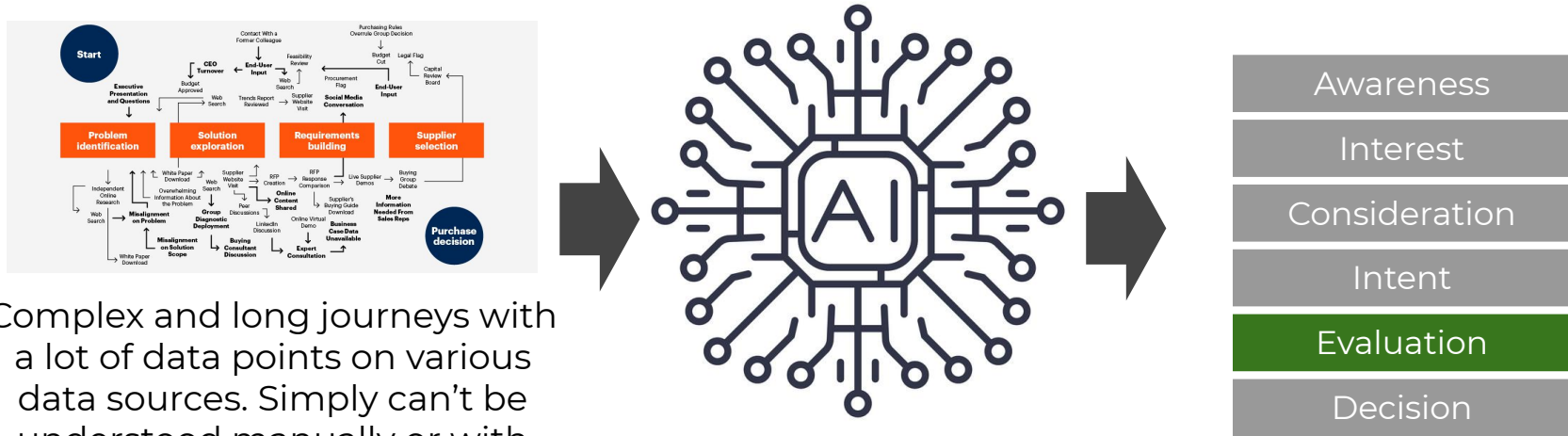
Mean %
(N=104)



Source: ITSMA and ABM Leadership Alliance, 2019 ABM Benchmark Study, October 2019

Source: *ITSMA-ABMLA-Moving-to-ABM-Maturity Slide 12*

So what's the promise of AI for B2B?



Complex and long journeys with a lot of data points on various data sources. Simply can't be understood manually or with traditional computing

#1 application of AI for B2B is an accurate prediction of buying intent / propensity-to-buy / mode-of-buying

NOTE: AI also has many other smaller for B2B applications like chatbots, content personalisation, content creation etc.

Key Lessons learned B2B AI 1.0

Project Goals

Sync project goals the reality in a very early stage: Make sure the Research Partner thoroughly understands the business problem (the “business why”)

Data

Make sure that you communicate to the Research Partner what is available right now in terms of data very concrete terms and make sure they understand it thoroughly

Consortium partners

All consortium business partners should fulfill the following criteria; (1) have a product, (2) have some clients in the B2B enterprise segment, (3) potential to combine dataset with other consortium partners

Primary vs. Applied

Solutions without primary-research potential usually have low interest to for the Research Partner, although they may have a lot of business potential when applied correctly. Make sure to spend time identifying the APPLIED research potential (the “research why”)

Primary Research

The ultimate goal is to provide the Research Partner a venue for achieving primary research value. Consortium needs to understand the potential primary research methods and algorithms and how they could be used to solve their business problems

Business vs. research value

Valuable research for the Research Partner may also be zero-value for business. The best way to avoid such situation is to agree frequent process update calls/meetings with Aalto



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