dun & bradstreet
SALES & MARKETING

CREDIT | SALES & MARKETING | SUPPLY & COMPLIANCE | MASTER DATA | ANALYTICS

The Stark Difference Between B2C and B2B Advertising

How humans buy differently in different contexts

Table of Contents

While purchase expectations of B2B organizations are heavily influenced by consumer experiences, the buying dynamic in the two worlds are still very different. This difference is rooted in the complexity of H2H interaction that takes place across multiple people involved in a buying decision at a B2B company.

Introduction

How humans buy differently in different contexts

Humans are on each side of the purchasing equation. We buy and we sell. Business-to-Business (B2B) is widely generalized as companies selling to companies, with little consideration of the emotional and psychological aspects that factor into these decisions. However, understanding these aspects can help build better marketing campaigns and improve results. This whitepaper highlights the key differences in buying dynamics of consumers versus business professionals, making the case for different approaches to B2C and B2B advertising to influence those decisions, and providing tangible steps to be more data-driven. It is parsed into three main sections outlining the differences between B2C and B2B advertising, while emphasizing how both marketing strategies can learn from each other.

Part One: How is Decision Making Different between B2C and B2B Buyers?

While there are many motivations and impulses for B2B buyers, they are also still B2C buyers. Learn how emotional and psychological aspects of buying still apply to B2B.

Part Two: How Are B2C and B2B Campaigns Different?

When it comes to targeting, the key difference at a B2B company is that multiple people – and therefore multiple motivations - are involved in a buying decision. Understand the needs of individual targets to better understand how to approach them.

Part Three: How Is Campaign Measurement Different for B2C and B2B?

While purchase expectations of B2B organizations are heavily influenced by consumer experiences, the buying dynamics in the two worlds are still very different. Examine the complexity of the B2B buying cycle and where and what metrics can be applied.

Read through this paper to better understand the nuances between B2C and B2B buyers so that you can plan and execute marketing campaigns that better connect with your buyers. While the human element is common among all buyers, knowing the differentiators that drive B2B buying decisions will have a direct impact on your marketing ROI and business growth.

Differences in Customer Types

The way most organizations buy is rooted in their structure and size – and how people interact within their organizations to reach a consensus. The old adage remains true for most – smaller businesses are nimble and can make decisions quickly, while larger organizations may have hurdles that not only elongate the decision making process, but also add layers of complexity to the task for B2B marketers. This is why in the B2B world, customers are typically segmented into buckets like Small & Medium Businesses and Enterprise.

Although consumers are influenced by their surrounding social sphere, the decision-making power lies primarily with one person. As a result, B2C marketers tend to segment customers by their age, income, gender, and other personally defining characteristics. The buying dynamic in the B2C scenario is much more personal, whereas the B2B dynamic is inter-personal. B2B buying decisions depend much more on how complex relationships within the organization are impacted as a result of a decision. Layer on top of that differing corporate or functional goals and the result is much more pressure on the decision making committee to vet vendors and reach agreement.

But the reality is that any B2B buyer is also a B2C buyer, and thus they are exposed and impacted by B2C messaging and tactics. This means that the purchase simplicity in the B2C world has led business decision makers to expect the same buying experience.

David Taylor, Mid-Atlantic Strategy Lead at SapientNitro shares, “At the end of the day, B2B clients are consumers in their everyday lives and as a result their expectations are shifting. We are finding that our B2B clients are increasingly acting and operating like their B2C counterparts. The distinction in terms of customer expectations is blurring, which creates a new challenge for B2B marketers.”

This is perhaps compounded by the fact that 46% of B2B decision influencers are now millennials, according to Google. The expectations of millennials born in the ‘age of the internet’ are affecting B2B buying dynamics. It is important to think through how this might impact campaigns.

FIGURE 1 : DIFFERENCES IN B2C AND B2B BUYING DYNAMICS

	CONSUMERS	BUSINESSES
Decision Rationale	Skewed Toward Emotional	Skewed Toward Rational
Marketing Approach	Product-Driven	Relationship-Driven
Customer Types	Individuals & Households	Teams & Companies
Decision Makers	1-2 People	Buying Groups of 5-12
Purchase Sizes	Lower $ Amounts	Higher $ Amounts
Buying Cycles	Days to Weeks	Months to Years

Differences in Decision Making

For both marketers and buying organizations, there is a big difference between the decision a consumer makes to buy a household item, and the decision 10 business people make to buy a $200K+ service. There's simply more on the line for B2B decision makers looking to purchase a six-figure item; as the result not only impacts the individuals, but the complex relationships with those across their organization. This complexity includes stakeholders that might sit in different groups within an organization, with multiple goals, performance metrics, and multiple budgets.

This complexity is part of the reason why B2B opportunities don't convert as fast as B2C ones, which means B2B marketers need to maintain continuous engagement with their customers and prospects over a longer period of time. The B2B "buying committee" adds another wrinkle, and B2B marketers appeal to more than just the check-signers in order to be successful. While the average number of decision makers involved in a B2B purchase is 5.4 according to CEB Global/Gartner – this number can vary depending on the size and complexity of organizational structures and the price of the offering. Furthermore, with B2B decisions sometimes taking over 12 months, staying top of mind becomes that much more important to build appeal and drive action – which comes at a cost that's harder to justify for marketers.

That appeal isn't won easily. Light consumer methods of persuasion don't score lasting points with the B2B crowd. Just as a consumer may read reviews and articles before purchasing a laptop, a B2B buyer may read enterprise software reviews and industry news articles but rely on them as one component that factors into a more complex vetting process. These factors could include talking to past customers, asking for a demonstration of the product, reading case studies, and more. All of this vetting is necessary because few are willing to risk their professional credibility on an impulse purchase.

While it's tempting to simplify the path to a B2B purchase with a linear process, the reality is that it's a winding road that crosses multiple marketing and sales touches, both online and offline. This complex process involves the customer evaluating many vendors who are constantly going in and out of favor.

FIGURE 2 : B2B EMOTIONAL PURCHASE CONSIDERATIONS

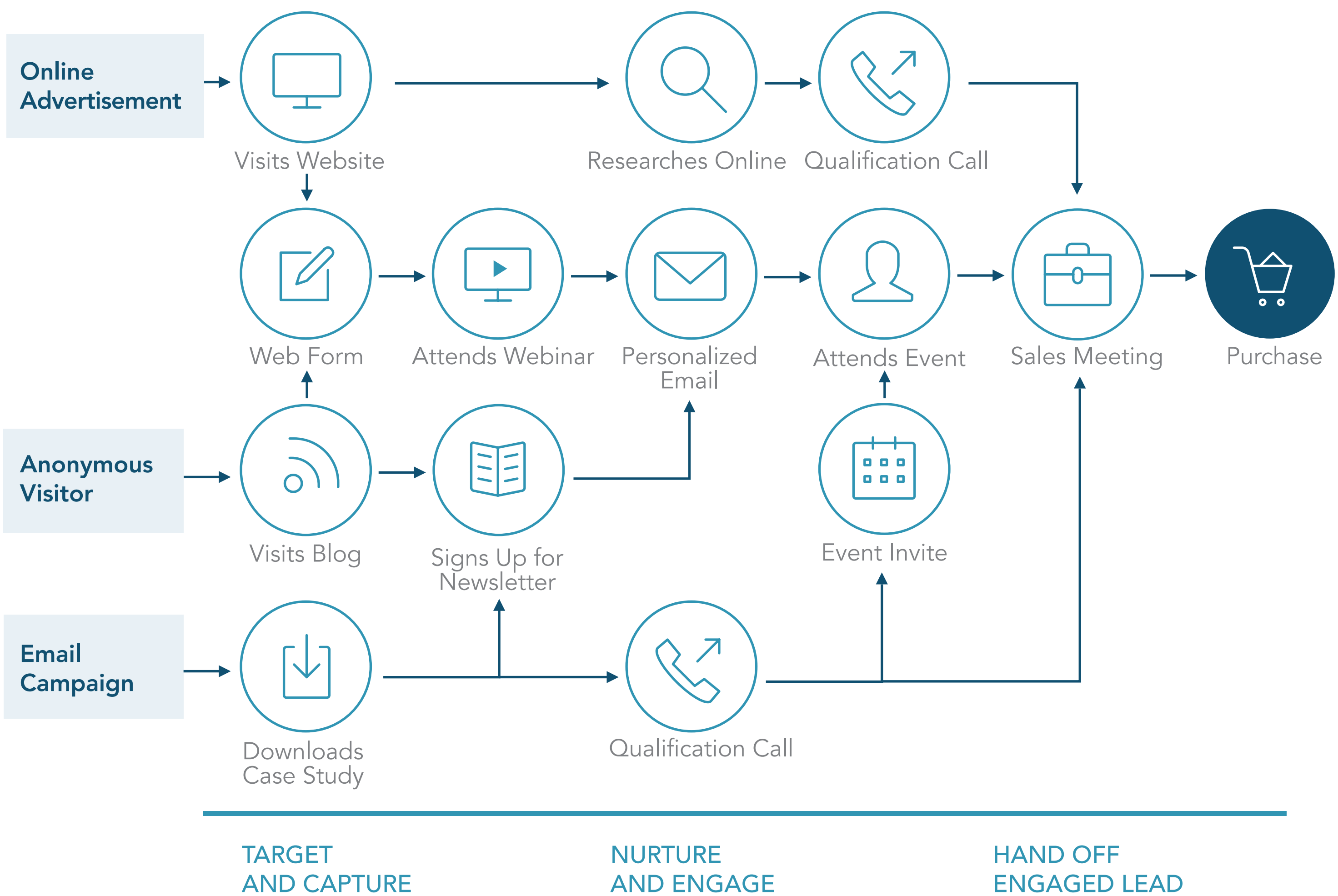
Career	*How will this purchase define and/or affect my future?*
Relationships	*How will others in the organization think of me as a result of this purchase?*
Team Impact	*Will this purchase improve workflows/productivity for my team?*
Ego	*Am I willing to put my reputation on the line for this decision?*
Political	*Will this decision be viewed in a positive light by others in the organization?*

Brands hoping to make a vendor shortlist must convince business buyers they're sufficiently knowledgeable, not only about the solutions they're selling, but also about the challenges being faced by companies and their industries as a whole.

Creating a thought leadership and credibility-building engine is of paramount importance in B2B marketing.

Getting this content in front of B2B buyers during early stages of the buying cycle and maintaining that engagement downstream helps keep brands top-of-mind when the time of need arises and consideration begins. Building sufficient brand and trust equity early and consistently over time tips the scales in favor of brands that make this a priority for their advertising efforts.

FIGURE 3 : THE COMPLEX B2B DECISION MAKING PROCESS



ORACLE
DATA CLOUD

Partner Perspective

Engage Accounts Over Long Sales Cycles to Increase Conversion:

Just like in B2C marketing where the consumer (person who consumes content) remains constant throughout the buying cycle, in B2B an account (company that is either a customer or a prospect) remains constant in a specific buying cycle.

B2B businesses are already aware that targeted Account-Based Marketing (ABM) is critical during long sales cycles. Successful B2B marketers execute against these targets by creating account-based audiences made of users (consumers) who work at these accounts. Alignment with sales teams is critical to build effective audiences, and encourages a healthy and long-term joint marketing and sales strategy and relationship.

Once the audiences are created, they are activated to allow for cross-channel implementation across web, mobile, social and TV to achieve the best results for their marketing goals.

This account-based approach drives high-quality prospects through the funnel, giving marketers multiple touch points to keep their brand top of mind, while ensuring revenue and data flow into downstream systems such as sales, finance etc. Follow these easy steps to leverage ABM for continued engagement during long sales cycles:

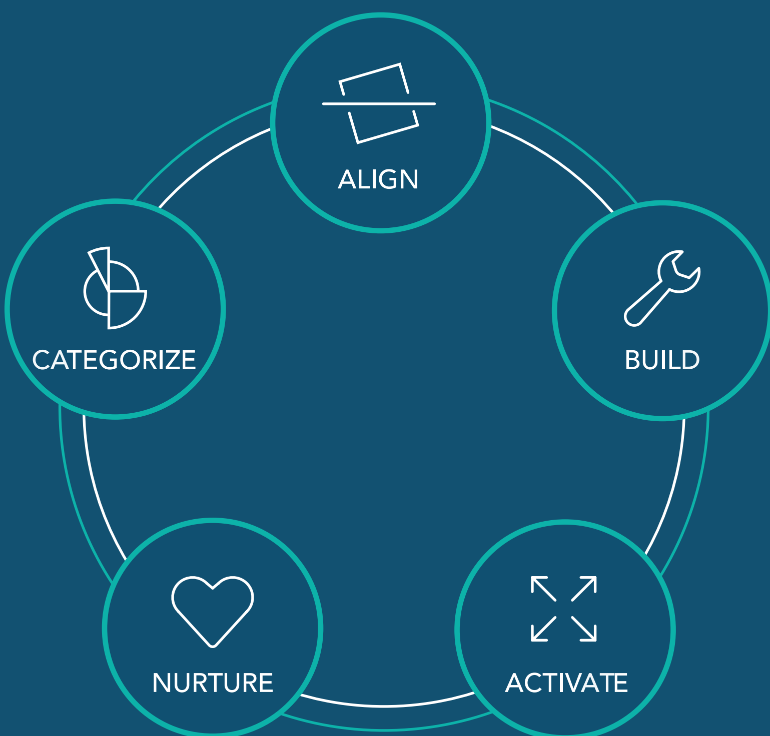
1. Align
with sales to develop an account list for sales outreach and opportunities

2. Build
a custom account list based on in-house business priorities, and the individuals to target

3. Activate
that audience across digital channels, monitor campaign response and sales activity

4. Nurture
individuals and accounts demonstrating interest and intent

5. Categorize
audiences to tailor content based on where they are in the funnel (e.g. “Content strategy X” for “Accounts” that are in “Advanced Buying Stage”)



Differences in Targeting Approaches

When it comes to targeting approaches for advertising campaigns, it often comes down to striking a balance between scale and accuracy. Account-Based Marketing (ABM) is rooted in the ability for marketers to analyze their own data (first-party data) and create a target list of accounts to pursue. This first-party data does not replace traditional advertising outreach used to drive market awareness to a broader audience. This is where marketers must decide between balancing probabilistic and deterministic third-party data to supplement targeting approaches.

Probabilistic data takes online activities and infers something about the audience that took the action. Naturally, this results in more scale, as there are millions of B2B buyers actively researching, downloading, and searching for solutions to their business problems online. Probabilistic data focuses on "what" audiences are doing, and uses that insight as a basis for defining a targetable segment. Since this approach uses algorithms to match online activity with audiences, it can result in inaccurate audience segments if the underlying assumptions used to build the algorithms are incorrect.

Deterministic third-party data on the other hand, is highly valuable due to its quality and accuracy. However, this accuracy comes at the cost of scale. Deterministic data leverages user-defined or factual sources – focusing on the "who" – to define audience segments.

Many B2B marketers find themselves in a dilemma when faced with choosing a targeting approach. The best thing to do in this situation is to take a step back and evaluate the pros and cons of different targeting approaches available as depicted in Figure 4.

FIGURE 4 : TARGETING APPROACHES PROS AND CONS

	Deterministic		Probabilistic	
	Firmographic Targeting	Demographic Targeting	Intent-Based Targeting	Predictive Targeting
What it is	Segmenting audiences by the characteristics of the business.	Segmenting audiences by the characteristics of decision makers and influencers at the business.	Segmenting audiences by topics they're researching, or behaviors they're exhibiting.	Segmenting audiences by likeliness to perform actions in the future, or by certain characteristics based on analytic models.
Advantages	It can help reach the right businesses based on an ideal customer profile.	It can get messages in front of the right decision makers based on their role, seniority, and other characteristics.	It can help reach audiences that are interested in particular subjects, topics, or products in near real-time.	It can help identify audiences based on how they may act in the future. This helps to get messages across earlier in the buyer journey before there is an explicit need.
Disadvantages	It can be limited in scale and impressions, which may produce, limited results depending on the goal of the campaign.	Over-targeting can exclude key influencers involved in a B2B sale.	Behaviors can change rapidly over time, and messages may be irrelevant if data is not leveraged near real-time. It can also provide false positives such as students or competitors searching for topics and impacting campaign ROI.	Models may be based on inputs that are irrelevant to campaign objectives. How models are built to inform these data sets should be checked.

Striking the Balance, a Review of Available B2B Data Types:

There are many different categories of B2B targeting available to marketers. As mentioned above, it can be easy to go down a rabbit hole. The key here is to not forget that the buyer (e.g. C-Level) is also an individual who appears online as a consumer of content (e.g. Photographer, Golfer). In other words, don't hesitate to explore B2C data types to augment current marketing activities and uniquely apply them to campaigns. Following are the data type categories:

Persona-based B2B data

Identifies professionals based on their characteristics, regardless of the specific company that employs them. These segments can focus on a specific type of company or professionals within a targeted role. Persona-based targeting often reaches a broader audience and includes SMBs that aren't always included in a target account lists.

COMPANY TYPE:
Target professionals based on the size, age, revenue and industry of their employer. "I want to target people who work at companies with over 1000 employees."

EMPLOYEE TYPE:
Target professionals based on their function, title, seniority and decision maker status. "I want to target HR decision makers."

B2B EVENTS:
Target professionals based on the trade shows they have previously attended and/or showed interest in. "I want to target companies who have attended or shown interest in major Mining and Energy tradeshows."

Account-based B2B data

Or ABM, is an important strategy for B2B marketers, which extends activities to the programmatic channel. Account-based audiences can be built based on a list of named accounts or through custom solutions to target unique criteria.

ACCOUNT-BASED MARKETING:
Target employees based on a list of provided accounts. "I want to target finance execs at my top 2000 accounts."

PREDICTIVE ACCOUNT INDICATORS:
Target accounts based on past characteristics or behaviors that they are likely to exhibit. "I want to target accounts on my list that are growing in revenue or spending on specific product categories."

ACCOUNT PAST PURCHASE:
Target employees based on the types of solutions their company has previously purchased/ installed. "I want to target companies that have invested in ERP software in the past."

Persona-based B2C data

Often neglected is the use of B2C data to provide additional context around the end customer's interests, location, demographic, etc. "I want to target golfers in the audience with the new brand campaign that features a PGA player."

GEOGRAPHIC TARGETING:
Target individuals in certain areas. "I want to target people in Manhattan."

INTERESTS:
Target individual based on indicators that highlight their interests. "I want to target golfers in the audience with a new brand campaign that features a PGA player."

PAST PURCHASES:
Target individuals based on products they have purchased in the past. "I want to target Audi owners."

Differences in Success Metrics

Marketers need to set realistic goals when it comes to B2B programmatic campaigns. These campaigns may result in a direct sale for B2C, but it is an unlikely result to expect for B2B. B2B programmatic needs to be part of an "always on" paid media strategy that continually builds awareness in a market inundated with messages. With 67 percent of the buyer's journey now done digitally, it's more important than ever for marketers to stay top of mind when the elusive time of need arises within an organization. The way in which B2B decision makers may suddenly be open to marketing messages can be triggered by a number of factors such as mergers, acquisitions, strategy shifts, and leadership changes, all of which are difficult to predict. According to Forrester, by 2020, 80% of the buying process is expected to occur without any direct human-to-human interaction, which further emphasizes the need for an always-on approach to paid campaigns.

Many advertising agencies and B2B marketers are using B2C metrics to track success of B2B programmatic campaigns, which, as discussed, is not a good model when multiple people are engaged in the purchase. B2C metrics rely heavily on single touch attribution, something that doesn't work when multiple people and multiple touches are involved.

48% of business buyers consume two to five pieces of content before making a purchase decision, requiring agencies and marketers to aggregate early-stage success metrics over a longer period of time. Simple snapshot metrics like Click Through Rate (CTR) and web traffic are not aligned with how complex B2B products are bought. Once leads advance through the funnel, brands and agencies must focus on measuring success by taking into account how early-stage tactics influence high-quality leads, and which of those leads result in sales. Marketers must also strive to have a more complete understanding of how various decision makers within a buying committee are related to different branches, divisions, and locations within a particular company – and how that impacts attributing success to advertising.

> "Fraudulent traffic is costing digital advertisers $4.6 billion a year according to Ernst and Young. And even if programmatic metrics like CTR were clean and accurate, they still don't tell you anything about what the B2B buyer does with the message communicated. The most important information for a B2B marketer today is the identity of the target audience, whether they're a decision maker, and when the best time is to engage with them."
>
> Pat O'Brien,
> VP of Audience Solutions, Dun & Bradstreet

This is where monitoring on-site engagement becomes so critical for B2B marketers. Marketers are generating interest across multiple online and offline channels. Whether they're from paid, owned, or earned sources, most customers and prospects are ending up on a website to assess whether they can find services to help meet their needs. However, research shows that 98% of web interactions reveal nothing about who these audiences are. While metrics like time on site, page views, and bounce rates are helpful to gauge engagement with content, they do not provide the necessary insights to continue the conversation when audiences leave the website. Here are some sample on-site metrics that can help measure success and inform campaign optimization strategies:

FIGURE 5 : ON-SITE ENGAGEMENT METRICS

Engagement Metric	What It Is	Why It Matters
Visits by Key Account	A simple metric that shows whether key account visits are increasing as a result of a programmatic campaign.	As a rule of thumb, 80% of revenue comes from 20% of accounts. Measure the impact of display advertising where it matters most.
Time on Site by Industry/Persona	Offers a clearer picture of whether target industries are visiting web properties and how long they're spending across relevant pages.	Are marketing messages resonating with target audiences? Measure engagement by industry for a better picture of whether paid dollars are impacting the consideration phase of the B2B buying cycle.
# of Net New Account Visits	Indicates whether new companies are visiting a website that haven't been seen before.	If the goal is to generate awareness, also measure whether campaigns are attracting new accounts that fit an ideal customer profile.
Top Performing Content/Pages by Industry/Account	A measure of top performing content pages segmented by Industry, Persona, or Account.	Understanding what topics, content, and pages are performing well will provide more ammo to boost programmatic campaign messaging. Know what's resonating with an audience and feed that back into creative and messaging to optimize campaign performance.
MQL to SQL Conversion Rate	A ratio of total SQLs divided by total MQLs generated.	If a paid campaign is generating 100 MQLs, but only one is resulting in an SQL, paid campaigns may be targeted to the wrong audiences. This would be a 1% MQL to SQL conversion, wasting valuable seller time as well as programmatic ad dollars.
Customer Acquisition Cost	Counts how many new customers are acquired as a result of programmatic advertising.	Look further down the funnel to see how many leads become customers as a result of a programmatic campaign. Focusing exclusively on leads results in misalignment with sales, and poor impact on revenue for the business.

ORACLE
DATA CLOUD

Partner Perspective

Move Toward Campaign Metrics Better Aligned with the B2B Purchase Cycle:

In a perfect world, marketers know exactly how much revenue their campaigns are driving. Closing the loop between media spend and revenue is no easy task and it is especially difficult in B2B. However, there are data and workflows across Ad Tech and Mar Tech platforms that can help B2B marketers measure the effectiveness of their investments in data and media. This means that a B2B marketer can eventually prove return and effectiveness to sales conversion. So what's this approach?

Measure

Continue measuring traditional CTR, CTV metrics to keep track of tactical performance

Account-based engagement

Show the lift in engagement rates with the accounts that were targeted during the course of the campaign.

Data strategy

Align the data strategy to marketing spend/initiatives such as events, competitive or conquesting to see a direct correlation to performance. For example, a custom event-based audience for a specific Las Vegas tradeshow drove X% more leads and online keynote views than last year.

Predictive Analytics and Next Generation Metrics for B2B Marketers:

All the above suggestions deal with numerical metrics about users and their online interaction with an organization's content. There is however a considerable amount of data that B2B Marketer will have in their CRM systems such as wins, losses by accounts, products, etc. that can be used to measure performance and improve outcomes.

Advanced B2B marketers are now developing in-house or partner-sourced predictive analytics capabilities that use big data and machine learning techniques to analyze this data at scale and make recommendations such as accounts that are most likely to convert soon. With ABM, these recommendations can now be acted upon at scale (e.g. by launching a targeting campaign focused on specific accounts recommended).

Using Predictive Analytics, B2B marketers can now get closer to the last mile sales conversion measurement by adding the online interaction data to the data B2B marketers have in their CRM systems. For example, in addition to providing recommendations, these analytics can also link sales conversions (wins/losses) and trace them back to marketing initiatives (e.g. campaigns, audiences, visits) that directly or indirectly enabled these sales. Although not a perfect metric, this method will make a B2B marketing team modern in its approach to getting closer to and trying to achieve the goal of having a program that's measureable end-to-end.

Conclusion

Put your B2B hat on!

Mastering the art of B2B advertising requires a deep understanding of how and why humans buy differently in different contexts. Armed with this knowledge, the need to address both rational and emotional purchase considerations becomes a clear prerequisite to build trust.

Influencing a B2B buying decision with marketing involves staying top of mind with a group of buyers over a long period of time, eventually translating into buyer action and revenue. With so many competing options available on the market for B2B offerings, the brands capturing buyers' attention are generating opportunities and winning sales.

What to learn more about how Dun & Bradstreet's data can help you create a winning B2B campaign?

The Oracle Data Hotline can help compile high-performing and customized segments to activate your media buys and drive performance. Contact the Hotline for:

- Product information
- Audience recommendations
- Targeting & measurement plans
- Audience sizing
- Creating custom audiences
- RFP support
- Collateral & case studies
- Measurement feasibility reports
- Ordering measurement studies

Don't forget to ask about Dun & Bradstreet audience segments!

dnb.com/perspectives/marketing-sales/oracle-data-hotline.html