

A Metia report

B2B marketing trends for 2021

6 essential trends for the resilient CMO



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Contents

Introduction	4
1. Marketing exists to drive sales (and don't you forget it)	5
2. Lead nurturing should never be a numbers game	7
3. You can't fake purpose, so don't bother trying	9
4. B2B events have changed forever. What does the future hold?	11
5. Don't be lazy with targets, as complacency will stifle your growth	13
6. The marketer's mindset is key to CX success	15
Are you ready for 2021?	17
About Metia Group	19

1 Marketing exists to drive sales (and don't you forget it)



The marketing hype machine reached new heights this November as consumer goods conglomerate Mondelez vowed to “stop marketing and start humaning”. Wise B2B marketers should ignore such distractions and follow the wise words of Bill Bernbach instead.

In the press release proclaiming its shift in marketing strategy, Mondelez announced that it is “no longer marketing to consumers but creating connections with humans”. Evidently its marketers seek a higher purpose in life.

They would do well to remember, however, that Mondelez sells snack food: chocolate, cookies, biscuits, gum, and powdered beverages. While many of us consume these goods, our buying habits of such products are famously frivolous.

We tend to buy infrequently and from multiple brands – a point articulated by Byron Sharp in his seminal 2010 book ‘How Brands Grow’. Sharp shared data for Coca-Cola and Pepsi illustrating this point - each company’s typical customer buys the product only once or twice a year and they tend to buy other products in the category too.

Given the vast number of brands we buy from, most of us don’t want to feel ‘connected’ with a snack food brand. We just want a temporary fix to feeling hungry or hungover or because we want our children to stay quiet for five minutes.

“the art of buying and selling things... is now widely seen as an unethical career and [marketers] try to make up for it by balancing it with brand purpose.”¹

Richard Shotton, Astroten

¹<https://www.thedrum.com/news/2018/11/22/richard-shotton-brand-purpose-marketers-have-fallen-out-love-with-marketing>

The job of the marketers at Mondelēz is fairly simple: encourage more people to buy more of these snacks, and make sure that Mondelēz brands are front of mind when that happens. But for some reason this concept has gone out of fashion. In the words of Richard Shotton, author of *The Choice Factory* and founder of behavioral science consultancy Astroten, “the art of buying and selling things... is now widely seen as an unethical career and [marketers] try to make up for it by balancing it with brand purpose.”¹

But it's not Bernbach's creative brilliance we're here to recognize, rather his unequivocal view of the role of marketers.

“The purpose of advertising is to sell [and] if that goal does not permeate every idea you get, every word you write, every picture you take, you are a phony and you ought to get out of the business.”²

What this means in B2B

Bernbach's statement might be on the blunt side, but it's undoubtedly true – and contains a critical lesson for B2B marketers. Every dollar invested in marketing should be spent with the aim of generating sales.

That doesn't mean marketers should default only to short-term, direct response tactics. Quite the opposite. They should blend short- and long-term tactics and the full marketing mix to maximize the impact of their marketing budget.

But his statement does provide a lens through which any potential investment should be assessed. For every single activity, marketers should ask and be able to communicate: “how will this help us to generate more sales”?

In 2021 marketers are facing the challenge of a global recession, and many finance departments will be looking to cut budget. The temptation to focus entirely on short-term tactics where impact can be easily proven will be strong – but it must be resisted as it is rarely the way to maximize long-term sales.

It's critical that marketers can separate the wheat from the chaff and focus their effort and resources on a blend of tactics that will maximize revenue – and not ego-driven diversions like Mondelēz that will add little to the bottom line.

“The purpose of advertising is to sell [and] if that goal does not permeate every idea you get, every word you write, every picture you take, you are a phony and you ought to get out of the business.”²

Bill Bernbach, Mondelēz.

¹ <https://www.thedrum.com/news/2018/11/22/richard-shotton-brand-purpose-marketers-have-fallen-out-love-with-marketing>

² <https://blog.hubspot.com/agency/bill-bernbach-quotes>

2 Lead nurturing should never be a numbers game



While advances in marketing technology have helped businesses increase the efficiency of their marketing activities, a reliance on the same platforms and techniques risks delivering bland, undifferentiated experiences to prospective customers.

According to a recent survey by online publisher Demand Gen Report, almost half (49%) of B2B marketers rate their lead nurturing strategies as needing improvement, with only 8% claiming their strategy as excellent.³

Even more worryingly, 71% of the survey's respondents noted declining response rates across their lead nurture programs this year. While the COVID-19 pandemic may have impacted performance – not least due to the increased competition for attention online and the inability to engage with prospects face-to-face – it's clear that whatever first-mover advantage could be gained with marketing technology adoption has long since disappeared.

The marketing technology arms race

Satirical marketing commentator Tom Fishburne believes a reliance on generic cookie-cutter campaigns is to blame. "Marketing automation sometimes has the feel of an arms race. Every company has access to the same tools and similar prospects. This has resulted in an avalanche of generic semi-personalized communication."⁴

This race to the bottom is compounded by the way many marketers are measuring the success of their lead nurturing programs. Respondents to the Demand Gen Report survey recorded email click-through rate as the most frequently used success metric for a lead nurture program – ahead of revenue, lead volume, or conversion rate.

³ <https://www.demandgenreport.com/resources/reports/2020-lead-nurturing-survey-report>

⁴ <https://marketoonist.com/2020/11/lead-nurturing.html>

Let's be clear: a lead nurture program exists to generate revenue. Efficiency metrics such as email click-through rate are always important to monitor, but there is a rarely a clear connection to ultimate success. That many marketers are using these metrics to measure overall impact should concern business leaders. Such programs will inevitably be optimized to those measures, irrespective of the impact a program is having on the bottom line.

“Too often lead nurturing is treated only as a numbers game. Just because it's now more efficient than ever to reach potential prospects with messaging doesn't mean that the messaging will cut through. Companies can't break through the clutter by adding to it.”

Tom Fishburne, Marketoologist

Nurture individuals, not database entries

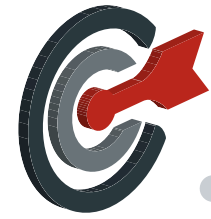
Lead nurture programs should instead be built around the reality of B2B sales. Businesses sell to people, not names in a database. Building and maintaining an emotional connection with customers is critical to the sale. The stakes are high, and marketers must prioritize the quality of engagements with prospects over quantity. You may be able to improve your email click-through rates with catchier subject lines or the use of emojis – but should that really be a primary goal? Of course not. Although your junior team members given simple objectives, may think so.

Senior marketers must respond to this challenge by ensuring their teams are focused on the quality and impact of their interactions with prospects: delivering distinct communications and experiences that help to increase the occurrence of sales conversations and the mutual value these engagements deliver.

Marketers must also balance their investments in lead generation and nurture with brand building and awareness. While most B2B marketers can point to clear return-on-investment (ROI) through lead nurturing, they must also remember the role of longer-term brand building tactics in generating sales.

While tangible impact may be harder to prove, sales teams will find their job far easier when prospects are aware of your brand, your domain expertise, and trust that you can deliver on your promise.

3 You can't fake purpose, so don't bother trying



When it comes to purpose-driven marketing there is no fake it 'til you make it. Social activism can't be just a marketing tactic: if it isn't core to your business then don't try to spin it in your marketing.

The idea that businesses with a purpose beyond profit outperform those that don't was popularized by former P&G Chief Marketing Officer (CMO) Jim Stengel in his 2012 book 'Grow'. Stengel's research – in partnership with brand consultants Millward Brown – claimed causal correlation between “a brand's ability to serve a higher purpose and its financial performance”.⁵

In the years since, Stengel's theory has been widely discredited, but the idea of brand purpose lives on – and leading global brands including Gillette, Burger King and Adidas have all launched major purpose-led campaigns.

The challenge for brands is that consumers aren't stupid. They're actually rather good at recognizing when brand activism is all talk

and no substance. When Burger King ran a campaign around Mental Health Awareness Month, it was quickly called out for the lack of mental health support it provides its own employees.⁶ And when Starbucks ran campaigns promoting its impact on the local communities it serves, it was taken to task on its minimal tax contributions.

Too many marketers are getting involved in what has been dubbed 'woke washing', chasing the next purpose mission in their messaging to make sure they're a part of 'the conversation' – even conversations which most brands have nothing relevant to contribute, other than fixing their own policies and behavior.

⁵ <https://www.businesswire.com/news/home/20120117005066/en/Millward-Brown-in-Partnership-with-Jim-Stengel-Reveals-the-50-Fastest-Growing-Brands-in-the-World-and-Uncovers-the-Source-of-Their-Success>

⁶ <https://contentmarketinginstitute.com/2019/06/cause-marketing-wrong/>

When purpose has value

Purpose can be valuable, but not when it's treated as a marketing activity. It needs to be core to what the business does. A 2015 survey Nielsen found that 66% of consumers globally were willing to pay more for products and services that came from companies committed to positive social and environmental change⁷ – although the survey did not establish whether the respondents' claims were mirrored by their behavior.

In a separate study, professional services firm Deloitte found that businesses taking a more socially responsible stance create value across the entire organization, from improved risk mitigation and operational efficiency to talent attraction and product innovation.⁸

To realize this potential value, social purpose must be at the core of business activity. Purpose isn't confined to the marketing function.

Nor can purpose be defined by a handful of LinkedIn posts in the wake of a cultural event – particularly when a quick web search undermines that message. As has always been the case, your marketing should be a representation of what you do as a business. Your behavior must be consistent with your messaging.

How does purpose play in B2B?

Unsurprisingly, purpose-led marketing is less common in B2B, where the majority of marketing is still focused on directly addressing customer needs.

However, with Environmental, Social and Governance (ESG) policies playing a more prominent role in the procurement process in many industries, there is a growing need for B2B vendors to be seen as positive contributors to society. B2B marketers are also – of course – still marketing to individuals, who will ultimately choose to buy from companies that they trust. Demonstrating the positive benefit your company delivers to society will likely only help with that process.

B2B marketers considering a purpose-led campaign should apply common sense. If your business is built on a genuine social purpose, then embrace it in your marketing. But that isn't the case for most marketers, and that doesn't need to be a problem.

Profitable businesses create value for the economy, supporting the individuals that work for them, the companies that supply them and the communities they are a part of – all inherently good things. But if you are just creating profit, don't push brand purpose in your marketing.

“The best way to know if purpose is suitable is whether the purpose predated the marketing. If you have you built a company around a belief, then it makes absolute sense to continue talking about that”⁹

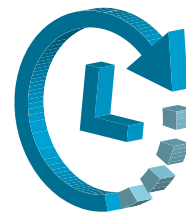
Richard Shotton, Astroten

⁷ <https://www.nielsen.com/ssa/en/press-releases/2015/consumer-goods-brands-that-demonstrate-commitment-to-sustainability-outperform/>

⁸ <https://www2.deloitte.com/content/dam/Deloitte/ru/Documents/risk/social-purpose-and-value-creation-en.pdf>

⁹ <https://www.thedrum.com/news/2018/11/22/richard-shotton-brand-purpose-marketers-have-fallen-out-love-with-marketing>

4 B2B events have changed forever. What does the future hold?



The COVID-19 pandemic decimated the events industry and left many B2B marketers with a hole in the sales pipeline. The path for 2021 isn't clear, so how should marketers react?

B2B marketers who rely on events and conferences to drive demand have had a challenging year – and let's face it, that's most of us.

An early casualty was Mobile World Congress, the annual trade show for the mobile communications industry. With 100,000 attendees set to descend on the conference in Barcelona, the cancellation seemed a prudent move – albeit with the organizers facing criticism that they should have acted sooner.

With no time to replicate the conference online, the cancellation left a gaping void for many B2B technology vendors who rely on the conference to drive demand.

Cancellations became the new normal in 2020

As the year progressed, virtually every major industry trade show and conference was cancelled or moved online. B2B vendors faced a similar dilemma with their own events, having to engage customers and prospects online or not at all.

The pandemic undoubtedly accelerated digital transformation in the events industry, which brought benefits for digital event organizers. Increased familiarity – not to mention necessity – boosted participation from senior audiences. This familiarity bred confidence, and even the traditional silent lurkers became used to engaging online.

But the competition for attention has been fierce. Not just from other events, but also from other business priorities, from calendar congestion, and from weariness. Since March, everyone has been online interacting for 8 hours a day. Who wants more of that?

Distraction is also a problem. With physical events, once you have someone in the room you generally have their attention. With online events, organizers are competing against their work inbox, the entire Internet and more: digital attendees have multiple incoming feeds, not to mention the distractions of home life in the background.

Digital events also lack the incentive to attend. There is no trip, no VIP experience, no network effect. Trade shows tend to happen in cities like Las Vegas or Barcelona for a reason: it's impossible to replicate that pull remotely.

Generating impact against these challenges has been a major challenge for event organizers.

What does the future hold?

From conversations we've held with senior B2B marketers, it seems most envisage a future where key events are a blend of physical and digital experience – and where most smaller satellite events shift online.

While they may take a while to return, in-person events undoubtedly will return. B2B sales are built upon personal relationships, and these are much harder to foster online. While many virtual events have succeeded, and even surprised marketers with their different strengths, the single most consistent feedback has been that the networking element just isn't the same without direct eye contact.

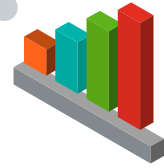
For that reason alone the best physical events are just too important to vendors to disappear, despite the cost.

But there will also be growing investments in the digital experience, not least as the shift to digital has lowered the barriers for entry for event attendees – significantly increasing audience sizes for many event organizers. As an example, software platform Docker's 2020 virtual event attracted 30,000 attendees, compared to 4,200 for its physical event in 2019.¹⁰ What's more, digital events provide longevity. Docker generated a further 30,000 registrations for the event after it happened: measurable impact that a physical event cannot replicate.

A digital presence does not, however, guarantee event success. That depends on delivering a fair exchange of value at every touch point with your audience – supported by effective promotion that helps to deliver and sustain demand. In that regard, nothing has changed.

¹⁰ <https://siliconangle.com/2020/07/08/trade-shows-fade-black-virtual-events-explode-heres-right/>

5 Don't be lazy with targets, as complacency will stifle your growth



Data was supposed to solve measurement problems for marketers, but is a lack of due diligence from business leaders limiting impact?

The emergence of digital marketing technology brought the promise of new transparency through data. No more would marketers wonder about the performance of their tactics – the proof of success or failure would be there for all to see.

But data can be manipulated to fit a desired narrative, and if marketing leaders don't conduct due diligence then false narratives can quickly become reality – leading to inefficiency and wastage.

The principal-agent problem is rife in marketing

Savvy marketing leaders understand that the personal motivations of team members and suppliers can become misaligned with those

of the company. They recognize that problems occur when individuals are motivated to act in their own interests, contrary to the best interests of the company. This is the 'principal-agent problem', a foundation of economics and political science.

A practical example of this problem can be seen in how targets are set for many marketing campaigns. Many a marketing manager has been tempted to set modest targets for their campaigns – to mitigate the risk of failure while believing that over-performance will provide a personal benefit. This temptation is increased when there is a perceived lack of rigor from managers to evaluate those targets.

Conservative targets may bring personal benefits, but they have consequences for the business: they breed complacency. If every campaign is deemed a success, critical thinking goes by the wayside – replaced by pats on backs and taking the collective foot off the gas.

Remember the law of averages

Not every campaign your team runs will work. By definition, around half of your campaigns will perform better than average, and half will perform worse than average (that's how averages work...). If every campaign is beating its target, then you likely have a problem: your targets are too conservative. Marketing leaders must be able to differentiate relative success from failure – and interrogate both to drive improvement.

When team members or agency partners provide targets, do the due diligence. Ask why particular Key Performance Indicators (KPIs) have been chosen – and probe what has informed the target set for each. What benchmarks and assumptions have been taken into account, and how have the targets been informed by previous performance?

A culture of honesty and critical thinking. Make that your team's New Year's Resolution.

The importance of consistently gathering campaign performance data over an extended period is not a new revelation to us. For over five years, Metia Group had captured all its campaign data into our own Performance Benchmark Index, a tool used to inform and predict client demand gen programs and set realistic KPIs based upon prior performance data.

Owning a referenceable database of past campaign data is key to setting realistic but ambitious targets – and essential to fuel campaign optimization. If you don't have such data, find a partner that can help. Setting evidence-based targets is table stakes for 2021.

Critical thinking is key to growth

Encourage this critical thinking throughout your business. Push team members to be open about success and failure. Without the ability to identify and understand both how can you expect to drive growth?

Philip Almond, who leads marketing at Cancer Research UK, summarized this in a recent interview with Marketing Week. "You need a real culture of honesty. You have to understand the reality of what's happening and learn from it and get better as a result. As a leader, create conditions for your team to learn from what hasn't worked as well as what has worked, and talk openly about that."¹¹

¹¹ <https://www.marketingweek.com/cancer-research-uk-capita-creativity-effectiveness/>

6 The marketer's mindset is key to CX success

Marketing was built on the four Ps – price, promotion, place, product – yet the rise of growth marketing has left many marketers focused on just one: promotion. This shift has skewed the priorities of many marketing teams, excluding them from broader conversations around the customer experience (CX). Our research shows why marketers must reverse this trend.

For many businesses, the COVID-19 pandemic highlighted the importance of a strong and flexible customer experience. As the first lockdowns began, simplicity and agility were critical factors in how companies were perceived by their customers. But many companies are failing with customer experience. A recent Capgemini study found that while 75% of organizations believe themselves to be customer-centric - only 30% of customers agree.¹²

Capgemini - The Disconnected Customer:



¹²<https://www.capgemini.com/wp-content/uploads/2017/06/dcx-research-new-branding-web-version.pdf>

The pandemic played havoc across sectors, including in financial services where banks and other financial institutions were catapulted into a new reality. Digital-only banking became the new normal overnight, and digital transformation was placed firmly at the top of the agenda.

This presented an opportunity to better understand the factors driving success and failure in customer experience – and the role that marketers should play in these digital transformation initiatives.

At the height of the first lockdowns, we surveyed 500 financial marketers from banks and credit unions in the US to learn of their transformation experiences during the pandemic, and many of the findings reach far beyond banking.

Mindset matters

Our research found that when marketers are involved in digital transformation initiatives from the start, these initiatives tend to be more successful.

With CTOs and CEOs typically leading the digital transformation charge, the customer is often forgotten leading to an inferior customer experience. This is where marketers come in. Organizations that involved the marketing department in the digital transformation process experienced far greater increases in customer satisfaction (57%) than those that didn't (45%). The same was true of loyalty (52% and 42% respectively).

COVID-19 forced many financial institutions into digital transformation. Of those we surveyed, 41% had closed all in-person services, 40% had closed branches but retained a curbside

or drive-through service and 30% had closed branches but retained unstaffed ATM/kiosk services. The pandemic fundamentally changed how these businesses and their customers operated, forcing the organizations to quickly adjust or risk failure.

The organizations that involved marketing within the digital transformation process again had the upper hand in this period of change. Of the marketers involved in digital transformation, 30% said they found it easy to pivot their customer experience during lockdown, compared to only 19% for the marketers who were not involved. Responding to customer needs was far easier when the marketing department was involved from the start of transformation efforts.

Improving customer loyalty, satisfaction and agility

Our study highlights the pitfalls of a disjointed approach to customer experience – and the benefits of ensuring deep involvement from the marketing department. Transforming the customer experience requires 360-degree customer understanding, and marketing teams play a key role in providing this view. The research backs this up: loyalty, satisfaction and the ability to adjust to customer needs all improved with marketing involvement in customer experience transformation.

While this study was focused on the financial services sector, it has ramifications across industries. The B2B marketers who ensure their involvement in digital transformation initiatives will deliver measurable benefits for themselves and their customers – and their organizations are far more likely to prosper as the world continues to change around us.

Are you ready for 2021?

We hope this report has been informative and provides useful insight for your 2021 planning.

This year has highlighted the relentless pace of change in marketing and, while we all hope for a calmer and more stable 2021, change is a constant in our industry.

Understanding key platforms, tools and techniques is key to realizing growth, so make sure you have the appetite and resource required for the year ahead. If you're a little worried, slightly confused – or simply too busy – seek outside help from experts dedicated to this sector.

If you'd like to discuss these trends in more detail, please get in touch. And if you're curious to learn more, you'll find a host of additional content at www.metia.com.

About Metia Group

Metia Group is a global marketing agency with offices in London, Seattle, Austin and Singapore. Employing over 100 highly skilled strategy, insight, digital and marketing professionals, the company provides integrated marketing programs for global brands and businesses.

Metia's clients include many of the world's leading corporations and largest business-to-business brands. During the past two years, the company has executed marketing activities in 88 countries and in 39 languages.

To learn more about our capabilities and discuss how we could help you reach and engage your target audiences with focused, measurable campaigns, please contact us at info@metia.com.

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