



# **Business-to-Business Marketing Viewpoints on Health Communications: Insights/Ideas from ISBM Research**



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# Thank You!

- 
- For hosting me here today
  - The chance to connect with CDC
  - The important work you do for all of us!

# Agenda...

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- **Brief ISBM Overview**
- **Insights on Health Communication from B-to-B:**
  - **Recognize the key differences: B-to-B, B-to-C**
  - **The firm as “Audience”**
  - **“Resonating Focus” Value Propositions**
  - **The Important role of Brands/Branding**
- **For More Information...**
- **Discussion/Next Steps**





**Institute for  
the Study of  
Business Markets**

**Since 1983...**

**...An industry-supported center of excellence;  
Headquarters at *Penn State***

## **OUR MISSION:**

- **Expand research and teaching in business-to-business marketing and sales in academia...**
- **Improve the practice of business-to-business marketing and sales for member firms in industry...**

**Practical  
Academic Field  
Research**

**100 Researchers  
ISBM Fellows**



**Leading-Edge  
B-to-B Marketing  
Practice**

**70 Member Firms**

**Value:**

- **New Knowledge/Insight**
- **Analytic Tools for B-to-B**
- **Courses/Professional Development**
- **Networking/Interchange**
- **Benchmarking**
- **More...**



# Three ISBM Agendas:

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- 1. Research:** Business-to-Business/Mktg-Sales worldwide/large working database
- 2. Education:** Complete curriculum of courses for practitioners in Member firms
- 3. Networking and Interchange:**  
Live and Web "blended" meetings, publications, special interest consortia, real-time contacts, website, more...

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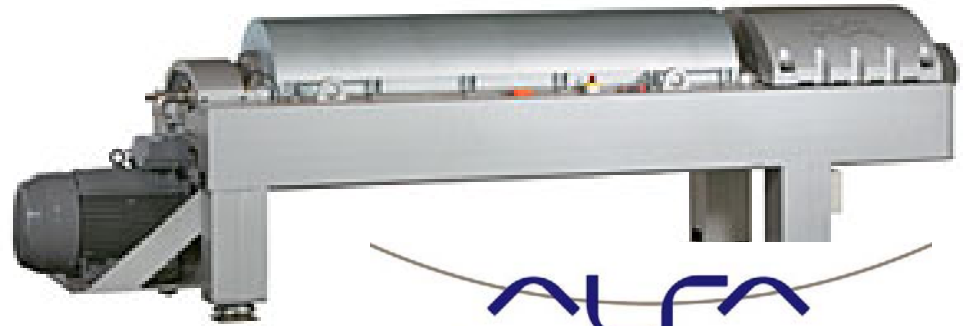
# Health Communication – Business-to-Business

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Thoughts from a perspective with no real “domain expertise,” But some experience with:

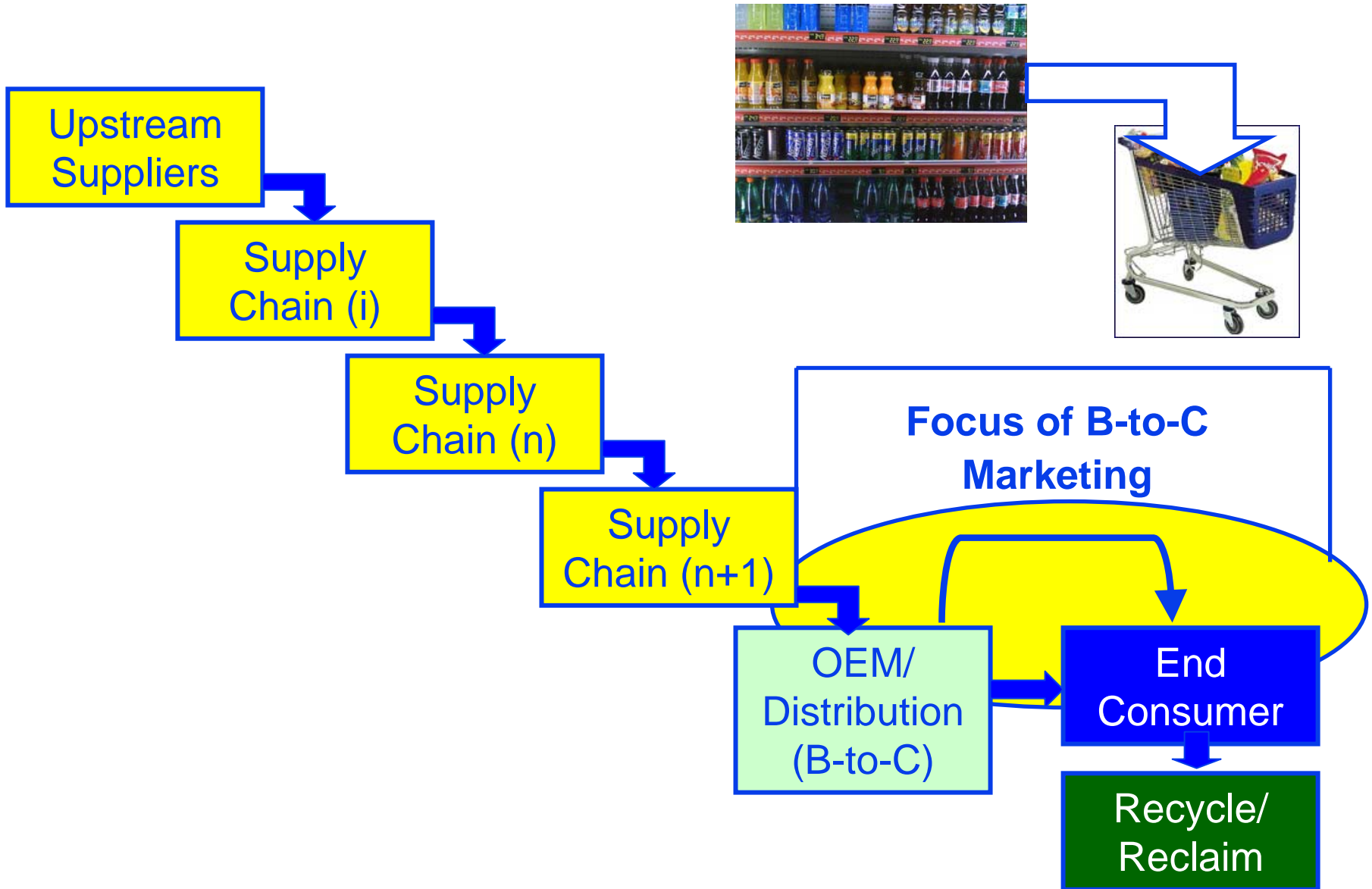
- Complex messages with varied and often difficult to articulate benefits/value propositions (e.g. a Health Message involving prevention, preparedness, rapid response, etc...)
- Complex audiences with differing points of view and a “web of influence’ (e.g. a firm, NGO, YMCA, local public health organization, etc...)



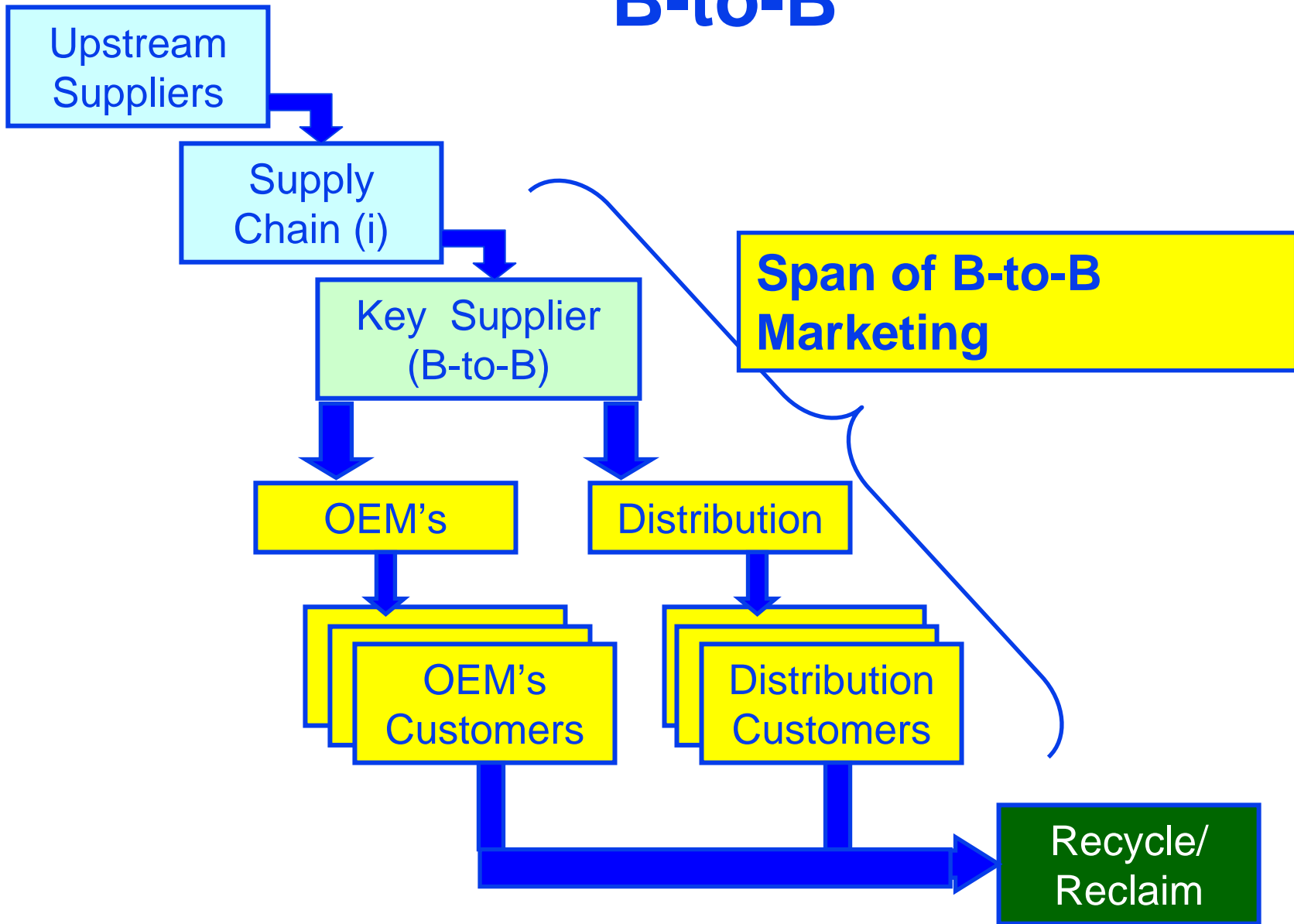


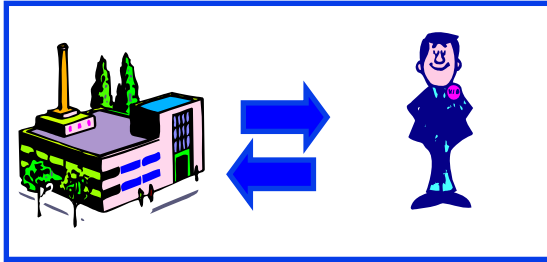
Swagelok®

# B-to-C



# B-to-B





## Consumer

**Marketing Culture**

**Market to end of chain**

**Perceptual proposition**

**Value in brand relationship**

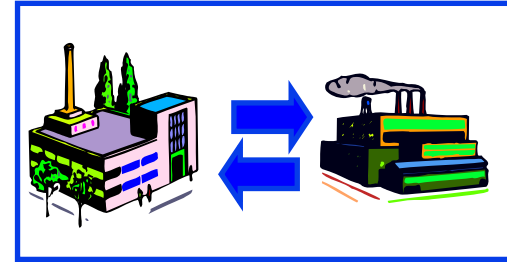
**Large customer segments**

**Smaller-unit transactions**

**Transaction linkage**

**More direct purchase**

**Consumer decides**



## Business-to-Business

**Manufacturing/Tech Culture**

**Market to value chain**

**Technical proposition**

**Value in use, quantifiable**

**Small number of customers**

**Large-unit transactions**

**Process linkage**

**Complex buying sequence**

**Web of decision participants**

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# Linking Decision-Makers to Benefits

## “Benefit Stack”

## “Decision-Maker Stack”

Least  
Important

### Typical Customer Benefits Offered

Highly Competitive prices and quality

Manufacturing Plants on four Continents

Internet-Base order placement, tracking and Billing System

24/7 customer response facility with radio links to trucks

Customized manufacture and delivery of product to meet plant's daily needs

Sunday, holiday and 24/7 delivery when required

Just-in-Time Delivery

Seller

### Typical Purchase Team Members

Warehouse Manager

Purchasing Manager

Logistics Officer

Maintenance Manager

Chief Marketing Officer

CFO

Supply chain Head

COO

CEO (On Occasion)

Buyer

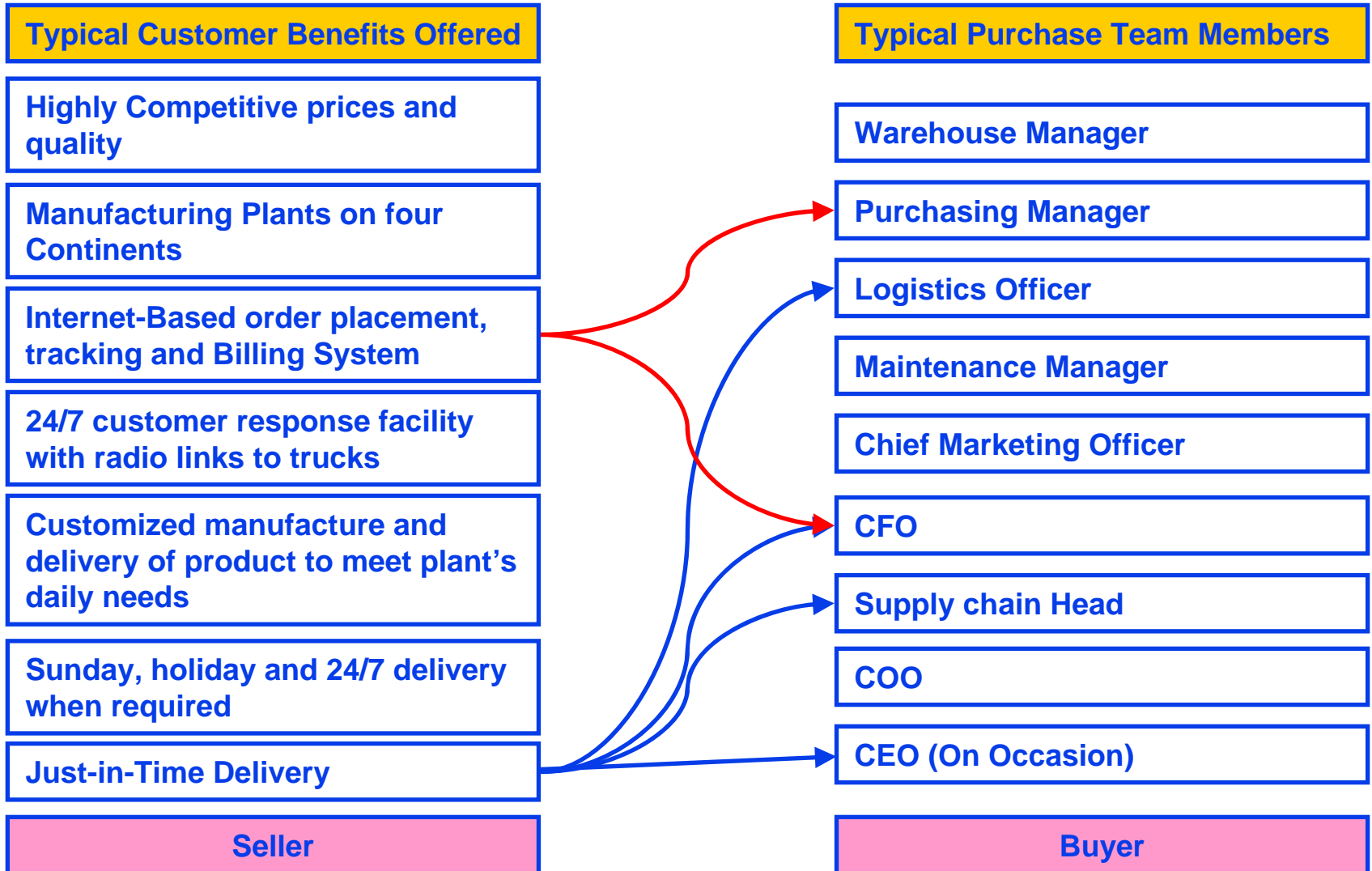
Most  
Important



# Benefit/Message Targeting

## “Benefit Stack”

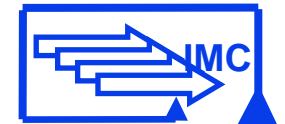
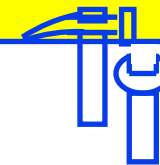
## “Decision-Maker Stack”





# IMC PLANNING FRAMEWORK:

1. Focus on target audience/Segment
2. Develop “Unique Value Proposition”/”Positioning”
3. Establish Communication Objectives
4. Build “Behavioral Timeline Plan”  
>> Prepare Agency Brief
5. Select and orchestrate media
6. Design message to target audiences--”Focus”
7. Build budget and execution plan
8. Measure results--build database--iterate





# Behavioral Timeline Template

Group/person whose participation is necessary for us to achieve our objective(s)



Group/person whose participation is necessary for us to achieve our objective(s)



Group/person whose participation is necessary for us to achieve our objective(s)



TOOL 4

# Behavioral Timeline

Group/person whose participation is necessary for us to achieve our objective(s)

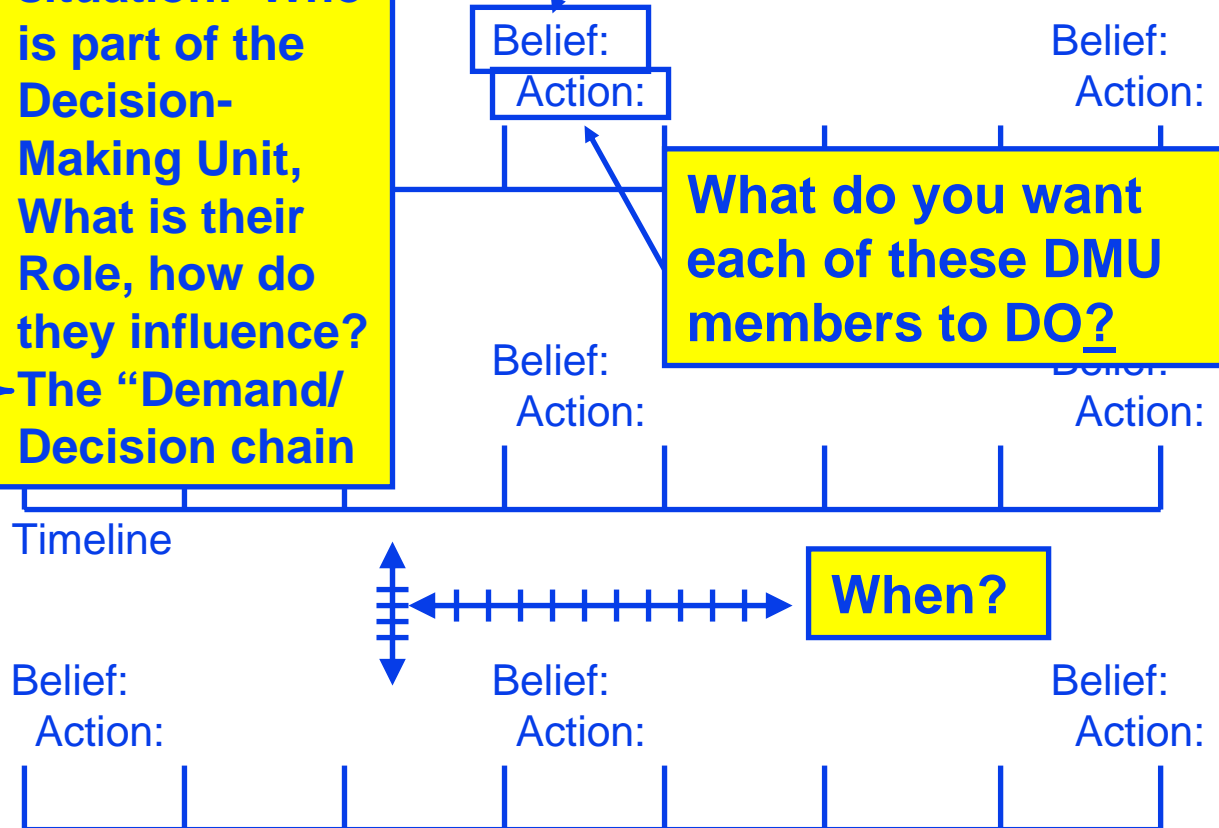
Group/person whose participation is necessary for us to achieve our objective(s)

Group/person whose participation is necessary for us to achieve our objective(s)

**For this situation: Who is part of the Decision-Making Unit, What is their Role, how do they influence? The "Demand/Decision chain"**

**What do you want each of these DMU members to BELIEVE?**

**What do you want each of these DMU members to DO?**



**TOOL 4**

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**An ISBM**

***"QuickFacts" Overview...***



# Understanding the “Language of Value” ...

**Conceptualized by Irv Gross,**  
Professor Emeritus of Marketing, Penn State

**Narrated by Ralph Oliva, Executive Director,**  
Institute for the Study of Business Markets

**[www.brainshark.com/smeal/quickfactsvalue](http://www.brainshark.com/smeal/quickfactsvalue)**

# Conceptualize Customer Value



## EXERCISE

**What should the term:  
“Customer Value”  
mean when applied to a  
product or service?**

# Definition: Customer Value

The hypothetical price for a supplier's offering at which a particular customer would be at overall economic break-even relative to the best alternative available to the customer for performing a set of functions.

# Definition: Customer Value

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What is the next best alternative (\$\$\$) to:

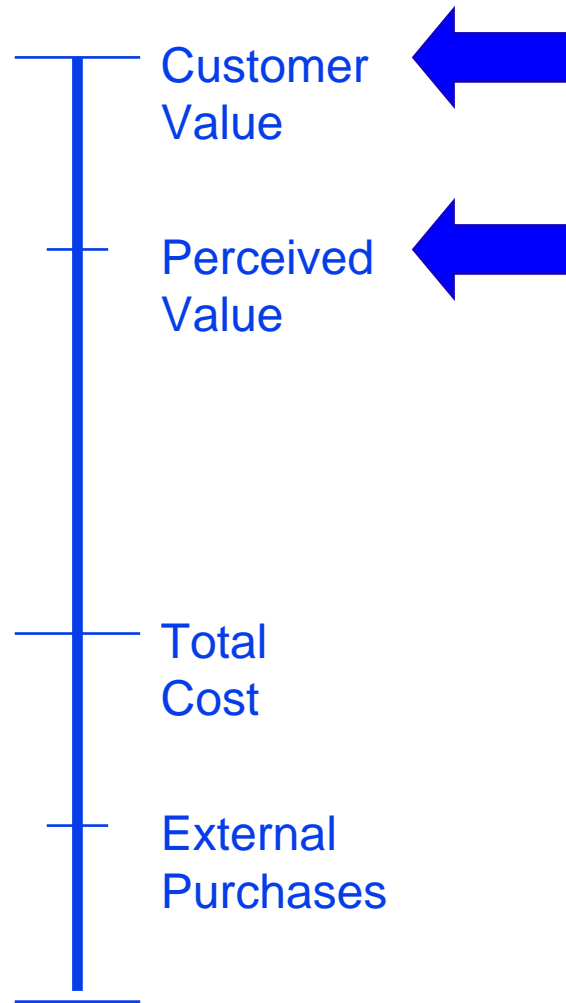
- Ignorance
- Lack of Preparedness
- Apathy
- Slow Response
- Poor “Environmental Sensing”
- You NOT being there?

# Definition: Customer Perceived Value

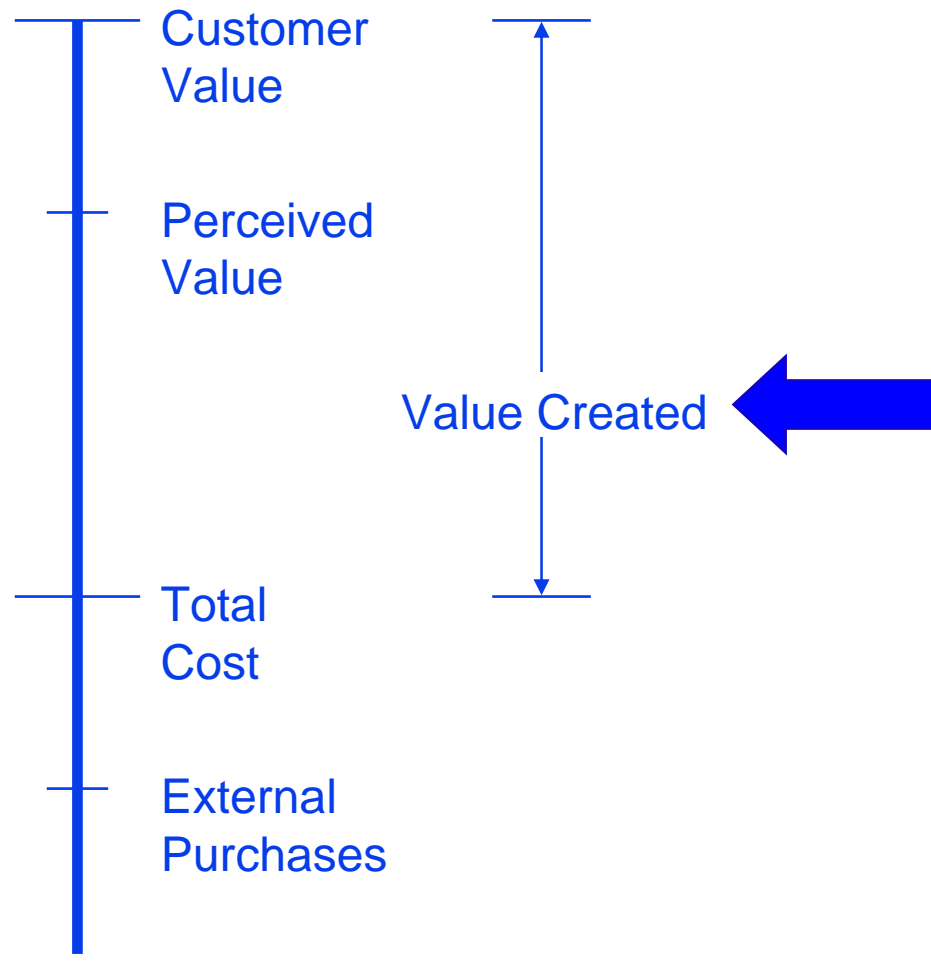
A customer's perception of his/her own  
“customer value.”



# Costs, Prices and Values

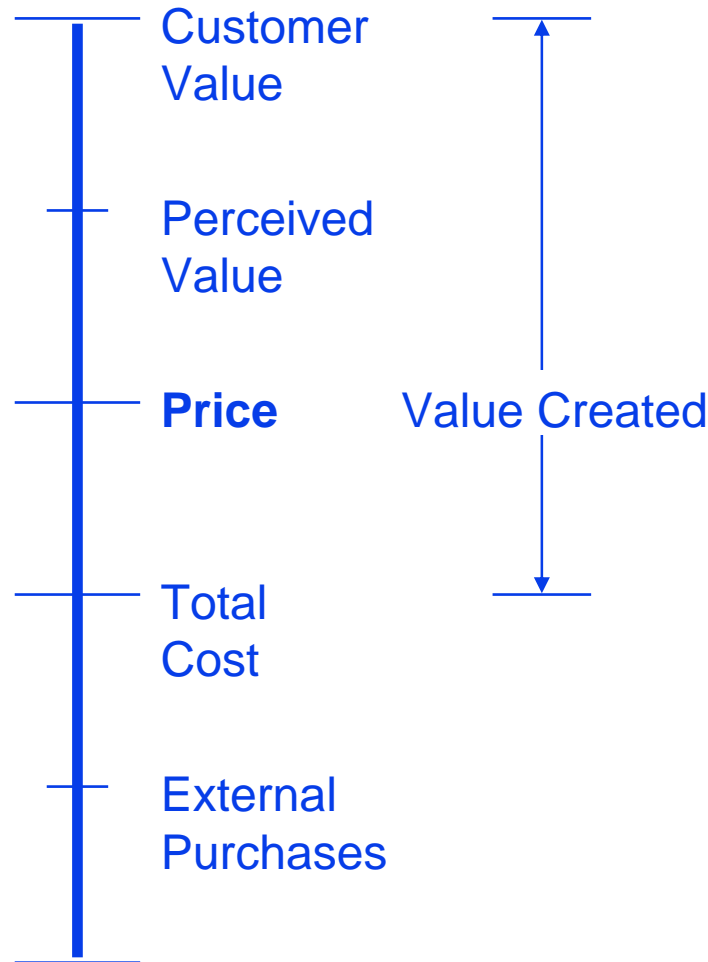


# Conceptualize: Costs, Price, Value

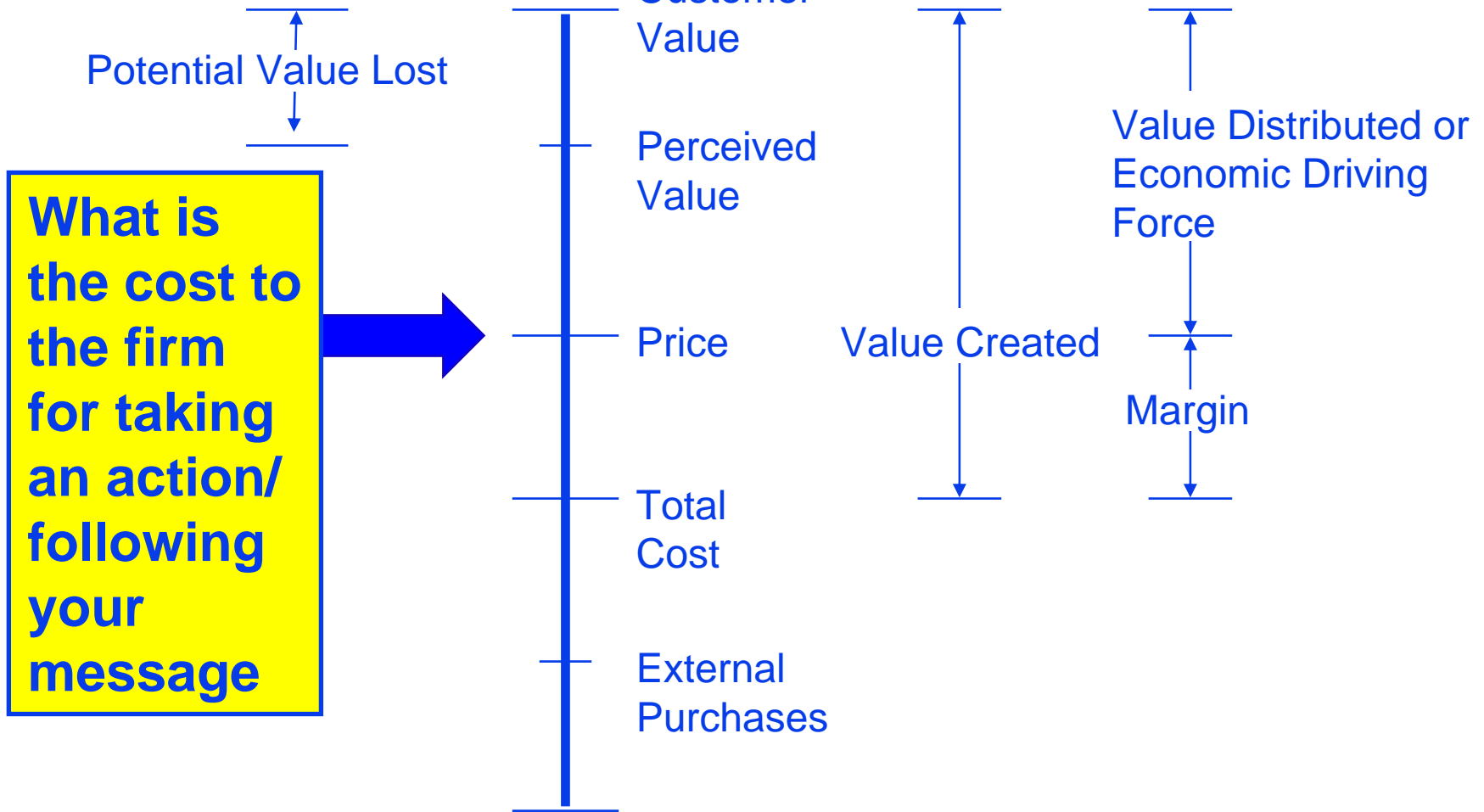


# Price: The Zero-Sum Game

**What is the cost to the firm for taking an action/ following your message**



# A Taxonomy of “Value”



# Three Types of Value Proposition in Business Markets

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1. All Benefits



2. Favorable Points of Difference

3. “Resonating focus”



# 1. All Benefits



<b>Consists of:</b>	<b>All benefits customers receive from a market offering</b>
<b>Answers the Customer Question:</b>	<b>“Why should our firm purchase your offering?”</b>
<b>Requires:</b>	<b>Knowledge of your own market offering</b>
<b>Has the Potential Pitfall:</b>	<b>Benefit assertion</b>

## 2. Favorable Points of Difference

<b>Consists of:</b>	<b>All favorable points of difference your market offering has relative to the next best alternative</b>
<b>Answers the Customer Question:</b>	<b>“Why should our firm purchase your offering, instead of your competitor's?”</b>
<b>Requires:</b>	<b>Knowledge of your own market offering and the next best alternative</b>
<b>Has the Potential Pitfall:</b>	<b>Value presumption</b>





### 3. Resonating focus

**Consists of:**

The one or two points of difference (and perhaps some points of parity) whose improvement will deliver the greatest value to the customer for the foreseeable future

**Answers the Customer Question:**

“What is most worthwhile for our firm to keep in mind about your offering?”

**Requires:**

Knowledge of your own market offering delivers superior value to customers, compared with the next best alternative

**Has the Potential Pitfall:**

Requires customer value research



# Demonstrate, Document

- Demonstrate value – build the value in use and “resonating focus” value proposition before the sale
- Document value – after the sale – product in use: create the scenario for documenting that the value promised was delivered.



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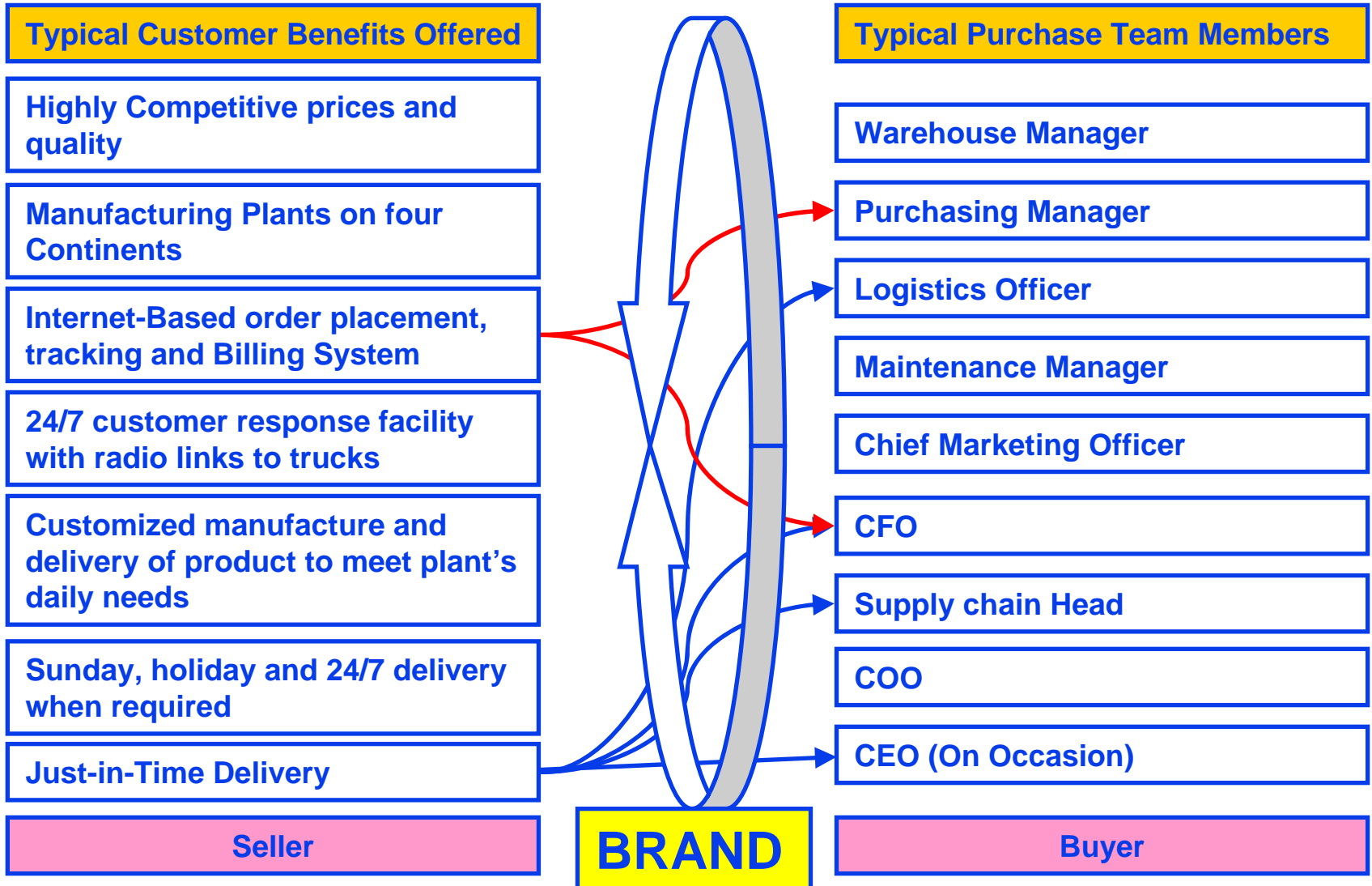
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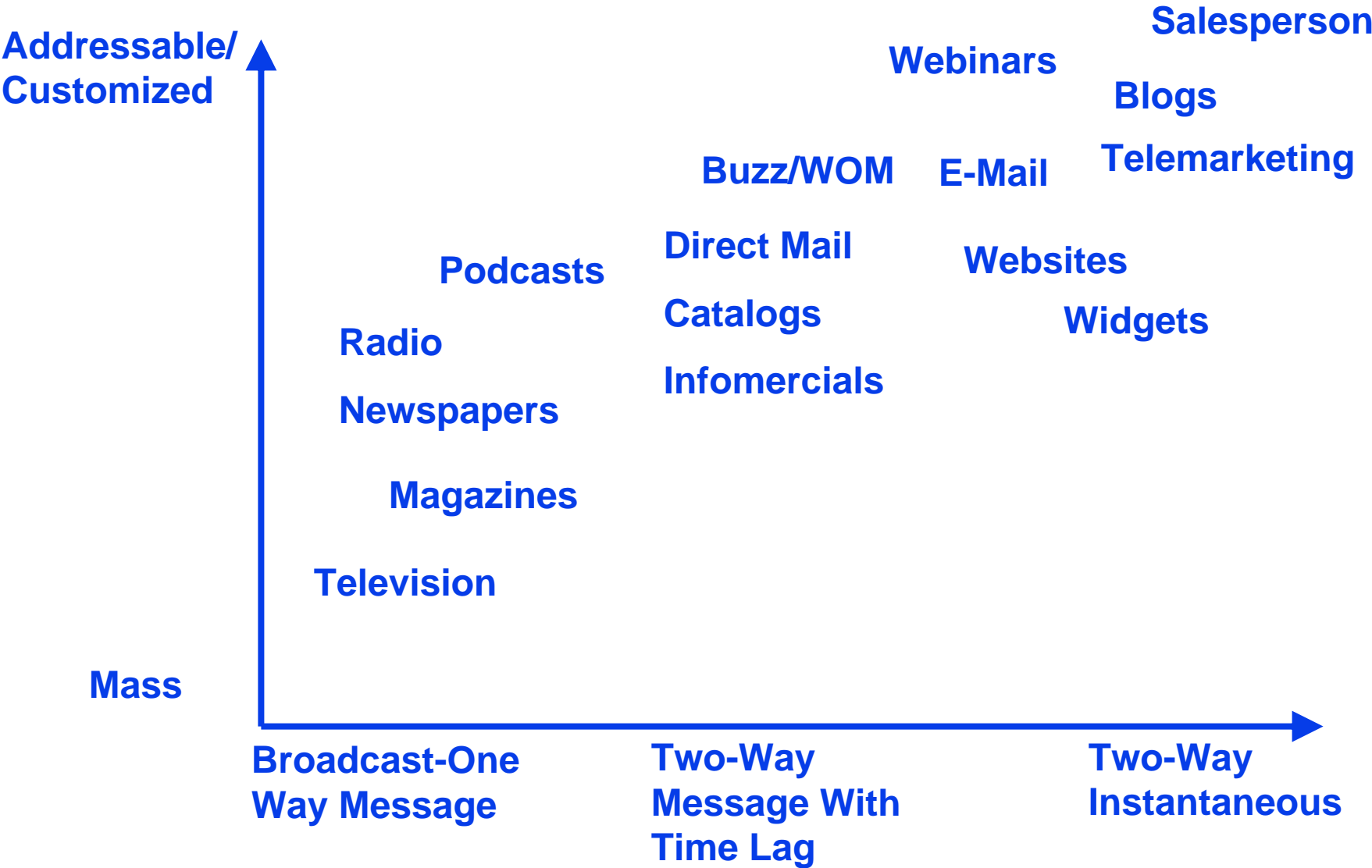
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## “Benefit Stack”

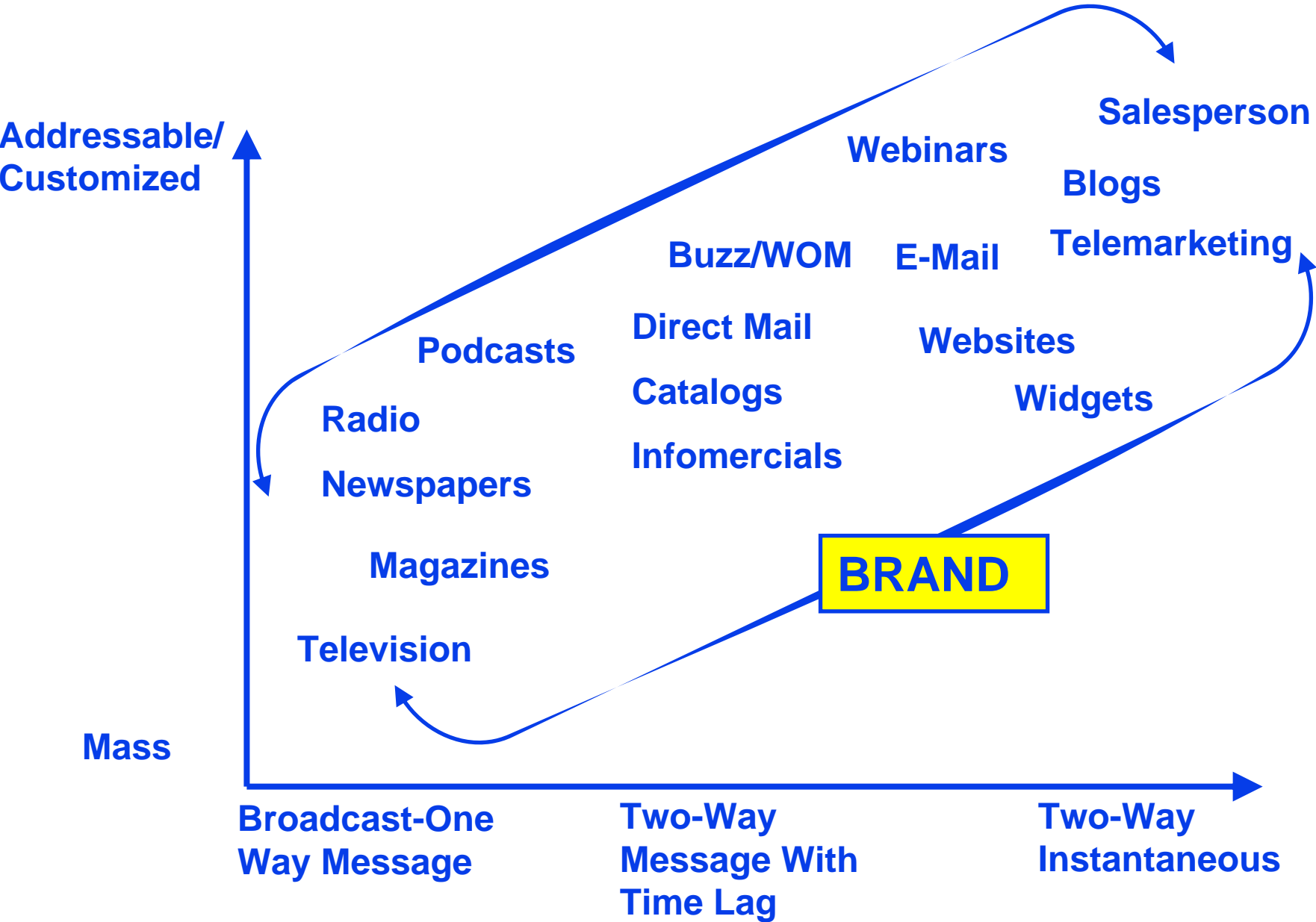
## “Decision-Maker Stack”



# Communications Vehicles



# Communications Vehicles

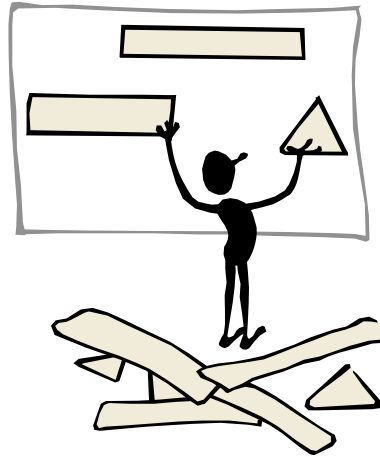


# BrandScape: Key Integrating Tool



## 1. Brand Footprint

- Core Values: Inner, Driving Priorities
- Personality: Brand as person
- Essence: Relation to customer – How they feel about themselves



## 2. Positioning

- Key, unique differentiation in competitive set

## 4. “Brand Elements Inventory”



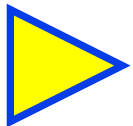
## 3. Capsule

- Single, simple phase summarizing brand “top of mind” for the consumer or customer

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# For More...

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- “Business Market Management: Understanding, Creating, and Delivering Value,” by James C. Anderson, and James A. Narus, Pearson/Prentice Hall, 2004
- “IMC – The Next Generation,” by Don and Heidi Schultz, McGraw-Hill, 2004
- “B2B Brand Management,” by Philip Kotler and Waldemar Pfoertsch, Springer, 2006
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- “Building Loyalty in Business Markets,” by Das Narayandas, Harvard Business Review, September, 2005