

Bakhtieva, Elina

Working Paper

B2B digital marketing strategy: A framework for assessing digital touchpoints and increasing customer loyalty

Institute of Economic Research Working Papers, No. 7/2017

Provided in Cooperation with:

Institute of Economic Research (IER), Toruń (Poland)

Suggested Citation: Bakhtieva, Elina (2017) : B2B digital marketing strategy: A framework for assessing digital touchpoints and increasing customer loyalty, Institute of Economic Research Working Papers, No. 7/2017, Institute of Economic Research (IER), Toruń

This Version is available at:

<http://hdl.handle.net/10419/219830>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<https://creativecommons.org/licenses/by/3.0/>



Institute of Economic Research Working Papers

No. 7/2017

**B2B digital marketing strategy:
A framework for assessing digital touchpoints and
increasing customer loyalty**

Elina Bakhtieva

Article prepared and submitted for:

9th International Conference on Applied Economics Contemporary Issues in Economy, Institute of Economic Research, Polish Economic Society Branch in Toruń, Faculty of Economic Sciences and Management, Nicolaus Copernicus University, Toruń, Poland, 22-23 June 2017

Toruń, Poland 2017

© Copyright: Creative Commons Attribution 3.0 License

Elina Bakhtieva

bakhtieva@fame.utb.cz

Tomas Bata University in Zlín, Faculty of Management and Economics, Department of Marketing

B2B digital marketing strategy: A framework for assessing digital touchpoints and increasing customer loyalty

JEL Classification: *M31; L1*

Keywords: *digital marketing, customer loyalty, touchpoints, B2B digital marketing strategy, B2B industrial companies*

Abstract

Research background: Digital marketing has changed the nature of company-to-customer communication. With rising information overload and reduced decision-making time, touchpoints have gained additional importance by yielding customer loyalty. Yet the existing digital marketing tools have failed to keep pace with these trends. Companies are lacking a simple framework that focuses on a digital marketing strategy built around touchpoints and customer loyalty. This is especially relevant for B2B companies, which due to their specifics are more dependent on customers and less flexible in adapting of new digital trends.

Purpose of the article: A B2B business strategy tailored to digital trends demands a re-evaluation of prior understanding of a product portfolio, a company's internal and external environment. The purpose of the article is to present a framework that helps to undertake the necessary changes and enables the connections with industry.

Methodology/methods: The suggested model has been drawn from the literature review and been extended based on the findings of an empirical multiple case study.

Findings: Aspiring to follow trends in digital marketing and to help B2B companies to adapt their strategy to ongoing changes in company-to-customer communication, a new framework has been developed. The framework aims to increase customer loyalty and focuses on channels/touchpoints, assets, skills, audience and customer journey. The model could be beneficial for Chief Marketing Officers (CMO) and other C-levels by offering a simple and reliable tool for improving a company's position in the digital marketplace. Moreover, it enables continuously adjustment of an already existing business strategy.

1. Introduction

Digital marketing goes beyond traditional understanding of marketing. Its role has become more strategic and aggregative. A customer has begun to play an active role in brand and company value co-creation. As a result, customer loyalty has become a core element of customer relationship management. Moreover, the growth of omni-presented and multi-channel marketing pushes touchpoints in the center of a digital marketing strategy. As a result, companies have to re-evaluate prior understanding of a product or a service portfolio, a company's external and internal environment.

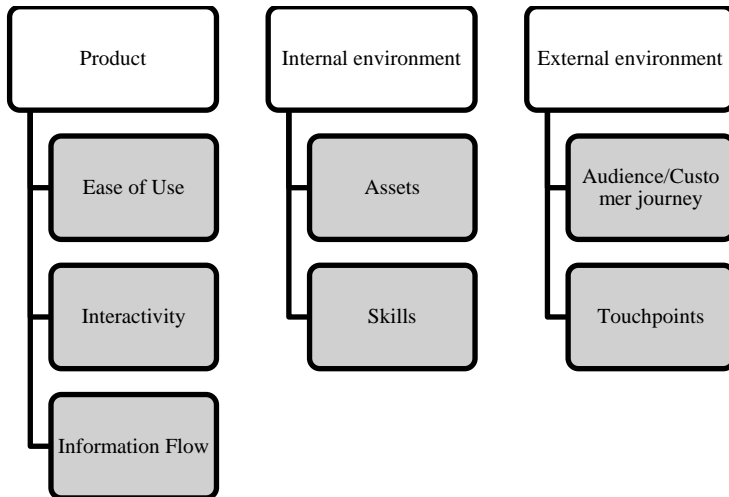
B2B companies are usually more dependent on customers than B2C companies, and are less flexible in adoption of new trends (Järvinen, Tollinen, Karjaluto, & Jayawardhena, 2012; Karjaluto, Mustonen, & Ulkuniemi, 2015). It could be more difficult for them to undertake strategic changes. Digital marketing strategy requires clear understanding of a product, a company's and an industry's specific factors. The current paper aims to address these factors and develop an easy tool to evaluate digital marketing in a B2B company. Digital marketing trend occurs in the light of skepticism of C-levels regarding the necessity of the foregoing changes. The information derived from the analysis will provide an action plan for further development of digital marketing in organization, and present arguments to explain to C-levels the necessity of the foregoing transformations.

The remainder of the article is organized as follows: first, a theoretical framework based on literature review will be presented. Second, the methodological section will present a case study approach to deepen the theoretical findings. Subsequently, the cross-case findings will be used to adapt the theoretical framework to the specifics of B2B industrial companies. In the final section the research implications, study limitations and suggested avenues for future research will be discussed.

2. B2B digital marketing framework

Strategic decisions usually refer to three company levels: product, internal and external environment. Digital marketing penetrate in almost every level, becoming more strategic. Therefore, companies need a framework that, on one side, reflects a holistic approach to a business strategy and, on the other side, helps companies to identify weak strategic areas and the potential for future development. The framework presented in Fig.1 explores seven key areas: Ease of Use, Interactivity, Information Flow, Assets, Skills, Audience/Customer journey and Touchpoints.

Figure 1. B2B digital marketing framework



Source: author

2.1. Product

Ease of Use

The construct of Ease of Use is often used in connection with adoption of new technologies (Ngai, Tao, & Moon, 2015). In recent years this construct has been mostly used in relation to mobile marketing (Jung, 2014; Lee & Park, 2008; Sinisalo, Salo, Karjaluoto, & Leppäniemi, 2007).

Interactivity

The construct of Interactivity has been recently used in connection with websites (Harder & Jordan, 2013; McMillan, Hoy, Kim, & McMahan, 2008; Nacar & Burnaz, 2011), social media (Levina & Vilnai-Yavetz, 2015; Michaelidou, Siamagka, & Christodoulides, 2011), mobile touchpoints (Sinisalo et al., 2007).

Information Flow

Digitalization has made the access to data and insights easier. Due to the fact that decisions in B2B are mostly made based on values, the quality of Information Flow is very important.

2.2. Internal environment

Assets

Lack of resources could hinder B2B digital marketing. Reliable IT assets (hardware, software, networks) help companies timely to provide analysis of B2B marketing campaigns.

Skills

Digital marketing expands borders of professional knowledge and skills. Nowadays marketers have to be experts in different areas, directly and indirectly connected with marketing (Royle & Laing, 2014).

2.3. External environment

Audience/Customer journey

In order to understand customer needs and know what motivates customers to take a purchase decision, companies have to map a customer journey. Customer journey represents a life curve of customer needs from the stage of gathering information about a brand or a product to a post-purchase experience (Vázquez et al., 2014). The goal of any customer journey map is to build relationship to a customer by meeting her or his exact needs in order to increase customer loyalty to a brand or a product.

Touchpoints

Under a touchpoint is usually understood every interaction with a company or a brand (de Haan, Kannan, Verhoef, & Wiesel, 2015; Schüller, 2016). The challenge of digital marketing is to build a digital strategy in a way that any contact point of a customer with a company transforms into a touchpoint. Straker et al. (2015) in their study distinguish 34 different digital touchpoints. Based on budget and time allocation, the most commonly used touchpoints for B2B companies are website, mobile applications, email and social media networks and search engine (e.g. Leeflang, Verhoef, Dahlström, & Freundt, 2014).

3. Method of the Research

To identify the status quo of digital marketing among B2B industrial companies, a case study approach has been selected. Case studies are often used to investigate emerging phenomena in real life context. To better understand the situation on the market, a multiple case study approach has been used. Two case companies operate internationally in one industrial area – Heating, Ventilation and Air Conditioning (HVAC). Both companies have their headquarters in Austria.

The choice of industry was determined by author's personal interest. Moreover, there is lack of empirical research on digital marketing in the HVAC industry. The companies have been chosen from the list of companies representing HVAC industry on the website of Austrian Chamber of Commerce and Industry. The total number of 21 companies has been reduced to 9 mother companies. Then the selection has been reduced to two case companies having similar characteristics (number of employees, revenue, market coverage, etc.). This simplified the process of comparison and increased the reliability of the analysis.

The data have been collected by means of personal interview. To increase reliability of the data, triangulation techniques were employed. The interviews have been provided not just with marketing experts but also with sales personal. Moreover, multiple materials from the companies' websites, social networks and newsletters have been used. Table 1 presents the core data about the companies.

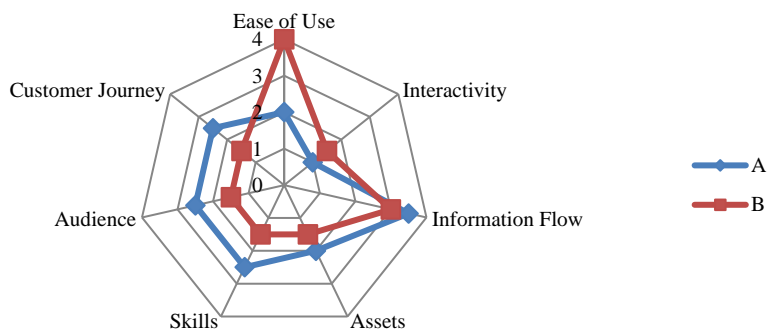
Table 1. Background information of the case companies

Company	A	B
Ownership	Public limited company	Public limited company
Number of business areas	One main business	One main business
Annual revenue	200+	250+
Number of employees	ca. 1000	ca. 1200
Number of employees in marketing department	2	3
Headquarters	Austria	Austria
Market coverage	Global, representatives in 16 countries	Global, representatives in 12 countries
Interviewee	Sales manager, marketing specialists	Marketing manager, senior business developer

Source: interview, company websites

The interviewees were marketing and sales experts. The interviewees had first to fill a questionnaire. The answers are presented on Fig. 2. The results present average scores for every company. The interviews were focused on obtaining interviewees' opinion about the statements from the questionnaire. The interviews were open-ended and did not consider any rigid structure; the questions were guided by the statements in the questionnaire.

Figure 2. Survey results for companies A and B



Source: own calculations based on the answers to the questionnaire

Data analysis of the case data followed an abductive research process (Dubois & Gadde, 2002). Abductive research ensures continuous interac-

tion between theory and practical data. The intention of the author was to use a mixed method of a confirmatory and an abductive research. The objective of the confirmatory study was to investigate, whether the suggested framework is confirmed by an empirical research.

Data analysis of the case data followed a three step approach, suggested by Miles & Huberman (1994), including data reduction, data display and verification conclusions. Data reduction has been fulfilled based on the constructs used in the theoretical framework of the research. The constructs included the levels and the sublevels of the theoretical framework, for instance, channels, touchpoints, people skills, interactivity, etc. At the second step of the data reduction, by means of descriptive coding the categories have been grouped according to the content. Data from both cases have been compared and organized by contrasts. At the step of display, the suggested theoretical framework has been updated. To verify the data the results were sent to the interviewees. No major comments or changes have been requested from the case companies.

4. Results

The companies recognize that communication with customers has to be improved. They understand emerge of digital marketing, although see their companies as “too conservative” to immediate respond to this trend. As one of the main boundaries of the digital marketing in a company they name skepticism of a company manager, low digitalization of services and relatively low activity of customer in digital marketplace.

4.1. Product

Ease of Use

Ease of Use is considered mostly in regards to a website and a mobile application. It is expected to expand due to the growth of mobile devices (e.g. smartphones and tablets).

Usefulness

Interactivity has not been mentioned as an important characteristic of digital marketing in the case companies. Contrary, entertaining content is seen as unimportant and distracting. Instead of Interactivity all interviewees name Usefulness as a factor facilitating customer loyalty.

Information Flow

Both case companies draw attention to the quality of the information they provide. However, they have stated that the willingness to provide maximum information could negatively impact Ease of Use and Usefulness.

4.2. Internal Environment

Assets

Both case companies poorly assess the quality of the assets been used for the assessment of digital marketing. The case companies have no special hard- and software to measure the effectiveness of marketing campaigns. Moreover, companies mention high connection of digital marketing with product and service digitalization. They argue that a prior step of digital marketing should be digitalization.

Skills

There is no division of traditional and digital marketing in both case companies. The marketing departments are small and have to concentrate all tasks in one hand. Even though the companies are interested in increasing analytical skills, lack of resources, both time and financial, as well as lack of demand from the manager's side to bring this idea to life bounder further actions.

4.3. External Environment

Audience/ Customer journey

Company A tries to consider customer journey and identifies several customer groups, namely, first contact, irregular customer or regular customer. Company B distinguishes customers only according to customer groups, namely, construction companies, plumbers, plumber schools, blue printing companies, etc. Both companies state a lack of a systematic approach in communication with customers and distinguish a crucial role of a product/project manager in choosing a marketing (also digital) campaign.

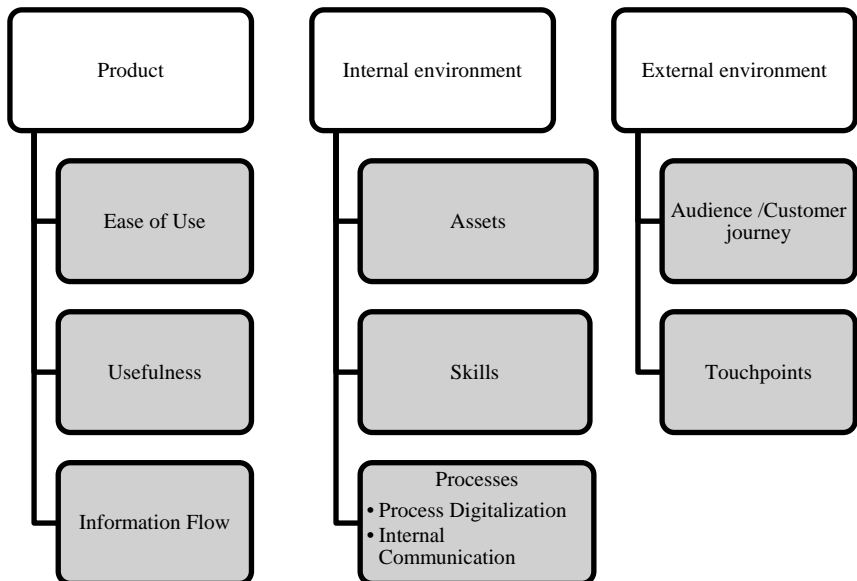
Touchpoints

The case companies use several digital channels to interact with customers in Internet. Although companies see a company website as a main communication tool, no or limited (Company B) measuring tools are used. Social media is used only by Company A, and mostly as a broadcasting tool to post updates about the main achievements, social events, exhibitions and vacancies. The E-Mail marketing is actively used by both case companies, but only Company A uses it to get in touch with customers. Company B uses newsletters for internal purposes. Both case companies are familiar with mobile applications. Company A uses three mobile applications. The applications are aimed to inform about the latest news, serve as an installation and user guide and provide contact information. Company B uses four mobile apps with the purpose to simplify the use of the products. These apps provide data sheets and guidelines for certain products, and also help in calculations. Both companies see a potential in mobile applications due to specifics of the HVAC industry and the necessity to work out of the office.

5. Discussions

The interviews have shown that the theoretically based framework, suggested at the beginning of the article, highlight the core elements of the strategy but does not reflect the actual state of the market. Despite increasing popularity of the idea that interactivity important also in the B2B area, the case companies do not prove that in practice. Both case companies state the importance of such constructs as Ease of Use, Usefulness and Information Flow as facilitator of customer loyalty. Among the internal elements important for digital marketing, the experts name factors, not directly connected with digital marketing, namely, internal communication, management optimism and digitalization of the processes. Fig. 3 presents the framework adapted to the specifics of HVAC industry in Austria.

Figure 3. B2B digital marketing framework adapted to the specifics of Austrian HVAC companies



Source: author

6. Conclusion

The article provides several theoretical contributions. First, the article presents a framework that focuses on B2B digital touchpoints and has an aim to increase customer loyalty. Second, despite the focus on digital marketing the article shows that the development of B2B digital touchpoints depends on the organization's strategy and the level of internal communication. Third, the data derived from the article imply that in general digital chan-

nels are dependent on the level of digitalization in a company. Digital channels alone could not increase customer loyalty if no service is performed digitally. As the fourth major theoretical contribution, the article does not support the view that entertaining content is important for increasing customer loyalty in B2B area. Contrary, B2B companies focus on the usefulness of the provided information, whereas entertaining content is seen as distractive. As its fifth theoretical contribution, it provides analysis of HVAC companies, which are poorly examined in terms of digital marketing.

The interviews show the importance of personal attitude of the C-levels and responsible project or product managers for the development of digital strategy. The provided framework based on theoretical and empirical research presents arguments to explain to the C-levels the necessity of the foregoing transformations. Moreover, CMOs and other managers involved receive a detailed action plan to assess digital marketing in organization and identify ways for improvements.

The results of the study contain some limitations. First, only two case companies have been covered, and in total four interviews have been provided. The results cannot be generalized to other settings. Second, the companies only from a HVAC industry have been interviewed. The results can be different for other industries. As it often happens in a case study research, the interviews provide different levels of information. In this article, certain parts of digital marketing had more importance for one company as for another. This results different levels of analysis.

In light of these limitations, future research in the field is merited. Research could cover more representatives from the HVAC industry, or compare the outcomes from different B2B industries. Other researches could also examine the customer perspective for the role of digital touchpoints in B2B marketing.

Acknowledgement

This work was supported by the Internal Grant Agency of Tomas Bata University under the project no. IGA/FaME/2016/007.

References

- de Haan, E., Kannan, P. K., Verhoef, P. C., & Wiesel, T. (2015). *The role of mobile devices in the online customer journey*.
- Dubois, A., & Gadde, L. E. (2002). Systematic combining: An abductive approach to case research. *Journal of Business Research*, 55(7), 553–560. [http://doi.org/10.1016/S0148-2963\(00\)00195-8](http://doi.org/10.1016/S0148-2963(00)00195-8)
- Harder, C. T., & Jordan, M. M. (2013). The Transparency of County Websites: a Content Analysis. *Public Administration Quarterly*,

37(1), 103–128.

- Järvinen, J., Tollinen, A., Karjaluo, H., & Jayawardhena, C. (2012). Digital and Social Media Marketing Usage in B2B Industrial Section. *Marketing Management Journal*, 22(2), 102–117.
- Jung, Y. (2014). What a smartphone is to me: Understanding user values in using smartphones. *Information Systems Journal*, 24(4), 299–321. <http://doi.org/10.1111/isj.12031>
- Karjaluo, H., Mustonen, N., & Ulkuniemi, P. (2015). The role of digital channels in industrial marketing communications. *Journal of Business & Industrial Marketing*, 30(6), 703–710. <http://doi.org/10.1108/JBIM-04-2013-0092>
- Lee, T. M., & Park, C. (2008). Mobile technology usage and B2B market performance under mandatory adoption. *Industrial Marketing Management*, 37(7), 833–840. <http://doi.org/10.1016/j.indmarman.2008.02.008>
- Leeflang, P. S. H., Verhoef, P. C., Dahlström, P., & Freundt, T. (2014). Challenges and solutions for marketing in a digital era. *European Management Journal*, 32(1), 1–12. <http://doi.org/10.1016/j.emj.2013.12.001>
- Levina, O., & Vilnai-Yavetz, I. (2015). E-visibility maturity model: A tool for assessment and comparison of individual firms and sets of firms in e-business. *Electronic Commerce Research and Applications*, 14(6), 480–498. <http://doi.org/10.1016/j.elerap.2015.07.004>
- McMillan, S. J., Hoy, M. G., Kim, J., & McMahan, C. (2008). A multifaceted tool for a complex phenomenon: Coding Web-based interactivity as technologies for interaction evolve. *Journal of Computer-Mediated Communication*, 13(4), 794–826. <http://doi.org/10.1111/j.1083-6101.2008.00420.x>
- Michaelidou, N., Siamagka, N. T., & Christodoulides, G. (2011). Usage, barriers and measurement of social media marketing: An exploratory investigation of small and medium B2B brands. *Industrial Marketing Management*, 40(7), 1153–1159. <http://doi.org/10.1016/j.indmarman.2011.09.009>
- Miles, M. B., & Huberman, M. a. (1994). Qualitative data analysis: An expanded sourcebook. *Evaluation and Program Planning*. [http://doi.org/10.1016/0149-7189\(96\)88232-2](http://doi.org/10.1016/0149-7189(96)88232-2)
- Nacar, R., & Burnaz, S. (2011). A cultural content analysis of multinational companies' web sites. *Qualitative Market Research: An International Journal*, 14(3), 274–288. <http://doi.org/10.1108/13522751111137505>
- Ngai, E. W. T., Tao, S. S. C., & Moon, K. K. L. (2015). Social media research: Theories, constructs, and conceptual frameworks. *International Journal of Information Management*, 35(1), 33–44.

- <http://doi.org/10.1016/j.ijinfomgt.2014.09.004>
- Royle, J., & Laing, A. (2014). The digital marketing skills gap: Developing a Digital Marketer Model for the communication industries. *International Journal of Information Management*, 34(2), 65–73.
<http://doi.org/10.1016/j.ijinfomgt.2013.11.008>
- Schüller, A. M. (2016). *Touch. Point. Sieg*. Offenbach: GABAL Verlag GmbH.
- Sinisalo, J., Salo, J., Karjaluoto, H., & Leppäniemi, M. (2007). Mobile customer relationship management: underlying issues and challenges. *Business Process Management Journal*, 13(6), 771–787.
<http://doi.org/10.1108/14637150710834541>
- Straker, K., Wrigley, C., Rosemann, M., Straker, K., Wrigley, C., Rosemann, M., ... Watchravesringkan, K. (2015). Typologies and touchpoints: designing multi-channel digital strategies. *Journal of Research in Interactive Marketing*, 9(2), 110–128.
<http://doi.org/10.1108/JRIM-06-2014-0039>
- Vázquez, S., Muñoz-García, Ó., Campanella, I., Poch, M., Fisas, B., Bel, N., & Andreu, G. (2014). A classification of user-generated content into consumer decision journey stages. *Neural Networks*, 58, 68–81.
<http://doi.org/10.1016/j.neunet.2014.05.026>