

## Value Articulation

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With plethora of products available through online platforms and all kinds of information available on the Internet, the shelf life of products is becoming shorter by the day. All the players claim that they can give same offerings (or better) than competitors' offerings. This leaves the firm with a big question of how should their voice be heard above the cacophony?

There are two significant developments that have happened in a constantly evolving B2B Marketing and Sales arena:

### **1. Importance of Social media**

Since the advent of social media, companies in B2C space have made significant use of social media to reach their consumers directly. B2B companies are increasingly making use of social media to reach out to and connect with their buyers. The relationship of marketing & sales personnel of suppliers with their key constituents in the customer firm plays an important role in determining purchasing behaviour and decision making in B2B markets. This interdependence is becoming more pronounced with development of social media tools that were not there a few years ago.

### **2. Online Purchases**

The non-strategic purchases in the B2B market are increasingly being done online. However the pace has been relatively slow in India.

As per McKinsey's report, 76% of the customers still prefer to have a conversation with the sales representatives during their first time purchase. This figure gradually reduces to 50% for next purchase of the same product and reduces further to 15% on subsequent purchases. These figures will vary based on the complexity of the product.

Consequently, what is expected by customer firms from the sales representatives has changed. Sales representatives need to learn the art of educating the customers. They need to understand their customer deeply and articulate how their offerings will make a difference to the final products or services of their customers. Educating the customer has become a key requirement for the salesperson.

Supplier firms need to ask the following three fundamental questions before engaging with customers' firms:

- Can they help the customer increase their revenues by engaging with the customer firm?
- Can they help customer reduce costs, overheads and maintenance budgets?
- Can they help their customers ask for better price/premium price from their customers for their final product?

Supplier firms should dive deep into the reality of the customer to gain deep insights, which is essential for marketplace success.

In the current scenario being developed because of COVID, the biggest casualty for the a company is to lose the human touch when interacting with its customers. Due to current restrictions and prevalent "Work from Home" scenario, most of the transactions between seller and buyer are being done virtually. In this backdrop, the time-tested concepts of offering value to the customers are becoming all the more relevant now.

The following three points should serve as the cornerstone for B2B Organizations' Value articulation with their customer firms:

1. Listening and responding to their customers, suppliers and stakeholders efficiently; make it easier for firms to work with them
2. Constantly deliver innovative and competitive products and services; excel at customer satisfaction
3. Clearly communicate; understand mutual intentions

One company that has exemplified the best practices mentioned earlier is Intel. Their latest campaign that focuses on 'Amazing Human Experiences', aims to show that the iconic chip manufacturer does more than just make the microprocessor chips that make computers function. Since its founding, Intel has focussed on streamlining its end-to-end customer experiences that has resulted in increasing its revenue, while at the same time articulating and delivering significant value for its customer firms.