



Markenfels

Whitepaper

How a strong B2B brand creates value

From hidden champion to industry leader

Every day, more than forty-five thousand new brands are created worldwide.¹ The battle for perception is merciless. B2B companies are not exempt from this. Because the purchase decision for B2B products and services is taken by people who trust strong brands. Discover how strategic branding drives business success in B2B.



B2B branding is the strategic and systematic development and implementation of the corporate brand.

The brand is a key factor for business success, also in B2B. Because in B2B, too, it's not just the price that counts: the brand significantly contributes to the purchase decision. And purchasing decisions are fundamentally made by people. Trusting a brand is key.

Business strategy as starting point

The basis for a successful B2B brand is the clear alignment of the brand with the corporate strategy: how can the brand help to implement the strategy, for example, to achieve growth, enable internationalization or increase profitability?

Precise brand positioning ensures that corporate goals are translated into attractive communication. The positioning is the foundation for the development of the brand experience. To ensure successful implementation, the brand identity must be systematic, efficient and easy to use. This ensures that brand management cost can be reduced in the long run.

Benefits of a strong B2B brand

A strong B2B brand

- **creates preference:** the brand turns into a preferred brand.
- **enables a price premium:** the company can realize a higher price compared to similar competing products.
- **reduces costs:** through high communication efficiency and a focus on one or a few brands, a company increases its profitability.
- **reduces risks:** established and well-known brands find it easier to introduce new products and services.

The role of brand in B2B

In B2B, the brand contributes between 2% and 20% to the purchase decision.² This value is called "role of brand" and depends strongly on the industry and the positioning of the brand.

While the role of brand can be as high as 20% in innovation industries such as med-tech, the brand plays a lesser role in the commodity sector (e.g. basic chemicals), where the focus is on standardized quality and availability of the substances. Positioning also influences the role of brand: premium brands contribute significantly more to the purchase decision than low-priced entry-level brands.



**The eight-point program
for building a strong B2B brand**

- 1. Brand awareness:** Raise awareness for the brand as a business-relevant asset – and convince management to actively nurture the brand, and provide appropriate budgets.
- 2. Trademark protection:** Secure ownership through comprehensive trademark protection.
- 3. Brand architecture:** Keep the brand portfolio under control. Principle: as few brands as possible, as many brands as necessary. As a rule of thumb: one single brand is sufficient for most B2B companies – supported by a self-explanatory product nomenclature.
- 4. Brand strategy:** Develop a well-founded brand strategy: translate the corporate strategy into a strategically relevant and differentiating brand positioning. Formulate an inspiring brand story to communicate the positioning.
- 5. Brand design:** Develop an efficient, systematic visual brand experience that is recognized on the basis of a few characteristic elements – besides the logo. More important than ever: “Digital first” and “Mobile first”.
- 6. Brand messages:** Develop clear messages based on the brand strategy. Provide a key message library – and brief users to use them as a ready-made toolbox.
- 7. Brand consistency:** enforce consistent communication and visual presence across all touchpoints; ensure authenticity; deliver on promises. Provide appropriate tools to ensure effective implementation.
- 8. Brand presence:** Build appropriate communication intensity, ensure presence at relevant touch-points.

¹ www.wipo.int/edocs/infogdocs/en/ipfactsandfigures/

² www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-brand-is-back-staying-relevant-in-an-accelerating-age

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