



Untrended

INVESTIGATES

HOW TO LOVE SMBs

And make them love you back



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I love SMBs. I started one and grew it. My wife has one. And my sister. And my wife's sister. So does my next-door neighbour, not forgetting the parade of shops at the end of my street.

This book is all about making SMBs your loyal friends. It is based on multiple research studies and our experience of being at the centre of B2B marketing, globally. It will make sense, and be very useful to anyone involved in building relationships with a sector in an economy crammed with unsung heroes, dynamic innovators and legions of wildly normal, (mostly broke) companies that just want to see out the year in one piece. SMBs. Small to medium businesses.

The marketing world sees SMBs as the 'cool kids' of business. That said, there are many misguided assumptions about building an SMB audience and selling them your stuff. The symptoms of this appear in campaigns, and ads that businesses are exposed to every day.

We've all seen the stock images: oceans of baristas serving love heart cappuccinos to well-dressed professionals. Clusters of office-based funsters planted at different altitudes over a desk enjoying a collaborative moment.

Business audiences are exposed to stereotypes by marketers with the same enthusiasm as their consumer counterparts. Yet, businesses selling to SMBs should be more considerate about how they portray them. And here lies our first conundrum...

Businesses are made up of people, but they don't behave like consumers. To be smart at selling to SMBs, or any business for

that matter, it is essential to understand what changes when the people sold skincare by Dove, or mortgages by Nationwide, become business owners or employees. They wear different clothes and use different words to survive in a different world. Unpacking 'why' and 'how' this change occurs is a fundamental part of getting SMB strategy right.

But businesses are just human anyway."

All Just Humans

In business marketing, you are never too far from a line that goes something like... "but businesses are just human anyway."

At its best, this is a soundbite to keep business marketers honest about how to speak to their customers. Fair enough. Understanding humans is a very important part of marketing to businesses. But it's not the whole story. Yes, businesses are mostly human. That said, humans are mostly hydrogen and carbon, but you don't see consumer brands targeting customers at a molecular level.

At its worst, humanising business is a lazy shorthand for people that can't be bothered to figure out the difference between a human-as-a-consumer and a human-in-a-business. Environment and context are vital. Tigers in the wild, or a circus, or a zoo, are all just tigers. Until dinner time.

The reason we are more inclined to look at SMBS as 'just people' is that they are less like businesses and more like humans than larger organisations. A plumbing business is often a plumber, a mate, a van, some tools, overalls and a shoebox of invoices. Skills and knowledge aside, there's not much business beyond the person carrying the copper pipes.

This puts less pressure on the need to think in organisational terms when trying to target them. For example, you can sell a homeowner a security camera so they feel safer at home. You can sell a business owner a security camera so they feel safer at work. Is there so much difference? Just run the ad, but put the protagonist in a business setting, not at home eating dinner with the family. Job done.

Consumer Halos.

Equally, SMBs can be reached through the 'Halo Effect' of large consumer brands that also target businesses.

Mobile telephony is a great example. Most people have a phone for business and work, so how they feel about Apple or Vodafone, as a consumer, will pretty much play into their business lives, especially for sole traders.

However, when a buying decision is made by more than one person, or is for the benefit of a team rather than an individual, the glow of the consumer halo starts to fade. To give you an idea of how easily complexity can get in the way of group decision-making, think about ordering a meal for yourself at McDonald's. Now consider the difference when asking who wants to share the seafood platter at a restaurant with friends. All sorts of things get in the way. Price, equity, taste, preference, time, relationships, status, kudos. It takes longer, requires more chat and involves compensation, compromise and probably razor clams.

In summary, the humanisation of messaging is a smart move, but not the only move. The SMB as a consumer is only part of the answer. To get under the skin of SMBs, we need to know more about them.

call just
humans

SMB Data Truths

As a segment, SMBs employ millions of people and have this magical potential: scale. Just thinking about SMBs gives business marketing people the opportunity to ease off the brakes. Grab a coffee. Run with it. Go Big.

The reality is that what we assume about SMBs in the most part is inaccurate. Rather than the cool kids that look like consumers and will therefore act accordingly, they are more like the quiet, studious folk at the front of the class. They don't behave like anything other than what they are: businesses. They need care and attention, to be listened to and supported. Shouting at them above the noise is rarely a winning formula.

Hard to find. Or skint.

It is easy to get excited by the headline data around SMBs. You might hear things like they are two-thirds of the economy, employing half the people in an economy. One born every minute. SMBs account for 99% of businesses. In the UK, at last count, this was something like 5.6 million companies in the private sector. Sounds big, right?

The reality of reaching out to SMBs is considerably different to the opportunity promised by its collective mass. The key for business marketing is to get excited without getting carried away.

For example: only 1.5 million¹ SMBs in the UK's 5.6 million are companies that have any employees. That's right – over two thirds of SMBs in the UK are either sole traders or shell companies. Only 2.7 million SMBs in the UK pay VAT, meaning they turnover more than £85K per year. Our market of millions shrinks fast under analysis, and that's before we've even looked at targeting and targets.

Time for a table.

You can see that most of our SMBs in the UK employ between 1-9 employees (1,162,000), 10-49 employees (210,000) and 50-249 employees (35,000). Whilst notably different in size of employees, they, rather neatly, represent equitable economic value. Each chunk employs around 4 million people in total and has a turnover of around £650 billion each year.

To put some of this scale in context and bring into focus the real size of any market opportunity, if you are targeting UK businesses in the mid-market – typically those with 50-249 employees – you are looking at 35,000 companies. That’s the consumer equivalent of the population of Billerica.

ONS: Department of Business and Trade Oct 2023

	Businesses	Employees (thousands)	Turnover (millions)
1-9 Employees	1,162,155	4,209	636,893
10-49 Employees	210,550	4,111	649,883
50-249 Employees	35,620	3,474	720,540

When we look at the 1-9 employee group, there is certainly a lot more to run at in terms of volume. However, with great numbers comes great commercial pressure. The average profits of a business with 1-9 employees in the UK is £24K. Think about that when you are trying to sell them a widget. Their earnings are equivalent to that of a rookie primary school teacher.

But we can't ignore the energy of the sector. Just think of the size of that contact database. The key to successful SMB targeting is to go into that world with your eyes wide open and respect that these 'small and very human' businesses may have more in common with larger organisations than we think. In effect, they have a foot in both worlds. Tricky.

To understand the SMB village more, there are other intriguing qualities to consider.

Growth in Death

Heard the term 'rapidly growing SMB market' in the odd meeting or read it in a website headline? How about those success stories of stellar-performing small businesses that fast track their way to the top? The idea of growth and being a small business go hand-in-hand.

Hold your horses...

SMBs grow, yes. But the sector overall doesn't really grow any more than the wider economy. In fact, post pandemic there are 400,000 fewer SMBs in the UK economy, a reduction of 6.5%. In developing economies, the SMB sector is a real growth driver, but only in the context of wider economic performance and investment initiatives.

As a global average, the SMB regional contribution to GDP sits at around 50%. This is somewhat higher in service-based economies, like the UK. A developing economy like Malaysia gets around 30% of GDP from SMBs but grows at a faster rate².

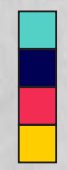
It turns out that the death of SMBs is an essential part of ensuring the sector remains dynamic, but also the reason it fails to grow overall.

Rotten land in healthy ecosystems

In business, the term ecosystem is used frequently. It mostly acts as a metaphor for supply chains and interdependence. I am reminded of the lecture given to Nemo by a well-meaning Mr Ray, as he carries his class across the riches of a coral reef and the reliance each living thing has on the other. This is a constructive way of looking at business 'death', albeit without such a wholesome narrative. Forests and oceans the world over team with life, but death and decay is an essential part of survival.

Around **350 million years** ago the planet was thick with trees. Known as the carboniferous period, the aerial view of the planet would have seen both major continents covered with a blanket of forest. There were so many trees, it literally changed the atmosphere. Carbon dioxide levels on the planet were four times greater than they are today.

350 million years ago



Part of the problem with all the trees was when they died, they didn't decompose. The planet had not yet created the microbes that could eat the dead wood. Once tree-eating fungus was born into existence, the trees could be broken down, making some space and returning nutrition to the soil.

It could be said that commercial decay is an essential part of keeping the SMB village alive. A lot of what feels like 'growth' in the SMB sector, such as start-ups, youth, and innovation, is really the old making way for the new. SMBs die all the time. It's not always a tragedy, or collapse – although that's a big part of the story - retirement and career changes, or just a change of direction for the owner, can result in the short trip to business heaven. Across Europe, around 10% of SMBs cease trading each year, with new businesses entering the market averaging around 11%.

This continual cycle of births and deaths, coupled with the scale of the market, is what makes SMB so attractive. The sector is dynamic by default. Each year any company selling to SMBs gets fresh meat to build relationships with and a natural cull of underperformers.

Speed and Agility

Another trope to challenge is that SMBs are more productive than larger businesses. In fact, the opposite is often true. Further heresy to the received wisdom of dynamic, agile SMB businesses outwitting the sleeping giants of commerce. In some areas, particularly in the knowledge economy, there are advantages to being small, but in the major sectors of manufacturing, construction and retail, big business wins. Higher levels of capital investment create more output³. In short, big businesses make more stuff and sell it faster. They are just a bit slower out of the blocks.

Our dynamic sector of 'rain-making' entrepreneurs is actually a bit slow, prone to illness and very careful when spending its hard-earned money. Better change that ad.



Segment Psychology

No business is an SMB."

No SMB really thinks of itself as an SMB. A restaurant of any size considers itself a restaurant, and estate agents, whether national or local, are both in the business of selling houses. The implication of even referring to SMBs takes us further away from understanding customer needs. Owner managers across the land don't wake up in the morning to run their small to medium business – they run a shop, a site, or a team of people.

If you want to create better marketing campaigns, language is important. Thinking about real customers and real challenges is essential in that process. As a term, SMB works great on a spreadsheet but doesn't scan as well in an advert.

Inside the marketing bubble, you can say in all sincerity that you are targeting "SMBs with high-level capital expenditure and cashflow pressures" and it makes perfect sense. That fact that you might be talking about a jewellery designer doesn't even come into it. The consumer equivalent would be to start addressing your customers as ABC1 females in public.

The nature of B2B blurs the lines between the jargon and reality of life more easily. It's all just business, after all. Except it's not. SMBs can be categorised in all kinds of ways: industry, size, business model, ownership, age, region – and any of these can have a bearing on making campaigns relevant. With intelligent, digital targeting at our disposal, it also becomes possible to speak far more directly to these customer characteristics. We can zoom in and personalise.

How targeted could we get?

In fact, personalisation can play such a significant role in customer targeting that we are almost spoilt for choice in just how targeted we can be. The question in practical terms is not how granular you 'could' get, but more how granular you 'should' get before the business case falls over.

There is a threshold at which the level of interest applied to a category [or segment] offers a diminishing set of returns.

Take moths...

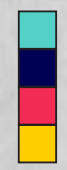
Moths belong to an order of insects called Lepidoptera, of which there are 180,000 species, in 126 families and 46 superfamilies, making up 10% of the living organisms on Earth⁴. Most people lose interest after the split between moths and butterflies. However, a biology undergraduate or entomology PhD student would go right into the weeds, reeds, or ferns, to get heaps more detail.

Somewhere between PhD level insight and 'one-size-fits-all' sits the smart consideration about how resonant you can be with your SMB customers. The level of granular detail you are prepared to go into may vary, but it can have practical implications for budgets and results. A general rule of thumb at a planning level is that, if it starts complicated, it's unlikely to get easier over time. It's better to add salt to a stew, than attempt to take it out. And remember, you may only be running at a market the size of a small town in the first place.



It's about you, too.

Segmentations are about customers, but they are also about your business. The strategy you choose to employ and the time and resources you have as a business to target customers play an important part in getting the right approach. Building the 'Death Star' spread sheet is relatively easy, but as Darth Vader will testify, putting it to work is another matter.



Inbound / Outbound

Beyond your appetite for detail and the resources you have available, an inbound or outbound approach to marketing can also determine how you go about looking at customer segments and engagement.

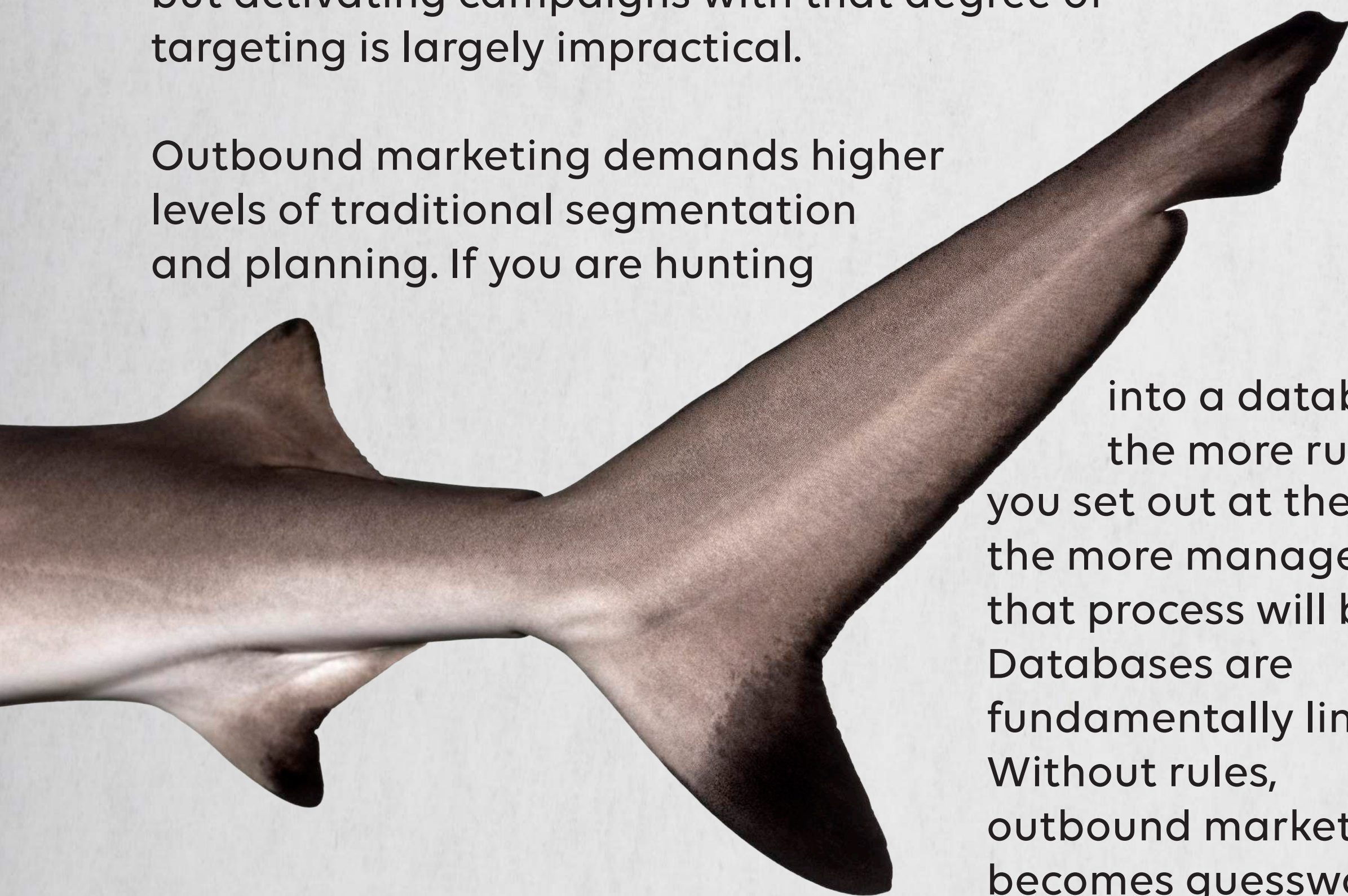
What is inbound marketing, what is outbound marketing and why should I care?

Outbound is mostly about interrupting a business at the right time to attract attention. Inbound is more focused on being relevant in a broader sense, earlier on in the buying process.

The Outbound Basking Shark

If you are going trawling for customers, targeting is a numbers game. In reality, most companies struggle with looking at anything beyond 5 distinct groupings of businesses. Creating 20 possible segments in a market is a great exercise but activating campaigns with that degree of targeting is largely impractical.

Outbound marketing demands higher levels of traditional segmentation and planning. If you are hunting



into a database, the more rules you set out at the start, the more manageable that process will be. Databases are fundamentally linear. Without rules, outbound marketing becomes guesswork.

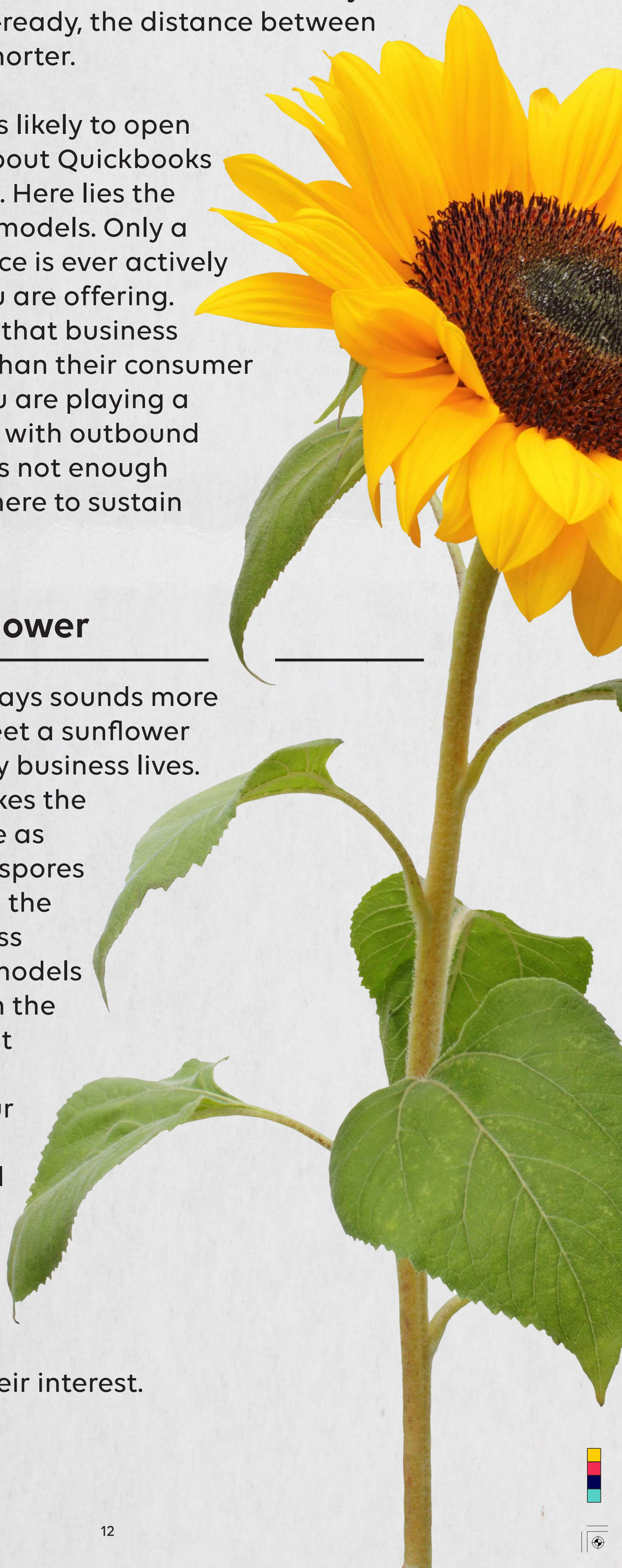


Outbound marketing is also more likely to engage people much closer to a buying decision. If I am looking for an accountancy package and get hit up by a call or an email with an offer for Quickbooks, I am much more likely to open it up. As I'm buyer-ready, the distance between me and a purchase is shorter.

However, I am much less likely to open any communications about Quickbooks if I'm not in buyer-mode. Here lies the limitation of outbound models. Only a minority of your audience is ever actively looking to buy what you are offering. And, critically, we know that business audiences are smaller than their consumer cousins. Therefore, if you are playing a numbers game, the risk with outbound marketing is that there's not enough buyer-ready appetite there to sustain a campaign.

The Inbound Sunflower

Inbound marketing always sounds more genteel. We'd rather meet a sunflower than a shark in our daily business lives. Inbound marketing makes the brand look as attractive as possible and sends out spores on the ether to bring on the bees. In reality, it's no less aggressive than other models of engagement. Though the inbound mindset is most certainly different. It's a waiting game: once your stall is set out, you have to ensure that you smell sweeter than any of the competition. Your prospects are just buzzing around, happy to be distracted by any source that captures their interest.



It's also pretty important to play it cool in the field. Inbound isn't a shouty discipline, it's one for listeners willing to learn. Inbound tends to work really well with SMBs as they are an audience in constant need of education. The CEO, FD and HR lead in an SMB is often combined into one person. The challenge is balancing relevance and interest with the need for curious prospects to then go and actually do something that will end up with them being a customer.

It is tempting to worship an audience from the ethereal land of strategy, but you need the muscle and the business model to bring that sermon to life in the real world. As a business, you have to combine what's possible with what's plausible. If you have a team of experienced people and multiple agencies dedicated to building real relationships between your brand and your customers, brilliant. If it's you, a laptop, and the cat – keep it simple.

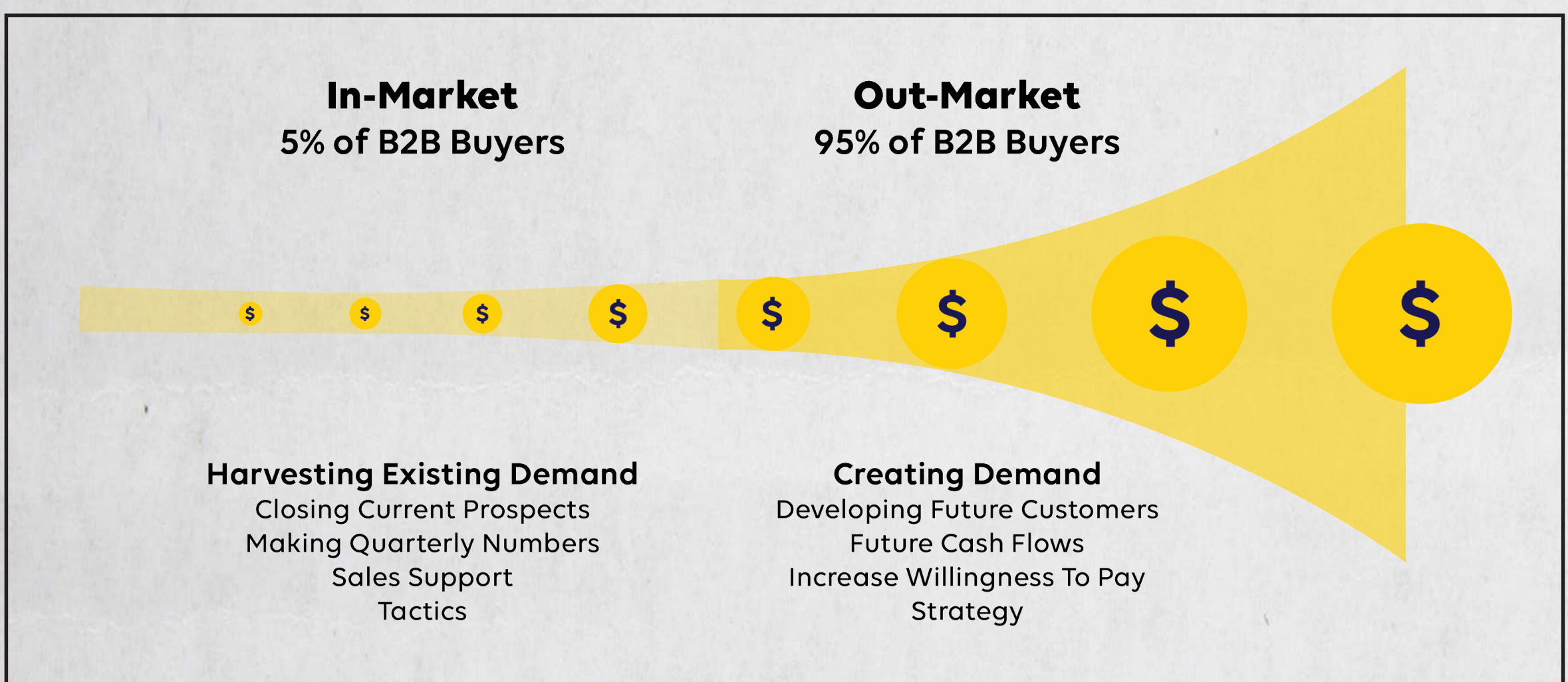
Outbound marketing tends to be LESS effective at engaging ANY possible prospect, but those that do engage are MORE likely to be quick converters. Inbound marketing tends to be MORE effective at engaging ANY possible prospect, but those that do engage are LESS likely to be quick converters.

Lookers and Bookers

Professor John Dawes at the Ehrenberg-Bass Institute of Marketing Science has put method behind the old adage of 'Lookers & Bookers'. The research posits that at any given time only 5% of a B2B market is actively looking to buy something, whilst the other 95% are working across the buying cycle. This tallies directly with a comment from a sales executive at a software company Publicis Pro engaged with in 2005.

In response to some data that showed only 5% of website visitors were making their way through to product pages, or downloading information, he said:

Well, what the f*ck are the other 95% doing, then?"



Source: Ehrenberg-Bass Institute

In Summary

In challenging the norms about SMBs we learn more about the importance of understanding the audience and the practicalities of how to engage them.

Here's five points to stick on a Post It:

1. SMBs are not just people
2. There are not as many SMBs as you think
3. Some may grow fast but not all
4. Money is very tight, always
5. Your resources are as important as theirs

FOUR Stories

When looking at SMB audiences primarily as sets of data, it is equally important to get under their skin. SMBs are not people, but they do produce behaviour. They are not just tax paying automatons. If we understand their behaviour, we stand a better chance of genuinely engaging.

Here are **four stories⁵** of businesses Publicis Pro has had the privilege to meet and understand in detail. We're obsessed with speaking to businesses and figuring them out. In doing so, we get a real sense of the individual companies and a pulse check on wider economic issues.

Each of these stories describes businesses in a holistic way - partly based on size, scale, and business model; partly on the characteristics of the owners, the sector they operate within and, crucially, their ambition. The intention is to show marketers what a living, breathing business looks like and how much they differ. Not as a persona, or a case study of best practice, but as a real business in the real world.

When reading about these 'living things', consider the different ways your business may be relevant to them and also how uncomfortable some of the things we say and do in marketing might make them feel. All names and references have been anonymised to protect confidentiality.



Four SMBs (In Detail)

Polymer Plantlife

Sarah Jane runs a business that celebrates silk flowers. Not the kind you find at a bad restaurant. These are high end, spot-the-difference installations for hotels and the well-healed.

The company employs eight people and operates out of a warehouse in the home counties, holding all the stock and raw materials, which are almost exclusively shipped in from Holland and China. Half of the products are then sold overseas. Of all the sales each year, which total £1.5 million, 40% are ordered via an online store.

Sarah Jane's business is retail, with an emphasis on creative design. Like many businesses in this space, brand and reputation play a big part in being attractive to buyers. You just have to look the part to walk into an international hotel chain and blow their minds with imitation peony displays the size of a family car.

Behind the brand, there is also a heap of operational issues. Import, export, stock control, currency, regulations. Not to mention the standard pressure of cashflow, customers pay on 30 days for the big stuff. There is also skills and labour retention, great designers don't come cheap.

This is all well and good. We can see a long list of business pressures that many would-be suppliers might start to consider as opportunities to build a relationship. Payments, HR management, banking, training, marketing consultancy etc.



But what really drives Sarah?

Time and Beauty

Sarah Jane, or SJ, is time poor in more than just the way of a busy owner manager. In fact, since her kids left home, she's got more time than ever to focus on the business. Her challenge is that she's hoping to retire in the next three years and is very worried about the implications if she doesn't. There's a beach and a villa with her name on in the South of France and she wants to get out there, soon.

She has also achieved a great deal in running the business for twenty years. From nothing, run out of a kitchen to an award-winning enterprise means her creds as a designer and a businessperson are without question.

So, SJ isn't in a hurry day-to-day, but she is motivated by things that will make a big difference in a short space of time. Five-year plans are out the window. If a new offer, product or service can't save her meaningful time, or make a big dent in what she has already, she's not interested.

Beauty is another fundamental driver of her decisions. If it looks bad, it's not for her. This can be anything from a website to a company car. SJ has been immersed in design her entire life and even a laptop has to prove its worth if it is to occupy a space in her business world.

So when SJ is looking at costs, the absolute cost of anything in her business is influenced by its relevance to her fast-approaching retirement and the beauty of the experience involved in dealing with her suppliers.

I use a mechanic 10 miles away to service my two delivery vans because they have a great coffee machine in their reception and the team all wear the same overalls."

Beauty – even for an oil change.

Criminal Covernotes

Dave is an insurance man. His skill is numbers. His business is based on a formula he created while working for a large insurance business in the late 1990s. Dave calculates insurance risk to set prices and protect underwriters.

Dave's brother has a criminal record. On leaving prison after a short sentence for the non-payment of council tax arrears, he had tried to get car insurance. Even with Dave's insider help, the premiums were uncomfortably high. It was the start of Dave's brainchild.

First-hand experience, combined with data available through his day job, led Dave to a lucrative conclusion: the risk priced into insurance for people with criminal records was too high and the models too crude. It was a market waiting to be serviced by a more informed approach where prices could easily be discounted. Furthermore, he speculated that the prison community presented a very close-knit referral network where word of mouth could make the job of customer acquisition relatively straightforward.

Within three years, Dave's ex-con insurance brokerage was flying. His overheads were low; a clerk, a team of five commissioned agents and a receptionist / office manager. His equations were sound and his profits enviably consistent. Dave operates at 30% margin. Net.

But what really drives Dave?

Profit Margin

It's not everyone that would want a customer base made-up entirely of criminals, some of them far from reformed. It takes a certain fortitude just to deliver service with a smile. Part of what makes Dave smile is an obsession with profit. His financial literacy verges on the profound. He is beguiled by the relationship between what things cost and what they are sold for and can work out the difference with uncanny fluency.

Dave's wife has become accustomed to the menu of every meal they go out for being decoded for profitability. Money and margin are a lifestyle choice as much as an occupational hazard. Dave's office is low-key. The computers are old and the staff benefits negligible. His HR strategy is one of being incredibly loyal and friendly to his team, but also abundantly clear that if you don't like it, you can lump it.

He has zero interest in stories, experience, brand, innovation - even discounts. His conversation with suppliers starts and stops with complete transparency on how much what he is buying costs and how much it is sold for.

I'm not a penny pincher. For me, it's all about fairness and business. Commercials come first and if you speak my language, I've got all day."



Sunken Kitchen

Kelly and Sohal run a small chain of high-end burger restaurants in the Northwest of England. With a lifetime of experience in the hospitality game, they struck out on their own 10 years ago with a single outlet in a stylish Manchester suburb.

The menu is a medley of brioche and butter milk with a shiny array of craft ale beer pumps greeting customers on their way to a contemporary American style dining area. The formula was a raging success with their experience and local network paying huge dividends on word-of-mouth promotion and, before long, they acquired a second premises on the other side of the city.

The secret to their success was primarily the care taken in customer service. Kelly walked the floor most evenings whilst overseeing the kitchen, and Sohal worked the bar and front of house. They had limitless time and energy for people that they quickly got to know by name and trained their teams to act accordingly.

Charm aside, they also figured out that regular punters would pay a premium for regular food that they understood, if it was served in a contemporary setting. The craft ales were also a stroke of genius as the trend for ale drinking, once the domain of bearded old men in fishing jackets, was now squarely in the hipster realm. Friendly, relatable, cool – a combination creating restaurant rocket fuel at a local level.

But what really drives Kelly & Sohal?

Scale, baby.

The couple are smart enough to know that the only way you get out of hospitality with your knees and marriage intact is through scale. Restaurants are notoriously exposed to fads and



competitor pressure. By getting multiple premises, Kelly and Sohal knew that they could scale up on staff. This would give them more management cover. Scale also allows them better price negotiation from suppliers, boosting margins.

Most importantly, it would give them time to be a family. With two young children at home, the growth of the business resulted in a punishing schedule of 'tag team' parenting. They had not spent Christmas Eve together for three years. Week to week, the domestic pressure of running a family business was off the charts.

The third restaurant the couple opened proved to be a step too far. Having survived lockdown and discovered through necessity the lucrative home delivery market that the pandemic forced into action, they decided to double down on borrowing to gain critical mass when things opened up again. Thirty-five staff, a retained marketing agency, three premises and an unhealthy level of credit became a burden when consumer confidence started to wane in 2022. Combined with a well-known national chain opening up three doors down to their signature site, cash and life quality became incredibly tight.

Kelly and Sohal find themselves in an unenviable position where everything is smiles on the outside and their local power couple status is assured, but the future of their business is disturbingly uncertain. In the interest of growth, they went too fast and now have a long road ahead to manage costs, debt, and reputation. They work 150 hours a week between them in order to break even.

They only have time for cost saving solutions in their business and are wary of anything that requires capital outlay. The couple have immediate time pressures and seek to salvage every hour in the week that they can. Despite this backs-to-the-wall scenario, they are risk takers by default and incremental gains are less likely to appeal to them than game-changing alternatives.

"We could be a bad month away from losing the lot. That really focuses the mind. No time for tyre kickers."

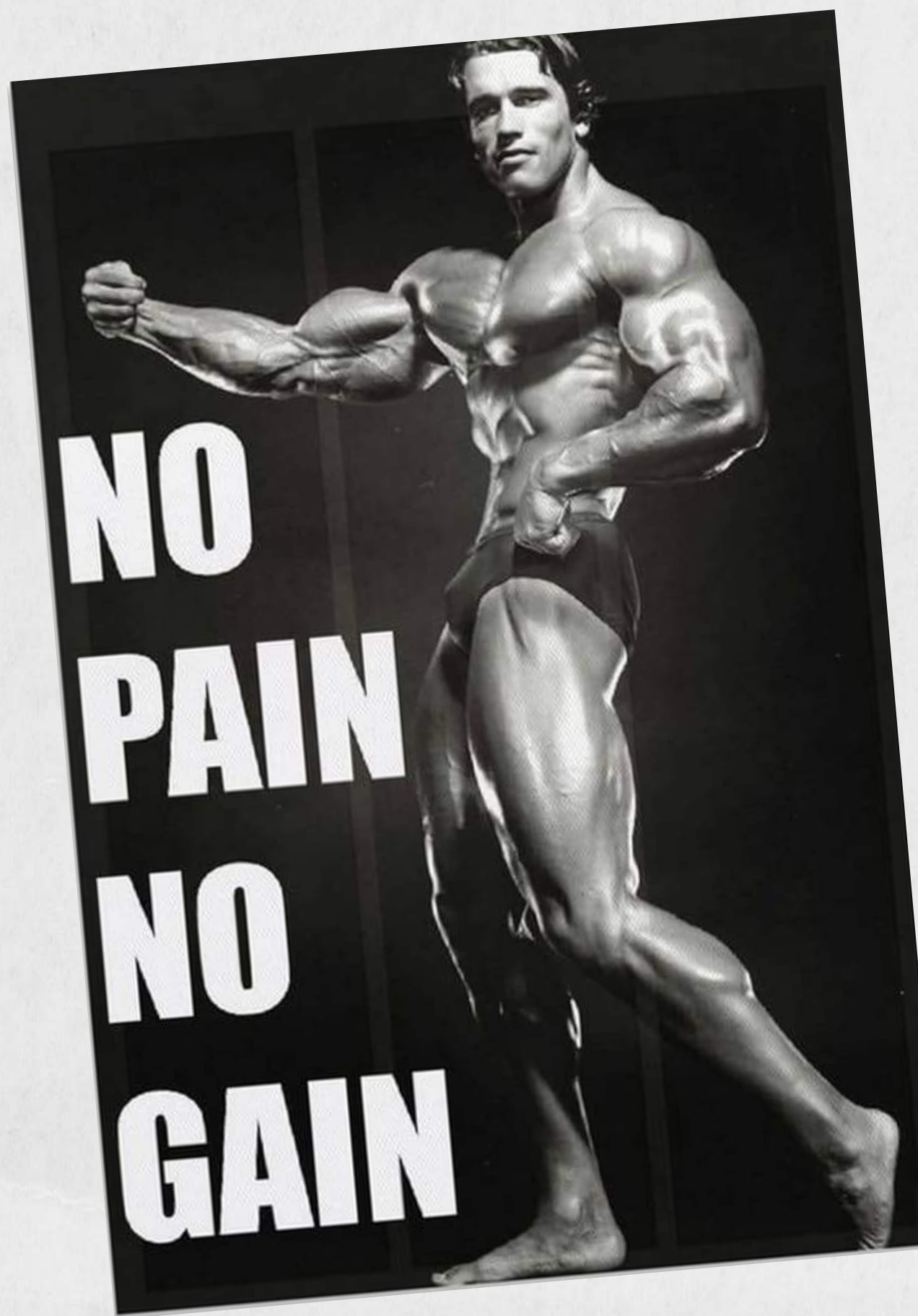
Digital Diet

Raul lives a life of nutritional virtue. He is a trained physiotherapist and fitness coach who has entered the world of retail with a range of branded nutrition powders that are tailored to various body types and lifestyles. With an established YouTube channel that tackles nutrition and fitness, he has a loyal global following and his e-commerce venture has got off to a flying start with several hundred customers buying products from his US base, many of them doing so from overseas.

Raul is immersed in the world of social promotion and is highly digitally literate. He is a sole trader who relies upon family and friends to help him dispatch his products when time is tight. Aside from that, the business is technically just one person.

Surprised by the rapid growth of his e-commerce sales, Raul is faced with multiple challenges, primarily based on business operations. He has sourced raw material powders that he combines into formulas for sale. The margin on his products is low due to the high supplier costs, based on the low volumes he buys. A capital injection would allow him to purchase in bulk - the powders have a very long shelf life. However, he has very limited space in his apartment for storage, so is also considering leasing some container storage to avoid his bedroom looking like a warehouse. He is also considering becoming a drop shipper, where he would advertise other products via his site and channel, for them to be fulfilled by partners. This will capitalise on his YouTube presence and help fund his expansion. Shipping costs are a killer for his business.

As a 'digital native', Raul is comfortable with trying out new things to help his business - software, partnerships and new suppliers are tested with varying degrees of success. Some of his business experiences are shared with his followers on YouTube.



But what really drives Raul?

Reputation, reputation, reputation.

Raul is the business. The business is Raul. This is not uncommon with owner-manager start-ups but Raul's enviable position as a midweight YouTuber leaves him in a constant state of reputation management. This is combined with an obsession around data that is available to him 24/7 based on sales, subscribers and the comments and reviews on his channel and e-commerce site.

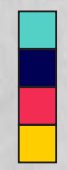
The pace of his business is impressive, but the implication of unsatisfied customers, or a compromise in his profile as a would-be influencer have a disproportionate effect on the business. It may well be the case that margin pressures are his most practical commercial challenge but what keeps Raul awake at night is trolls and one-star reviews on Trust Pilot. Sending spirulina to San Diego from the East coast requires a great deal of trust in UPS and little control, whilst, technically the whole world could be watching.

I can't compete with large retailers on any level but my profile. Anything that offers me more control or helps me grow-up operationally reduces my risk of losing subscribers and customers."

Building SMB Relationships

These SMB insights are pulled at random from in-depth studies on business behaviour. They showcase multiple points about the diversity and depth of the SMB market.

As stories, they are human by nature. But they show the difference between human-as-a-consumer and human-in-a-



business approaches to marketing. Yes, we are listening to human situations, but interpreting them exclusively through a commercial lens. Sarah Jane is looking to stop working, Kelly and Sohal are worried about the kids. But these human situations are swaddled in the blanket of business. Cost, profit and processes are an important counterpoint to school runs and pension plans.

The level of detail we can get from the profile of a specific business is colourful, but not always scalable. You can't know ten thousand businesses intimately. The back story is not readily available en masse. However, the detail does provide an important ingredient for B2B marketing: reality, which in turn gives us an understanding of how best to build relationships with customers.

Ask any sales professional about messaging and the conversation goes something like this:

Q: What messages do you give to prospects when you are trying to sell them something?

A: Well, it depends who I'm talking to?

Take our four businesses as an example. The idea of 'growth' for SMBs is a very common message to push into market. Ask any SMB audience about their business priorities and growth will inevitably be in the top three issues, along with cost and, probably customer experience. It follows that if you signal 'growth' as a message to your SMB prospects it will stand a good chance of resonating. Equally, your signal may be 'cost management' and again, you'll hit the spot in many cases.

The uncomfortable truth for many SMB marketing strategies is that the effort sort of stops there. In pursuit of simplicity we focus on a core message, generally a pain point or benefit that fails to tell a story.



Furthermore, if we take the detail we have about our SMBs, it's easy to see that these messages, whilst relevant, might land in very different ways.

Message				
CUSTOMER EXPERIENCE	😊	😐	😊	😞
COST	😐	😊	😞	😞
GROWTH	😊	😐	😐	😊
Audience	1 Polymer Plantlife	2 Criminal Covernotes	3 Sunken Kitchen	4 Digital Diets

What a brand pickle.

Salespeople intuitively understand the importance of context and targeting. Often, they have the luxury in B2B of knowing who they are talking to because that person is sitting in front of them, or at the other end of a call. Marketers are operating further back, casting wider nets with a much greater degree of uncertainty. However, the principle still stands. B2B is rarely effective as a 'one-size-fits-all'.

At a brand level, before we know anything about our audience, we have to say something for the masses that is relevant. But we need to get a greater level of context really fast to build a relationship.

B2B selling isn't spontaneous, it's methodical. The buyer journey can be a long and winding road. The biggest buying decisions a consumer is likely to make relates to a house, or a holiday. This process might take a week or two to select the right supplier. A business can spend that level of time deciding whether to have a meeting about buying more stationary.



How do we balance brand communication with individual needs?

The simple answer is to make sure you do both. And make sure you do them well. A criticism often levelled at B2B businesses is that they fail to invest in brand, or default to shorter-term sales needs when developing a marketing strategy. Equally, they can be influenced so much by immediate sales necessity, that the long-term goals and objectives are resigned to 'that PowerPoint' at the start of the year.

However, in the long term, without an effective brand strategy, you are busted as a B2B business.

There is always a tension between brand, or awareness and demand generation, or sales. One doesn't really work without the other. Like diet and exercise, in isolation you only get part-way to the goal of a healthy lifestyle. Or cigarettes and alcohol, if you want the rock 'n' roll version. There are many arguments and models that explore the optimum investment models for B2B brands. LinkedIn's B2B Institute is an excellent starting point to see what best fits your needs. Spoiler alert: your business probably spends too much on demand generation at the expense brand investment!

The consideration around what to spend prompts many important questions that can be very helpful in devising strategy, regardless of your budget ratios. For example, how does our brand support marketing, what does it stand for and how do we prove the value? Are we building for the long-term? What is not working in our other marketing activities that brand investment could improve?

It is said that a brand is the promise you make to customers. Through fear of keeping promises, B2B brands sometimes fail to make one at all.

Whilst this report may seem like it is focused on the grainy details of targeting and the gritty 'lower' funnel, that's not the case. It is about understanding your audience and relating to it in a smarter way. This is as much the foundation of a great B2B brand as it is great demand generation. By thinking about the synergy between brand and sales, as well as your business and its SMB customers, it should go a long way to resolving the tension of what to do and where to invest. Even if your metrics tell you there is some distance to travel to get SMB customers, you may be closer than you think.

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FEEL THE LOVE, IT'S EXTRA- ORDINARY



At Publicis Pro we believe that every business is extraordinary. There is no way that a company in B2B should just show-up and create noise in a market. In every industry, there is distinctiveness, ambition and potential, but markets are harsh and the 'magic' can be lost in the steady thump of quarterly sales targets.

As a business selling to another business [B2B], you are part of the eco-system. You are selling to an entity that is a bit like you. It shouldn't be that hard, then? But too often the stories we tell each other read like an instruction manual for an operating system. Who wants to read that?

Business is great at compromise. Messages are designed by committee, risk managed at all costs and always with an enduring sense of self-consciousness. Fear of failure is a perennial limitation of B2B marketing because the network is smaller and more compact, making the stakes higher.



As an Agency, we believe that compromise is a sinkhole for extraordinary things: Be a B2B brand but don't stand out too much. Think about SMBs, but not beyond the spreadsheet. Aim for the middle and all will be well.

To create a brand that cuts through in the SMB world we've described in this book, requires a deep knowledge of how that world works, how it changes and what it needs. To target the people that will buy your stuff requires a hard headed, yet human touch and an appetite for the long game.

All of this requires commitment, understanding, empathy, tolerance, even sacrifice.

In other words, love!



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