



Journal of Business & Industrial Marketing

Branding in B2B: the value of consumer goods brands in industrial markets

Eric Viardot,

Article information:

To cite this document:

Eric Viardot, (2017) "Branding in B2B: the value of consumer goods brands in industrial markets", Journal of Business & Industrial Marketing, Vol. 32 Issue: 3, pp.337-346, <https://doi.org/10.1108/JBIM-11-2014-0225>

Permanent link to this document:

<https://doi.org/10.1108/JBIM-11-2014-0225>

Downloaded on: 16 January 2019, At: 09:10 (PT)

References: this document contains references to 57 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 2178 times since 2017*

Users who downloaded this article also downloaded:

(2016), "Social media brand building strategies in B2B companies", Marketing Intelligence & Planning, Vol. 34 Iss 6 pp. 754-776 https://doi.org/10.1108/MIP-04-2015-0079

(2014), "Business to business digital content marketing: marketers' perceptions of best practice", Journal of Research in Interactive Marketing, Vol. 8 Iss 4 pp. 269-293 https://doi.org/10.1108/JRIM-02-2014-0013

Access to this document was granted through an Emerald subscription provided by emerald-srm:178063 []

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

Branding in B2B: the value of consumer goods brands in industrial markets

Eric Viardot

Department of Strategy, EADA Business School, Barcelona, Spain

Abstract

Purpose – This paper aims to explore whether consumer goods brands (CGBs) have more brand equity than exclusively professional brands (EPBs) do in the context of the industrial detergents market.

Design/methodology/approach – The author conducted direct customer interviews at the outlets of two large wholesale distribution retail chains. The sample included 211 respondents.

Findings – The study shows that CGBs do have brand equity in business-to-business (B2B) market. First, they enjoy a greater top-of-mind awareness than do EPBs. Second, they have a distinctive brand image, as they are perceived as being more efficient and more expensive than are EPBs.

Research limitations/implications – There are three main limitations. First, the results may reflect industry-specific factors that are not representative of all professional markets. Second, the products studied are relatively low in price compared to other categories of professional products. Third, the sample market is a mature market characterized by a modest growth rate and limited development in related markets. However, these limitations do not discredit the results of the study. Conversely, they invite further research on the subject of CGBs extending into professional markets. Future research could examine other product categories as well as the use of an experimental approach to validate and generalize the primary results.

Practical implications – This research has implications for business-to-consumer marketing professionals looking to leverage the equity of their CGBs in the B2B space. In addition, this work can help B2B marketing professionals better defend their market share in the face of well-known CGB entering their market.

Originality/value – This study represents an exploratory analysis, as the author has not any found prior work on this topic. In addition to these original results, the paper contributes to a better understanding of the concept of brand equity in B2B for academics and provides new insights for industrial marketers regarding branding in B2B.

Keywords Brand awareness, Brands, Business-to-business marketing, Brand equity, Business-to-business branding, Top of mind

Paper type Research paper

1. Introduction

Following the recent world economic crisis and the associated decrease in demand, some business-to-business (B2B) companies are aiming to leverage the brand image of their products to increase both their market share and profitability. Consequently, brands are increasingly viewed as a crucial point of differentiation for industrial products (Beverland *et al.*, 2007). Indeed, a long-term branding strategy is essential for achieving a high level of business performance and leadership in B2B markets (Kotler and Pfoertsch, 2007).

Moreover, the economic crisis has had a surprising consequence: business-to-consumer (B2C) companies looking to expand their brand territory to new markets are entering the B2B space. Examples can be found in computers

and electronics (e.g. Apple's iPhone), tourism (e.g. Club Med's Club Med Business) and detergents (e.g. Procter & Gamble's Mr. Clean). All of these new entrants already enjoy strong brand recognition in their consumer markets and have succeeded in taking market share from incumbent industrial products.

The entrance of this new category of products on professional markets has been accelerated by the swiftly changing social and technological environment. Internet and mobile technologies are effectively blurring the border between the private and business spheres by facilitating the rapid and efficient transmission of knowledge.

This relatively new phenomenon raises an interesting research question about the value of brands in B2B markets:

RQ1. Are industrial buyers influenced by the strong brand names of industrial products, even if the brands were not originally considered professional products?

The current issue and full text archive of this journal is available on Emerald Insight at: www.emeraldinsight.com/0885-8624.htm



Journal of Business & Industrial Marketing
32/3 (2017) 337–346
© Emerald Publishing Limited [ISSN 0885-8624]
[DOI 10.1108/JBIM-11-2014-0225]

Received 12 November 2014

Revised 20 February 2015

Accepted 23 June 2015

In other words, would professional purchasers buy an iPhone or Mr. Clean detergent because it is already well known and recognized in consumer markets? If so, for industrial buyers, those consumer goods brands (CGBs) being sold in professional markets may be valued differently than are exclusively professional brands (EPBs).

This research may have important implications for practitioners. First, it could help consumer goods companies justify the launch of new B2B products under the umbrella of an existing CGB rather than creating a brand dedicated to professional markets. Second, it could enable marketers in charge of EPBs to define a better marketing strategy and marketing mix to counter the offensive actions of CGBs.

The value of a brand is defined by its equity, which is “the differential effect of brand knowledge on customer response to the marketing of the brand” (Keller, 1993, p. 2). Therefore, this research endeavors to discover whether CGBs have a different brand equity than EPBs do. This study represents an exploratory investigation, as I have not found any prior work on this topic.

The structure of the article is as follows. First, I discuss the importance of branding in B2B markets. Then, I review the literature about brand equity in industrial markets. The next section presents the research design, which is followed by the presentation of the main results. The last part of the article includes some conclusions about the implications for academics and practitioners.

2. The importance of branding in business-to-business

Branding is an essential component of the marketing strategies of companies; thus, firms are constantly looking for ways to improve their brand (Gatignon *et al.*, 1990). Branding is a discipline that emerged from the fast-moving consumer goods industry as a way of adding value to a product (Farquhar, 1989). A strong brand is a tool that can help a company differentiate itself from competitors (Silk and Urban, 1978), alleviate barriers to entry (Mitchell *et al.*, 2001), cultivate customer loyalty (Chaudhuri and Holbrook, 2001) and increase profit, as some customers are ready to pay a premium to enjoy their favorite brand (Ailawadi *et al.*, 2003). The importance of a brand is also reflected in the firm’s financial valuation; a brand is considered an intangible asset – neither patentable nor copyrightable – whose value in the balance sheet can reach a highly significant amount (McDonald, 2010).

Initially, branding was not considered to be important in the marketing of B2B products and services (Robinson *et al.*, 1967). Early works regarded professional purchasing as rational in nature, whereas individual consumers would purchase according to their mood, occasionally engaging in unplanned impulse buys. Moreover, professional purchasing is considered less personalized than consumer purchasing, as it occurs largely through B2B transactions rather than exchanges between individuals. The buyers are fewer in number and some are experts – not in the product being purchased but in negotiation. In addition, they follow internal procedures and criteria defined by management, even when they are not the only decision makers (Webster and Wind, 1972). Thus, in contrast to the rational decision-making that

characterizes B2B purchasing (Rosenbroijer, 2001), branding has been perceived as irrational or even impractical, as some companies sell thousands of industrial products (Bendixen *et al.*, 2004).

However, several studies have underlined the importance of psychology and emotions in the purchasing process of industrial goods and services. Initial research based on theories of interpersonal exchange and phenomena have emphasized the importance of trust as a key variable in B2B exchanges (Johnston and Bonoma, 1981; Dwyer *et al.*, 1987), which are characterized by stable, long-term relationships (Hakansson, 1982).

More recent studies using inductive methods or dyadic approaches to examine the interrelationships between buyers and sellers (Sheth, 1996) have stressed, among other things, the significance of the psychological aspect in the purchase intentions of purchasing professionals.

Professional purchasers are not just organizations; they are also individuals. In terms of motivation, when professionals buy a product, they seek to meet not only the performance goals of their business but also their own desires for personal and professional success (Webster and Keller, 2004). Therefore, their purchase decisions reflect both rational and emotional factors, which is also the case with buyers in consumer markets (Lynch and de Chertanony, 2004; Leek and Christodoulides, 2012).

Several studies have shown that industrial purchasers are sensitive to brands (Shipley and Howard, 1993; Hutton, 1997; Walley *et al.*, 2007), especially in a complex buying situation with a high degree of technical uncertainty (Mudambi *et al.*, 1997). Specifically, brand loyalty can be an important factor with regard to purchasing habits and re-purchasing intentions (Kool, 1994; McQuiston, 2004). In addition, brands can mitigate the level of risk and uncertainty perceived by professional buyers at the moment of the purchase (Bengtsson and Servais, 2005). Mudambi (2002) has even grouped purchasers into three types, according to their reactions: the “brand sensitive”, the “rulebooks” and the “uninvolved.”

Other researchers have identified that in the B2B space, branding offers companies numerous benefits that are similar to those enjoyed by B2C firms. For example, a strong brand can positively influence the perceived quality of a professional product or service (Cretu and Brodie, 2007). Thus, a brand is an effective way for a firm to differentiate itself from competitors, justify a superior price and increase its bargaining power toward distribution channels (Low and Blois, 2002; Ohnemus, 2009).

3. Brand equity in business-to-business markets

The first research models for brand equity were developed by Aaker (1991, 1996) and Keller (1993, 2001, 2003). According to Aaker, there are five main components of brand equity: brand loyalty, brand awareness, perceived quality, brand associations and other proprietary assets such as trademarks, patents and channel relationships. For Keller, customer-based brand equity is driven by the brand knowledge of customers along two dimensions: brand awareness and brand image. He argues that brand equity is built as customers become familiar with a brand and make

distinct, positive associations with the brand in their mind (Keller, 1993).

Both of these brand equity models have been extended by researchers to better capture specific features of brand equity, such as social image (Lassar *et al.*, 1995), symbolic utility (Vázquez *et al.*, 2002) or willingness to pay a price premium (Netemeyer *et al.*, 2004). However, as brand equity is inherently multidimensional, there is yet no consensus on the most important features to study. Thus, the essential dimensions developed by Aaker and Keller are still used in most of the alternative models (Biedenbach, 2012).

The research about brand equity has been mainly focused on the B2C context. Indeed, very few studies have investigated brand equity in B2B markets. Of those papers examining the equity of professional brands, the majority are based on exploratory research and use the model developed by Aaker (1991) or Keller (1993). Gordon *et al.* (1993) were the first to provide evidence of the existence of brand equity in the B2B sector. Investigating brand loyalty and positioning, they found that brand awareness has a positive effect on brand associations with different image dimensions.

In addition to brand loyalty, brand awareness has been identified as an important element in the equity of professional brands (Mitchell *et al.*, 2001). van Riel *et al.* (2005) identified brand awareness as well as brand quality as the main dimensions of professional brand equity that have a direct impact on positive brand associations.

Hutton (1997) showed that brand knowledge has a direct influence on the “brand-equity behavior” of buyers, which includes the willingness to pay a significant price premium for their favorite brand, make referrals and extend their brand preference to other products with the same brand name.

Finally, all of the recent research on brand equity in industrial markets has utilized Keller’s model, including for the analysis of professional financial services (Taylor *et al.*, 2007), logistics services (Davis *et al.*, 2008) and electronic tracking for waste management (Kuhn *et al.*, 2008). This widespread acceptance of Keller’s model is likely because of it being the most comprehensive model available in the literature.

The first element of Keller’s model is customers’ awareness, reflecting the fact that a brand has no value or equity if clients do not know it. Keller considers two types of brand awareness: brand recognition and brand recall. The former is based on stimulus and is triggered at the moment when a customer sees the branded product. The latter depends on memory recall, reflecting the moment at which customers remember the brand because they need a product. Thus, brand recall is also referred to as top-of-mind awareness (TOMA). Although TOMA is not an indicator of intention to purchase a brand, a high level of TOMA has been shown as an indicator of a strong preference for (Woodside and Wilson, 1985) and loyalty toward (Buil *et al.*, 2008) a brand.

Hence, TOMA is an important part of the equity of a brand. As such, the first objective of this exploratory research is to determine whether CGBs with an existing high level of awareness in consumer goods markets have a different degree of brand awareness compared to EPBs dedicated solely to industrial markets.

According to Keller, the second dimension of brand equity is brand image, which refers to the positive, unique associations a buyer makes with the brand in his or her mind.

Investigating the B2B environment, several studies have demonstrated that a strong and positive brand image, reflected in brand associations, can be used as a basis for differentiation and the creation of a powerful competitive advantage (Mudambi *et al.*, 1997; Lynch and de Chertanony, 2004; Davis *et al.*, 2008). Thus, I hypothesize that CGBs are capitalizing on the successful brand image they have already attained in the consumer market. As a consequence, professional buyers may perceive such brands differently than they do industrial brands with no mass market image. Thus, the second objective of this research is to evaluate whether professional buyers have different brand images of CGBs than of EPBs. I also aim to identify which features are most salient to professional buyers.

One of the major weaknesses of Keller’s model is that Keller never operationalized a scale for its measurement. As a consequence, a multitude of methodologies have been introduced to measure brand equity, either directly, by focusing on consumers’ preferences (Park and Srinivasan, 1994) or utilities (Swait *et al.*, 1993), or indirectly, by focusing on the demonstrable manifestations of brand equity (Pappu *et al.*, 2005; Yoo *et al.*, 2000). Based on an extensive review of all the methods, Christodoulides and de Chernatony (2010) concluded that indirect measures are superior from a diagnostic level.

4. Research design

To explore the brand equity of CGBs in industrial markets, I conducted empirical field research in the form of direct customer interviews. I chose the professional detergents market because of its interesting mix of CGBs and EPBs (including some private labels for professionals). Moreover, this research was supported by a market research company investigating whether an existing consumer brand would be well served by expanding into professional markets in France.

Altogether, 240 buyers were met face-to-face at their places of purchase in the outlets of the two largest wholesale distribution retail chains (“cash and carry”) in France. Together, these two chains account for 90 per cent of industrial detergents sales. Ultimately, 211 respondents agreed to answer my questionnaire, representing a response rate of 87.9 per cent.

I developed a questionnaire based on the one developed by Kuhn *et al.* (2008) for indirectly measuring brand equity. It was adapted to the specific context of the detergent industry (see appendix). The interviews were conducted by interviewers who filled out the questionnaire in front of the respondents. The interviews took place after customers had visited a cashier to finalize their purchase. Each buyer was asked to answer a number of questions related to 14 different brands, including 8 CGBs (whose names were either homonymous with or carried clear reference to familiar CGBs, such as Mr Clean Professional) and 6 EPBs. In the tables and figures included in this paper, CGBs are identified by the letter C (i.e. consumer) followed by a digit, and EPBs are indicated by the letter P (i.e. professional) followed by a digit.

After a brief introduction, each respondent was asked to recall any major brands of industrial detergents to assess his or her degree of awareness of each brand. Then, for each brand, the respondents had to rate the following six traits on a semantic dichotomous scale with a neutral response: “efficient”, “expensive”, “technical”, “professional”, “specialized” and “innovative”. These six characteristics were validated as being the most significant based on a preliminary questionnaire answered by 15 buyers at a store.

Table I provides the relative degree of importance of each of these attributes for the buyers. Efficiency and price were identified quasi unanimously. Technicality was important for two-thirds of the buyers. Less than half of the purchasers were concerned about whether the product was made for professional use or designed especially for its use. Finally, the degree of innovation was considered an important factor by only one-quarter of the buyers interviewed.

5. Main results and discussion

First, my research finds that CGB professional detergents enjoy a brand awareness far superior to that of EPB professional detergents. Table II presents the brands ranked according to level of TOMA found among professional buyers. These results relate to the question, “Which brands of detergent manufacturers do you know?”.

Overall, CGBs possess far greater brand awareness than EPBs do. In the context of this study, the overall level of awareness is quite high, as indicated by the average number of citations, with relatively low dispersion, as illustrated by the standard deviation.

The five best-known brands are all CGBs, and the three least-known brands are EPBs. Whereas six of the eight CGBs show an above-average level of recognition, only one EPB shows an above-average level. Overall, the average rate of brand awareness is 81.5 per cent. The average level of TOMA is significantly higher for CGBs (84.5 per cent) than for EPBs (76.5 per cent).

P3 is the only professional brand whose TOMA is above average, earning a place among the CGBs in the second tier of the ranking. However, this industrial brand is a private label belonging to the Cash and Carry, where the interviews were

Table I Most important product features for industrial buyers

Characteristic	(%*)
Efficiency	98
Price	89
Compliance with technical standards	63
Product for professionals	44
Specialized product	43
Innovative product	27

Note: *Percentage of buyers considering the characteristic as “very important” as a buying criteria

Table II Ranking of brands according to TOMA (% of citations)

Brand	C7	C8	C4	C1	C2	P3	C6	C3	P4	C5	P6	P5	P2	P1
Awareness (%)	96	91	89	88	87	86	85	83	83	73	74	73	71	67

Notes: Average (%): 81.5; standard deviation: 20.506; average for CGBs (%): 86.5; average for EPBs (%): 75.67

conducted. Therefore, its performance in terms of brand awareness is logically enhanced, as the brand is clearly visible on the shelves along with many other products belonging to the same distributor. The other EPBs are not private labels, and they show a much lower level of recognition.

Indisputably, the significant level of brand recognition among CGBs is an important component of their brand equity. Image spillover is a probable explanation for the higher brand awareness of CGBs, at least in the detergent market. Through discussions with experts on this sector, I found that in professional markets, advertising efforts (e.g. print advertising, trade magazines and professional distribution newsletters) account for an average of only 1 per cent of the brand turnover. This is very low compared with the advertising spending on consumer markets for similar products, which represents 11 per cent of the brand turnover and is targeted through TV and other mass media. As a consequence, the advertising messages intended for the mass market may also reach professional buyers outside of their regular professional environment (e.g. when they are at home). Thus, those messages can also contribute to increased brand recognition at the time of the purchasing decision in a professional setting. In other words, the higher level of awareness of CGBs may be in part because of the fact that those brands are also available on the consumer markets.

Regarding brand image, the second component of brand equity for CGBs, my results showed that professional purchasers tend to associate different attributes with CGBs than with EPBs. For each brand in both groups, I measured respondents’ associations with the six features that had been identified as important buying criteria for the purchasers. Table III shows the overall evaluations for all of the brands and for each category on average. Table IV provides a detailed breakdown of the responses with regard to each brand for each of the six elements of brand image.

I investigated efficiency as the first element of brand image. My results show that efficiency is a salient feature associated mainly with CGBs. The average number of respondents considering CGBs as efficient is significantly higher than the average for all brands. A more detailed analysis shows that all CGBs except one are considered more efficient than the overall average for the sample. Moreover, the top four brands perceived as being most efficient are all CGBs.

In contrast, EPBs are not widely recognized as being efficient. In fact, the average number of buyers who considered EPBs efficient is well below the average for all brands. An exhaustive examination shows that only two EPBs are listed above the overall average, with the four others performing very poorly on this dimension.

Regarding perceived price, the second brand feature deemed important to buyers, there is also a clear differentiation between EPBs and CGBs. Specifically, EPBs are perceived as being “less expensive” than CGBs. Within this dimension, the five EPBs

Table III Overall association of brand features

% of respondents judging the brand	Average	SD	Average of EPBs	Average of CGBs
Efficient	64	48.08	46.5	78
Inexpensive	68.5	36.06	80.5	45.5
Compliant with technical standards	38	21.21	35.83	32.13
Designed for professionals	53	39.60	72.5	21.5
Specialized	29	24.04	34	25.62
Innovative	25	22.63	18.83	26

Table IV Detailed brand association with the six main determinants of brand image

Brand	C7	C1	C4	C8	P3	C3	P4	C6	C2	C5	P6	P5	P1	P2
% of respondents judging the brand as "efficient"	98	91	89	84	78	71	71	65	65	48	37	32	31	30
Brand	P3	P4	P6	P2	P1	P5	C2	C6	C4	C1	C7	C8	C3	C5
% of respondents judging the brand as "inexpensive"	94	89	81	75	69	67	59	56	56	54	51	50	48	43
Brand	P2	C6	C3	P1	C1	P3	P5	C4	C7	P6	C8	P4	C2	C5
% of respondents judging the brand as "compliant with technical standards"	53	43	37	37	36	35	33	32	32	30	29	27	25	23
Brand	P3	P5	P6	P1	P2	P4	C7	C6	C2	C5	C8	C4	C1	C3
% of respondents judging the brand as "professional"	81	73	71	71	70	69	35	29	26	25	18	15	15	9
Brand	P1	P2	C5	C3	P6	C2	P5	C6	P3	C4	P4	C8	C1	C7
% of respondents judging the brand as "specialized"	46	42	35	34	33	31	30	30	28	27	25	21	15	12
Brand	C7	C8	C1	C6	P2	C4	P1	C3	P3	P4	C2	C5	P5	P6
% of respondents judging the brand as innovative	41	39	35	31	28	26	24	21	21	19	17	15	12	9

show an average recognition rate of 80.5 per cent among respondents, which is well above the overall average of 68.5 per cent. In contrast, only 45.5 per cent of respondents consider CGBs to be inexpensive. Overall, my analysis indicates that all of the CGBs scored well below the average of the total sample, and five out of the six EPBs scored above the average.

Figure 1 provides a visual representation of respondents' perceived differences between CGBs and EPBs with regard to efficiency and relative price, with some distinctive clusters.

The third constituent of brand equity addresses whether a brand is designed especially for professional applications. My analysis revealed a noticeable difference in the perceptions of respondents based on the type of brand (i.e. EPB vs CGB). For this dimension, a high percentage of buyers evaluated all of the EPBs positively. The overall average is much higher than the mean percentage for all of the brands considered. Conversely, a very small percentage of buyers considered CGBs to be designed for professional applications, which was significantly below the average for all brands. Figure 2 provides a visual representation of the differences in how respondents evaluated the "made-for-professionals" feature of the brand image. The combined evaluation of this trait with perceived price shows a clear distinction between CGBs and EPBs.

I also analyzed three other aspects of brand image: compliance with technical standards, perceived specialization and innovativeness. Unlike the aforementioned aspects, these did not reveal clear distinctions according to the type of brand (i.e. CGB vs EPB). Only one-third of respondents identified compliance with technical standards as a characteristic for all brands. This is not very high, especially considering that 12

out of the 14 brands had fewer than the average number of citations. A detailed analysis showed that neither category is dominant in this dimension. This is illustrated by the fact that the brand scoring the highest was an EPB, followed by a CGB, with the other brands alternating in the rankings.

The same observations can be made for the two other traits of brand image: specialization for a particular application and innovativeness. For this survey, the innovativeness of a brand is defined by its originality and its creativeness. On average, these traits are recognized by less than one-third and one-quarter of respondents, respectively.

Regarding the degree of perceived specialization, there is not a clear difference between EPBs and CGBs, despite that EPBs account for the top two scores and CGBs account for the two lowest. In between, there is a mix of EPBs and CGBs, and the average percentage of citations is quite similar for the two categories.

Concerning innovativeness, five CGBs are perceived as more innovative than the average for all brands. However, some CGBs received quite low scores on this dimension, and four EPBs received high scores. Overall, the difference between the average evaluation for EPBs and that for CGBs was not significant enough to consider innovativeness as a characteristic associated with CGBs.

There are no significant correlations between variables, except one between the level of perceived efficiency of a brand and its total level of awareness, as illustrated in Table V. It is possible that CGBs benefit not only from a higher brand awareness relative to their industrial counterparts but also from a perception

Figure 1 Purchasers' brands perception of efficiency and price

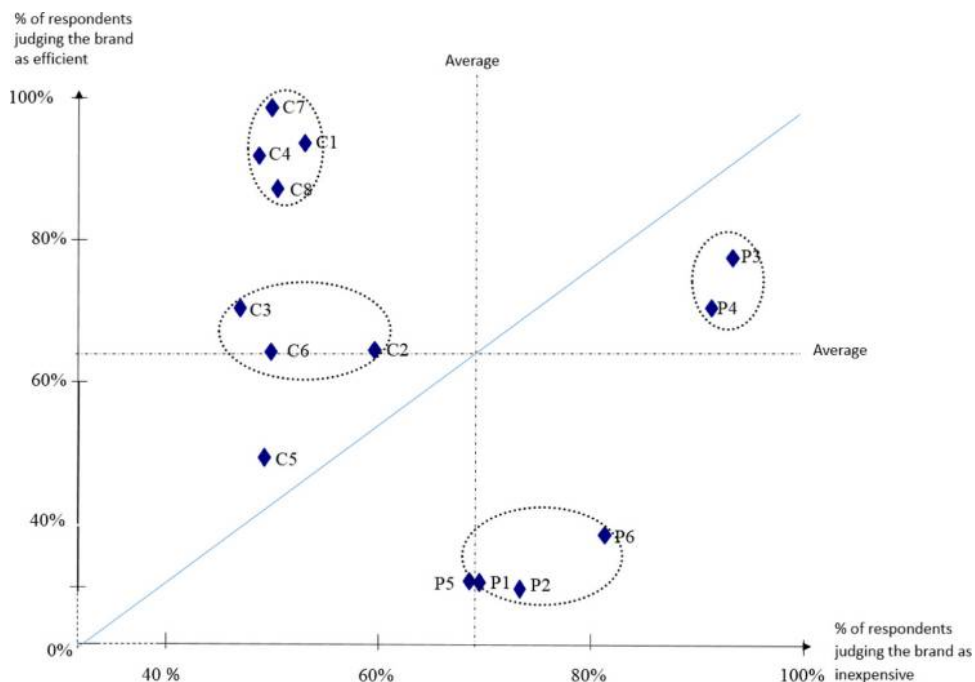
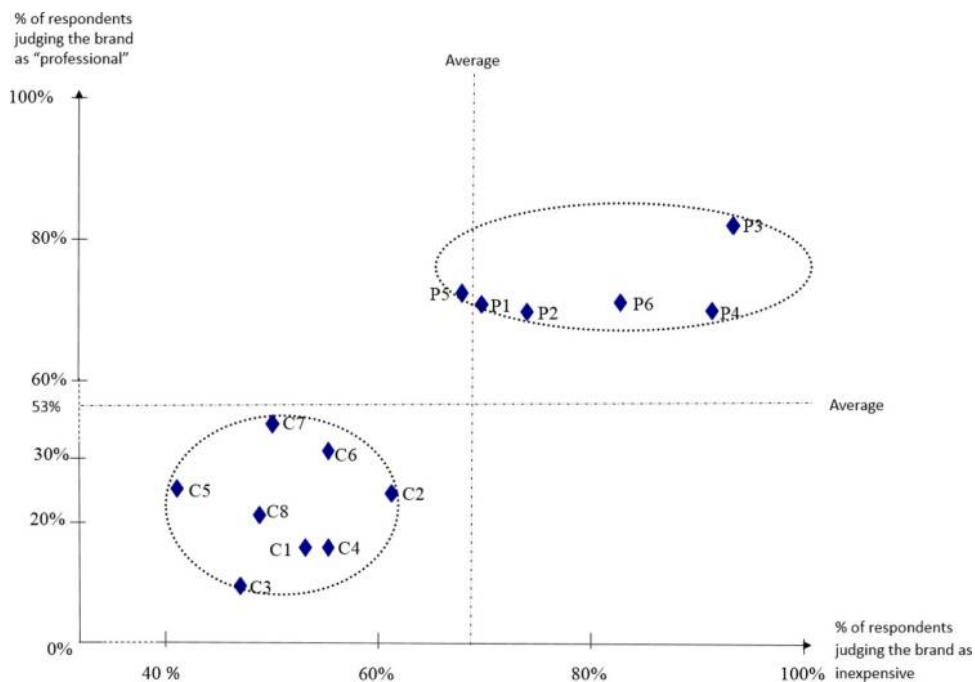


Figure 2 Purchasers' brands perception of "made-for-professionals" and price



of greater efficiency, which is similar to the dynamics at play in the consumer market.

6. Conclusion

The results of my exploratory research provide evidence that CGBs do have brand equity in the B2B market. First, they enjoy a greater TOMA than EPBs do. Second, they have a distinctive brand image. Compared to EPBs, CGBs

are perceived as being more efficient and more expensive but not as being designed specifically for professional application. Conversely, EPBs are considered to be less efficient and less expensive than CGBs as well as designed specifically for professional application.

This noteworthy discovery presents interesting consequences for the positioning of products in B2B markets. The first implication is that the brand equity of a CGB can effectively

Table V Relationship between awareness and perceived efficiency of a brand

Brand	C7	C1	C4	C8	P3	C3	P4	C6	C2	C5	P6	P5	P1	P2
% of respondents judging the brand as "efficient"	98	91	89	84	78	71	71	65	65	48	37	32	31	30
Total awareness	96	88	89	91	86	83	83	85	87	73	74	73	67	71
Multiple correlation coefficient													0.954223996	
Coefficient of determination R^2													0.910543435	
Adjusted R^2													0.201985317	
Standard error													0.07456071	

contribute to differentiation through upscale positioning, which is associated with performance and high value. Under such a strategy, CGB products would support a higher price point, which means better profitability compared to pure industrial EPB products. This could also lead to a stronger preference and loyalty from professional customers. On the other hand, facing the entry of CGBs, EPBs could defend their market share by strengthening their image as being designed especially for professional applications. They could also reinforce their "value for money" positioning via an adequate pricing strategy, offering a lower price point than CGBs do.

Regarding implications for industrial marketing theory, my study contributes to a better understanding of the drivers of brand equity in B2B markets, including a clear differentiation between EPBs and CGBs. In addition, my findings confirm the importance of customer awareness in the equity of a professional brand. Furthermore, my work contributes to the enrichment of research methodology about brand equity by validating the approach to measuring brand image in the B2B space originally conceived by Keller (1993) and operationalized by Kuhn *et al.* (2008).

There are three main limitations to this research. First, the results of this research may reflect industry-specific factors that are not representative of all professional markets. Indeed, detergents are simple from a technical perspective, require low involvement from the buyer and are subject to frequent and repeated purchases. Under these conditions, brand plays an important role in differentiating competing products. It is unclear whether similar results would be obtained through a study of more complex products or services with high added value for the purchaser, a high price and a relatively low frequency of purchase.

The second restriction relates to the fact that the products studied are relatively low in price compared to other categories of professional products, such as micro-computers or automobiles. Specifically, because of the low absolute price of detergents, the perceived price differences between CGBs and EPBs are less significant than those between products with higher absolute prices. This may contribute to an exaggeration of the importance of brand, compared to price, as a key buying criterion for professionals.

Third, my sample market is a mature market characterized by a modest growth rate and limited development in related markets. The results would probably be different if I had carried out my research in an emerging country, such as Russia, Brazil, China or India. In such countries, the consumption of detergents has increased significantly in recent years, and buyers' expectations may be different from those in developed countries.

However, these limitations do not discredit the results of my study. Conversely, they invite further research on the subject of CGBs extending into professional markets. Future research could examine other product categories as well as the use of an experimental approach to validate and generalize my primary results.

For academics, this research contributes to a better understanding of the concept of brand equity in B2B markets. This article also opens new avenues for future academic research. First, because I illustrate the benefits of cross-fertilization between B2B and B2C marketing (Mencarelli and Riviere, 2015), this paper invites researchers to revisit the traditional industrial–consumer marketing dichotomy, as advocated notably by Cova and Salle (2008). This article demonstrates how the concept of brand equity, which was born from consumer goods marketing, can be adapted to B2B marketing.

Second, this work provides a basis for exploring how to expand a brand from consumer to industrial markets. Many firms are looking to expand to new markets by introducing new products under an existing brand with a recognizable name, enabling firms to limit their investment in creating brand awareness (Kapferer, 2001). Some works have analyzed the strategies for brand extension from an industrial to a mass consumption setting (Phang, 2004; Tang *et al.*, 2008). However, I did not find any studies on brand extension strategies for firms looking to move from consumer markets to professional markets.

The third avenue for research involves the exploration of how to build a strong CGB brand in B2B. Keller (2003) defined the following four hierarchical levels to building a strong brand: brand identity (salience), brand meaning (performance and imagery), brand responses (judgments and feelings) and brand relationships (resonance). Kuhn *et al.* (2008) found that this model requires some adaptation to the specificities of B2B. Most notably, they argued that the model is more relevant to evaluating the equity of a corporate brand than of individual products. They found that the subdimensions of imagery, feelings and resonance in the Aaker (1991) model were not relevant, whereas reputation and relationship with the sales force were important components of the equity of a B2B brand. In the case of a CGB extending into an industrial market, it seems that those findings are not completely valid. In particular, imagery and resonance seem to be important for professional purchasers. Further research must be conducted in this area, and I believe my exploratory study paves the way to constructing a model for building brand equity in CGBs in an industrial setting.

Finally, this study has some important implications for B2B marketing professionals who are dealing with limited growth perspective in the current global economic crisis. First, my research can be a wakeup call for marketers of large companies working in both industrial and consumer markets, encouraging them to carefully examine the potential of leveraging their consumer brands on their professional markets. Indeed, my results show that CGBs enjoy greater awareness than EPBs do, without additional advertising cost. This probably stems from the porosity of the two markets and the fact that professional purchasers are also individual consumers. Therefore, a massive advertising campaign for a brand in a consumer market will overflow, yielding positive effects for the same brand in a professional market. The natural conclusion is that when possible, it is better to launch a new product in a B2B market under an existing CGB rather than an EPB, as brand awareness is achieved faster and at a lower cost for CGBs than for pure EPBs.

My research also provides interesting insights for industrial marketers in charge of pure industrial products (EPBs). The findings may help them to strategize more effectively when they are facing the threats of CGBs on their markets. My study compares and contrasts the images of CGBs and EPBs. The former is regarded as being more efficient and expensive, whereas their industrial counterparts are perceived as being more suitable for industrial applications and lower in price. Marketers of EPBs should reinforce the “professional application” image through all components of the marketing mix, including product design and packaging as well as the communication strategy. They should also ensure that products are priced adequately, at a lower price point than that of competing CGBs.

These recommendations should be of interest to industrial marketers, as the benefits of reinforcing customer awareness and strengthening the brand image of a product are at the heart of cultivating brand equity in B2B markets.

References

- Aaker, D.A. (1991), *Managing Brand Equity: Capitalizing on the Value of a Brand Name*, Free Press, New York, NY.
- Aaker, D.A. (1996), *Building Strong Brands*, Free Press, New York, NY.
- Ailawadi, K.L., Lehmann, D.R. and Neslin, S.A. (2003), “Revenue premium as an outcome measure of brand equity”, *Journal of Marketing*, Vol. 67 No. 4, pp. 1-17.
- Bendixen, M., Bukasa, K.A. and Abratt, R. (2004), “Brand equity in the business-to-business market”, *Industrial Marketing Management*, Vol. 33 No. 5, pp. 371-380.
- Bengtsson, A. and Servais, P. (2005), “Co-branding on industrial markets”, *Industrial Marketing Management*, Vol. 34 No. 7, pp. 706-713.
- Beverland, M., Napoli, J. and Yakimova, R. (2007), “Branding the business marketing offer: exploring brand attributes in business markets”, *Journal of Business & Industrial Marketing*, Vol. 22 No. 6, pp. 394-399.
- Biedenbach, G. (2012), “Brand equity in the business-to-business context: examining the structural composition”, *Journal of Brand Management*, Vol. 19 No. 8, pp. 688-701.
- Buil, I., de Chernatony, L. and Martinez, E. (2008), “A cross-national validation of the consumer-based brand equity scale”, *Journal of Product & Brand Management*, Vol. 17 No. 6, pp. 384-392.
- Chaudhuri, A. and Holbrook, M.B. (2001), “The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty”, *Journal of Marketing*, Vol. 65 No. 2, pp. 81-93.
- Christodoulides, G. and de Chernatony, L. (2010), “Consumer-based brand equity conceptualization and measurement: a literature review”, *International Journal of Market Research*, Vol. 52 No. 1, pp. 43-66.
- Cova, B. and Salle, R. (2008), “The industrial/consumer marketing dichotomy revisited: a case of outdated justification?”, *Journal of Business & Industrial Marketing*, Vol. 23 No. 1, pp. 3-11.
- Cretu, A.E. and Brodie, R.J. (2007), “The influence of brand image and company reputation where manufacturers market to small firms: a customer value perspective”, *Industrial Marketing Management*, Vol. 36 No. 2, pp. 230-240.
- Davis, D.F., Golicic, S.L. and Marquardt, A.J. (2008), “Branding a B2B service: does a brand differentiate a logistics service provider?”, *Industrial Marketing Management*, Vol. 37 No. 2, pp. 218-227.
- Dwyer, F.R., Schurr, P.H. and Oh, S. (1987), “Developing buyer-seller relationships”, *Journal of Marketing*, Vol. 51 No. 2, pp. 11-27.
- Farquhar, P. (1989), “Managing brand equity”, *Journal of Advertising Research*, Vol. 30 No. 4, pp. 7-12.
- Gatignon, H., Weitz, B. and Bansal, P. (1990), “Brand introduction strategies and competitive environments”, *Journal of Marketing Research*, Vol. 27 No. 11, pp. 390-401.
- Gordon, G.L., Calantone, R.J. and di Benedetto, C.A. (1993), “Brand equity in the business-to-business sector: an exploratory study”, *Journal of Product & Brand Management*, Vol. 2 No. 3, pp. 4-16.
- Hakansson, H. (1982), *International Marketing and Purchasing of Industrial Goods: An Interactive Approach*, John Wiley & Sons, Chichester.
- Hutton, J.G. (1997), “A study of brand equity in an organizational-buying context”, *Journal of Product & Brand Management*, Vol. 6 No. 6, pp. 428-439.
- Johnston, W.J. and Bonoma, T.V. (1981), “The buying center: structure and interaction patterns”, *Journal of Marketing*, Vol. 45 No. 3, pp. 143-156.
- Kapferer, J.N. (2001), *(Re)inventing the Brand*, Kogan Page, London.
- Keller, K.L. (1993), “Conceptualizing, measuring, and managing customer-based brand equity”, *Journal of Marketing*, Vol. 57 No. 1, pp. 1-22.
- Keller, K.L. (2001), “Building customer-based brand equity”, *Marketing Management*, Vol. 10 No. 2, pp. 14-19.
- Keller, K.L. (2003), *Strategic Brand Management: Building, Measuring and Managing Brand Equity*, 2nd ed., Prentice-Hall, Englewood Cliffs, NJ.
- Kool, M. (1994), *Buying Behaviour of Farmers*, Wageningen Press, Wageningen.
- Kotler, P. and Pfoertsch, W. (2007), “Being known or being one of many: the need for brand management for

- business-to-business (B2B) companies”, *Journal of Business & Industrial Marketing*, Vol. 22 No. 6, pp. 357-362.
- Kuhn, K.A.L., Alpert, F. and Pope, N.K.L. (2008), “An application of Keller’s brand equity model in a B2B context”, *Qualitative Market Research: An International Journal*, Vol. 11 No. 1, pp. 40-58.
- Lassar, W., Mittal, B. and Sharma, A. (1995), “Measuring customer-based brand equity”, *Journal of Consumer Marketing*, Vol. 12 No. 4, pp. 11-19.
- Leek, S. and Christodoulides, G. (2012), “A framework of brand value in B2B markets: the contributing role of functional and emotional components”, *Industrial Marketing Management*, Vol. 41 No. 1, pp. 106-114.
- Low, J. and Blois, K. (2002), “The evolution of generic brands in industrial markets: the challenges to owners of brand equity”, *Industrial Marketing Management*, Vol. 31 No. 5, pp. 385-392.
- Lynch, J. and de Chernatony, L. (2004), “The power of emotion: brand communication in business-to-business markets”, *Journal of Brand Management*, Vol. 11 No. 5, pp. 403-419.
- McDonald, M. (2010), “A brief review of marketing accountability, and a research agenda”, *Journal of Business & Industrial Marketing*, Vol. 25 No. 5, pp. 383-394.
- McQuiston, D.H. (2004), “Successful branding of a commodity product: the case of RAEX Laser steel”, *Industrial Marketing Management*, Vol. 33 No. 4, pp. 345-354.
- Mencarelli, R. and Rivière, A. (2015), “Perceived value in B2B and B2C: a comparative approach and cross-fertilisation”, *Marketing Theory*, Vol. 15 No. 2, pp. 201-220, doi: [10.1177/1470593114552581](https://doi.org/10.1177/1470593114552581).
- Mitchell, P., King, J. and Reast, J. (2001), “Brand values related to industrial products”, *Industrial Marketing Management*, Vol. 30 No. 5, pp. 415-425.
- Mudambi, S. (2002), “Branding importance in business-to-business markets: three buyer clusters”, *Industrial Marketing Management*, Vol. 31 No. 6, pp. 525-533.
- Mudambi, S., Doyle, P. and Wong, V. (1997), “An exploration of branding in industrial markets”, *Industrial Marketing Management*, Vol. 26 No. 5, pp. 433-446.
- Netemeyer, R.G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., Ricks, J. and Wirth, F. (2004), “Developing and validating measures of facets of customer-based brand equity”, *Journal of Business Research*, Vol. 57 No. 2, pp. 209-224.
- Ohnemus, L. (2009), “B2B branding: a financial burden for shareholders?”, *Business Horizons*, Vol. 52 No. 2, pp. 159-166.
- Pappu, R., Quester, P.G. and Cooksey, R.W. (2005), “Consumer-based brand equity: improving the measurement – empirical evidence”, *Journal of Product and Brand Management*, Vol. 14 No. 3, pp. 143-154.
- Park, C.S. and Srinivasan, V. (1994), “A survey-based method for measuring and understanding brand equity and its extendibility”, *Journal of Marketing Research*, Vol. 31 No. 2, pp. 271-288.
- Phang, L. (2004), “Consumer evaluation of brand extension: can b2b brands be extended into the consumer market”, *Master Thesis*, Maastricht University, Faculty of Business Administration, The Netherlands.
- Robinson, P.J., Faris, C.W. and Wind, Y. (1967), *Industrial and Creative Marketing*, Allyn and Bacon, Boston, MA.
- Rosenbroijer, C.J. (2001), “Industrial brand management: a distributor’s perspective in the UK fine-paper industry”, *Journal of Product and Brand Management*, Vol. 10 No. 1, pp. 7-24.
- Sheth, J.N. (1996), “Organizational buying behavior: past performance and future expectations”, *Journal of Business & Industrial Marketing*, Vol. 11 Nos 3/4, pp. 7-24.
- Shiple, D. and Howard, P. (1993), “Brand-naming industrial products”, *Industrial Marketing Management*, Vol. 22 No. 1, pp. 59-66.
- Silk, A.J. and Urban, G.L. (1978), “Pre-test-market evaluation of new packaged goods: a model and measurement methodology”, *Journal of Marketing Research*, Vol. 15 No. 2, pp. 171-191.
- Swait, J., Erdem, T., Louvière, J. and Dubelaar, C. (1993), “The equalization price: a measure of consumer-perceived brand equity”, *International Journal of Research in Marketing*, Vol. 10 No. 1, pp. 23-45.
- Tang, Y.C., Liou, F.M. and Peng, S.Y. (2008), “B2B brand extension to the B2C market – the case of the ICT industry in Taiwan”, *The Journal of Brand Management*, Vol. 15 No. 6, pp. 399-411.
- Taylor, S.A., Hunter, G.L. and Lindberg, D.L. (2007), “Understanding (customer-based) brand equity in financial services”, *Journal of Services Marketing*, Vol. 21 No. 4, pp. 241-252.
- van Riel, A.C.R., de Mortanges, C.P. and Streukens, S. (2005), “Marketing antecedents of industrial brand equity: an empirical investigation in specialty chemicals”, *Industrial Marketing Management*, Vol. 34 No. 8, pp. 841-847.
- Vázquez, R., Del Río, A.B. and Iglesias, V. (2002), “Consumer-based brand equity: development and validation of a measurement instrument”, *Journal of Marketing Management*, Vol. 18 Nos 1/2, pp. 27-48.
- Walley, K., Custance, P., Taylor, S., Lindgreen, A. and Hingley, M.K. (2007), “The importance of brand in the industrial purchase decision: a case study of United Kingdom tractor market”, *Journal of Business and Industrial Marketing*, Vol. 22 No. 6, pp. 383-393.
- Webster, F. and Keller, K.L. (2004), “A roadmap for branding in industrial markets”, *Journal of Brand Management*, Vol. 11 No. 5, pp. 388-402.
- Webster, F.E. and Wind, Y. (1972), “A general model for understanding organizational buying behavior”, *Journal of Marketing*, Vol. 36 No. 2, pp. 12-19.
- Woodside, A. and Wilson, E. (1985), “Effects of consumer awareness of brand advertising on preference”, *Journal of Advertising Research*, Vol. 24 No. 4, pp. 41-48.
- Yoo, B., Donthu, N. and Lee, S. (2000), “An examination of selected marketing mix elements and brand equity”, *Journal of the Academy of Marketing Science*, Vol. 28 No. 2, pp. 195-211.

Appendix. Questionnaire structure

Interviewer Name:

City:

Wholesale distributor name:

- 1 Do you always buy detergents yourself? Y/N
- 2 If the answer is no, who purchases them?
- 3 Are you the one who decides which brand to purchase?
Y/N
- 4 Which brands of detergents do you know? (Spontaneous)

I am now going to show you various detergents. Please give me your opinion on each brand:

- 5 Is C1 efficient or not efficient?
- 6 Is C1 expensive or not expensive?
- 7 Is C1 compliant with technical standards, or does it fail to do so?
- 8 Is C1 a professional product or a consumer good?
- 9 Is C1 a specialized product or an all-purpose product?

- 10 Is C1 an innovative or non-innovative product?
- 11 Do you see any other important feature for C1? If yes, which one?

Q5 to Q11 are repeated for each of the other 13 products that are shown to the respondent.

Additional information:

- 12 In which industry is your company?
- 13 What is your position in the company?
- 14 What is the average turnover of the company?
- 15 How many employees are in the company?

Additional comments.

Corresponding author

Eric Viardot can be contacted at: eviardot@eada.edu

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgroupublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com

This article has been cited by:

1. . . [[Citation](#)]
2. Nikolina Koporcic, Maria Ivanova-Gongne, Anna-Greta Nyström, Jan-Åke Törnroos. Introduction: An Overview of the Current State of B2B Branding Research 1-7. [[Abstract](#)] [[Full Text](#)] [[PDF](#)] [[PDF](#)]