

Applications

Marketing Debate

How Different Is Business-to-Business Marketing?

Many business-to-business marketing executives lament the challenges of business-to-business marketing, maintaining that many traditional marketing concepts and principles do not apply. For a number of reasons, they assert that selling products and services to a company is fundamentally different from selling to individuals. Others disagree, claiming marketing theory is still valid and only requires some adaptation in marketing tactics.

Take a position: Business-to-business marketing requires a special, unique set of marketing concepts and principles *versus* Business-to-business marketing is really not that different, and the basic marketing concepts and principles apply.

Marketing Discussion

B-to-C & B-to-B Concepts

Consider some of the consumer behavior topics for business-to-consumer (B-to-C) marketing from Chapter 6. How might you apply them to business-to-business (B-to-B) settings? For example, how might noncompensatory models of choice work? Mental accounting?

Marketing Excellence

>>Accenture



Accenture began in 1942 as Administrative Accounting Group, the consulting arm of accounting firm Arthur Andersen. In 1989, it launched as a separate business unit focused on IT consulting and bearing the name Andersen Consulting. At that time, though it was earning \$1 billion annually, Andersen Consulting had low brand awareness among information technology consultancies and was commonly mistaken for its accounting corpo-

rate parent. To build its brand and separate itself from the accounting firm, Andersen Consulting launched the first large-scale advertising campaign in the professional services area. By the end of the decade, it was the world's largest management and technology consulting organization.

In 2000, following arbitration against its former parent, Andersen Consulting was granted its full independence from Arthur Andersen—but it had to relinquish the Andersen name. Andersen Consulting was given three months to find a name that was able to be trademarked in 47 countries, effective and inoffensive in over 200 languages, and acceptable to employees and clients—and that corresponded with an available URL. The effort that followed was one of the largest—and most successful—rebranding campaigns in corporate history.

As luck would have it, the company's new name came from a consultant at the company's Oslo office, who submitted "Accenture" as part of an internal name-generation initiative dubbed "Brandstorming." The consultant coined the Accenture name because it rhymed with "adventure" and connoted an "accent on the future." The name also retained the "Ac" of the original Andersen Consulting name (echoing the Ac.com Web site), which would help the firm retain some of its former brand equity. On midnight, December 31, 2000, Andersen Consulting officially adopted the Accenture name and launched a global marketing campaign targeting senior executives at

Accenture's clients and prospects, all Accenture partners and employees, the media, leading industry analysts, potential recruits, and academia.

The results of the advertising, marketing, and communications campaigns were quick and impressive. Overall, Accenture's brand equity increased 11 percent, and the number of firms inquiring about its services increased 350 percent. Awareness of Accenture's breadth and depth of services achieved 96 percent of its previous level. Globally, awareness of Accenture as a provider of management and technology consulting services was 76 percent of levels for the former Andersen Consulting name. These results enabled Accenture to successfully complete a \$1.7 billion IPO in July 2001.

In 2002, Accenture unveiled a new positioning to reflect its new role as a partner to aid execution of strategy, summarized succinctly by the tagline "Innovation Delivered." This tagline was supported by the statement, "From innovation to execution, Accenture helps accelerate your vision." Accenture surveyed senior executives from different industries and countries and confirmed that they saw inability to execute and deliver on ideas as the number one barrier to success.

Accenture saw its differentiator as the ability both to provide innovative ideas—ideas grounded in business processes as well as IT—and to execute them. Competitors such as McKinsey were seen as highly specialized at developing strategy, whereas other competitors such as IBM were seen as highly skilled in technological implementation. Accenture wanted to be seen as excelling at both. As Ian Watmore, its UK chief, explained: "Unless you can provide both transformational consulting and outsourcing capability, you're not going to win. Clients expect both."

In 2002, the business climate changed. After the dot-com crash and the economic downturn, innovation was no longer enough. Executives wanted bottom-line results. As part of its new commitment to helping clients achieve their business objectives, Accenture introduced a policy whereby many of its contracts contained incentives that it realized only if specific business targets were met. For instance, a contract with British travel agent Thomas Cook was structured such that Accenture's bonus depended on five metrics, including a cost-cutting one.

In late 2003, Accenture built upon the "Innovation Delivered" theme and announced its new tagline, "High Performance. Delivered," along with a campaign that featured golf superstar Tiger Woods as spokesperson. When Accenture sought Woods out, the athlete was at the top of his game—the world's best golfer with an impeccable image. What better symbol for high performance? Accenture's message communicated that it could help

client companies become "high-performing business leaders," and the Woods endorsement drove home the importance of high performance.

Over the next six years, Accenture spent nearly \$300 million in ads that mostly featured Tiger Woods, alongside slogans such as "We know what it takes to be a Tiger" and "Go on. Be a Tiger." The campaign capitalized on Woods's international appeal, ran all over the world, and became the central focus of Accenture-sponsored events such as the World Golf Championships and the Chicago Marathon.

That all changed when the scandal surrounding Tiger Woods, his extramarital affairs, and his indefinite absence from golf hit the press in late 2009. Accenture dropped Woods as a spokesperson, saying he was no longer a good fit for its brand. Indeed, focus groups showed that consumers were too distracted by the scandal to focus on Accenture's strategic message. Accenture quickly searched for a new concept that not only resonated across the world, translated appropriately into different cultures, but also cut its ties with Woods.

The result came after the firm dusted off some previous concepts, tested them with focus groups of business professionals, and launched a \$50 million campaign featuring animals and the same slogan, "High Performance. Delivered." In one ad, an elephant is pictured surfing alongside copy that reads, "Who says you can't be big and nimble?" In a later ad, a lizard tries to catch a butterfly by transforming its tongue into the design of a flower. The copy stated, "If you innovate, they will come."

Today, Accenture continues to excel as a global management consulting, technology services, and outsourcing company. Its clients include 99 of the *Fortune* Global 100 and more than three-quarters of the *Fortune* Global 500. The company ended fiscal 2009 with revenues of \$21.5 billion.

Questions

1. What has Accenture done well to target its B-to-B audience?
2. Has Accenture done the right thing by dropping Tiger Woods as its spokesperson? Discuss the pros and cons of its decision.

Sources: "Annual Reports," *Accenture.com*; "Lessons Learned from Top Firms' Marketing Blunders," *Management Consultant International*, December 2003, p. 1; Sean Callahan, "Tiger Tees Off in New Accenture Campaign," *BtoB Magazine*, October 13, 2003, p. 3; "Inside Accenture's Biggest UK Client," *Management Consultant International*, October 2003, pp. 1–3; "Accenture's Results Highlight Weakness of Consulting Market," *Management Consultant International*, October 2003, pp. 8–10; "Accenture Re-Branding Wins UK Plaudits," *Management Consultant International*, October 2002, p. 5; Mary Ellen Podmolik, "Accenture Turns to Tiger for Global Marketing Effort," *BtoB Magazine*, October 25, 2004; Sean Callahan, "Tiger Tees Off in New Accenture Campaign," *BtoB Magazine*, October 13, 2003; Emily Steel, "After Ditching Tiger, Accenture Tries New Game," *Wall Street Journal*, January 14, 2010.