



2019

B2B BRANDING TRENDS

RESEARCH

HOW LEADING BRANDS INVEST



HOW DO YOU UNDERSTAND BIG IDEAS?

If you're like most human beings, the word "**visually**" is going to come up pretty quickly. We all know slide decks are inherently somewhat of a joke — they don't align with brain science (people can't read and listen simultaneously) and some asshole always barks at the presenter during slide 3, getting what could have been a game changer completely off course. We've all sat in those meetings.

So why, then, do slide decks persist, and why can you point to 12 to 15 slides in the history of a place like Silicon Valley as driving billions of investment?

Because we're **visual creatures**. We like to have big ideas, and new concepts, conveyed to us visually. It's the same way when authentically promoting a brand, and especially when promoting a B2B one: **Big ideas get their power from excellent creative.**

Now, unfortunately, we come to a bunch of problems. First of all, excellent creative is in no way within the DNA of most B2B enterprise software companies. If anything, their creative side resembles more of a factory than anything vaguely "innovative."

The second major problem is that many enterprise software and services companies bank on their in-house resources, as you'll see in some data from this survey.

Banking on in-house resources is really fraught. You need to get super-lucky or have a few managers who are tremendous at hiring. But even if you have those things, there are a lot of human psychology issues around using in-house resources.

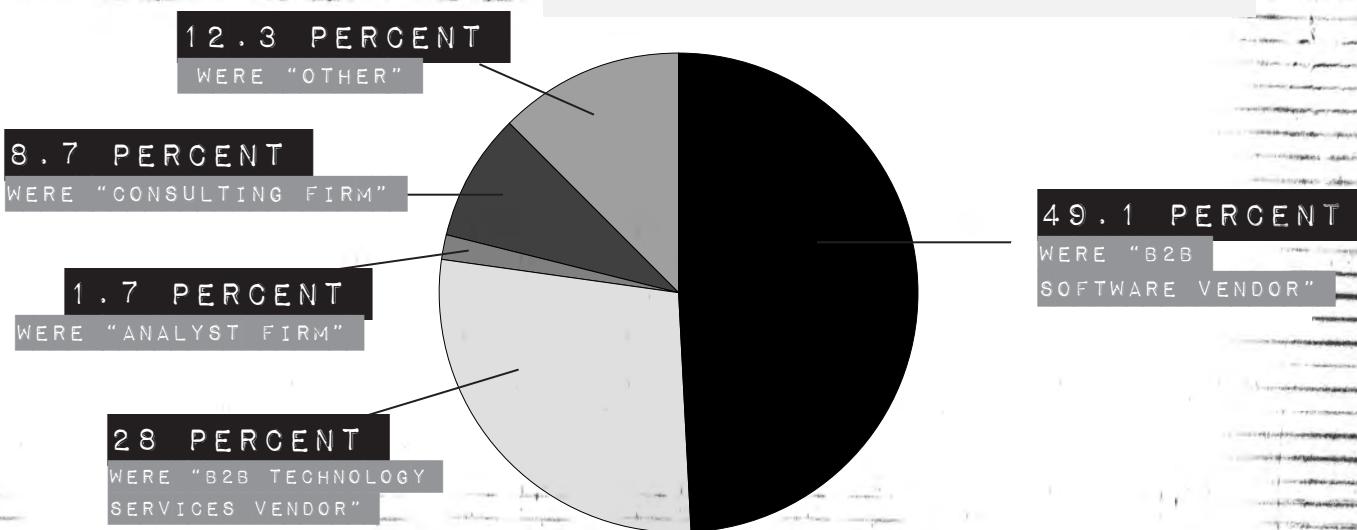
When someone at an agency gets crapped on by a client, they tend to have some job security via their other clients. They can take more risks. When someone in-house is dealing with **a client who represents 60 percent of their revenue**, do you think they're taking a lot of creative risks? Or do you think they're delivering what's always been well-received by that brand? Right. There's a lot of confirmation bias and Maslow hierarchy of needs context in trying to get good ideas from your in-house tribe of creatives. Go Google "homophily" if you feel like it, too.

At The Starr Conspiracy, we've wondered for years how B2B enterprise software people feel about the power of creative — and, to be perfectly blunt, we wanted to know what they'd pay for game-changing creative. So, we surveyed them, because when you want to learn something, you go take action and try to learn it. Here's what we found out.



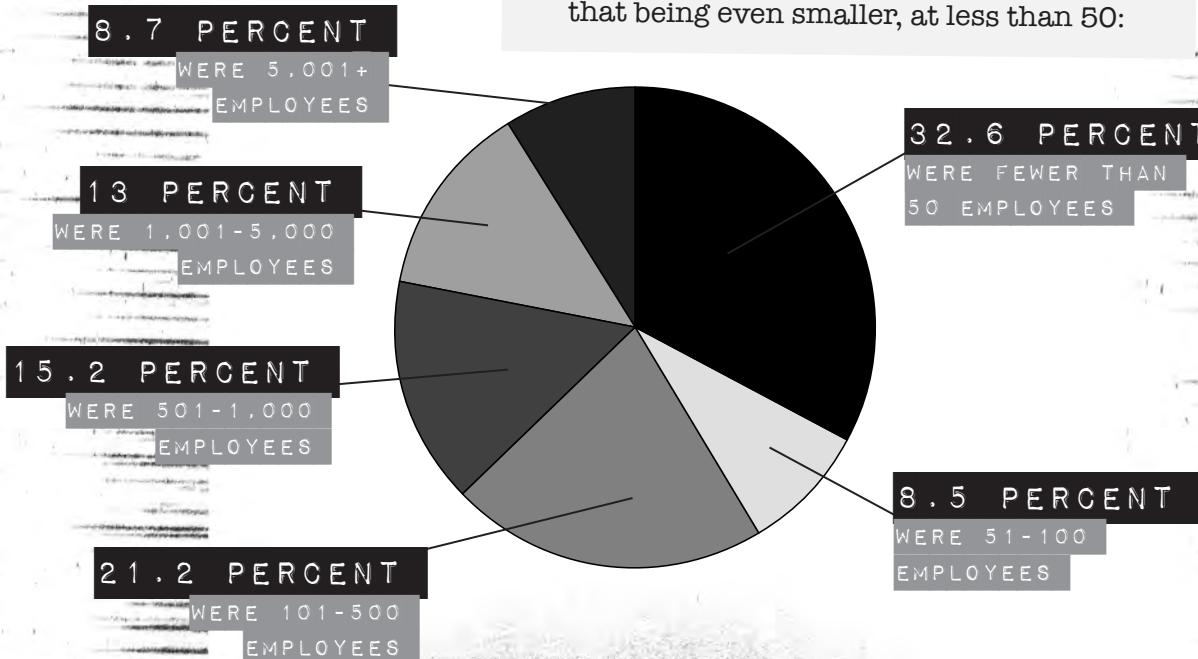
THE RESPONDENT DEMOGRAPHICS

Most respondents worked for B2B enterprise software and services companies:



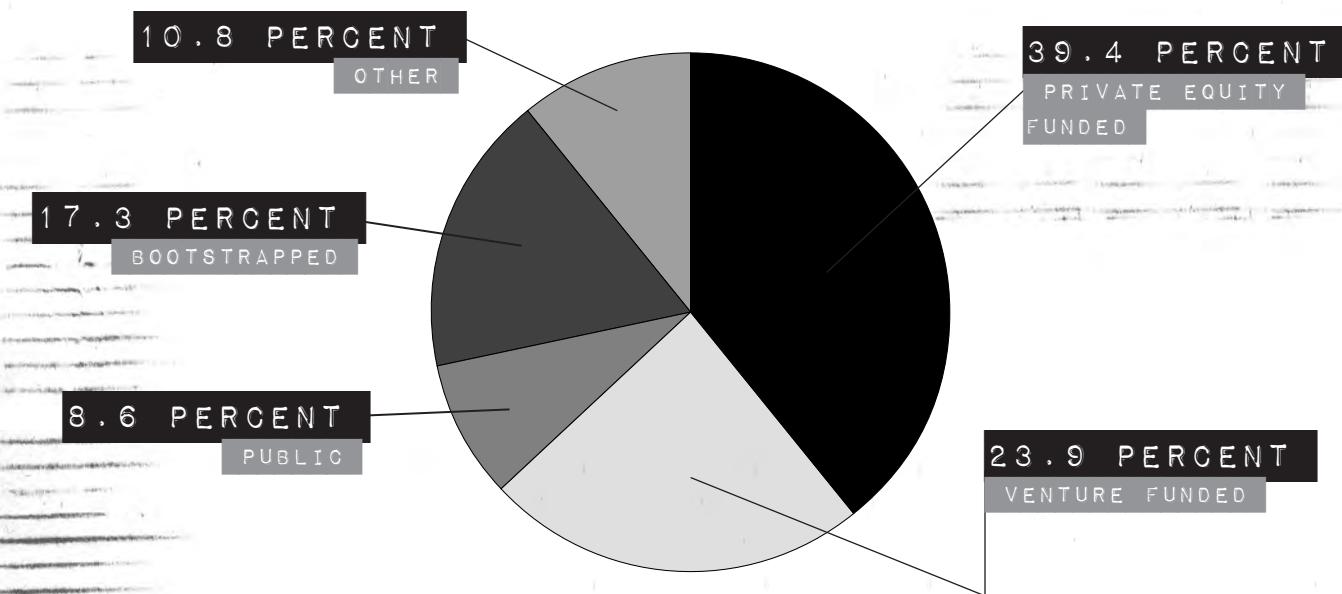
Though the geography of those surveyed varied, most were from Texas, Massachusetts, and California, often from the tech hubs of Austin, Dallas-Fort Worth, Boston, and the Bay Area.

The majority of respondents had less than 500 employees, with the biggest chunk of that being even smaller, at less than 50:



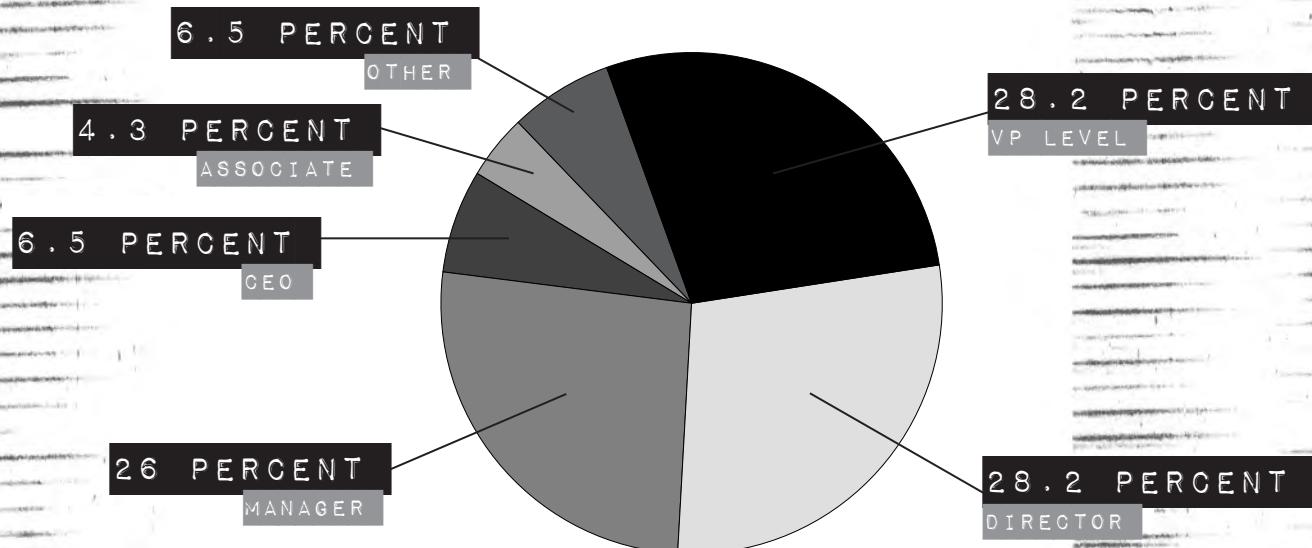


Most respondents worked in companies that were private equity funded, although there was a good mix of public, revenue-driven (“bootstrapped”), and venture-funded as well:



Those in venture contexts had primarily raised between **\$5 million and 10 million**, although two respondents were in companies raising north of **\$100 million**.

Overwhelmingly, the respondents worked within the marketing department, often in a VP, director, or manager role:





And by a factor of nearly **2 to 1**, they were the primary decision-maker on any purchasing decisions related to branding and creative services:

66%

OF RESPONDENTS ARE THE **PRIMARY DECISION-MAKER**



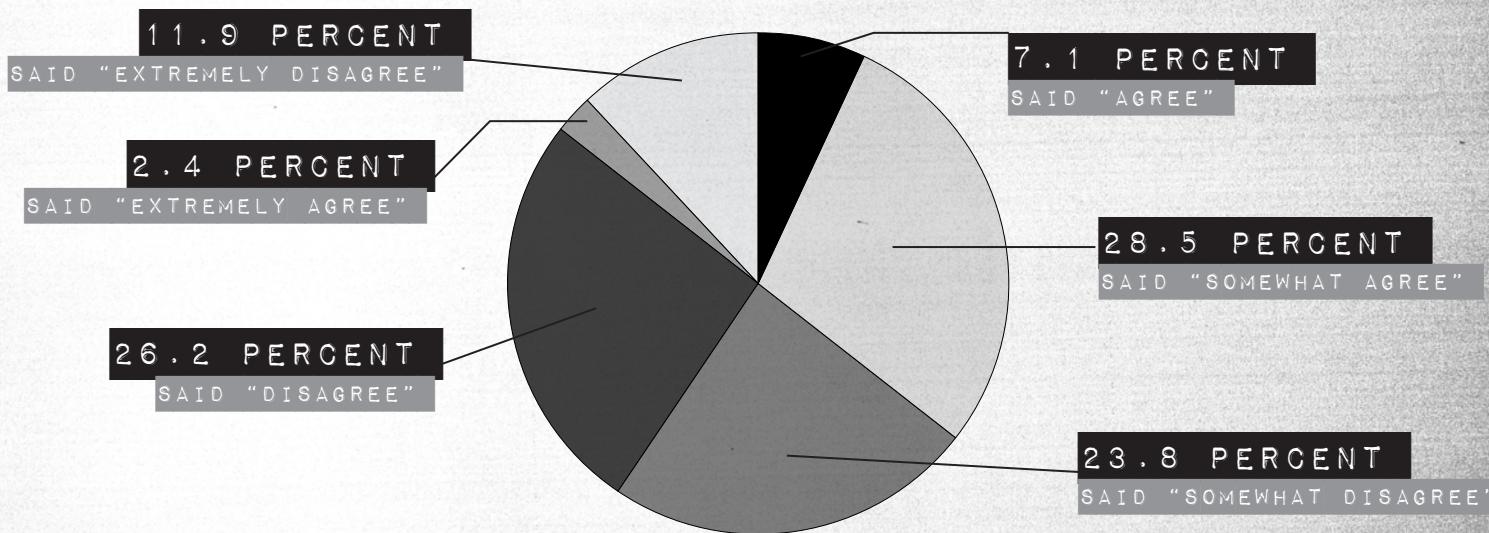
Now that we understand who these people are, let's look at how they think.



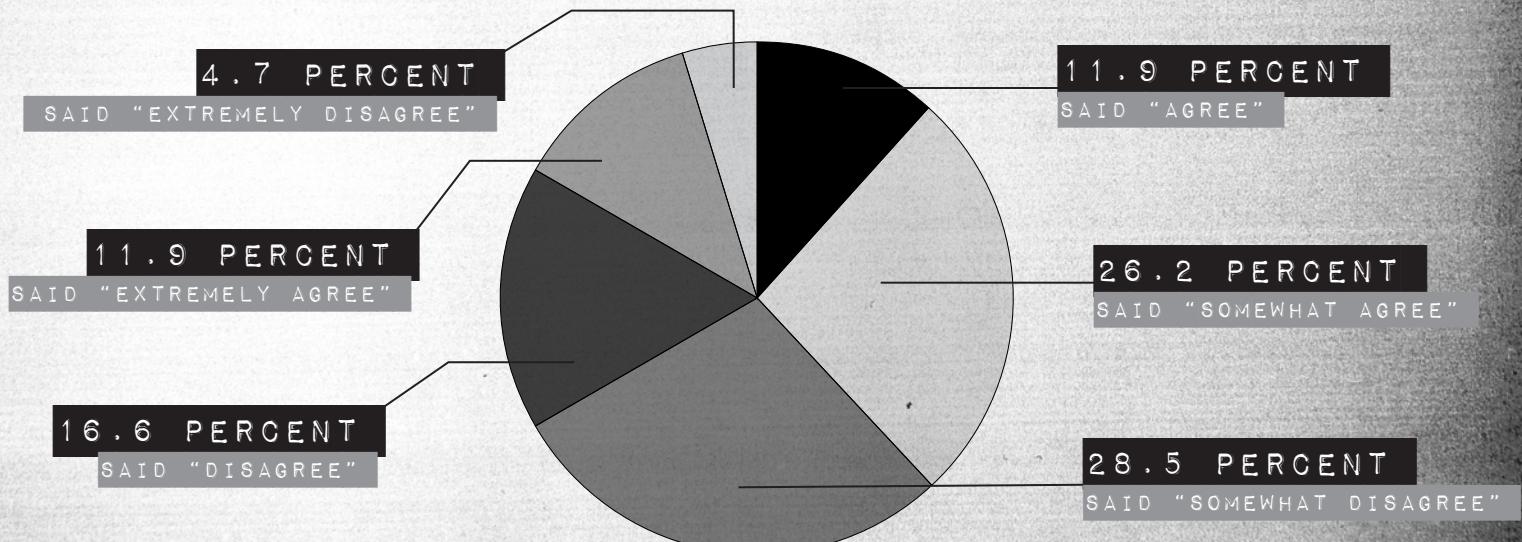
IS GOOD BRANDING AND CREATIVE WORK SUBJECTIVE OR OBJECTIVE?

This is a constant question in marketing circles, and, well, no one here really seems to know the answer.

This was the breakdown of responses for the prompt
“Excellent branding and creative work is completely subjective”:



And this was the breakdown of responses for the prompt
“Excellent branding and creative work is completely objective”:





We then asked a text-input question: “**How do you personally judge the success of branding and creative work?**” This was an optional question, but we got a wide range of responses, including:

DOES IT CONVEY OUR REPUTATION?

HIGHER ENGAGEMENT

ACCELERATED SALES CYCLES

THE LEVEL OF DIFFERENTIATION AND QUALITY IT OFFERS

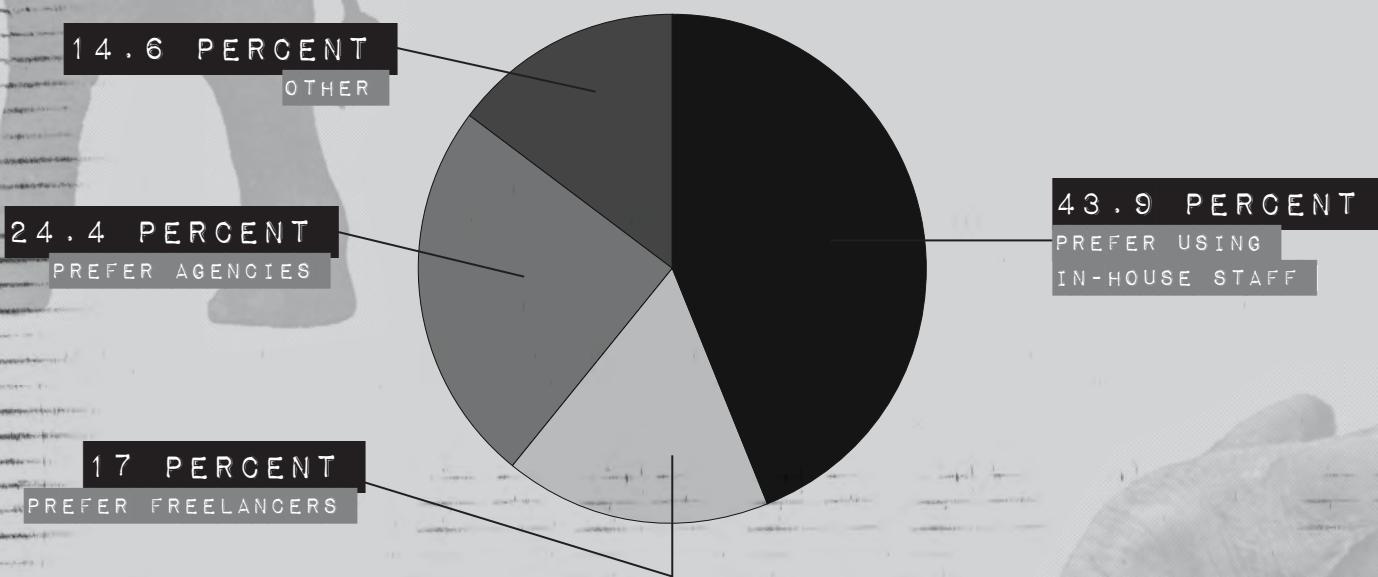
ALIGNS WITH STRATEGY AND MISSION



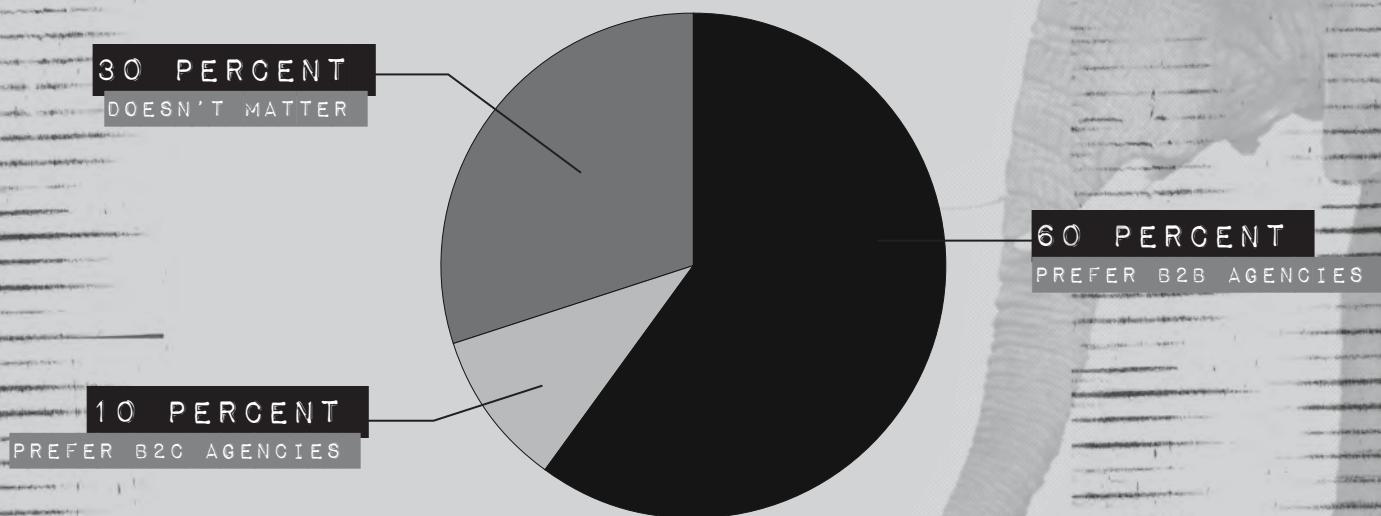


BUT NOW: THE ELEPHANT

Remember when we were discussing some of the limitations of using in-house staff for breakthrough, bust-the-dam creative work, including over 1,000 years of human psychology? Well, here's the issue. This is how most of our respondents answered on their "go-to source" for creative work:



When the respondents use agencies — which is much less than using in-house staff — they do prefer B2B agencies for their needs:



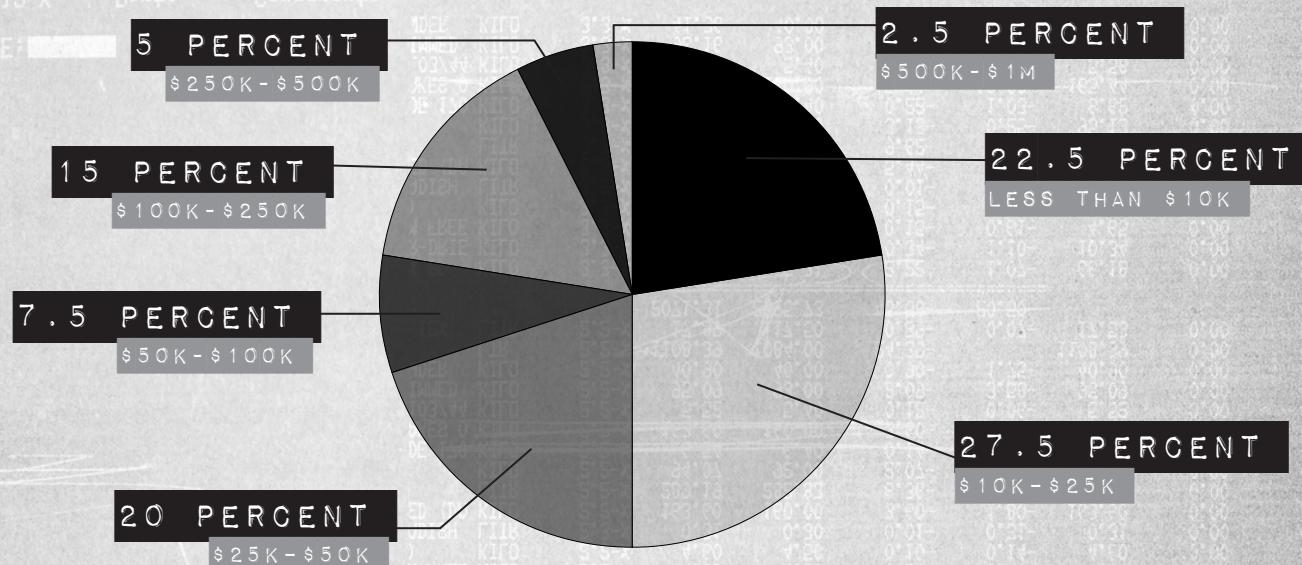
So, these respondents are predominantly using in-house, but there's a possibility of going external with a B2B brand. Got it. So now it's time to talk money: what do B2B branding decision-makers think they should spend, and what are they willing to spend?



MONEY, MONEY, MONEY ... MONEY.

Good news first: We know that the conveyance of big B2B ideas comes from tremendous creative. And these respondents know that too, with **55 percent** indicating they'd be "likely" or "extremely likely" to invest in a premium visual brand identity.

How much are they likely to spend, then? Most respondents here were somewhere between \$10,000 and \$50,000, although **close to 25 percent would spend over \$100,000 on premium creative**, with one respondent even indicating they'd spend up to \$1 million:

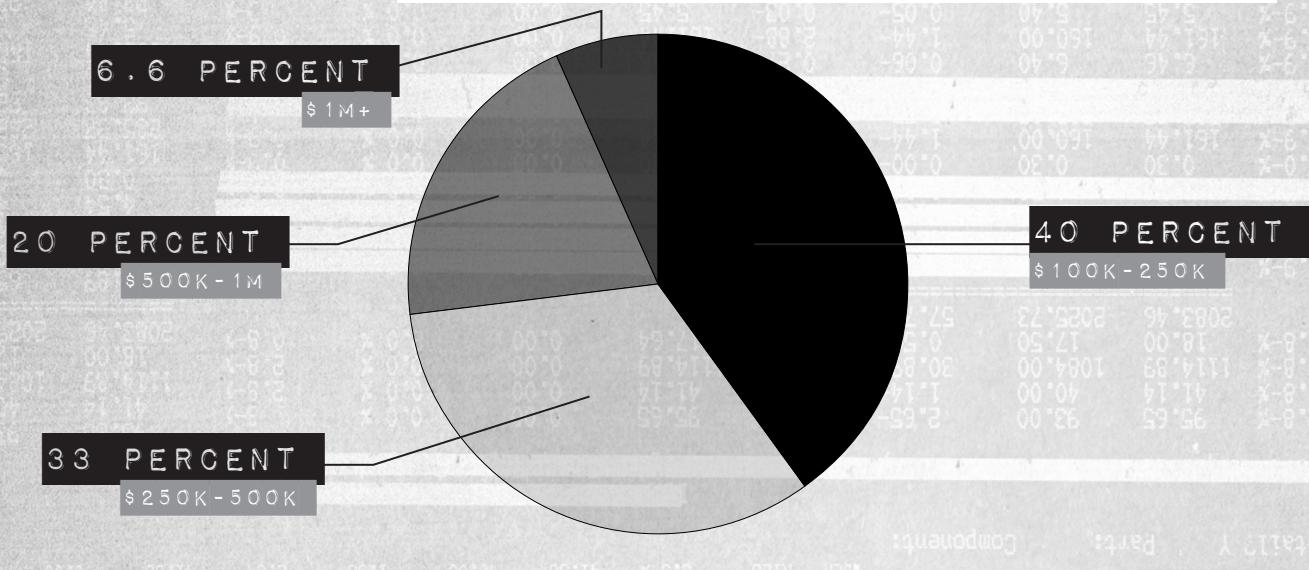


As for the oft-sought "**right**" amount to spend on creative, 20 percent of respondents fell into one of two buckets: \$10,000 to \$25,000 and then \$50,000 to \$100,000.



Much like the splits on “subjective vs. objective,” this underscores how breakthrough creative isn’t usually baked into the culture of a B2B software and services company. **The decision-makers don’t always know or understand value** — because a \$10,000 premium branding effort vs. a \$100,000 premium branding effort are very different endeavors.

37.5 percent of respondents **would spend over \$100,000 on a new visual identity**, with this breakdown:

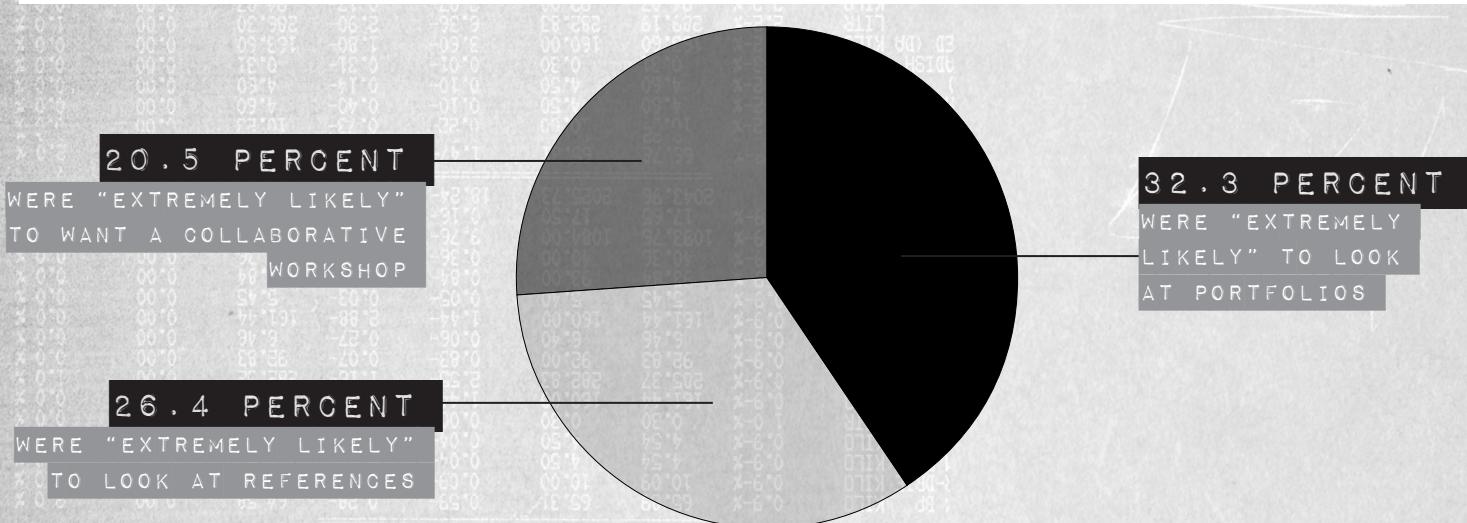


That’s a massive takeaway: although many B2B cultures don’t necessarily prioritize or revere creative to the extent they should to change the game in their vertical, there are decision-makers out there who realize million-dollar creative is tremendously valuable.

Deeply invest in creative and change your entire place in the B2B ecosystem. Invest \$10,000? OK, cool. We’re probably not going to use the term “paradigm shift” there.

And how do these companies evaluate when looking to spend on external creative resources?

The three largest responses were **collaborative workshops, portfolio assessments, and references**:





TWO-GUYS-AND-A-BONG THEORY OF MANAGEMENT

When a company is in its infancy, we often call that the “**Two Guys and a Bong**” period. This is a huge period for any place culturally. Those two guys (or gals) and their trusty steed (or vape) need to be focusing on creative empowerment and the “juice” of the place. This is where the **culture** comes from. Because we all know what’s going to happen next: Either the place is going to grow a little bit and collapse, grow a lot and keep growing, or peter out around insignificant one-off work. Ideally the winner there is “grow a lot and keep growing.” You know what happens to those two guys and that bong then? They’re suddenly focused on payroll, management methodology, biz dev, and more. They need to change. If they never established the creative empowerment, it won’t grow as the place does. If they did, that company can thrive. So can a company whose original two or three founders were focused on the right DNA aspects.

As many of you know from years in the game, though, what’s being described here is not that common. B2B software joints grow and are littered with decision-makers who are pressed to keep costs down and think, “**I’ll find a designer on Upwork**”! The whole picture isn’t set up for tremendous creative.

But now think of the companies we revere, and the ad campaigns we love. Think of our collective fascination with Mad Men. We all understand, somewhere in our soul, the power of excellent creative. And these results bore that out — **22.5 percent of these decision-makers would spend north of \$500,000, and even over a million, on that creative. They see the value.**

It’s about shifting your culture, at some level. It’s about realizing that the big idea, which leads to the big sales uptick, will never be conveyed using someone you found on Fiverr. And, in reality (sorry!), it’s probably not going to come from your in-house team, either. **You need to think big and escape your internal blinders.** That’s the path to breakthrough creative, and the value once you get there is astronomical.

As for us and creative, we’ve helped any number of B2B software and services brands get to market creatively, including Limeade, SuccessFactors, Virgin Pulse, and hundreds more. If you’d like to talk about how we approach creative or how the HCM/B2B market is shaping around it in 2019, **we’re always available.**

LET'S TALK

ABOUT THE STARR CONSPIRACY

The Starr Conspiracy is an integrated business-to-business marketing agency that helps HCM industry innovators propel brand awareness, drive leads, and eat market share like nobody's business. We're not your typical agency — we meld digital advertising, brand innovation, and industry insights to change categories, industries, and — yes — even the entire notion of B2B marketing as we know it. Revolutionaries hell-bent on shaking things up are welcome. Conformists, please stay home (you'll hate working with us, anyway).

