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You Should Know...

High Turnover

In 2005, one in six of the world's 2,500 largest companies lost their CEO. More than half were forced out as boards became less tolerant of poor performance.

The Point: A large paycheck means high expectations.

Hmmm

Registered lobbyists currently serve as treasurers of 71 congressmen's reelection campaigns, or of their political action committees.

The Point: Time to discuss term limits again?

Here Comes India

India is racing to complete a spacecraft designed to orbit the moon next year. Its space agency now employs 20,000 people, as many as NASA, says the *Los Angeles Times*.

The Point: India, with more degreed chemists and engineers than any other country, is modernizing quickly.

It's Not All Bad

The Int'l Peace Research Institute in Stockholm reports that there were 17 major armed conflicts in 2005, the fewest since 1991 when there were 31.

The Point: TV always makes things look worse.

August's Quote

"Isn't it strange that we talk least about the things we think about most?"

Charles Lindbergh

B-to-B versus B-to-C

Many manufacturers of B-to-B products ask if there are different growth strategies for them than for manufacturers of B-to-C products. The question is understandable. Most business magazines and academic case studies focus on the growth strategies employed by successful manufacturers of B-to-C products. Published examples of successful B-to-B strategies are few and far between.

Studying successful B-to-C strategies can be instructive, but only if one understands the differences between B-to-B and B-to-C marketing. The major differences are as follows:

- **B-to-C markets** are less rational, and as such, their value proposition can be emotional rather than feature a quantifiable benefit.
- **B-to-B value propositions** must provide two benefits, a corporate benefit and a personal benefit. B-to-C needs only one.
- **B-to-C markets** are segmented differently, by geography first then by demographics. B-to-B markets are segmented by application.
- **B-to-B products** usually have much longer lifecycles than do their B-to-C counterparts.
- **B-to-B markets** source their product worldwide, whereas B-to-C markets purchase locally.

What are the most successful B-to-B growth strategies? They are:

- **More fully penetrating current markets.** Most B-to-B manufacturers reach their sales goal and move on to other products or markets long before

their current markets are fully penetrated.

- **Employing a market pricing, not a cost plus pricing strategy.** Cost plus pricing strategies (the most common B-to-B marketing) result in a portion of the market being overcharged (reducing demand) and another being undercharged (reducing profits).
- **Expanding distribution.** Many B-to-B manufacturers allow their channel partners to restrict their distribution strategy, limiting their market penetration and growth.

The Point: B-to-B and B-to-C marketing has much in common; however, there are significant differences and these should be acknowledged when developing a marketing plan.

Most Dangerous Occupations in the U.S.

Occupation	Fatalities per 100,000 Emp (2002)
Timber cutters	117.8
Fishers	71.1
Pilots and navigators	69.8
Structural metal workers	58.2
Drivers – sales workers	37.9
Roofers	37.0
Electrical power installers	32.5
Farm occupations	28.0
Construction laborers	27.7
Truck drivers	25.0

Source: Bureau of Labor Statistics

9/4 Labor Day, U.S., Canada
9/15 Independence Day (Mexico)