

B2B marketers shouldn't look at SMEs as a single amorphous audience

 By [Warren Mbss](#)

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To set the context for this idea it's important to know that the marketing agency that I work for, Demographica, is an agency that specialises in business-to-business (B2B) marketing and we work across multiple verticals - financial services like banks, insurers and employee benefits, telcos, ICT companies and various manufacturers.



Warren Mbss, CEO of Demographica

Every single one of our clients in those verticals have an offering specifically targeted at SMEs. I reckon that we have close to 25 briefs at any given time that are focused on selling B2B products and services to SMEs – and as is standard process, we thoroughly interrogate every brief we get so that we're sure we understand it from the inside out, and the outside in.

Every time we engage with our CMO clients, we are told that marketing to an SME is much more like marketing to a consumer, than a business. We're told we must apply B2C thinking to the audience and not B2B. This belief is founded on the idea that a small business behaves much more like a consumer, than a large business.

I've been giving a lot of thought to this – and it turns out I actually disagree. There are hundreds of thousands of SMEs in South Africa, serving millions of customers, so, in terms of pure numbers, the SME grouping serves many more customers as a large corporate would.

Looking at them individually, they serve smaller volumes, but they still deal with challenges around attracting, retaining and growing their customer base. The decisions that are made within an SME are much more rooted in the context of operating as a business owner and serving the customer, than they are in the behaviours of a consumer.

The only similarity to linking an SME to a consumer is that the channels they may use to engage with B2B products and services is more similar to a consumer than a corporate. An SME owner is more likely to walk into a store to buy a product or service for their business – think mobile phone contracts or tools for their team – than the procurement officer of a corporate, is. A procurement officer would engage a key account manager at the supplier head office whereby an SME would engage the salesperson in a store. A SME owner would likely purchase through an inside sales call centre whereby a procurement officer would purchase through a digital procurement engine.



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Understanding context

The key to successfully marketing to the SME owner is understanding their context, both functionally and emotionally, so you can market to them more effectively.

The functional ways of understanding are quite simple – there is plenty of research around that. One can understand their functional needs, what they're looking for in a product or service, one can understand the price they're willing to pay and where they're looking to buy it – and then one can shape the communication, accordingly.

Simply put, we know an SME owner is looking for a great product at a good price and backed by reliable service, so an ad will tell them that product X has those benefits.

The problem in B2B across audiences is that products and services are extremely commoditised – there are variations of it across sectors, but, fundamentally, most B2B communication is about price, service and the 'standard' aspects. The SME offering from insurer A is not that different from insurer B and the offering from Telco C is not that different from Telco D.

In order to properly connect and resonate with an SME owner, brands are slowly starting to realise that the way you connect with them is to see their world, their way – and demonstrate your understanding of it. That allows you to connect with the segment of owners in a way that resonates with them – and, inevitably, the values of the SME owner will align with the values of the company. This is what gets an SME to buy and to commit.

By way of an example, I really like the way SASFIN bank positions its SME offering. Disclaimer: they're a long-standing client of Demographica, but we're not their only agency, so what I'm talking about is not all our work.

They take the time to understand the SME owner and they really tap into the genuine context and psyche of the SME owner in the way they communicate about their products and services. For me, it's because they truly understand that, although the business may be small, the owners are driven by big dreams, passion, vision and self-belief. They're all about commitment and heart – but, at the same time, they experience massive doubt and fear, taking huge risks. I saw a tweet the other day about how being a small business owner is accepting that feelings of wild success and wild failure can be experienced simultaneously.

In a world of commoditised products and services, a brand that makes any human, whether its B2B or B2C feel a certain way is one that they're most likely to connect with, and therefore, buy from them.

ABOUT WARREN MOSS

Warren Moss is the founder & CEO of Demographica, a full-service specialist agency focusing on Business to Business (B2B) and niche consumer markets. What makes Demographica unique is the fact that anthropology (the study of human societies and cultures and their development) is at the heart of all of their strategies. Warren and Demographica have been recognised by winning some major business and marketing awards. Warren is also currently the Chairman of the Direct Marketing Association of South Africa.

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