



## **MASTER THESIS**

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Master of Arts in Business  
from the Degree Program  
International Marketing & Sales Management  
of CAMPUS 02 University of Applied Sciences

### **Integrated Communication Concept for INFRAENERGIE GmbH with Focus on Sales Partner Acquisition in the Italian HVAC Industry**

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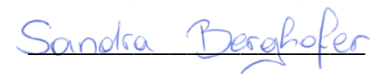
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## Declaration of Authenticity

I hereby certify that I have written the present thesis independently and without help from any third parties. I have not used any sources other than those which are clearly indicated and have duly provided details of the sources of both direct and indirect quotations. The present piece of work and parts thereof have to date not been presented to this or any other examination board in the same or similar form, nor have they been published. The present version is the same as the electronic version submitted.

St. Johann in der Haide, June 28, 2019



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## Summary

INFRAENERGIE is an Austrian manufacturer and trader of innovative and tailor-made infrared heating systems. Currently, their products are only sold in Austria but in the future, they intend to enter the northern Italian market through indirect distribution. Many producers sell their products to intermediaries that subsequently resell the goods to other vendors or end customers. For manufacturers that aim to exploit new sales potentials it is essential to win enough profitable sales partners. However, in practice it could be quite challenging to attract new partners and to motivate them to engage in a cooperation. Therefore, a communication concept that accordingly addresses the targeted intermediaries and convinces them of the value of a sales partnership is required.

In the initial chapters the theoretical background of a communication concept that focuses on the acquisition of sales partners is outlined. In the beginning important aspects of sales partner marketing and the acquisition process are described. After providing insights into business-to-business (B2B) and sales partner marketing communications, the steps for developing the concept are explained in detail. At first, possibilities for the situation analysis and potential objectives are presented, followed by the target group planning and presentation of strategy alternatives. Secondly, the operational planning of communication concepts is discussed. This chapter focuses on the message formulation, planning of measures, budgeting and controlling.

As a basis for the development of the communication concept the internal situation and external environment of the company was investigated. Within the primary market research, a workshop with employees of INFRAENERGIE and qualitative interviews with intermediaries and manufacturers operating in the Italian heating, ventilation and air conditioning (HVAC) industry were conducted. The research revealed that Italian intermediaries must be approached differently than those from Austria. Italy is characterized by a long distribution channel where trusting relationships and reliability play a decisive role. After formulating the strategy for the concept, the operational planning was done. This included the planning of measures, contents, budget and the definition of key performance indicators (KPIs) for controlling. Finally, recommendations for further action are provided.

## **Abstract**

INFRAENERGIE ist ein österreichischer Hersteller und Händler von innovativen und maßgeschneiderten Infrarotheizungen. Derzeit werden die Produkte nur in Österreich verkauft. In Zukunft ist jedoch ein indirekter Vertrieb in Norditalien geplant. Viele Hersteller verkaufen ihre Produkte an Zwischenhändler, die die Waren anschließend an andere Handelsunternehmen oder EndkundInnen weiterverkaufen. Deshalb ist es für Hersteller wichtig, genügend profitable Vertriebspartner zu akquirieren. In der Praxis ist es allerdings oft schwierig neue Partner zu gewinnen und sie zu einer Zusammenarbeit zu motivieren. Daher ist ein Kommunikationskonzept erforderlich, das gezielt Zwischenhändler anspricht und sie von den Vorteilen einer Vertriebspartnerschaft überzeugt.

Im ersten Teil wird der theoretische Hintergrund des Kommunikationskonzeptes vorgestellt. Zuerst werden wichtige Aspekte des Vertriebspartnermarketings und des Akquisitionsprozesses erklärt. Nach einem Einblick in die B2B- und Vertriebspartner-Marketingkommunikation werden die Schritte zur Konzeptentwicklung beschrieben. Zunächst werden die Situationsanalyse und potenzielle Ziele präsentiert, gefolgt von der Zielgruppenplanung und der Vorstellung von Strategiealternativen. Als nächstes wird die operative Planung näher erläutert. In diesem Kapitel liegt der Fokus auf der Formulierung von Botschaften, der Planung von Maßnahmen, der Budgetierung und dem Controlling.

Als Grundlage für die Entwicklung des Konzeptes wurde die interne Situation und das externe Umfeld des Unternehmens untersucht. Im Zuge der primären Marktforschung wurden ein Workshop mit MitarbeiterInnen von INFRAENERGIE und qualitative Interviews mit Zwischenhändlern und Herstellern in der italienischen HLK-Branche durchgeführt. Die Untersuchung ergab, dass italienische Händler anders angesprochen werden müssen als Österreichische. Italien zeichnet sich vor allem durch einen langen Vertriebskanal aus, bei dem vertrauensvolle Beziehungen und Zuverlässigkeit eine wichtige Rolle spielen. Nach der Formulierung der Strategie für das Konzept wurde die operative Planung durchgeführt. Dazu zählt die Maßnahmen-, Inhalts- und Budgetplanung sowie die Definition von Kennzahlen für das Controlling. Schlussendlich werden Empfehlungen für weitere Maßnahmen gegeben.

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## List of Abbreviations

B2B	–	Business-to-Business
B2C	–	Business-to-Consumer
BTI	–	Buy Task Involvement
DMU	–	Decision-Making Unit
HVAC	–	Heating, Ventilation and Air Conditioning
IMC	–	Integrated Marketing Communications
IoT	–	Internet of Things
KPIs	–	Key Performance Indicators
MCE	–	Mostra Convegno Expocomfort
MQL	–	Marketing-Qualified Lead
Mtoe	–	Million Tons of Oil Equivalent
R&D	–	Research and Development
SMARTT	–	Specific, Measurable, Achievable, Realistic, Targeted, Timed
SEA	–	Search Engine Advertising
SEM	–	Search Engine Marketing
SEO	–	Search Engine Optimization
SQL	–	Sales-Qualified Lead
SWOT	–	Strengths, Weaknesses, Opportunities, Threats
USP	–	Unique Selling Proposition

# 1 Introduction

To introduce the reader to the thesis the initial situation and the challenge are described. Afterwards, the objectives of the company and thesis are presented. For visualizing the structure of the thesis and the coherence of its chapters a frame of reference is provided.

## 1.1 Initial Situation

The overall aim of the company is to expand their market by exporting to Italy. Currently, INFRAENERGIE is selling its products only in Austria but in the future, they intend to enter the Italian market through indirect distribution (cf. Berghofer 12.04.2018).

Despite the relatively mild climate, 55% of Italy's heating and cooling energy demand is used for space heating in the industrial, residential and service sectors. Especially the education, wholesale and retail trade sectors as well as hotels and restaurants have significant space heating needs. Moreover, already 15% of Italy's heating systems are operated with electricity (cf. Vad Mathiesen 2017, p. 4 - 8).

Within the construction sector energy-efficiency plays a significant role. According to the annual report on energy-efficiency by ENEA (Italian Agency for New Technologies, Energy and Sustainable Economic Development), Italy's national energy-efficiency target is to save 15.5 Mtoe in final energy per year by 2020 (cf. ENEA 2018, p. 3). In order to reduce the energy demand infrared heating systems are a viable solution. The university Kaiserslautern conducted a research project that compares the energy consumption of infrared with that of gas heating systems. The study revealed that gas heating systems require 2.5 times more energy (+137.52 kWh/m<sup>2</sup>). Additionally, infrared heating systems emit only 38.52 kg/m<sup>2</sup> of CO<sub>2</sub>, which is 21% less than gas heating systems (cf. Kosak 2009, p. 34).

Italy is an attractive market for INFRAENERGIE. The main reasons for them to enter the Italian market are geographic proximity, EU membership and the increasing demand for energy-efficient heating systems. In addition to this, the company is the only one to manufacture tailored products (in Austria and Italy). This is especially vital in a country (Italy), where many people emphasize the importance of high-class

interior design. INFRAENERGIE is able to produce the complete infrared heating system by themselves as all components such as ceramic panels, carbon or fiberglass are purchased separately. Therefore, customers can decide which size, format or design they prefer. The ceramic panels, for instance, are purchased from the Italian company Iris Ceramica. INFRAENERGIE receives the panels with a size of 4.5 m<sup>2</sup> and cuts them to the size and format the customer requires. The product is then assembled and installed according to the wishes of the buyer (cf. Berghofer 06.10.2018).

The company's products are sold directly to end customers or through sales partners in Austria. To acquire end customers and sales partners INFRAENERGIE focusses on personal selling and direct marketing. When a prospective customer is interested in the company's products, they contact them and arrange personal meetings where the sales people advise them regarding the purchase of the best suitable infrared heating system. To support their selling activities, employees of the company attend various exhibitions and trade fairs in Austria. Moreover, they have created some brochures and folders, set up a website and built a showroom at their premises in Mariasdorf (cf. Berghofer 06.10.2018).

## **1.2 Definition of Challenge**

INFRAENERGIE does not have any international experience because up to now they have not distributed their products to foreign countries. Due to language barriers they also do not have any direct contact to end customers in non-German-speaking countries. For this reason, they must rely on their sales partners abroad. The company already had preliminary conversations with potential sales partners such as Urbani; an Italian manufacturer and trader of infrared radiant heaters. However, the company is still testing the products in the market and is not selling them actively. One reason for this might be that INFRAENERGIE employs only four people. Hence, the employees have to cope with many different tasks (e.g. purchase of raw materials, product development, distribution or marketing) simultaneously. Due to this large scope of responsibilities it is often difficult for them to communicate with (potential) sales partners on a regular basis. For instance, they do not send out regular newsletters or continuously update their website. Another issue is that their current marketing materials are available only in German and they also do not include the information requirements of sales partners. Furthermore,

their communication activities consist of several uncoordinated single measures. They do not have a clear and structured concept for attracting new customers or for closing a deal; neither for end customers nor for sales partners (cf. Berghofer 06.10.2018).

As wholesalers and retailers also offer other (related or unrelated) products, it is important to motivate them to push the manufacturer's products through to the end customers. Thus, it is not only vital for the company to clearly communicate their competitive advantage, but also to address and inform their target group (intermediaries in Italy) accordingly. However, most of the buying decisions in B2B markets are made by decision-making units (DMU). This means that a communication concept must address the various people that are involved in the acquisition process. Furthermore, as the demand is derived from end customers it is also important to stimulate their demand as well. Therefore, an approach that considers the needs of both target groups is required (cf. Zimmermann/Blythe 2013, p. 296 - 305).

Additionally, a lot of me-too infrared heaters are available on the market. Many vendors sell electric heaters with implemented heat foils and electrically operated radiators or electrically operated panel heaters as infrared heating systems. But these electric heaters are only convection heaters with a slightly increased proportion of radiation and not infrared heating systems (cf. Kosak 2009, p. 40).

To take up these challenges INFRAENERGIE requires an integrated communication concept that accordingly addresses the individual members of the potential Italian sales partner's DMUs while also considering the needs of end customers. Their marketing measures should emphasize the company's competitive advantage and the value for both target groups. Moreover, a coherent structure over all communication channels is crucial for the company.

## 1.3 Objectives

### 1.3.1 *Company Objectives*

- INFRAENERGIE intends to completely implement the measures of the communication concept in the Italian market by June 30, 2020.
- Another objective is that at least ten intermediaries in the Italian HVAC industry can name INFRAENERGIE as a supplier of infrared heating systems by the end of 2020.
- Moreover, the company aims to successfully cooperate with at least four Italian sales partners by the end of 2020 (minimum two consecutive orders per partner).
- A related objective is to generate an annual turnover of 15,000 € per Italian sales partner after acquisition.

### 1.3.2 *Thesis Objective*

The objective of this master thesis is to develop an integrated communication concept for INFRAENERGIE that addresses Italian sales partners and motivates them to engage in a cooperation.

This includes the following steps:

- Identifying marketing qualified leads (potential sales partners) that fit into the company's target group.
- Identifying crucial touch points along the sales partner journey and the most commonly used communication channels of targeted sales partners.
- Revealing the reasons of sales partners for engaging in a cooperation with manufacturers.
- Establishing an ideal communication mix that addresses Italian sales partners accordingly while also considering the needs of end customers.

# 1.4 Frame of Reference

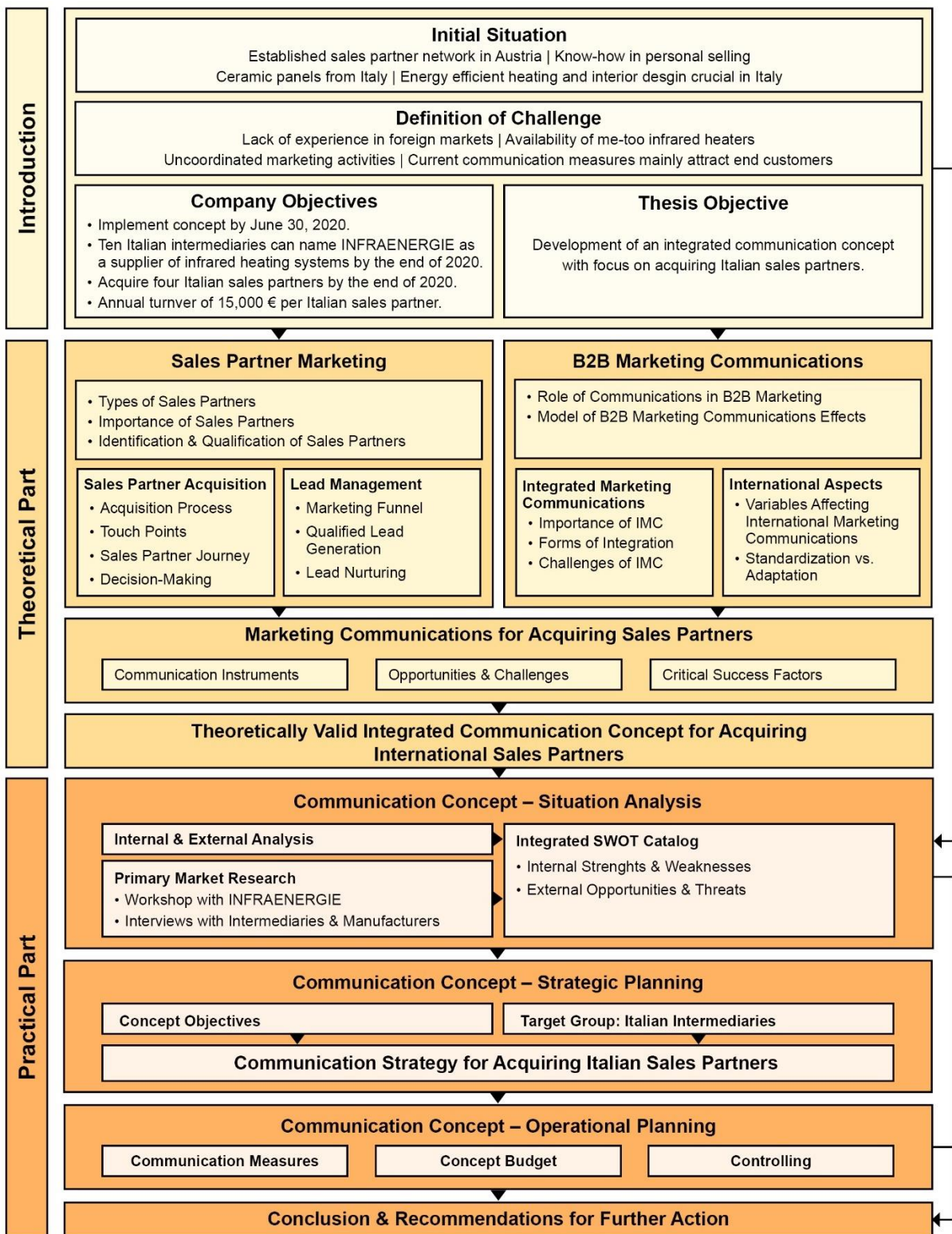


Figure 1: Frame of Reference (own presentation)



## **2 Sales Partner Marketing**

Many producers sell their products to sales partners that subsequently resell the items to end customers or other vendors. Winning enough profitable sales partners is essential in indirect distribution. No matter whether the manufacturer aims to enter new markets or to expand existing ones; any company that wants to exploit new sales potentials cannot circumvent the acquisition of new partners. But in practice, this can be quite challenging for companies. Appropriate sales partners with latent needs have to be identified and their willingness to enter into a new partnership must be consistently exploited. For this purpose, it is necessary to address the targeted partners accordingly and to convince them of the value of a sales partnership. Manufacturing companies can use different approaches to engage and market to channel partners. The marketing communications mix must be adapted to the sales partners and also to their ability to receive and use the mix. As in indirect distribution often more than one type of sales partner is involved (e.g. wholesalers, retailers or sales agents) manufacturers might have to apply different strategies for marketing communications in order to approach them all appropriately (cf. Pförsch/Godefroid 2013, p. 23f.; Grams 2011, pos. 999 - 1011).

To introduce the reader to the topic, different types of sales partners are presented and their importance for manufacturers is outlined. Furthermore, it is described how potential sales partners (leads) can be identified, qualified and converted to profitable customers. The sales partner acquisition process provides deeper insights into the sales partner journey and relevant touch points between manufacturers and their partners. Moreover, the organizational decision-making and the lead management approach are explained.

### **2.1 Types of Sales Partners**

Sales partners are entities that are economically independent from the manufacturer. These intermediaries play a decisive role in indirect distribution as they assume essential tasks in the marketing of the manufacturer's products (cf. Pförsch/Godefroid 2013, p. 250).

In general, the following types of sales partners can be distinguished:

- **Distributors or wholesalers:** These are companies that purchase products from manufacturers on their own accounts, carry an inventory and resell the goods without any major changes to other vendors (B2B2B). As they manage multiple relationships with other organizations, wholesalers reduce time and manpower expenditure for the manufacturer (cf. Pförtsch/Godefroid 2013, p. 250f.).
- **Resellers or retailers:** They, in contrast, resell products to end customers (B2B2C). They are responsible for the entire sales process to end customers which includes customer care and acquisition as well as related advertising and promotion activities. In regard to advertising many manufacturers support retailers in the form of promotional allowances (cf. Chapter 4.1.5). Retailers also take title to the goods and maintain an inventory (cf. Pförtsch/Godefroid 2013, p. 250f.).
- **Sales agents:** These are representatives that act on behalf of the manufacturer but do not take title to the goods. They acquire customers and contracts for the manufacturer and receive a commission based on the quantity of items sold. Except for showroom purposes, they do not hold an inventory (cf. Albaum/Duerr/Josiassen 2016, p. 331).

Furthermore, intermediaries can add an additional value to the product, for example, through logistics, consulting services or complementary offers. Another option for manufacturers is to sell their goods through online or mail order resellers, for instance, Amazon or Alibaba. They do not operate a physical store and can therefore resell the items at lower prices (cf. Hall 2017, p. 183).

The main advantage of sales partners and sales partner marketing is that this enables the manufacturer to reach a broader customer base. For instance, it is possible to get access to new segments where the channel partner is already successful in doing business. Moreover, cooperating with enterprises from other countries or regions provides a broader geographical reach. By leveraging contacts and relationships manufacturers can also profit from partnerships with wholesalers and retailers (cf. Hall 2017, p. 182).

## **2.2 Importance of Sales Partners for Manufacturers**

Sales partners play a crucial role in the marketing of the manufacturer's products. On the one hand, intermediaries are responsible for demand fulfillment and on the other hand, they are also able to stimulate and influence the level of demand in the market. As retailers usually offer a wide range of products from several manufacturers, they provide an environment where end customers can access, search for and evaluate different items before purchasing. Thus, they ensure that products and services are available to end customers when and where required. Furthermore, stimulating end customer demand by sales partners has two dimensions. First, sales partners can generate demand for product classes and categories. An example of how to do this would be for an electrical retailer to add more heating systems to the range of products. Secondly, intermediaries can be motivated and incentivized to stimulate the demand for a specific product or brand. Due to their direct end customer contact, retailers often have a better knowledge of the market. Hence, they can perform service and support functions more efficiently and effectively than manufacturers and relieve them of this complex task. If these functions are performed well by the partner, they can provide additional revenues for both the intermediary and the manufacturer (cf. Gibbs/Humphries 2009, p. 52 - 54).

Another advantage of indirect sales is improved access to end customers in foreign markets. Wholesalers and retailers who have been promoting and selling their products and services for many years, have already gained a certain level of awareness within a region, country or industry. If the end customer then recognizes a specific need, it is more likely that they will turn to the providers they already know and have perceived as possible suppliers due to their advertising activities or existing relationships with the trader. The wholesaler's or retailer's level of awareness is even more important in markets where the manufacturer is not as well-known and has fewer financial resources to build-up a high brand awareness on its own (cf. Grams 2011, pos. 192 - 204).

## 2.3 Identification and Qualification of Sales Partners

Sales partner acquisition aims at convincing intermediaries to include the manufacturer's items to their product line. However, before marketers can engage with potential sales partners they need to identify and qualify them in order to ensure that they focus on those that have the biggest potential for a profitable partnership (cf. Hall 2017, p. 44).

Even though many sales partners are not necessarily satisfied with their current situation, most of them do not actively search for new suppliers on their own. Therefore, tracing potential sales partners with latent needs represents one of the major challenges in partner acquisition. In order to leverage on the entire potential of the target group, promising sales partners must be systematically searched for, found and recorded in a database (e.g. in a partner relationship management system). Only manufacturers that know their (potential) partner companies can address and win them effectively. A variety of sources can be used to search and locate prospective traders. Such sources include websites from competitors or providers of complementary products and services, trade or industry magazines, trade fairs where potential partners exhibit or the current partner network (cf. Grams 2011, pos. 1093 - 1105).

Before an organization starts approaching and addressing new sales partners, it is crucial to identify and qualify prospects with a real potential for success. Possible qualification criteria could be the value of the partner to the manufacturer, the product fit or whether the policies of the intermediary fit to those of the manufacturer's (cf. Mathur 2008, p. 167f.). To qualify sales partners or leads many companies also follow the BANT approach:

- **Budget:** The budget refers to the necessary monetary purchasing power of the potential partner and to whether the prospect has the resources to engage in a long-term business relationship.
- **Authority:** The authority specifies if the person with whom the vendor is in contact has the formal authority to make the buying decision.
- **Need:** This refers to the importance of the product to the targeted company and respectively, what happens if the trader cannot purchase the required products from a certain vendor.

- **Time frame:** The time frame outlines how long will it take until the potential partner finally purchases the product or service (cf. Stevens 2012, p. 160f.).

Furthermore, the potential sales volume, revenue, number of employees or type of business could be possible qualification criteria. However, there is no general qualification criteria that is valid for all businesses. Every company has to identify the most relevant and important characteristics that are required for their particular business. In addition, selected sales partners should make a noticeable contribution to the manufacturer's success. Therefore, it is crucial to determine a clear set of partner requirements in order to ensure that the acquired traders can perform the functions that are assigned to them. An approach that assists manufacturers in identifying and qualifying prospects is the establishment of an ideal sales partner profile. In a first step, qualitative and quantitative criteria that describe the ideal partner (desired criteria) from the manufacturer's point of view are defined. In a second step, minimum requirements that must be met by potential sales partners (mandatory criteria) should be determined. Following this, the individual partner profile is compared with the ideal one. This provides important information regarding the expected profitability of the partnership. However, it is essential to consistently apply the defined selection criteria to all prospects in order to ensure the long-term success of the acquisition. A practical method for the systematic evaluation of potential sales partners is partner scoring. Using this method suitable selection criteria are formulated and weighted according to their importance. Subsequently, each potential partner is evaluated using these criteria. The outcome of the evaluation is then converted into a total index (cf. Grams 2011, pos. 1029 - 1066; Stevens 2012, p. 161). The following figure provides an example for a sales partner scorecard:

Criteria	Weight	Partner A	Partner B	Partner C
Customer Base	0,8	3,3	2,5	3,7
Sales	1,0	4,0	1,9	2,3
Marketing	0,6	3,5	2,3	0,0
Services	0,5	3,0	2,9	3,0
Added Value	0,7	4,0	2,9	3,0
Company Fit	0,5	2,7	2,3	1,0
<b>Index</b>		<b>3,5</b>	<b>2,4</b>	<b>2,3</b>

**Figure 2:** Example for a Partner Scorecard (based on Grams 2011, pos. 1068)

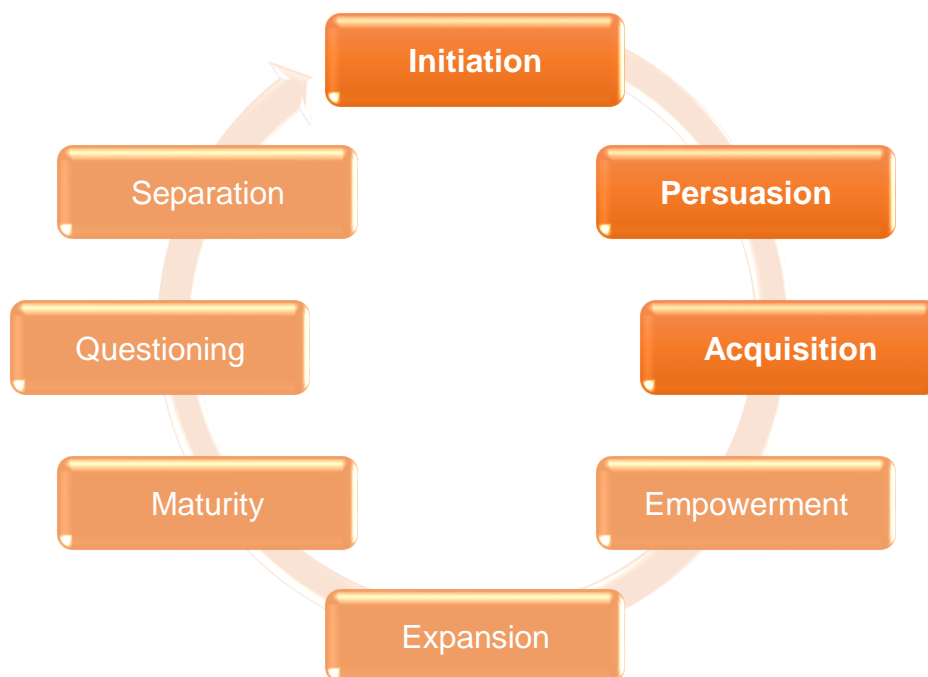
The benefit of partner scoring is that it makes obvious which potential partners should be focused on and which are not as promising and therefore need to be sorted out (cf. Grams 2011, pos. 1064 - 1066).

## 2.4 Sales Partner Acquisition

Before a company is able to acquire new sales partners, it is important to research the complete acquisition process and to thoroughly understand their motives for purchasing products from a manufacturer and engaging in a partnership. Therefore, it is necessary to analyze the touch points and content consumption patterns of (potential) sales partners in order to reach them at their preferred channels with relevant content (cf. Hidalgo 2015, p. 8).

### 2.4.1 Sales Partner Relationship Life Cycle with Focus on Acquisition

The partner relationship life cycle considers the business relationship from the first contact between a manufacturer and sales partner until they decide not to collaborate with each other anymore. The cycle includes eight phases, all of which differ from one another in terms of relationship intensity. Additionally, each phase requires the selling company to use a different combination of communication tactics (cf. Grams 2011, pos. 449 - 453). Figure 3 shows the entire life cycle of the relationship between manufacturers and their sales partners:



**Figure 3:** Sales Partner Relationship Life Cycle (based on Grams 2011, pos. 475)

In the context of this thesis the first three phases – initiation, persuasion and acquisition – are especially important, and are therefore explained in more detail.

### **Initiation phase**

The first phase focuses on the exchange of information between the manufacturer and the potential sales partner. The manufacturer intends to create awareness regarding the partner business proposition (offer) and to stimulate the sales partner's interest. Additionally, the basic information of the prospect is already collected in order to do a first screening and pre-qualification. The emerging costs for initiation activities are relatively low. Generally, this phase ends with the first face-to-face meeting (cf. Grams 2011, pos. 454 - 458).

In regard to marketing communications it is important to address qualified potential sales partners systematically and to make them aware of the benefits of the partnership. It can be assumed that most traders have not necessarily been waiting for another partnership offer. Rather, the initial situation is characterized by an intensive competition. Therefore, an individual and unique approach that communicates the relevant arguments for the sales partner is required. To prepare for the initial contact, it is recommended to gain as much knowledge as possible about the prospective partner and the key person who is responsible for the purchasing decision. Additionally, the strengths and weaknesses of relevant competitors must be known in order to find out which arguments are the most attractive (cf. Grams 2011, pos. 1142 - 1164).

### **Persuasion phase**

In this phase both parties are intensively exchanging information and the potential sales partner is already critically evaluating the benefits, opportunities and risks of the partnering. The manufacturer intends to increase interest in and desire for the offer. However, the intensive personal interactions often result in high costs. The persuasion phase usually ends when the potential partner is convinced to accept the offered partnership (cf. Grams 2011, pos. 459 - 462).

As stated, the aim of this phase is to convince the sales partner of the benefits. However, it has to be taken into consideration that the decision to engage in a partnership is made by natural, and not legal persons. In the acquisition of sales

partners, this aspiration manifests itself in the fact that the decision-relevant people prefer to agree to a business relationship from which they can also expect a personal advantage (e.g. income, recognition or convenience). Hence, they need to be convinced to enter into the partnership on an entrepreneurial and personal level (cf. Grams 2011, pos. 1173 - 1183).

### **Acquisition phase**

This phase is the most critical because here the sales partner decides whether to cooperate with the manufacturer or not. The focus in the acquisition phase is on triggering clear action – usually, the signing of the partnership contract or the placing of an order. In most cases, the costs involved in negotiating the contract are minor (cf. Grams 2011, pos. 463 - 466).

Despite their concrete interest in a partnership many decision-makers in trading companies do not take the initiative to sign a contract. Thus, the closing of the contract has to be initiated and controlled by the manufacturer. The first step in this process is to recognize when the potential sales partner is “ready” to sign the contract. Then it is important to persuade them to close the deal (cf. Grams 2011, pos. 1188 - 1197).

#### *2.4.2 Touch Points*

Whenever sales partners interact with manufacturers there is a touch point. These points of contact can be visual, verbal or physical interactions. Examples are the receipt of an e-mail, a visit at a trade fair stand or when the sales partner becomes aware of the manufacturer during an internet search. Touch points influence the partner’s experience and therewith also the corporate image of the manufacturer. Therefore, it is necessary to consider the effects which they have on sales partner acquisition. Touch points can be divided into four basic categories: Company-created, intrinsic, unexpected and customer-initiated. Company-created points of contact are communication activities and messages that are planned and induced by the manufacturer (e.g. advertisements, websites or brochures). They play a decisive role in an integrated marketing communications (IMC) program and have the benefit of being under the direct control of the marketer. Intrinsic touch points can be experienced by the sales partner during the acquisition process or the resale of the product, for instance, during conversations with sales personnel or service



representatives. In order to create a positive image of the company, these interactions with sales partners have to be carefully managed and constantly improved. Unexpected touch points are messages or information about the company from end customers, sales partners or other stakeholders which are unanticipated and beyond the control of the manufacturer. Examples would be word-of-mouth recommendations or reviews on the organization's or other websites. Customer-initiated touch points occur when a (potential) sales partner contacts the organization on its own initiative. As these interactions often involve questions, inquiries or complaints, they are usually managed by service departments. However, the manner in which companies handle these contact points strongly influences their ability to acquire and retain sales partners (cf. Belch G./Belch M. 2018, p. 28f.).

The combination of all touch points shapes the sales partner's experience with the manufacturer. This customer or sales partner journey (as it will be named in the following chapters) includes several stages with certain moments of truth (critical touch point where the partner decides whether to continue or not) along the acquisition process. However, before sales partners even get in touch with the manufacturer, they already gain knowledge about the company and its products. At the very beginning of the journey there is the zero moment of truth which is a trigger for increasing interest. At this stage of the process there is no or only a loose relationship with the manufacturer. Nevertheless, the engagement between both parties, and consequently the relationship, develops further along the sales partner journey. As a result, sales partners require an increasing amount of specific information, for instance, regarding delivery terms or prices. And if the touch points are managed professionally and the interactions proceed well the prospect might engage in a partnership and sign the contract (cf. Hague P./Hague N., p. 80 - 82).

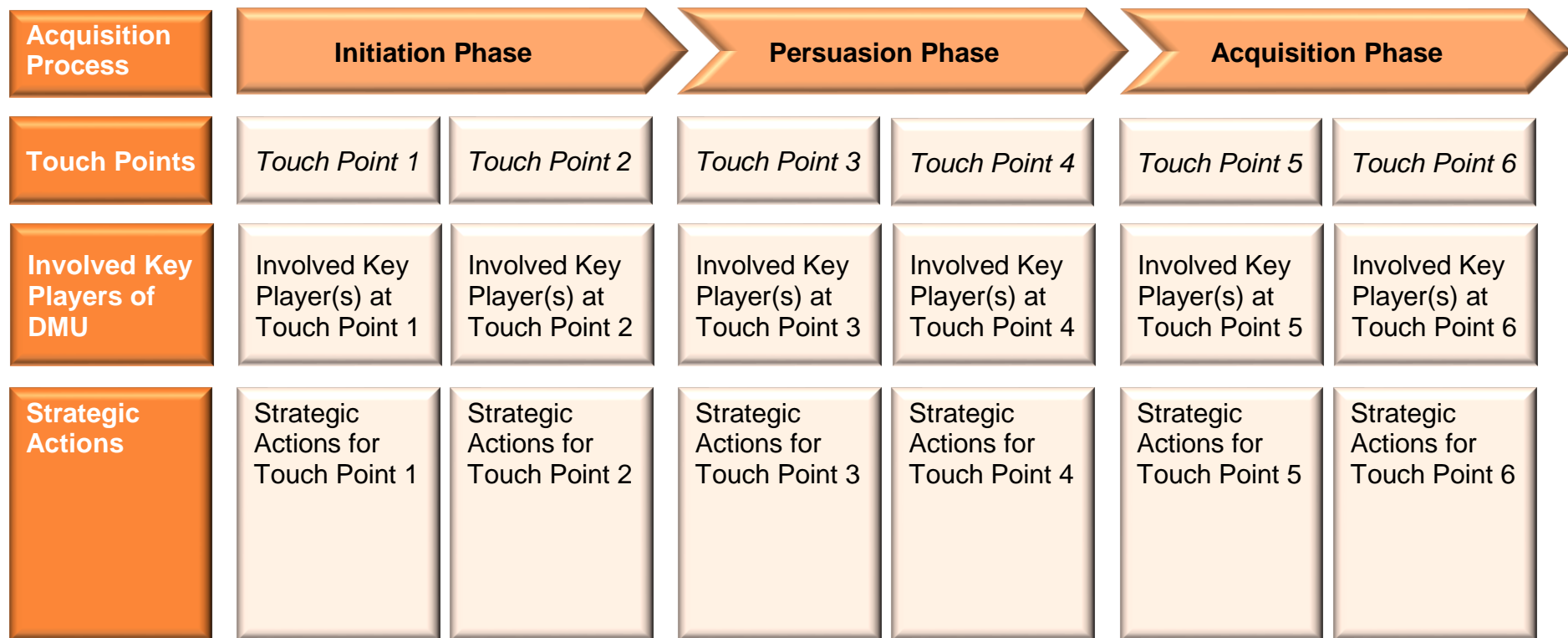
#### *2.4.3 Sales Partner Journey Mapping*

The acquisition process includes multiple touch points that require different communicative measures. Therefore, it is essential to gain a proper knowledge of both the sales partners interaction history and their predictable further actions. A possible way to illustrate the journey with all its relevant touch points is a sales partner journey map. However, to establish a realistic map it is crucial for manufacturers to consider every point of contact with potential and existing sales

partners from the beginning to the end of the acquisition process (cf. Myron 2014, p. 2).

Sales partner journey maps are a visual depiction of the sequential touch points throughout the entire acquisition process. As they are central to the intermediary's experience with the manufacturer a thorough management of sales partner journeys is as important as the management of products and services. Furthermore, it is fundamental that marketers thoroughly understand the relevant touch points in order to be able to employ the right tactics that are required for enhancing the intermediary's experience. As can be seen in figure 4, the phases of the acquisition process and the related touch points are depicted horizontally. The strategic actions and tactics for each touch point can be found on the vertical axis. Additionally, the key players involved in the decision-making and their importance should be considered in the planning of a sales partner journey map (cf. Gould 2012, p. 50; Edelman/Singer 2015, p. 90; Rosenbaum/Otalora/Ramírez 2017, p. 144).

Usually, the initial map is created within an internal workshop. Due to the fact that sales partners might interact with people from various departments, it is advisable for financial, technical, distribution, marketing and sales staff to also participate. The workshop starts with a brainstorming of all possible touch points. Subsequently, moments of truth as well as required measures are identified and discussed within the group. At the end of the workshop a first draft of the sales partner journey map is created. Afterwards, it is recommended to discuss the map with key players who are involved in the acquisition process and/or experts in this field in order to validate the touch points, moments of truth as well as the tactics and to improve the depiction of the map. Interviewing existing and potential sales partners is crucial in order to be able to disclose the entire journey by the time the partner is successfully acquired. Moreover, it is important to identify content consumption patterns and the people involved. However, the key is to ask questions that are not biased by the manufacturer but provide real insights into the partners intentions. It can be asked, for instance, what steps the sales partner took before or after the acquisition process started or who initiated the process (cf. Hague P./Hague N., p. 82 - 84; Hidalgo 2015, p. 8).



**Figure 4:** Framework of a Sales Partner Journey Map (based on Grams 2011, pos. 475; Rosenbaum/Otalora/Ramírez 2017, p. 147; Gould 2012, p. 50)

Careful research of the sales partners journey is essential for ensuring that the map provides an accurate picture of the experience. The advantage of thoughtfully established journey maps is that they provide the possibility to enhance the partner's satisfaction, reduce the churn rate and thus, result in an increased revenue (cf. Duncan/Jones/Rawson 2013, p. 95).

#### 2.4.4 Decision-Making Units in Organizational Markets

Sales partners buy products from manufacturers to meet the needs of their customers and the producer has to satisfy this derived demand. Impulsive buying is not common as most purchase decisions made by intermediaries are based on rational and objective criteria (e.g. concerning production requirements or costs). Moreover, purchasing managers are usually interested in offers that satisfy all their needs which can include support, training, delivery terms or financing. Another aspect to consider is that organizational purchase decisions (or the decision as to whether a partnership should be entered or not) are often made by more than one person. This group of people within a company is also known as the decision-making unit. Therefore, it is crucial for manufacturers to identify the key players and their role within an organization in order to be able to positively influence decisions (cf. Brennan/Canning/McDowell 2014, p. 44; Grewal et al 2015, p. 193f.). Key members that could be involved in the process include:



**Figure 5:** Key Members of Decision-Making Units (based on Ellis 2011, p. 47)

Initiators trigger the decision-making process and usually make the first request (cf. Ellis 2011, p. 47). Another part of the DMU are the influencers that provide information for evaluating alternative buying possibilities. Users ultimately work with the purchased product or service. For companies it is also vital to identify the gatekeepers, as they control the flow of information and can prevent sales people from seeing other parties that influence or make the decision. Buyers are those members of the organization that have the formal responsibility to make the actual purchases, whereas decision-makers have the authority to choose among the alternatives and ultimately approve the purchase (cf. Fließ/Johnston/Sichtmann 2015, p. 185f.).

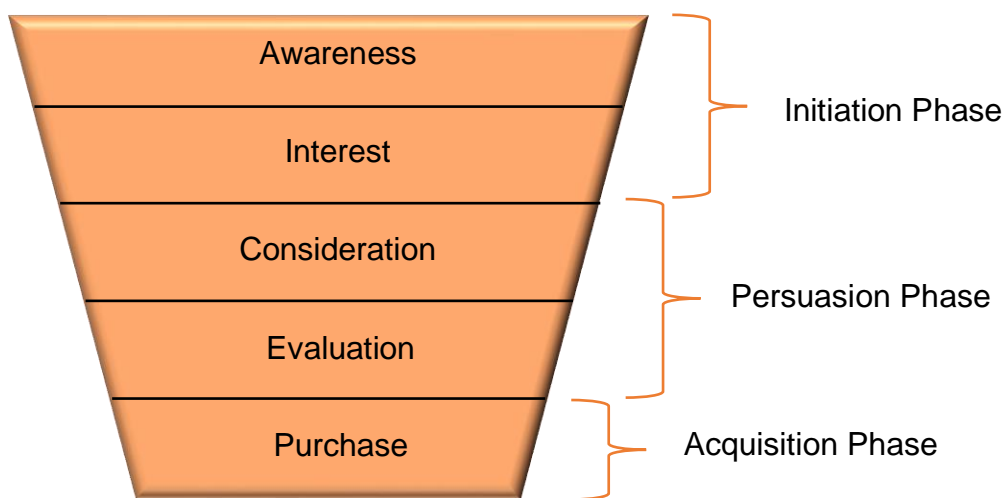
However, one person can have more than one function within the buying center. In decisions for purchases with higher order values several people might have the same role whereas in smaller companies the general manager often makes the final decision and has more than one function within the DMU. For the company that is selling its products to other businesses it is vital to identify the key members who are involved in the decision-making process and to approach them with relevant information at their preferred channels (cf. Masciadri/Zupancic 2013, p. 176).

## **2.5 Lead Management**

Lead management is the process of qualifying, scoring and managing prospects throughout the decision-making process (cf. Hidalgo 2015, p. 93). A lead can be described as a prospect that is interested in a company's product or service and could potentially become a sales partner or customer. In order to provide a common understanding of the terms "prospect" and "sales partner" they are defined as follows: A prospect is a company that has expressed interest in the vendor's products or services but has not yet purchased anything from them (potential sales partner). However, whether they already consider the manufacturer's products as viable opportunity depends on what stage of the relationship life cycle they are currently at. A sales partner, in contrast, is someone who has already bought products or services from a vendor. Usually, the partner contract is signed at this stage and the relationship is established to a certain degree (cf. Scott 2013, p. 17f.; Stevens 2012, p. 17).

### 2.5.1 Sales Partner Acquisition and the Marketing Funnel

The marketing funnel is an effective tool for planning, implementing and reviewing marketing strategies. While there is a larger group of potential sales partners at the top of the funnel, there is a smaller number of actual companies that place an order or engage in a partnership at the bottom of the funnel. The marketing funnel includes five stages that can be seen as a roadmap for the sales partner journey. This provides marketers with the opportunity to decide which objectives and results they want to achieve at the end of each phase and where to focus their communicative approaches (cf. Taylor 2018, p. 12). The following figure presents the funnel in alignment with the acquisition process:



**Figure 6:** Marketing Funnel Including the Phases of the Acquisition Process  
(based on Taylor 2018, p. 11f.; Grams 2011, pos. 475)

However, there are some limitations and weaknesses in viewing the acquisition process as a funnel. First of all, people and their decisions are not as predictable, linear, rational or sequential as many organizations assume. In fact, the process of researching and deciding or buying is actually quite nonlinear. Assuming that the sales partner journey is a clear and sequential process combined with a high degree of standardization can be dangerous because some steps might be completely skipped or repeated due to an evolving and constantly changing marketplace. This also accounts for the decisions of sales partners. When they are searching for new items for their product line, they might directly contact the manufacturer and omit the awareness stage. Secondly, the allocation of budget is lopsided in many companies. In general, the width of the funnel represents the number of leads that are theoretically involved at each stage. But many marketers see this as an indicator of the amount of money that should be available and spent at each phase.

Consequently, they invest a lot in marketing communications at the top and less at the bottom of the funnel, where they have already qualified the leads. The focus should be on persuading and acquiring qualified prospective sales partners (lower end of the funnel); even though creating awareness and interest is still important. The third drawback of the funnel model is that it focuses only on the acquisition process. Information research phases that can occur during all stages and/or the retention phase after a successful acquisition are not given consideration (cf. Jaffe 2010, p. 8 - 10). However, as the focus of this thesis is on the acquisition process the marketing funnel can be used for the planning of the communication concept.

### *2.5.2 Qualified Lead Generation*

At the early stages of the acquisition process the focus is on finding and approaching potential sales partners. As the manufacturing company and its solutions (products and services) are not known by the target market, at least in most cases, it is important to increase awareness and educate prospects. After having established a certain degree of awareness and a sound base of potential partners, marketers can move on, generate leads and leverage on the created awareness. There is no general rule that indicates when a company has generated enough prospects. But usually, organizations have confidence in themselves and know when they are able to assert themselves in the market. Instruments such as search engine optimization (SEO), lead nurturing or webinars can be used to generate leads. However, lead generation differs from general marketing communications in several ways. The main difference is that campaigns for generating leads aim at triggering an action (e.g. clicking a button on the website, phone call or store visit) through the use of direct-response marketing communications. Another difference is that the quality of generated leads is more important than the quantity. This provides the opportunity for sales people to be more productive. The reason for this is that they can focus on and nurture only those leads that have a real potential for becoming profitable sales partners. Thus, qualified lead generation drives results that are connected to the revenue (cf. Shepherd 2012, pos. 865 - 877; Stevens 2012, p. 19).

There are two types of qualified leads that can be distinguished. Marketing-qualified leads (MQL) are defined as prospects that theoretically fit to the ideal sales partner profile. MQLs can be found in the initiation phase of the acquisition process. They are aware of the solution but not yet aware of the specific product. Hence, the aim

is to make them aware of the benefits of the manufacturer's products by providing content that is both educational and easy to consume. A sales-qualified lead (SQL) is already in the late persuasion or early acquisition phase. In contrast to MQLs, they have not only the intention to purchase products but also the monetary buying power to do so, and the people involved have the authority to make the decision. Furthermore, SQLs are ready to talk to the manufacturer's sales team about the offer and to negotiate prices. Therefore, they can be approached with sales-focused content (cf. Thomas Publishing Company LLC 2018).

### *2.5.3 Lead Nurturing*

The purpose of lead generation is to address the right people in promising companies with relevant information at the right time. In contrast, lead nurturing should bring those prospects to a sales-ready status (SQL), first turning them into opportunities and finally into profitable sales partners. Thus, the overall objective is to keep in touch with those people on a regular basis at various stages of the acquisition process. However, this does not mean constantly asking the prospect if they are ready to purchase yet. It is much more about building-up trusting relationships and communicating the value of the proposition in a subtle but consistent manner (cf. Carroll 2008, p. 181).

At first, it is important to know which leads should be nurtured (cf. Chapter 2.3) and what kind of messages and value propositions the organization aims to convey. Identifying qualified leads provides the opportunity to intensify communication with those prospects that have greater potential for becoming profitable sales partners. The second step is to plan and design the nurturing process. This plan defines the communication instruments, content and timeline for communicating with leads (cf. Shepherd 2012, pos. 1938 - 1951).

Lead nurturing offers companies a huge opportunity to enhance their campaign productivity by providing an increase in new sales partners, market share and revenue. However, a well-planned communication strategy with content that is relevant for the leads, a consistent tracking and measurement process as well as triggered marketing communications are the basis for successful lead nurturing campaigns (cf. Stevens 2012, p. 183f.).



### **3 B2B Marketing Communications**

Marketing communications play a significant role in both the business-to-consumer (B2C) and business-to-business (B2B) sector. They help marketers to create awareness and to increase their sales. It is particularly important for manufacturers to communicate their messages efficiently in order to persuade sales partners to purchase items for their product line and to engage in a relationship. Many marketers appreciate the importance of marketing communications in consumer markets. But making products appealing to business decision-makers requires different approaches than for marketing to end customers or consumers (cf. Rizomyliotis/Konstantoulaki/Kostopoulos 2017, p. 2).

In the following chapters the role of marketing communications in B2B markets is presented. After that, a model to explain business communication effects is provided. In addition to this, the concept of IMC is described, and relevant international aspects are pointed out.

#### **3.1 The Role of Communications in B2B Marketing**

Transactions in the B2B sector are often rather complex and marketing activities have to take various stakeholders (e.g. end customers or intermediaries such as wholesalers or retailers) into consideration. Therefore, B2B marketing communications require a differentiated communication channel mix and measures in order to reach the different target groups. Moreover, personal and personalized communication instruments (e.g. trade fairs, exhibitions or direct marketing) play a significant role. The aim of marketing communications in business networks is to provide the target group with valuable information that fosters common decision-making and conveys loyalty and commitment. In response to the rational buying behavior, the focus within marketing communications should be on information-based messages, for example, regarding long-term technological developments within the branch, performance of offer or profitability (cf. Masciadri/Zupancic 2013, p. 24; Fill 2009, p. 870f.).

However, advertising messages in B2B markets must be more than just information; they also need to be creative enough to get the attention of the key players who are involved in decision-making processes (cf. Baack et al. 2016, p. 174). Another

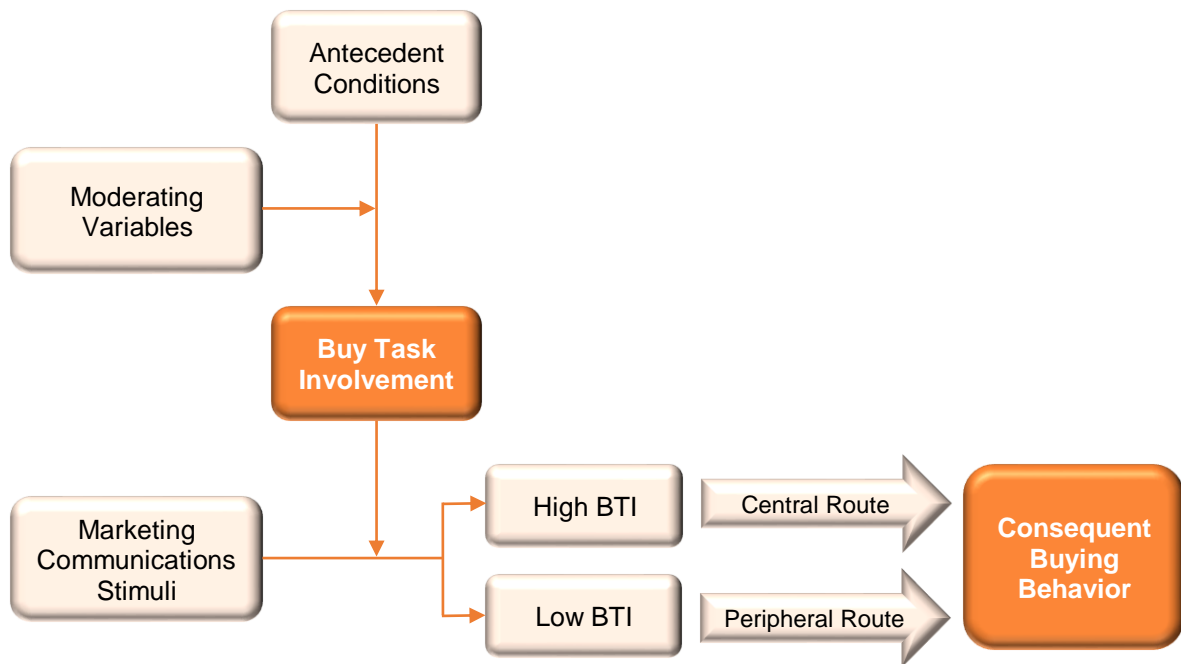
aspect to consider is that the channels used to transfer advertising messages can promote or hinder the implementation of a company's strategy. Therefore, it is necessary to truly understand the dynamics of communication systems and networks. A manufacturer must identify the communication expectations and the requirements of sales partners and adapt the approaches according to the target group. Thoughtfully planned push strategies can contribute to and strengthen the partnership with channel members. Push strategies intend to encourage intermediaries to intensify their efforts in selling the manufacturer's products. A possible way to achieve this would be to provide advertising materials such as brochures or catalogs that support traders in their selling activities. Another option would be to offer training for the partner's sales people in order to better inform them of the product features and benefits for the final customer (cf. Fill 2009, p. 870f.; Kleinaltenkamp/Rudolph/Classen 2012, p. 150).

### **3.2 Model of B2B Marketing Communications Effects**

Marketing communications are a key element for developing viable networks between businesses. But the success of these activities depends on the way in which the information is transmitted to its recipients and how they perceive the message. In order to effectively communicate it is vital to know which objectives purchasers have, how they value the offer and which expectations must be met. Then the best suitable communication strategy to achieve the aims has to be identified (cf. Fill 2009, p. 867).

Gilliland and Johnston published a model to explain the effects of organizational marketing communications. The central element of this model represents the buy task involvement (BTI), which refers to the level at which the individuals involved in decision-making process feel personal relevance (involvement) towards a specific professional purchasing decision. The information processing can generate two different responses to the marketing communications stimuli: Cognitive (high BTI) and/or emotional responses (low BTI). As a consequence, the response results in positive or negative feelings towards the selling organization (cf. Gilliland/Johnston 1997, p. 21 - 24).

The model of B2B marketing communications effects can be summarized as shown in the following figure:



**Figure 7:** Model of B2B Marketing Communications Effects  
(based on Gilliland/Johnston 1997, p. 22)

Members of the decision-making unit with a high BTI tend to process information using the central route. This implies that they require more rational, facts-based information that supports their purchasing decision. Individuals who are less involved in the buy task take the peripheral route. For them the design and attractiveness of the marketing stimuli are crucial. The purchasing behavior can be influenced by emotional, cognitive variables (peripheral route) or by rational information (central route) (cf. Fill 2009, p. 868).

The BTI is of great importance since it affects both information processing and consequent behaviors. The key factors that influence the degree of personal involvement are the personal and situational elements (antecedent conditions) as well as the opportunity and ability to process relevant information (moderating variables) (cf. Gilliland/Johnston 1997, p. 21 - 24).

Table 1 provides an overview of these antecedent conditions and moderating variables that have an impact on the BTI.

		Relevance Factors	Influence on BTI
Antecedent Conditions	Personal	Personal motivation and objectives, ego-related significance, personal consequences of buying decision	BTI increases with the level of personal relevance
	Situational	Importance of purchasing decision to individual and to company	BTI increases with the level of situational relevance
Moderating Variables	Opportunities to Process Information	Level of individual's attention and distractions, amount of advertising media the individual is exposed to	BTI increases with the amount of opportunities to process information
	Ability to Process Information	Level of individual's knowledge of and experience with the product or service; the higher the level of knowledge, the higher the ability to process information	BTI increases with the ability to process information

**Table 1:** Key Factors that Influence the BTI (based on Gilliland/Johnston 1997, p. 21 - 24)

The more individuals are involved with the buy task and the higher the degree of affiliation to the product or brand is, the more likely it is that they will actively search for more information and positively influence other members of the buying center while being resistant to other influencing attempts and the higher the intent to finally purchase the product will be. It is worth considering this model for the establishment of a communication concept for acquiring sales partners as it explicitly addresses the effects of marketing communications on other organizations. Moreover, it indicates that for B2B marketing communications both rational and emotional factors play a decisive role (cf. Fill 2009, p. 868).

### 3.3 Integrated Marketing Communications

To achieve their marketing targets companies can use a vast array of different tools and means of communication; from offline channels, such as newspapers or trade fairs, to online instruments, such as e-mail or search engine marketing (SEM). However, for marketers it is essential to understand how these tools interact with each other in order to identify the most effective combination of them. IMC ensure that all measures are working together toward a common objective. Furthermore, a

clear strategic positioning of the brand or company and the establishment of meaningful relationships with stakeholders are intended (cf. Tehrani 2013, p. 142f.; Fill/Turnbull 2016, p. 337).

Bruhn defines IMC as a strategic and operative process that aims at creating an entity of different internal and external communication sources. The process includes the analysis, planning, implementation and controlling of an organization's communication activities, while the main purpose is to develop a consistent corporate image for the target groups (cf. Bruhn 2014, p. 38).

### *3.3.1 Importance of Integrated Communications*

Separate messages and independently used communication instruments are no longer enough to compete in today's business world. A more holistic approach to marketing communications is required. Due to the large amount of different communication instruments, IMC has become increasingly important; not only for large enterprises but also for smaller companies. For marketers it is essential to carefully coordinate their promotional efforts and to understand the value of strategically integrating the communication measures. The main benefits of IMC are that duplication can be avoided and synergy among the various instruments is ensured. Thus, it is possible to develop programs for marketing communications which are much more efficient and effective than autonomously operated ones. Furthermore, in an increasingly international marketplace, traders are offered a greater choice of different products and services. And in order to identify which one is the best choice, they consider multiple sources of information. Therefore, it is vital for marketers to ensure a consistent positioning and messaging across the different touch points with various stakeholders (cf. Shaw 2017, p. 122; Belch G./Belch M. 2018, p. 11).

Due to the shift from transaction- to relationship-based marketing, companies have to focus on their customers more than ever before. Regardless of whether the customer is a sales partner, end customer or another stakeholder – it is crucial to point out their specific value of the offer. Moreover, it is vital to enhance trust and commitment. Thus, manufacturers need to transform from a product-oriented to a service-oriented enterprise that seeks to establish strong relationships with its stakeholders. Due to advances in communication technologies and increasingly

sophisticated buyers, bidirectional communication and closer relationships with purchase managers are also becoming more and more important. To maximize the impact of investments, it is necessary to integrate all business functions and to ensure commitment to the message from all employees (cf. Fill/Turnbull 2016, p. 328; Ellis 2011, p. 298).

Integrated communication strategies provide a greater consistency in messages that are disseminated through various channels and among different touch points. Thus, IMC refers to the entire stream of messages and their synergistic cross-effects. Moreover, the combination of communication tactics should result in an engagement of the sales partners or other stakeholders that are interested in the company or its products. And through the holistic approach of IMC the impact of the communication measures can be increased. However, the effect of marketing communications is also dependent on the messages that are sent to the target audience before and after the purchase. For this purpose, marketers should also consider the model of B2B marketing communications effects as the involvement of the key players in DMUs is of importance (cf. Brennan/Canning/McDowell 2014, p. 170; Batra/Keller 2016, p. 123; Fill 2009, p. 868).

Another advantage of IMC is that it can strengthen the value proposition due to a clearer positioning and intensified customer focus. However, the communication activities should provide several triggers that enable purchasers to recall brand values and messages. Distributing a precise set of messages that are easy to understand enables the target audience to view the brand/company within a relational context. Thus, it is more likely that the communication activities will result in the expected behavior of the trader, which is the placing of an order or signing of the partnership contract (cf. Fill/Turnbull 2016, cf. 329f.).

Furthermore, IMC increase not only the effectiveness, but also the efficiency of communication. On the one hand, it supports companies in achieving the set objectives, such as the positioning of a uniform corporate image in the perception of sales partners. On the other hand, it enhances efficiency through cost reduction potentials due to synergy effects (cf. Bruhn 2014, p. 39). In conclusion, IMC result in personalized, customer-oriented and bidirectional communications whereby the

focus is on the relationship between buyer and seller (cf. Pelsmacker/Geuens/Bergh 2013, p. 10).

### 3.3.2 Forms of Integration

In order to successfully integrate marketing communications, it is necessary to coordinate the respective instruments in terms of content, formal guidelines and time (cf. Bruhn 2014, p. 144). The following table provides an overview of the forms of integration, their requirements, resources and objectives as well as the time frame.

Form of Integration	Requirements	Resources	Objectives	Time Frame
<b>Content Integration</b>	Thematic coordination of content	Coherent and consistent <ul style="list-style-type: none"> <li>• Messages</li> <li>• Arguments</li> <li>• Statements</li> <li>• Corporate image</li> </ul>	<ul style="list-style-type: none"> <li>• Consistency</li> <li>• Independence</li> <li>• Congruence</li> </ul>	Long-term oriented
<b>Formal Integration</b>	Compliance with formal guidelines	Coherent and consistent <ul style="list-style-type: none"> <li>• Brand names</li> <li>• Fonts</li> <li>• Logos</li> <li>• Slogans</li> <li>• Typography</li> <li>• Layouts</li> <li>• Colors</li> <li>• Key visuals</li> </ul>	<ul style="list-style-type: none"> <li>• Presence</li> <li>• Conciseness</li> <li>• Clarity</li> </ul>	Mid- to long-term oriented
<b>Integration between planning periods</b>	Coordination of communication activities within and between planning periods	Action planning (timing of communication activities)	<ul style="list-style-type: none"> <li>• Continuity</li> <li>• Consistency</li> </ul>	Short- to mid-term oriented

**Table 2:** Forms of Integration (based on Bruhn 2014, p. 144)

#### **Content integration** – *What* is to be communicated?

Integrated content ensures thematic harmony in all communication instruments by conveying a coherent image of the company. Content includes all messages, statements and arguments that can be communicated directly (written and verbal communications) or indirectly (e.g. symbols or key visuals). In practice, the

integration of content is often neglected by many organizations as they focus more on the short-term effects of marketing communications (cf. Bruhn 2014, p. 123).

**Formal integration** – *How* content is communicated?

Formal integration combines the means of communication through certain design principals, whereby the aim is again to create a corporate image. The usage of consistent brand names, logos, slogans, fonts, layouts, colors and key visuals ensures a higher level of brand/company recognition. To strengthen learning effects the consequent compliance to these elements over all channels on vertical as well as horizontal levels is paramount. Many organizations provide guidelines for the integration of communication measures in their corporate design manual (cf. Bruhn 2014, p. 126).

**Integration between planning periods** – *When* should the measures of communication be implemented?

The integration between planning periods refers to the appropriate timing of communication measures. It is crucial that the implementation of measures is planned thoroughly and that all instruments are coordinated to support each other. Moreover, communication concepts must not change too often in order to strengthen the learning effects of recipients. Hence, a certain continuity in the usage of communication instruments is important (cf. Bruhn 2014, p. 130).

In addition to the integration of content, form and time, the direction of integration is also of importance. Marketing communications can be integrated horizontally or vertically. Horizontal integration means to combine several communication instruments in order to address one target group. For instance, approaching sales partners with sales promotions, personal communication and trade fairs. However, complementary messages without contradictions through all three channels are required. Vertical integration aims at ensuring a consistent communicative approach towards various levels of the market (e.g. suppliers, intermediaries or end customers). An example would be to use direct marketing for all target groups but trade fairs only for approaching wholesalers and retailers (cf. Bruhn 2015, p. 103).

To ensure an efficient and effective implementation of instruments it is necessary to consider the inter-instrumental level as well as the intra-instrumental level of



communication. The term inter-instrumental integration refers to the connection of all communicative activities with the measures of other communication instruments. Hence, it is the integration of instruments among each other. In contrast, intra-instrumental integration is understood as the coordination of all single measures within one communication instrument. However, a uniform communicative appearance does not mean that every communication activity has to be identical; the information needs of the target group and particularities of specific measures still have to be considered (cf. Bruhn 2015, p. 103 - 105).

### 3.3.3 *Challenges of Integrated Marketing Communications*

When implementing integrated marketing communications marketers might face some challenges. Before advances in technology led to a seismic shift in B2B marketing communications, marketers were able to build awareness by simply pushing out messages to a mainly passive audience. The use of one-way channels such as broadcasts or print enabled them to control the message and medium. Nowadays, it is the customer (sales partner or end customer) who is in control. In an increasingly digitalized world, they are offered a vast number of different channels and sources where they can get a huge amount of information. This, together with the rise of social media, has resulted in sophisticated customers who are no longer passive receivers of messages. In order to create an impact and differ from competitors, marketers are required to move to multi-way and dynamic tools that engage their customers. The decision of whether the sales partner considers the manufacturer as a viable partner is often made long before the selling company has even contacted them. Therefore, a more holistic approach which is truly viewed from the sales partner's perspective is required. This shift also affected the sales partner journey because prospects are usually invisible until they are ready to make a purchase or engage in a relationship (cf. Taylor 2018, p. 9f.).

Additionally, thanks to online platforms it is easier for sales partners to compare different products and vendors which results in the increased market power of buyers, higher price consciousness and a decrease in loyalty. Hence, companies have to address their sales partners with a dialog-, needs- and relationship-oriented approach in which the integration of the right content, communication mix and timing is of great importance (cf. Masciadri/Zupancic 2013, p. 10f.).

### **3.4 International Aspects of Marketing Communications**

Several developments in the business world, such as the emergence of the internet or e-commerce, have led to an increasingly globalized world. For many companies it is no longer questionable to go international – it is an inevitable consequence. However, companies that operate or aim to operate internationally have to consider various aspects of international marketing communications (cf. Belch G./Belch M. 2018, p. 652). Therefore, this chapter deals not only with the variables that affect international communication but also with the question of whether international campaigns should be standardized or adapted.

#### *3.4.1 Variables Affecting International Communications*

Due to factors such as differing languages, geographic distance and limited marketing budgets, it can be challenging to market products or services internationally (cf. Pförtsch/Godefroid 2013, p. 397). Especially, language limitations have to be considered when planning international campaigns. Slogans, trade names or advertising copies that are effective in the domestic market may have a completely different meaning in a foreign language. Therefore, special attention should be paid to the translation and adaption of messages. Marketers have to be particularly careful because also the meaning, tone and humor of promotional materials needs to be interpreted and translated correctly. In order to ensure that messages are understood and not misinterpreted in foreign countries, it is recommended to employ translating agencies where the mother tongue of the interpreter is the language of the targeted market (cf. Fill 2009, p. 851; Belch G./Belch M. 2018, 659f.).

Moreover, factors such as cultural barriers, country-of-origin effects and noise levels must be taken into account. People from other countries might interpret messages differently because of cultural differences. It is vital to understand cultural aspects and to train the intercultural competencies of managers and employees. Another possible way to overcome cultural barriers is to invest locally. For instance, to employ local sales people or to develop a local marketing message with an advertising agency that operates in the targeted country. Furthermore, the country of origin has an impact on the international success of an enterprise. Depending on the status and image of the sender (home-country) it can positively or negatively

affect international business. Another aspect to consider are noise levels that limit the probability of effective communication. In countries with fierce competition in the targeted market noise levels are higher than in markets where almost no competition exists (cf. Pförtsch/Godefroid 2013, p. 401f.).

Other factors which influence an international marketing strategy are legal regulations and possible restrictions of advertising instruments as well as the availability and popularity of media. In many foreign countries there are tight regulations concerning content, language and sexism in promotional messages. This in turn, directly impacts the choice of media and communicated content (cf. Pelsmacker/Geuens/Bergh 2013, p. 10; Hollensen 2011, p. 588).

Due to the reasons mentioned above it is essential to identify to what degree international marketing communications must be adapted and to what extent these campaigns can be standardized. Therefore, the following subchapter deals with this issue.

#### *3.4.2 Standardization and Adaptation of International Communication Campaigns*

Whenever companies intend to internationalize, they also have to decide whether their marketing communications can be standardized or should be adapted to local conditions. Standardized communications are characterized by the use of a uniform overall concept, message and approach for different countries; only the content might be translated into foreign languages if necessary. In adaptation strategies the concept, theme and message are adjusted to local conditions (cf. Pelsmacker/Geuens/Bergh 2013, p. 11).

Reasons for adapting marketing communications include the availability and quality of media in foreign countries, regulations and rules of the government, differences in product usage and divergent behavior of the individuals in the decision-making unit. Standardized strategies aim at generating economies of scale. The benefits of using the same or similar marketing communications are that they are less cost-intensive, easier to control, and that the message as well as brand values can be distributed more consistently. However, for international marketers it is crucial to identify which elements of the marketing mix should be adapted and which can be standardized across the targeted markets (cf. Zimmermann/Blythe 2013, p. 311f.).

International businesses can follow three different approaches: Adoption, prototyping or following concept guidelines. Whenever the product requires significant changes due to another language, culture and product usage, it is recommended to adapt the marketing communications to that country or market. Prototyping can be used if marketing communications in foreign countries are still controlled by the home-country company. The overall concept remains the same, but the degree of adaptation depends on the quality of input from local traders. Concept guidelines ensure that the cooperating partner sticks to the corporate identity principles of the home-country company. In order to decide whether to standardize or to adapt many companies use a technique which is known as pattern advertising. When using this approach, a basic pan-regional or global communication concept is developed at first. Then the copy, design or other elements are adapted as required. Basically, standardized communication campaigns are possible if the target audience is similar in terms of linguistic, technical and cultural understanding, values and product usage or if country-of-origin effects are beneficial. However, tremendous differences in technology or social behaviors, political or legal regulations or the availability of certain media might require an adaptation of the strategy. Ignoring disparities and not adapting communications when required can result in damage to the company's or brand's image, to a waste of time and budget as well as to major market losses. Therefore, it is essential to carefully research the foreign market before planning an international communication campaign (cf. Copley 2014, p. 494f.; Keegan/Green 2017, p. 432).

## **4 Marketing Communications for Acquiring International Sales Partners**

The prime motive of businesses is to generate profits and to achieve an adequate return on investment. Marketing communications can be used, among other things, to inform sales partners about new items in the product line, innovations, discounts or other special offers. However, it can be challenging for manufacturers to compete in the international market because other firms are also focusing on the same territory. Thus, it is of utmost importance to differ from competitors and to communicate unique selling propositions in a target-oriented manner. When a manufacturer enters a new market the first step in marketing communications is to create awareness. At this point it is crucial that the target audience is made aware of the company or brand and that they receive information about the features of the products and services that are offered by the manufacturer. Subsequently, acceptance of the product as a means of satisfying the needs of intermediaries and end customers should be gained. The degree of comprehension and acceptance of the product also has a direct impact on the willingness of sales partners to market and resell the products of the manufacturer (cf. Mathur 2008, p. 413).

The following subchapters are going to introduce the reader to possible marketing communications instruments for sales partner acquisition. Furthermore, challenges and opportunities of sales partner communications are described, and critical success factors are pointed out.

### **4.1 Communication Instruments for Acquiring Sales Partners**

A large variety of communication instruments can be used for implementing activities and measures that are planned for the achievement of the concept objectives. Even companies within the same industry and/or country can differ greatly in their usage of communication channels. Regardless of the decision regarding which ones will ultimately be implemented, marketers have to blend the communication instruments in a well-coordinated mix. Moreover, it is critical to approach potential sales partners with consistent messages; not only across the different channels but also at all stages of the acquisition process (cf. Kotler/Armstrong 2017, p. 439; Popovici V./Muhcină/Popovici A. 2018, p. 386).

Figure 8 provides an overview of the most commonly used instruments for B2B marketing communications:



**Figure 8:** B2B Communication Instruments  
(based on Ellis 2011, p. 301 - 306; Popovici V./Muhcină/Popovici A. 2018, p. 383)

In order to be able to choose an appropriate mix of the above-mentioned instruments, the advantages and disadvantages of each tool are presented in the following subchapters.

#### 4.1.1 *Online Marketing*

Online marketing is becoming increasingly important for both B2C and B2B companies. The digital revolution is reshaping the way in which manufacturers interact with their customers. As this affects the sales partner's whole experience, a certain commitment to online communications at a strategic level is required. Online marketing instruments and tactics include social media platforms, corporate websites, SEO and online advertising (cf. Popovici V./Muhcină/Popovici A. 2018, p. 383).

The following table provides an overview of the advantages and disadvantages of relevant online marketing communications:

<b>Online Marketing Communications</b>		
	<b>Social Media Platforms</b> (e.g. Facebook, Twitter, Instagram)	<b>Website and Search Engine Marketing</b>
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Interactive medium</li> <li>• Appropriate for creating awareness and establishing relationships</li> <li>• Cost effective</li> </ul>	<ul style="list-style-type: none"> <li>• Global reach</li> <li>• Cost effective</li> <li>• Possibility to provide support for intermediaries</li> <li>• Possibility to implement sales platform</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• High resource requirements concerning time and knowledge</li> <li>• Poorly organized platforms are more harmful than beneficial</li> </ul>	<ul style="list-style-type: none"> <li>• Poorly organized websites are more harmful than beneficial</li> <li>• Technical knowledge required</li> </ul>

**Table 3:** Online Marketing Communications  
(based on Jones/Borgman/Ulusoy 2015, p. 626; Ellis 2011, p. 306f.)

#### 4.1.2 *Broadcast Media*

Broadcast media such as television and radio play a minor role in B2B marketing communications. Nevertheless, they can be effective for raising brand awareness and can contribute to the corporate identity or the positioning of a company. However, broadcast media is mainly used by larger enterprises because these means of communication are very cost intensive (cf. Brennan/Canning/McDowell 2014, p. 182).

In table 4 the advantages and disadvantages of broadcast media are summarized.

Broadcast Media		
	Television	Radio
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• High reach</li> <li>• High quality</li> <li>• Transportation of emotion and excitement possible</li> </ul>	<ul style="list-style-type: none"> <li>• Demographic/psychographic targeting possible</li> <li>• High reach</li> <li>• Less expensive than television</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Mass communication</li> <li>• Expensive</li> <li>• Difficult to reach target group (B2B)</li> <li>• Language limitations</li> </ul>	<ul style="list-style-type: none"> <li>• Mass communication</li> <li>• Low involvement</li> <li>• Difficult message transportation due to a lack of visual components</li> <li>• Difficult to reach target group (B2B)</li> <li>• Language limitations</li> </ul>

**Table 4:** Broadcast Media (based on Ellis 2011, p. 305; Eagle et al. 2015, p. 167f.)

#### 4.1.3 Print Media

Print media can be used to increase public awareness of a company and its products, to generate leads and reassure the sales partner about the decision they made. Furthermore, they can aid in creating a favorable image of the company. In B2B the promotional activities intend to reach the key decision-makers of companies. This can be achieved by publishing advertisements in professional magazines or newspapers (cf. Belch G./Belch M. 2018, p. 19).

Print Media		
	Professional Magazines	Newspapers
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Reach a specialized target audience</li> <li>• High-quality reproduction</li> <li>• Long life-span</li> </ul>	<ul style="list-style-type: none"> <li>• High reach</li> <li>• Shorter lead times</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Long lead times</li> <li>• Moderately expensive</li> <li>• Language limitations</li> </ul>	<ul style="list-style-type: none"> <li>• Difficult to reach a specialized target audience</li> <li>• Lower quality reproduction</li> <li>• Language limitations</li> </ul>

**Table 5:** Print Media (based on Ellis 2011, p. 304f.; Ghauri/Cateora 2014, p. 410)



#### 4.1.4 Personal Marketing Communications

Personal selling, trade fairs and exhibitions are of paramount importance in marketing communications for sales partner acquisition. Due to dialog-oriented, personal interactions manufacturers can not only explain complex products or negotiate prices, but can also directly respond to customer feedback and establish relationships with members of the DMUs (cf. Ellis 2011, p. 303f.).

Personal Marketing Communications		
	Personal Selling	Trade Fairs and Exhibitions
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Bidirectional communication</li> <li>• Feedback possible</li> <li>• Dialog-oriented</li> <li>• Essential for building relationships</li> </ul>	<ul style="list-style-type: none"> <li>• Personal interaction</li> <li>• Beneficial for developing relationships</li> <li>• Gather market intelligence</li> <li>• Medium to high return on investment</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Language limitations</li> <li>• Cultural barriers</li> <li>• Requires a lot of commitment from sales personnel</li> </ul>	<ul style="list-style-type: none"> <li>• Language limitations</li> <li>• Cultural barriers</li> <li>• High resource requirements (labor, capital and monetary)</li> </ul>

**Table 6:** Personal Marketing Communications  
(based on Ellis 2011, p. 303f.; Brennan/Canning/McDowell 2014, p. 186f.; Fill 2009, p. 850)

#### 4.1.5 Sales Promotions

Sales promotions provide wholesalers or retailers financial incentives to stock and promote new products. While trade allowances or other special price deals are used to encourage retailers to stock a (new) product, marketers can also use other types of promotions that motivate traders to push the brand or new products. Additionally, promotional allowances can get retailers to display a manufacturer's brand in high-traffic areas in stores (cf. Belch G./Belch M. 2018, p. 564).

Sales Promotions		
	Trade Allowance	Promotional Allowance
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Stimulates restocking</li> <li>• Motivates sales partners to purchase more or new products</li> <li>• Possibility to achieve a high return on investment</li> </ul>	<ul style="list-style-type: none"> <li>• Stimulates restocking</li> <li>• Motivates sales partners to purchase more or new products</li> <li>• Possibility to achieve a high return on investment</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Hidden costs for sales partners due to forward buying</li> </ul>	<ul style="list-style-type: none"> <li>• Hidden costs for sales partners due to forward buying</li> <li>• Possibility that sales partners are less enthusiastic about promotional activities which results in a lower return on investment</li> </ul>

**Table 7:** Sales Promotions (based on Ellis 2011, p. 302; Fill/Turnbull 2016, p. 498)

#### 4.1.6 Direct Marketing

Direct marketing can be used as a channel to enable customer enquiries, generate leads, schedule appointments or, in some cases also as a direct sales channel. Furthermore, e-mail marketing and direct mail can support personal marketing communications by increasing brand awareness, establishing credibility and improving the company's image. The main objective of direct marketing activities is to achieve a direct response and to stimulate a dialog with selected individuals in a target group (cf. Fill 2009, p. 877; Fill/Turnbull 2016, p. 460).

In the following table the advantages and disadvantages of e-mail marketing and direct mails are presented:

Direct Marketing		
	E-Mail Marketing	Direct Mails
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Fast and efficient way for regular communication</li> <li>• Messages can be sent directly to individuals in DMUs</li> <li>• Precise measurement of results possible</li> <li>• Cost effective</li> </ul>	<ul style="list-style-type: none"> <li>• Possibility to send print materials (e.g. catalogs, brochures) and product samples</li> <li>• Messages can be sent directly to individuals in DMUs</li> <li>• Precise measurement of results possible</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Requires an accurate contact list (permission-based)</li> <li>• Response handling needs to be fast</li> <li>• Might be perceived as unsolicited junk mail</li> </ul>	<ul style="list-style-type: none"> <li>• Requires an accurate contact list (permission-based)</li> <li>• Can be expensive (e.g. costs for printing or sending)</li> <li>• Might be perceived as unsolicited junk mail</li> </ul>

**Table 8:** Direct Marketing  
(based on Ellis 2011, p. 308f.; Hutt/Speth 2010, p. 396; Fill/Turnbull 2016, 460f.)

#### 4.1.7 Public Relations

Public relations are a form of non-paid marketing communications used in order to gain public acceptance, recognition and understanding. It can be any kind of considerable news about a company and its products, achievements or employees. It is a cost-effective tool for achieving a credible and, in the best case, favorable reputation. However, the degree of impact on the attitude of end customers, sales partners or other stakeholders depends strongly on the context and source of editorial messages. The most common types of public relations are press releases and other editorial materials prepared by the company. Another opportunity would be to organize a press conference (cf. Albaum/Duerr/Josiassen 2016, p. 579).

Public Relations		
	Press Releases	Press Conference
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Avoidance of clutter</li> <li>• Cost effective</li> <li>• Possibility to reach specific target groups which cannot be reached with advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Several journalists can be reached at the same time</li> <li>• Formal approach</li> <li>• Effective for <u>significant</u> news</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• Possibility that target group may not associate press release with company</li> <li>• Careful planning essential in order to avoid mismanagement and redundancies</li> </ul>	<ul style="list-style-type: none"> <li>• Careful planning essential (time consuming)</li> <li>• Relatively high costs (e.g. for location, spokesperson or catering)</li> </ul>

**Table 9:** Public Relations  
(based on Belch G./Belch M. 2018, p. 593f.; Wilcox/Cameron/Reber 2015, p. 413f.)

## 4.2 Opportunities and Challenges of Sales Partner Marketing Communications

Partnerships with wholesalers or retailers are characterized by fewer but usually long-term contracts which require more involvement, and which need to be adjusted to the culture in order to achieve success. When manufacturers engage with intermediaries, they must consider mutual objectives, joint performance measures as well as formal information and linkages in their communication systems. Additionally, the process of partnership formation is quite time-consuming, difficult and specialized. Therefore, marketing communications for acquiring sales partners need to focus on building trust and commitment (cf. Gibbs/Humphries 2009, p. 32).

Trade advertising is an effective tool for manufacturers to catch the interest of sales partners and to motivate them to purchase and resell the products to end customers. These push strategies aim at convincing the trader of partnership benefits and that they can profit from the manufacturer's products. Additionally, wholesalers and retailers should be encouraged to order the merchandise and push the items through to the final customers. On the one hand, sales partners can be considered as customers and recipients of messages and marketing activities, and on the other hand, they have to be seen as partners with whom the vendor usually has a longer

relationship. Therefore, manufacturers must not only capture the interest of sales partners through channel marketing but must also provide materials and information that support them in their sales efforts (e.g. sales folders, product catalogs or other promotional materials). Furthermore, this includes clear and effective on- and offline communications as well as the provision of communication tools with relevant information and content across the channels, for instance, product positioning or marketing campaign tools. Furthermore, it is vital not only to train them in regard to the products, but also in the effective use of provided tools (cf. Hall 2017, p. 190f.; Belch G./Belch M. 2018, p. 65).

Knowing which people within the partner organization are the right people to talk to could be a challenge for manufacturers. Addressing too many stakeholders within one company and over-communicating could result in an information overload and thus, cause apathy and insensitivity toward receiving messages. Therefore, it is necessary to identify the key players within the DMU. To avoid information overload, it is crucial to carefully select communication channels and to adjust the frequency of sent messages to the requirements of decision-makers. Another issue to consider is that smaller companies often do not have the necessary resources to communicate and advertise regularly to several partners and vice versa smaller sales partners might also not have the required capacities to deal with multiple vendors. Thus, a thorough research of potential partner companies is essential in order to determine if they have the necessary resources. Moreover, personal contact is highly important for B2B companies. Sales people need to be well informed regarding the technology and functions of the company's products in order to convince the sophisticated purchasers in trading companies (cf. Hall 2017, p. 198; Zimmermann/Blythe 2013, p. 9).

### **4.3 Critical Success Factors in Marketing Communications for Sales Partner Acquisition**

Just as in any other business, the overall aim of sales partners is also to increase sales and to maximize profits. And even though it may sound trivial, this fact must be recalled constantly. Many manufacturers assume that intermediaries are just waiting for them to come and that it is an honor for them to be able to enter into a business relationship with them. However, the extent to which a company is interested in engaging in a distribution partnership is largely dependent on the

economic attractiveness of the business offer that a manufacturer can make to a sales partner. Attractiveness is always the result of a complex comparison process. Traders compare the expected contribution to the success of the offered business relationship with that of alternative sales partnerships. As a result, manufacturers are always competing with other suppliers for scarce merchant resources. Therefore, the basic pre-requisite for success in the cooperation with sales partners is an attractive partner business proposition (cf. Grams 2011, pos. 336 - 349).

Another critical success factor is the value of the offer. As demand of intermediaries is derived from consumer markets, it is crucial to understand the end customer's buying motives as well. Hence, communication messages have to emphasize the value of the offer for both target groups. Multistage marketing and a well-balanced mix between push and pull strategies are required in order to appropriately approach intermediaries and end customers. While pull strategies intend to address the benefits for end customers, the aim of the push approach is to convince the traders of the high quality of the goods and to motivate them to resell the products to their customers. Manufacturers can, for instance, provide advertising materials or product training for the trader's sales staff in order to better inform them about the unique selling propositions (USP) of the product and advantages for the end customers (cf. Werani 2006, p. 8; Kleinaltenkamp/Rudolph/Classen 2012, p. 149f.).

Especially with regard to international marketing communications the translation of advertising copies plays a crucial role. It must be determined if the target audience abroad is able to perceive and understand the translated slogans and messages accordingly. In order to avoid unintentional errors or misinterpretations it is essential that the translator understands the meaning of words and phrases and is able to interpret and translate the advertising copy correctly. Due to a significantly different culture or meaning of the message in the target country it might even be necessary to create completely new advertising copies (cf. Keegan/Green 2017, p. 440f.).

Sales people are also a crucial success factor. They must communicate in a professionally competent and brand-related manner and reach the partners with a targeted and direct approach. To satisfy the expectations of B2B buyers effective communication is fundamental because it is the main link between the company and its environment (cf. Masciadri/Zupancic 2013, p. 25).

## **5 Theoretically Valid Integrated Communication Concept for Acquiring International Sales Partners**

A carefully planned communication concept already provides the basis for the successful implementation of marketing communications. It combines strategic and creative approaches for communicative solutions with the planning of suitable instruments and resources. Communication concepts provide strategic guidelines for establishing marketing communications and consolidate all promotional measures. Furthermore, they capture all necessary phases of the planning, implementation and controlling process. Communication concepts basically have four different functions. First, they provide strategic decision guidance as the concept makes communication relations transparent and offers new impulses for decision-making. Secondly, they can be seen as an economic planning basis because concepts document which efforts are going to result in which benefits. Thirdly, they provide a tangible guideline throughout the phases for the people involved. The fourth function of communication concepts is to serve as motivating stimulant. A well-planned and motivating concept inspires all of the company's employees and encourages them to work with the concept. The basis for the success of communication concepts is a thorough situation analysis, a clear strategy as well as creative and realistic measures. Concepts also need to be understood by all people involved – from the general manager to each member of the conception team (cf. Schmidbauer/Knödler-Bunte 2004, p. 13 - 17).

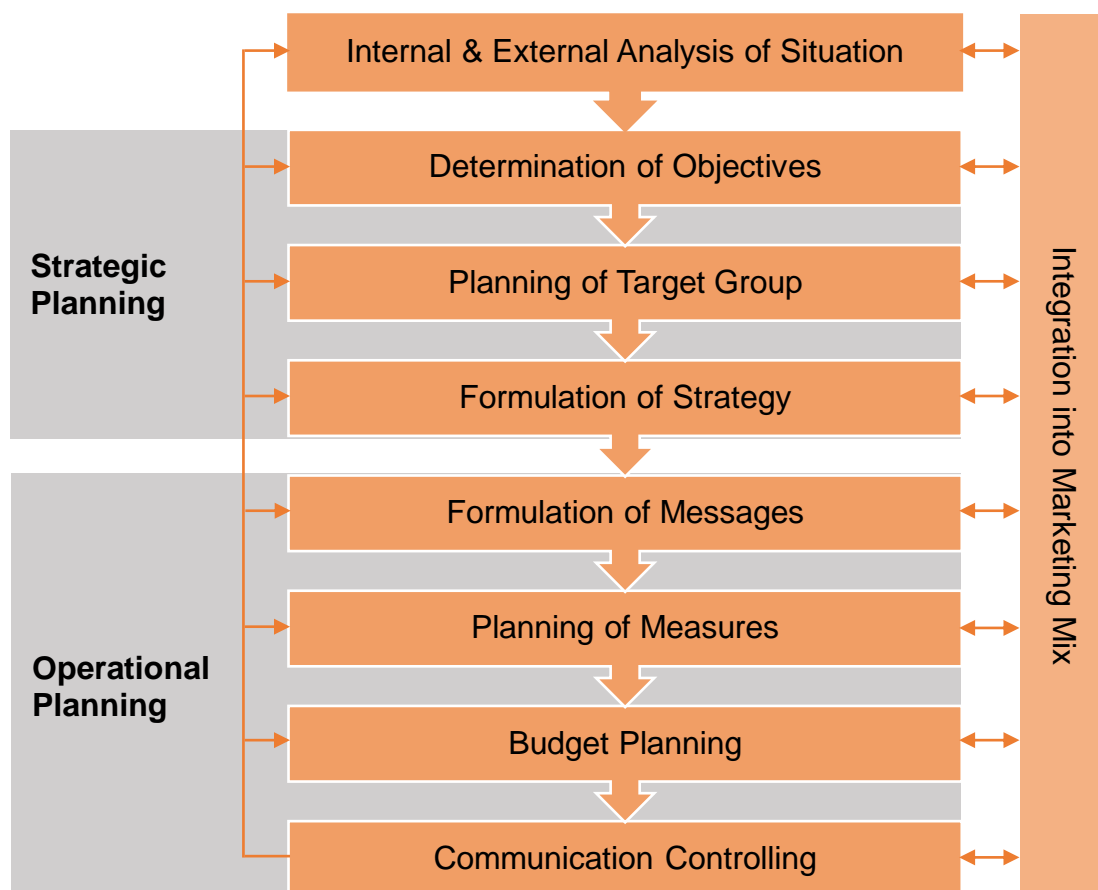
Different, but similar, approaches on how to structure a communication concept can be found in literature. Merten, for instance, defines twelve steps whereby the main phases include the situation analysis, the strategy, the tactics, the implementation and the controlling (cf. Merten 2013, p. 16). According to Bruhn, the conception process consists of five steps (situation analysis, objectives and target group, strategy, action planning and controlling) whereas also the integration of the marketing mix is taken into account (cf. Bruhn 2015, p. 58). Schmidbauer and Knödler-Bunte developed nine steps: Briefing, research, analysis, target groups and objectives, positioning, messages and creative idea, measure planning, controlling as well as presentation and documentation (cf. Schmidbauer/Knödler-Bunte 2004, p. 34). With regard to international concepts Czinkota and Ronkainen describe four

steps which contain the internal and external analysis, formulation of strategy, development of program and implementation (cf. Czinkota/Ronkainen 2013, p. 214).

Even though the approaches in literature are not identical, the following core elements can be identified:

- Analysis of problem
- Planning of strategy
- Implementation of planned course of action
- Measurement of success (cf. Bentele/Nothhaft 2014, p. 609)

In accordance with the above-mentioned literature review the following steps have been defined for the elaboration of the integrated communication concept:



**Figure 9:** Steps of the Communication Concept  
(based on Bruhn 2015, p. 58; Merten 2013, p. 16)

Before a company can start developing the concept, it is necessary to thoroughly analyze the internal and external situation. After this, the objectives, target group and required strategies should be determined (strategic planning). The operational planning includes the formulation messages, measures and budget planning.



Finally, the success of the concept needs to be evaluated (cf. Bak 2016, p. 7). In the following chapters the above-mentioned steps are described in more detail.

## **5.1 Situation Analysis**

A thorough analysis of the organization, the market and competition are an essential basis for the formulation of communication objectives as well as for the planning of the measures that are required for achieving the targets. The investigation of the initial situation answers many questions regarding past communicative measures, pre-conditions, necessity of change, activities of competitors or current market trends. Two perspectives have to be considered in the analysis: The internal situation of the company and the external situation of the environment (cf. Bak 2016, p. 17).

### *5.1.1 Internal Analysis*

In the course of the internal analysis the current situation within a company is investigated. By comparing and evaluating the company's specific communicative resources with those of competitors, strengths and weaknesses can be determined. In order to ensure a systematic and comprehensive internal analysis three categories have to be considered: Resources, product and service portfolio as well as perception. The first category refers to the availability of internal resources for the implementation of communicative activities and process management. The portfolio analysis includes investigations regarding positioning or cost-benefit ratios of offered products and services. Furthermore, the perception (from the sales partner's point of view) of the items offered and communicative activities have to be taken into account. Part of this analysis could, for instance, be the determination of a unique communication proposition or an analysis of the company's image (cf. Bruhn 2015, p. 137f.).

Finally, the sales partner journey needs to be investigated. Therefore, the investigation of all relevant on- and offline touch points as well as moments of truth is of importance (cf. Schüller 2013, p. 155f.).

### 5.1.2 *External Analysis*

The external analysis focuses on the determination of opportunities and threats. The aim is to identify developments in a company's environment that might have a positive or negative influence on the communicative activities. Especially for international communication concepts a careful analysis of the current market situation is paramount (cf. Bruhn 2015, p. 138). The following parameters need to be considered in the external analysis:

- Target market (e.g. market volume, share, trends, potential)
- Potential sales partner organizations (e.g. structure of assortment, decision behavior, market coverage)
- Competitors (e.g. competitive strength, level of differentiation, products and services offered)
- Environment (e.g. legal and governmental regulations, technological progress, economic growth) (cf. Meffert/Burmann/Kirchgeorg 2015, p. 222)

Furthermore, it is crucial to mention that external factors cannot be influenced directly or within a short period of time. Moreover, companies have to examine if additional parameters have to be taken into account or if some of them might not be relevant (cf. Meffert/Burmann/Kirchgeorg 2015, p. 220).

### 5.1.3 *SWOT Analysis*

After analyzing the internal situation and the external environment the findings can be combined by establishing a SWOT catalog. This method contrasts the company's strengths and weaknesses with the opportunities and threats (SWOT) that result from developments in the market and environment. Thereby, vital information for the determination of objectives and the communicative measures can be gained (cf. Bruhn 2015, p. 136).

SWOT analyses are a useful tool for planning strategic marketing communications. However, to ensure high quality an objective and self-critical analysis of the company's strengths and weaknesses is crucial. Therefore, it could be beneficial to consult external experts or stakeholders (cf. Kuhn/Ruff/Splittgerber 2014, p. 524).

## 5.2 Strategic Planning of the Communication Concept

After analyzing the internal and external situation, the communication concept can be strategically planned. This includes the determination of objectives as well as the planning of the target audience. The last step of this planning phase is the definition of the concept's strategic direction.

### 5.2.1 Objectives of Communication Concepts

For the planning process of integrated marketing communications, the formulation of precise objectives is fundamental. By determining targets, marketers can derive implications for the implementation of communication instruments. Furthermore, a clear measurement of success is possible. To avoid conflicting objectives, it is necessary that they are aligned with the company's vision, mission and marketing strategy. A hierarchical structure ensures consistency and facilitates the allocation of communicative measures (cf. Bruhn 2014, p. 237f.).

In order to formulate high quality objectives, the SMARTT approach could be used. SMARTT stands for the following parameters:

- **Specific:** This refers to the effect or outcome that should be achieved (e.g. awareness level).
- **Measurable:** Through measurable objectives the performance of the concept can be evaluated. These measuring units can be either quantitative (e.g. amount of targeted sales volume or number of new sales partners) or qualitative (e.g. increase level of satisfaction or trust).
- **Achievable:** Achievable targets provide the opportunity to really attain the objectives within the market context.
- **Realistic:** This refers to the feasibility of targets with regard to resources, time and competitive activities.
- **Targeted:** The objective should refer to a specific pre-defined target group.
- **Timed:** The time variable states when the aim should be achieved at the latest (cf. Dahlen/Lange/Smith 2010, p. 94).

In general, economic and psychographic aims can be distinguished. Economic goals refer to the success of marketing communications. These include quantifiable parameters such as turnover, revenue or sales volume. Psychographic targets

belong to the cognitive, affective and conative effects of communication. Examples of these are to increase brand awareness or to achieve the perception of a certain company image (cf. Pepels 2015, p. 35 - 37).

### *5.2.2 Planning of Target Group*

As already mentioned in the previous chapter, objectives have to be formulated for a specific target group. Therefore, it is essential that a company explicitly knows which kind of audience they intend to address and which requirements this audience has concerning marketing communications. In general, the target group can be end customers, sales partners (wholesalers or retailers), shareholders, the public or employees (cf. Bruhn 2014, p. 242). With regard to the thesis the target audience of the communication concept are Italian intermediaries.

However, within the B2B area manufacturers also communicate with people and not with de-personalized enterprises. The major difference to B2C communications is that these people are addressed within an organizational context. Therefore, it is recommended to see the target person as a dialog partner and not solely as a recipient of messages. On the one hand, it is necessary to identify who is involved in certain information and decision processes (individuals of DMU). On the other hand, the selling company needs to know when they are intensively involved and when the involvement is lower (cf. Chapter 3.2). Within B2B marketing communications the target audience can be determined according to geographic and organizational characteristics (cf. Fuchs 2003, p. 48f.).

The following table provides examples of various target group characteristics:

Characteristics	Examples
<b>Geographic</b>	<ul style="list-style-type: none"> <li>• Target area, country or region</li> <li>• Market structure</li> <li>• Population density</li> </ul>
<b>Company Related</b>	<ul style="list-style-type: none"> <li>• Industry</li> <li>• Size of company (concerning employees and/or turnover)</li> <li>• Company's objectives</li> <li>• Type of business</li> <li>• Market position</li> <li>• Amount or type of products from competitors</li> <li>• Cross-selling potential</li> </ul>
<b>Related to the Decision-Making Unit</b>	<ul style="list-style-type: none"> <li>• Number of people involved</li> <li>• Hierarchical structure</li> <li>• Informal structure</li> <li>• Channel of communication and information</li> </ul>
<b>Related to the Individuals in the Decision-Making Unit</b>	<ul style="list-style-type: none"> <li>• Attitude towards the manufacturer and the products</li> <li>• Personality</li> <li>• Involvement</li> <li>• Risk-taking propensity</li> <li>• User or not</li> </ul>

**Table 10:** Characteristics of the Target Audience in B2B Markets (based on Fuchs 2003, p. 50)

Additionally, the criteria that are presented in chapter 2.3 can be taken into account when defining the target audience for sales partner marketing communications.

### 5.2.3 Strategies for Marketing Communications

A strategy is a mid- to long-term strategic approach used to realize the defined objectives. It provides a binding scope of action that captures the general direction of communicative measures. Hence, it is the connecting link between strategic market and communication targets as well as operational communication measures. Furthermore, a strategy requires a feedback system and a closed controlling loop in order to be able to react to changes in the environment. Depending on the thematic focus of the communication concept different strategies can be used (cf. Bruhn 2015, p. 243; Blythe 2006, p. 44). For acquiring sales partners, the following general strategies are relevant:

Strategic Approach	Description
<b>Announcement Strategy</b>	The announcement strategy aims at increasing brand, company or product awareness. Based on the topic and target group, the messages of marketing communications can be emotional or informative.
<b>Information Strategy</b>	The purpose of the information strategy is to increase the sales partner's knowledge of product or service attributes. The focus within this strategy is on informative and rational content. Additionally, persuasive arguments are often used.
<b>Image Profiling Strategy</b>	This strategy is used to convey a precise and uniform image of the company, product or brand which ensures that the benefits are anchored in the mind of the target group. The emphasis is often placed on emotional topics and the intended image dimension.
<b>Competitive Differentiation Strategy</b>	The focal point of this strategy is to stress the features of the products and services which are better than those of competitors. The aim is a clear differentiation concerning the benefits of the manufacturer's own product, brand or company. Furthermore, communication messages can be comparative.

<b>Contact Initiation Strategy</b>	The contact initiation strategy aims at acquiring a certain target group (e.g. end customers, sales partners or public institutions) by convincing them of the benefits of the company's activities. Moreover, the content and messages should convey trustworthiness.
<b>Target Group Development Strategy</b>	The objective of this strategy is to approach certain target audiences and turn them into partners, customers or users. Usually, the arguments and messages specifically emphasize the benefits for a specific target group.

**Table 11:** Strategies for Marketing Communications (based on Bruhn 2015, p. 249)

In formulating a suitable marketing communications strategy several issues have to be considered. The basis of the strategy is the company's communicative situation. This includes not only the internal situation within the organization, but also external developments within the market and environment. Furthermore, the set objectives, available resources, structure of the market, activities of competitors and the company's willingness to take risks have to be taken into account. After deciding for one or a combination of the above-mentioned strategies the framework for communication activities has to be determined. The framework includes six elements (object, target group, message, measures, area and timing), whereby each one requires a sufficient operationalization during the process of the strategy development. Additionally, they need to be integrated into one another in order to ensure consistency (cf. Esch/Winter 2009, p. 417f.; Blythe 2006, p. 44).

The following six dimensions provide the basis for the marketing communications framework:

- **Object** – Who is the sender?  
The object refers to the sender of the message. This could either be the brand, a certain product or service, the company, people or a field of industry.
- **Target Group** – Who should be addressed?  
The target group defines the relevant audience which should be approached with the communication instruments and measures.

- **Message** – What should be communicated?  
The message includes the main content and theme that is to be transmitted. The core message is derived from the positioning of the object as well as from the intended objectives. The aim is to attain a unique communication proposition. The appeal could be described in an emotional or rational (informative) way.
- **Measures** – How should the message be transported?  
Measures describe the instruments and channels that are used in order to transmit the messages. The choice of certain instruments is based on the overall strategy.
- **Area** – Where should the communication measures be implemented?  
The area defines whether the activities are implemented locally, regionally, nationally, internationally or globally. The chosen approach strongly depends on the requirements of the target market.
- **Timing** – When should the measures be implemented?  
Here the time frame and intensity of communication measures are determined (cf. Bruhn 2015, p. 245 - 247).

### 5.3 Operational Planning

Within the operational planning phase, the message that should be disseminated with the concept is formulated and the communication instruments are determined. Furthermore, the budget that is required for implementing the measures needs to be planned. Finally, an evaluation of the concept performance is necessary.

#### 5.3.1 *Formulation of Communication Message*

The formulation of messages suitable for the target audience is often one of the biggest challenges for companies. Effective messages engage with sales partners, are unique and differentiate the company from its competitors. However, in order to develop creative messages that stand out, several issues have to be considered. First of all, the source of a message is important. The content of communicative measures can be perceived in many ways and is influenced by a variety of factors. The credibility that is ascribed to the source of the message is the most critical factor. The three main characteristics that have an impact on the credibility are the level of perceived credibility (concerning objectivity and expertise), the attractiveness of the



source and the degree of power that the source is believed to have (punish or reward the message receiver). Credibility can be established in different ways, for instance, through a high level of expertise or recommendations from third parties. The latter is of particular importance. For marketers it is vital to constantly seek to improve the reputation of the company because trustworthiness is directly derived from the corporate image. Furthermore, past decisions, current strategies, perceived service levels and the performance of network members can affect the perception of a manufacturer and the resulting level of credibility. Moreover, the messages should emphasize a potential benefit for the sales partner. A person's (and members of DMUs are people) attitude toward a manufacturer and its products depends on the sum of what they actually know about the company, weighed by its importance for them. When selecting a certain benefit that should be communicated it is vital to identify which advantages are important to the target audience, and which are unique and realistic. Ideally, it is also a benefit where the manufacturer is significantly better than the competition (cf. Fill/Turnbull 2016, p. 549 - 551; Percy 2008, p. 257 - 259).

### 5.3.2 *Planning of Communication Measures*

As mentioned in the previous subchapter, the source of the message is important for enhancing the credibility of marketing communications. Therefore, it is recommendable to make the selection of communication instruments for international campaigns simultaneous to the development of the idea and topic for the message. As each promotion tool has unique characteristics, advantages and disadvantages, marketers must understand these issues in order to develop a successful communication program. Appropriate instruments for marketing communications depend on the purpose that is to be achieved, media attributes and characteristics of the target audience. Moreover, the selection can be based on the reach of a medium (opportunities to see), frequency (average number of opportunities to see the same advertisement within a given time period) and impact (compatibility between the instrument and the message). Furthermore, the required and available budget is of importance. For instance, if the manufacturer has only a limited budget or resources digital approaches might be more appropriate (cf. Hall 2017, p. 194; Hollensen 2011, p. 592f.).

Other variables that have to be considered are the medium's return on investment, availability and the campaign's time frame. However, it is vital to constantly improve and adapt the media mix to the possibly changing requirements of the target audience and to significant changes within the environment (cf. Stevens 2012, p. 111f.).

According to the advantages and disadvantages of marketing communications instruments mentioned in chapter 4.1, the following possibilities for the implementation of the concept were identified:

- Personal selling
- Online marketing
- Trade fairs
- Sales promotions
- E-mail marketing

Selection criteria that were taken into account are the company's human resources, required budget and possibility to reach the target group. In order to provide additional decision-making support, the selected instruments are explained in more detail below.

### **Personal Selling**

Personal selling represents one of the most important forms of communication in business markets. Through this bidirectional communication manufacturers and their sales partners can exchange information and knowledge, negotiate both offers and delivery specifications and strengthen their relationship. The main purpose of personal selling activities is to determine revenue-generating business opportunities and to acquire profitable partners. Sales representatives have to adapt the manufacturer's offers to the customer's needs. Therefore, technical and diagnostic competence as well as profound industry experience are required in order to be able to argue product specifications and benefits for the sales partner. Moreover, sales people have an important feedback and complaint management function as they are directly in contact with the partner company (cf. Brennan/Canning/McDowell 2014, p. 199f.).

Possibilities for personal communication include not only direct face-to-face contact but also instant messages, e-mails or telephone conversations. However, personal selling is not always the best option for approaching business markets; there are several factors that have to be considered. First of all, the effectiveness of other instruments in the marketing communications mix has to be taken into account. For instance, advertisements or the use of public relations might be much more beneficial for raising awareness, while sales promotions may motivate sales partners to actually purchase and resell products. Nevertheless, complex purchases particularly require personal meetings because they allow vendors to demonstrate and present their products and services more effectively. Secondly, the channel structure plays a significant role. For push oriented strategies personalized approaches in communications are much more effective because they foster the relationship between the manufacturer and sales partner. Additionally – if the tasks are managed professionally – a common understanding of objectives is ensured, and misunderstandings can be avoided. Thirdly, the complexity of inter-organizational relationships is important. This refers to the environment in which the personal meetings take place because a pleasant atmosphere and a good relationship convey trust and reduce the perceived risk for the buyer. However, the cost per personal contact can be quite high due to travel expenses, commissions or salaries for sales people (cf. Ellis 2011, p. 322f.).

When it comes to international personal selling activities, it must be mentioned that these require some degree of adaptation according to culture, language and local customs. For small manufacturers which have just entered a foreign market it is advisable to use a home-based sales force. However, it is necessary that the sales people are experienced in dealing with organizations abroad. They need not only the required language skills but also an understanding of local customs. Another approach is to sell through foreign wholesalers and retailers. The main advantage of local intermediaries is that they have a better knowledge of the local market, which can result in a faster market entry. Even though this approach provides a greater level of control than, for instance, appointing agents, it requires more commitment and time resources from management. To ensure that this kind of strategy is successful it is important to carefully train the sales partners and educate them regarding the products and services. Furthermore, manufacturers can support the wholesaler's and retailer's sales personnel with printed materials such as

brochures or folders with offers, product information and references (cf. Fill 2009, p. 850; Hall 2017, p. 193).

### **Exhibitions and Trade Fairs**

Attendance at exhibitions and trade fairs also involves a lot of personal communication. The difference between these two is the audience that attends the event. In general, trade fairs focus more on business customers and exhibitions more on end customers. At trade fairs manufacturers are able to meet current and prospective sales partners, suppliers, other manufacturers or end customers. The purpose of trade fairs and exhibitions is to demonstrate new products or developments and to network with channel members. Furthermore, trade fairs can be divided into horizontal and vertical fairs. At horizontal trade fairs exhibitors from one specific industry present their products and services to companies from diverse industries. At vertical trade fairs companies from different industries exhibit their goods and services to professional target groups in one single industry (cf. Fill/Turnbull 2016, p. 527; Pelsmacker/Geuens/Bergh 2013, p. 460).

However, before a company attends a trade fair or exhibition it is crucial to formulate the objectives that should be achieved. Reasons for participating in such events could be:

- Demonstrating and selling products
- Networking and relationship building
- Checking out the competition
- Intentions for internationalization
- Establishing brand/company awareness
- Reinforcing the corporate image
- Generating sales leads
- Launching and testing new products (cf. Pelsmacker/Geuens/Bergh 2013, p. 462)

The number and type of visitors are one of the most important selection criteria for deciding for or against attending a specific trade fair or exhibition. Furthermore, the design of the stand and other communication materials used strongly depend on the visitor profile. Other crucial criteria are the subject, program, reputation and timing of the event, expected costs and return on investment, presence of

competitors and own experiences. However, the costs associated with trade fairs are usually quite high and the planning and participation in such events also require considerable resources. Therefore, it is important to thoroughly analyze the expected visitor profile in order to determine if there will be enough profitable buyers who are seriously interested in purchasing the manufacturer's products (cf. Pelsmacker/Geuens/Bergh 2013, p. 469; Fill/Turnbull 2016, p. 530).

### **Online Marketing Communications**

Many companies already use digital communication instruments such as websites or social media to enhance their relationships with partners, end customers and other stakeholders (cf. Fill 2009, p. 881). In today's digital world a company's website is often the first touch point that influences the buyer's purchase and partnering decisions. Websites are a vital source of information for both existing and potential customers and enable them to evaluate whether the company can be considered as credible and competent. To ensure that visitors to the website are satisfied easy navigation, high-quality and up-to-date content as well as short loading times are essential. For companies that are cooperating with intermediaries a partner portal on the website is recommendable. On these website portals specific information for channel partners such as additional product information or marketing guidelines and materials are provided. Usually they are only accessible for sales partners and are not intended for the public audience (cf. Brennan/Canning/McDowell 2014, p. 175f.; Smith/Zook 2016, p. 536; Hall 2017, p. 193).

Many people – and also wholesalers and retailers – use search engines such as Google or Bing to inform themselves about companies, products or other issues. Therefore, it is vital to apply search engine marketing (SEM) when operating a website in order to generate high quality traffic (website visitors with a high potential of becoming a customer). SEM includes search engine optimization (SEO) and search engine advertising (SEA). The aim of SEO is to achieve a high or the highest ranking in the organic listing of a search engine results page. The natural page rank can be influenced by using certain keywords and key phrases on the website. SEA is also known as paid search (pay-per-click). It refers to text advertisements with a link to a specific website on the search engine results page which are listed when the search engine users enter a certain phrase. The difference between this method

and SEO is that this kind of search result is labelled as “sponsored” and that a fee is charged with every click on the link (cf. Chaffey/Ellis-Chadwick 2016, p. 484f.).

### **Sales Promotions**

Sales promotions offer an additional value for buyers and aim at inducing an immediate purchase. These promotional activities can be targeted either at end customers, intermediaries or at members of the company’s own sales force. Generally, manufacturers, producers or service providers bear the costs for sales promotions as they are also initiating the activity (cf. Fill/Turnbull 2016, p. 488).

However, as the focus of the thesis is on acquiring channel partners, the use of sales promotions when trading with intermediaries is discussed in more detail. This type of promotional activity is often used by manufacturers as part of a push strategy. Usually, it is a short-term incentive that aims at encouraging sales partners to purchase more, try a new product or motivate intermediaries to promote the manufacturer’s products. Another purpose is to improve the relationship with partners by providing trade support. Sales promotions to wholesalers and retailers could come in the form of either trade or promotional allowances. Trade allowances are discounts that are granted for particular orders which are placed within a given time frame or when a certain amount of goods is purchased. Promotional allowances can be seen as a contribution to costs that are incurred when the sales partner advertises and markets the manufacturer’s products. Additionally, the manufacturer can offer catalogs and brochures that provide the potential end customer with all the required information (e.g. prices, colors, benefits or sizes). This supports the sales partner in its selling activities (cf. Ellis 2011, p. 302; Percy 2008, p. 117; Hollensen 2011, p. 600f.).

### **E-Mail Marketing**

E-mail marketing is a commonly used tool in business markets because it is an effective and efficient possibility for regularly communicating with end customers and sales partners. In contrast to mass communication e-mails can be personalized and directed at a specific target group. Newsletters are outbound e-mails sent by companies which are used, for instance, to announce new products or to promote offers. For the success of e-mail campaigns, a clear call-to-action that considers the needs of the target group is of importance. Moreover, this kind of communication is

a useful tool for attracting and retaining channel partners. It is important to note that a permission-based list is essential for outbound e-mails; not only in regard to the legal aspects, but also in order to avoid high scattering losses (cf. Fill/Turnbull 2016, p. 649f.; Pepels 2015, p. 183).

### 5.3.3 *Communication Budgeting*

One of the key questions associated with investing in marketing communications is: How much should a company spend on marketing communications? And how should they divide this sum across their brands, regions, territories and various activities? Budgets for marketing communications should be considered as an investment and not as an expense. Ideally, it is based on the costs of resources that are required to achieve the set objectives. However, resource constraints often limit this approach. Basically, three different methods for determining the budget can be distinguished: The percentage of sales method, the competitive parity method or the objective and task-oriented approach (cf. Czinkota/Ronkainen 2013, p. 428; Kotabe/Helsen 2010, p. 430 - 433).

#### **Percentage of Sales**

With this approach, the total marketing communications budget is simply expressed as a percentage of past or expected sales revenues. Its simplicity is often the main reason of companies for using this method. The biggest drawback of the percentage of sales approach is that sales revenue increases advertising spending, whereas the purpose of advertising is to influence this revenue. Therefore, it is not recommended to use this method, especially if the percentage is based on past sales revenues in other markets (cf. Clow/Baack 2018, p. 129).

#### **Competitive Parity**

The competitive parity method is also rather simple as it uses the advertising spending of competitors as a benchmark. Marketers estimate the amounts on marketing communications spent by its main competitors and then align the spending to their budget. However, it must be mentioned that determining the expenditures of rivals can be very difficult. Furthermore, competitors are not necessarily making the right budget decisions. Therefore, it is recommendable for companies to focus on their own resources and objectives (cf. Kotabe/Helsen 2010, p. 431f.).

## **Objective and task approach**

Due to the limitations of the methods mentioned above the objective and task approach is the most viable method to use. First the communication objectives are determined and then they are broken down into measures that are required for achieving the targets. In the next step, the budget is allocated to these tasks. The planned budget is composed of the expected total costs incurred for the implementation of the measures. This method also includes a cost-benefit analysis where the objectives are related to the estimated communication costs which will be incurred. In order to benefit from this method, the company needs to have profound knowledge of both the target market and the relationship between communication spending and the set objectives (cf. Hollensen 2011, p. 592).

### *5.3.4 Controlling and KPIs*

The final step of operational planning is the performance evaluation of the communication concept. Controlling aims at measuring and evaluating the effectiveness and efficiency of the strategy, activities and instruments. The core task is to examine whether the set objectives have been achieved and if the measures of the concept have contributed to the achievement of the objective (effectiveness of strategy). Furthermore, the controlling process ensures that the entire potential of communication instruments has been exploited and that the resources for implementing the concept have been used economically (efficiency of strategy). However, evaluation cannot be conducted only for retrospective purposes (measuring the success of communication plans). The results and findings of the evaluation also provide useful indicators and benchmarks for future campaigns. The insights gained can be used for advancing upcoming activities and for predicting critical issues in the environment (cf. Fill/Turnbull 2016, p. 256; Zerfass/Verčič/Volk 2017, p. 14).

The purpose of effectivity controlling is to examine the monetary and non-monetary impacts of communication by comparing the targeted and actual values. In contrast, efficiency controlling aims at determining the success of communication measures by conducting, for instance, a cost-benefit analysis (comparison of input and output). KPIs are used in order to provide a quantification of the situation. Basically, cost-related, contact size based and psychological KPIs are distinguished. Cost-related indicators set the available information in relation to the invested costs. Contact size



based KPIs refer to the relation between psychological indicators and the amount of generated contacts within the target group. And psychological KPIs compare factors such as the brand perception or awareness among each other. Along with the controlling of general results, cost and budget evaluations also play a significant role (cf. Reinecke/Janz 2009, p. 998 - 1000). Depending on the instruments used other variables, such as cost per order, enquiry or acquisition, net promoter score, conversation rates or the return on investment, can also be important (cf. Zook/Smith 2016, p. 258).

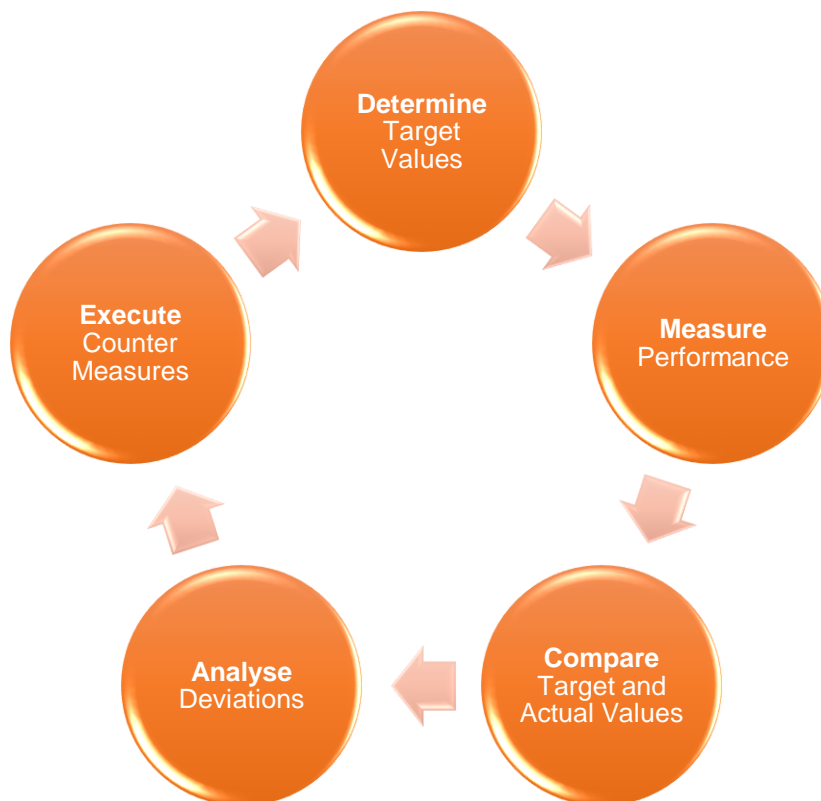
The results of communication controlling can be clustered into three dimensions: Output, outcome and outflow. Internal output describes the achievements of the company itself. This dimension refers to the efficiency of processes (e.g. error rates or budget adherence) as well as the quality of workflows and activities (e.g. customer satisfaction rate). External output deals with the availability and accessibility of communication messages to the target audience. Direct outcome is related to the perception and understanding of contents and demonstrates the impact of marketing communications on the stakeholders. Parameters for measuring the outcome include the awareness level, recall or recognition of messages. Indirect outcome describes how strongly intentions and opinions of stakeholders are influenced by communication measures (e.g. willingness to buy or brand image). Outflow refers to an instrument's contribution to the organization's overall objectives such as turnover or reputation (cf. Zerfass/Verčič/Volk 2017, p. 5f.).

However, focusing on outcomes (results) is much more beneficial than sticking to outputs. Many marketers measure the success of a communication campaign by coverage, frequency, costs per lead or investments. But indeed, it is far more important to have a clear notion of what a company aims to achieve with the investment. Thus, the strategy should include specific outcomes and measurable objectives that build a solid base for profitable marketing communications (cf. Young/Aitken 2007, p. 54).

As controlling requires constant feedback loops it should be considered as an iterative process. The controlling cycle starts with the determination of target values which are based on the set objectives. After measuring the performance, the

extracted data is compared to targeted values. The analysis of the deviation between the actual and target values provide essential information on the causes of the deviation. By implementing counter measures, errors in planning, decision-making or decision realization can be prevented in the next planning period. Finally, based on the findings of the previous planning period, new target values are set, and the cycle starts again from the beginning (cf. Pechtl 2017, p. 156).

In the following figure the closed controlling loop is illustrated:



**Figure 10:** Closed Controlling Loop (based on Pechtl 2017, p. 156)

For monitoring the objectives of marketing communications control systems which provide the following information can be used:

- Quantified objective including the time period
  - Means of measuring (e.g. sales analysis or surveys)
  - Frequency of measurement
  - Accountability (Who is responsible for measuring?)
  - Costs of measurement
  - Action (Who should be informed when significant deviations are detected?)
- (cf. Zook/Smith 2016, p. 258)

## 6 Communication Concept – Situation Analysis

As a basis for the development of the communication concept the internal situation and external environment of INFRAENERGIE GmbH was investigated.

### 6.1 Company Presentation

INFRAENERGIE GmbH is a micro-sized Austrian enterprise which is based in Grodnau/Mariasdorf, Burgenland. The company was founded in 1999 and is a manufacturer and trader of innovative infrared heating systems. Due to constantly increasing sales the company expects a turnover of approximately 320,000 € by the end of 2019. INFRAENERGIE follows the differentiation strategy and is specialized in the production of tailor-made infrared heating systems. Their products are sold to private individuals (private housing sector) as well as sales partners. Their targeted end customers include private homeowners (women and men between the ages of 25 and 40 who are building their own home) and public property developers (e.g. institutions such as churches, schools or retirement homes) (cf. Berghofer 12.04.2018).

#### 6.1.1 Product Portfolio

INFRAENERGIE offers different types of infrared heating systems ranging from basic panel heating systems with 200-watt connection lines to 3,600-watt panels for industrial buildings. Their product portfolio includes the following items:

- Standardized infrared heating systems
- Customized ceiling and wall heating systems with glass, ceramic, blackboard or mirror surfaces
- Customized standing models
- Floor heating systems (cf. INFRAENERGIE GmbH 2019)

The company's competitive advantage is that they are the only producer that is able to manufacture products which are specially tailored to specific customers. Additional benefits include the natural, health enhancing heat dissipation, the individual design and minimum space requirements. The superior quality of their heating systems is ensured by the fact that they design, assemble and carefully test them at their premises in Austria. Furthermore, all of their products are TÜV Austria certified (cf. Berghofer 06.10.2018).

#### *6.1.2 Current Sales Partner Network in Austria*

INFRAENERGIE sells its products not only directly to end customers but also to sales partners. These intermediaries are construction companies, architects, carpenters, wholesalers or electrical retailers. Currently, the company cooperates with seven Austrian partners such as O.K. Energiehaus Gmbh (construction company) in Oberwart, Elektro Walter Sommer (electrical retailer) in Hartberg and the Viennese architect Anita Lischka. As most of the products are customized, they are sold at individual reseller prices, which are calculated according to the quantity and materials used. INFRAENERGIE does not require a minimum order quantity.

To acquire end customers and sales partners the company attends various trade fairs that focus on architecture, interior design, building, renovation and HVAC installations. Examples of such fairs include Wohnen & Interior (living and interiors) in Vienna, the Baummesse (construction trade fair) in Oberwart or the Herbstmesse (fall trade fair) in Graz. Up to now, they have not participated in exhibitions or trade fairs abroad (cf. Berghofer 12.04.2018).

In order to reveal touch points between the company and their Austrian sales partners a primary market research was conducted. The key findings of the workshop with employees from INFRAENERGIE are presented in chapter 7.3.1.

## 6.2 External Analysis of the Italian Market

In order to identify opportunities and threats in the external environment of INFRAENERGIE the Italian HVAC industry, potential sales partners and main competitors in the target market are analyzed.

### 6.2.1 *The Italian Market for Heating Systems*

To identify the potential market for heating systems in Italy data on wholesale revenues, residential sale transactions, households and homeownership were taken into account. The wholesale revenue of plumbing and heating equipment, hardware and supplies accounted for 16.74 billion € in 2016 (cf. Statista 2019). Furthermore, Italy's gross domestic product totaled 1.595 billion € in 2017, an increase of 1.5% compared with 2016. Due to low interest rates and improvements in mortgage lending, the residential sales increased to more than 500,000 transactions in 2016. In total 25.9 million households were registered in 2017, whereby already 40.7% of the population lives in cities. The homeownership rate is 72.3% (cf. European Commission 2019, p. 2 - 16).

In general, the demand for HVAC systems in Europe is rising due to expanding urbanization and increasing construction activity. Italy is considered to be one of the leading markets for HVAC systems in Europe. Together with Germany, Russia and France, the country achieved a cumulative market share of over 38% in 2016. Significant heating and cooling demands can be seen especially in the residential sector. 55% of Italy's heating and cooling demand is used for space heating. The primary source of energy for heating systems in Italian households is gas (57%), followed by biomass (19%) and electricity (11%). Other sources for heating and cooling are oil, district heating and heat pumps. Current trends in the industry include the adoption of the latest technology such as intelligent thermostats, energy-efficiency and smart homes (cf. PR Newswire 2017; Vad Mathiesen 2017, p. 4 - 7).

Energy-efficiency plays a particularly decisive role as Italy aims to save 3.67 Mtoe in final energy in the residential sector by 2020 (cf. ENEA 2018, p. 3). In order to reach this goal several bonuses such as the eco bonus or the renovation bonus for energy-efficient building are provided. For instance, the state grants a renovation

bonus of up to 30,000 € for the installation of energy-efficient heating systems (cf. European Commission 2019, p. 31).

Directive no. 362 of the provincial government of South Tyrol, passed on March 4, 2013, is of importance when it comes to legal regulations regarding electrical heating systems. This directive stipulates that a minimum proportion of 50% (new buildings) or 25% (major renovations of existing buildings) of the total heat requirement must be covered by renewable energy. Thus, a heating which exclusively uses electricity from the grid does not meet the minimum requirements of the directive. However, if the minimum requirements are met by installing, for instance, a photovoltaic system, electrical heating systems are indeed permitted (cf. Gasser 23.04.2019).

As the desk research did not reveal enough information on the Italian HVAC industry, the author decided to also include this topic in the primary market research. Details of the findings can be found in chapter 7.3.2.

#### *6.2.2 Potential Italian Sales Partners*

Potential sales partners in the Italian market were identified by conducting secondary market research. The possible partner organizations are selected based on certain qualification criteria. First of all, INFRAENERGIE's products need to fit into the product range of potential sales partners. Secondly, the company should be a wholesaler or retailer that is operating in northern Italy. Their customer base could include retailers, sales agents, installers or end customers. Thirdly, their values and policies need to fit with those of INFRAENERGIE because the companies need to reach a common goal.

The following figure provides an overview of the potential sales partners in Italy:



**Figure 11:** Potential Italian Sales Partners for INFRAENERGIE (own presentation)

### Bautechnik GmbH

Bautechnik is a retailer specialized in the heating and construction sector. Their headquarters are in Bolzano, South Tyrol. The company sells its products to private customers, public institutions, architects and installers. Their product portfolio includes many different items related to heating such as panel heating, radiators, heat generators or heat pumps and ventilation. Their main focus is on the application of new technologies and trend-setting market development (cf. Bautechnik GmbH 2019).

### Farko KG

Farko sells eco heating, solar and ventilation systems and is based in Lajen, South Tyrol. Their core market is northern Italy, but they have intermediaries throughout the entire country. They also sell their products to end customers, installers, architects and public institutions. Farko's product range includes various energy-efficient heating systems. Environmental protection, energy-efficient solutions and innovation are also important to them (cf. Farko KG 2019).

### Innerhofer AG

Innerhofer is a well-known wholesaler located in St. Lorenzen, South Tyrol. They have a large product assortment ranging from sanitary installations, flooring to heating and air-conditioning systems. The company sells its products to hotels, architects and installers. Good collaboration with their customers and partners is vital for them (cf. Innerhofer 2019).

### Urbani S.r.l.

The company is an Italian manufacturer and trader of infrared radiant heaters used for outdoor heating and is located in Brescia, Lombardy. Their products are sold to hotels, restaurants and cafes as well as to private individuals under the brand Phormalab. As heating systems from INFRAENERGIE are mainly used to heat living spaces in private homes these systems would constitute an addition to Urbani's product range. Moreover, the company places great emphasize on design and innovation (cf. Urbani S.r.l. n.y.).

### Cambielli Edilfriuli S.p.A.

Cambielli is a well-known wholesaler which operates all across Italy. Their headquarters are in Milan and their products are sold to retailers, installers and private end customers. The company has a wide range of products including sanitary installations, heating systems and air conditioning. Trusting relationships with their partners and suppliers are of great importance for Cambielli (cf. Cambielli Edilfriuli S.p.A. 2017).

### Idrocentro S.p.A.

Idrocentro is a wholesaler which is based in Torre San Giorgio, Piedmont. The company sells products in the areas of heating and air conditioning, water management and building materials. Idrocentro operates mainly in northern Italy and sells its products to retailers, installers and end customers. High quality products and service are crucial for the company (cf. Idrocentro S.p.A. 2019).



### *6.2.3 Main Competitors in the Italian Market*

As no current data on the Italian market for electrical heating systems is available, a desk research was carried out to identify the competitors of INFRAENERGIE in northern Italy. In general, the company's competitors are manufacturers of electrical heating systems which place great emphasis on design or infrared heating systems used for space heating. It should be noted here, that only companies which operate in northern Italy were taken into account. The research revealed that Tesi Group S.r.l., Vasco Group, Tubes Radiatori S.r.l. and Redwell Manufaktur GmbH are the main competitors in the defined region.

#### *Tesi Group S.r.l.*

Tesi Group S.r.l. is a manufacturer of domestic and industrial heating systems which are operated with infrared rays. Their headquarters are in Vermezzo, Milan. Tesi's flagship product Celsiuspanel is an infrared heating panel for wall and ceiling mounting. Furthermore, Tesi offers panels for infrared saunas and towel warmers (cf. Tesi Group S.r.l. 2019c). Their heating systems are available in five standard sizes and can be customized with pictures or images (cf. Tesi Group S.r.l. 2019b). The company has eleven sales partners in northern Italy (cf. Tesi Group S.r.l. 2019a).

#### *Vasco Group*

Vasco Group is part of the Arbonia Group and its headquarters are in Dilsen, Belgium. The manufacturer of heating and ventilation solutions has its own subsidiary in Oderzo, Treviso (cf. Vasco Group 2019a). Their product portfolio includes designer radiators for indoor heating which have won several international design awards. The radiators are available in different colors, sizes and designs but cannot be customized (cf. Vasco Group 2019c). They offer a product configurator that calculates the required heat capacity and suggests suitable radiators to sales partners (cf. Vasco Group 2019b).

#### *Tubes Radiatori S.r.l.*

Tubes Radiatori manufactures radiators and heated towel rails which can be operated hydraulically or electrically. The company is located in Resana, Treviso and was established in 1994. They focus on interior design and cooperate closely

with numerous designers. Their products are available in different designs and colors. However, they cannot be customized (cf. Tubes Radiatori S.r.l. 2019a). Tubes Radiatori has several sales partners in northern Italy whereby most of them are sales agents (cf. Tubes Radiatori S.r.l. 2019b).

### Redwell Manufaktur GmbH

This manufacturer of infrared heating systems is headquartered in Hartberg, Austria. They offer a large variety of high-quality products and place great emphasis on energy-efficiency and environmental protection. Their product portfolio includes heating panels in different shapes, sizes, colors and surfaces. Additionally, Redwell offers picture heating panels (customizable with standard or the customer's own pictures) and solutions that combine heating with light (cf. Redwell Manufaktur GmbH 2016a). Redwell's sales partners are located mainly in northern Italy. Furthermore, a website portal for traders is available. OET GmbH in Sterzing, Bozen is the exclusive distributor of Redwell products in Italy. They sell the infrared heating systems to private end customers and installers and are also responsible for distributing the products to other intermediaries (cf. Redwell Manufaktur GmbH 2016b; OET GmbH 2019).

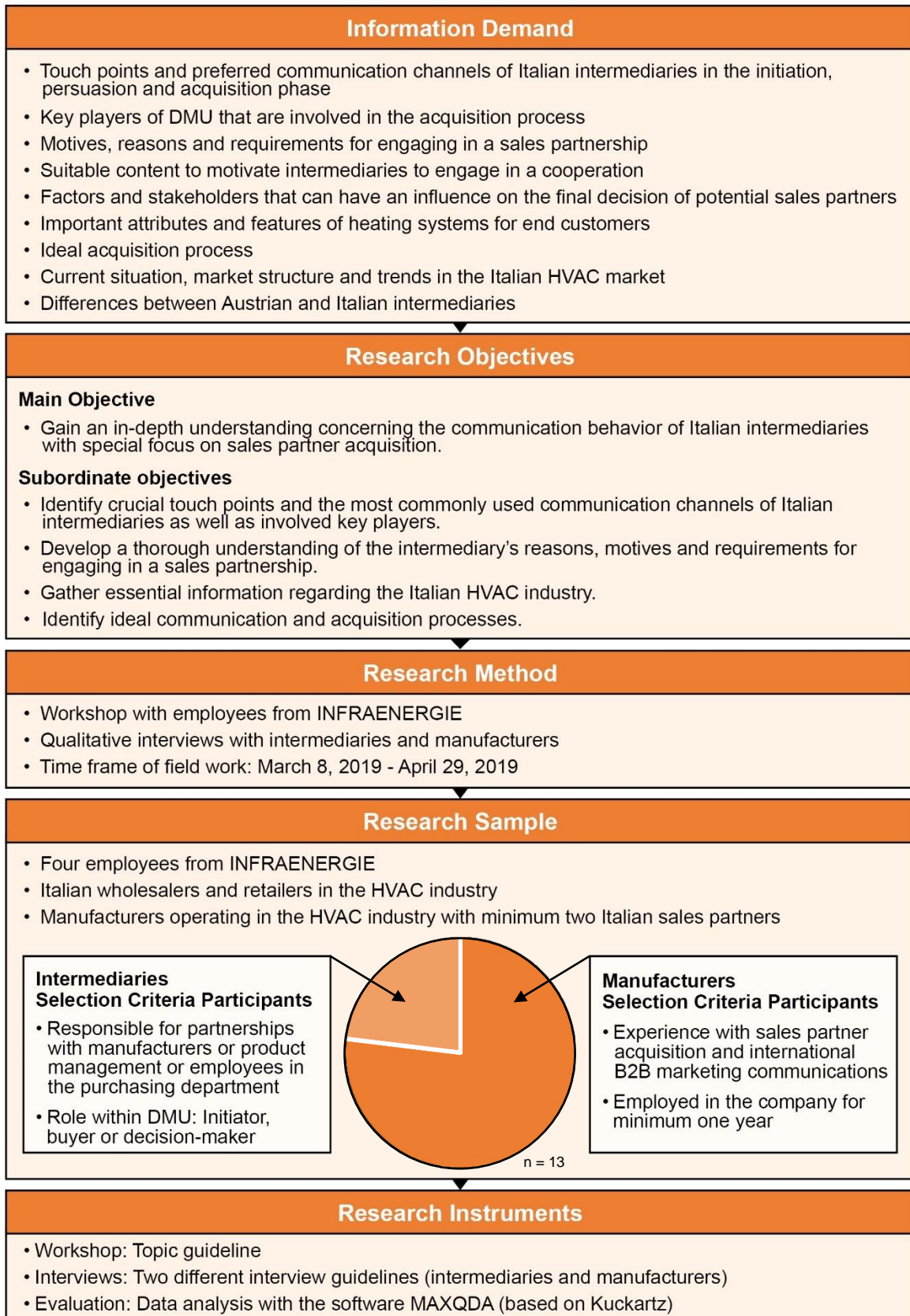
According to the desk research, there are not many manufacturers of infrared or electrical heating systems that focus on interior design operating in northern Italy. However, INFRAENERGIE has to be careful because other leading companies such as Vaillant or Viessmann and online retailers already offer infrared heating systems as well. Furthermore, manufacturers of other heating systems (water-based heating systems, heat pumps, stoves or gas heating systems) may also be considered as competitors.

## **7 Primary Market Research**

The primary market research forms an integral part of the situation analysis. First, the study design and the process of data analysis and then the results and key findings are presented. Finally, a conclusion and a summary of the implications of the primary research are provided. Furthermore, the results of the secondary and primary market research are combined in an integrated SWOT catalog.

## 7.1 Study Design of Primary Market Research

The following study design provides an overview of the primary market research. A detailed description can be found in the appendix (cf. Appendix p. A-9 - A-14).

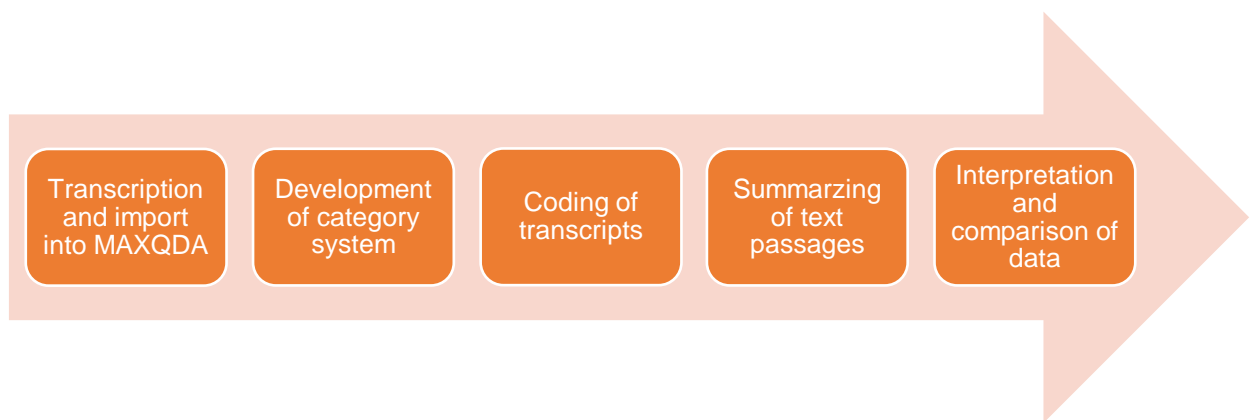


**Figure 12:** Study Design of Primary Market Research (own presentation)

## 7.2 Process of Data Analysis

The data analysis of the primary market research is based on Kuckartz's approach. The aim of qualitative content analysis is to examine texts passages in a structured way by categorizing and coding the data. The phases of this method include the preparation of data, development of categories, coding of material and finally, text passages are thematically summarized, and the data is compared (cf. Kuckartz 2019, p. 195).

Figure 13 illustrates the analysis process for the primary market research of this thesis:



**Figure 13:** Process of Data Analysis in the Primary Market Research (own presentation)

First of all, the workshop and the interviews are recorded with a dictating machine. Afterwards, the conversations are transcribed and imported into the software MAXQDA. In order to analyze the data in a structured way a category system which is derived from the topic and interview guidelines (cf. Appendix p. A-15 - A-33) was developed. In the next step, the transcripts are coded according to the category system. The key statements of the codes are also summarized in order to be able to compare and evaluate the key findings of the research. Finally, the key findings are incorporated into the master thesis.

## 7.3 Results and Key Findings

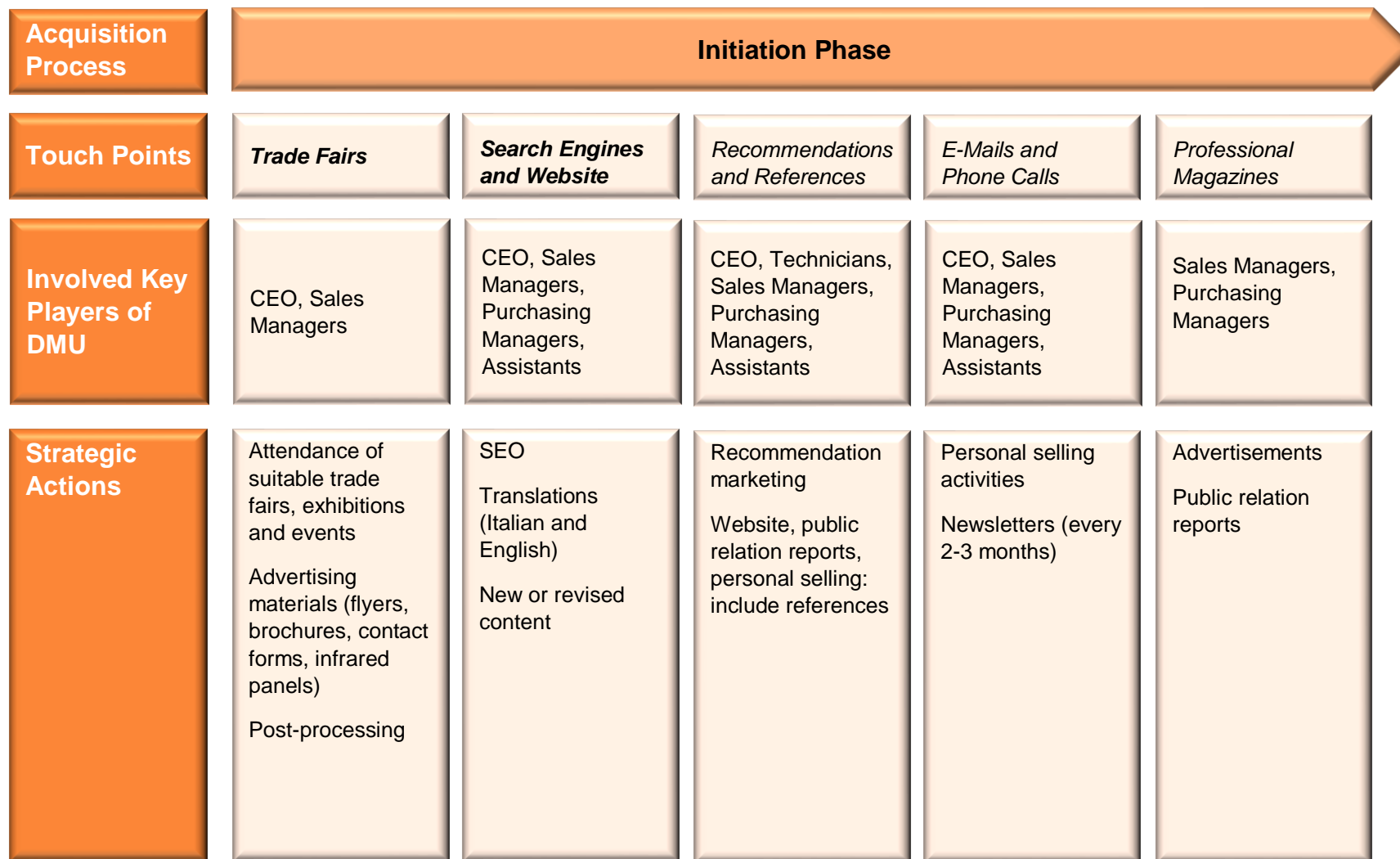
The following subchapters present the most important results of the primary market research. During the workshop with employees from INFRAENERGIE the sales partner journey of Austrian intermediaries was investigated (cf. Chapter 7.3.1). Afterwards, interviews with intermediaries and manufacturers were conducted in order to get additional information on the Italian HVAC market, to reveal reasons for sales partnerships and to research the sales partner journey of Italian intermediaries.

### 7.3.1 Sales Partner Journey of Austrian Intermediaries

The main instruments that INFRAENERGIE uses for acquiring Austrian sales partners are trade fairs and personal selling. They participate in several Austrian trade fairs such as "Wohnen & Interieur" (living and interior) in Vienna, "Häuslbauer Messe" (trade fair for home builders) in Graz, "Inform" (fall trade fair) in Oberwart, "Grazer Herbstmesse" (fall trade fair) and "Wiener Kleingartenmesse" (Viennese garden allotment fair). Furthermore, a company website and various advertising materials such as flyers and brochures are available. Recommendations play a decisive role for the company. They also place advertisements and public relation reports in professional magazines. Additionally, the company regularly arranges personal meetings with potential sales partners where they emphasize their experience, knowledge, project support and the high quality of their products. Moreover, the company prepares a complete project portfolio for sales partners that includes, among others, also a calculation of the thermal insulation and the required infrared heating panels. Usually, the contact is initiated by INFRAENERGIE.

Trust and reputation seem to be the most important supplier selection criteria for INFRAENERGIE. The participants were also asked about crucial criteria for end customers. According to them energy-efficiency, quality and design are most important. Customer-friendly products with an app-control and products "made in Austria" were also mentioned.

The current sales partner journey map of Austrian intermediaries is depicted in figure 14 and 15.



**Figure 14:** INFRAENERGIE's Sales Partner Journey Map – Part 1 (own presentation)

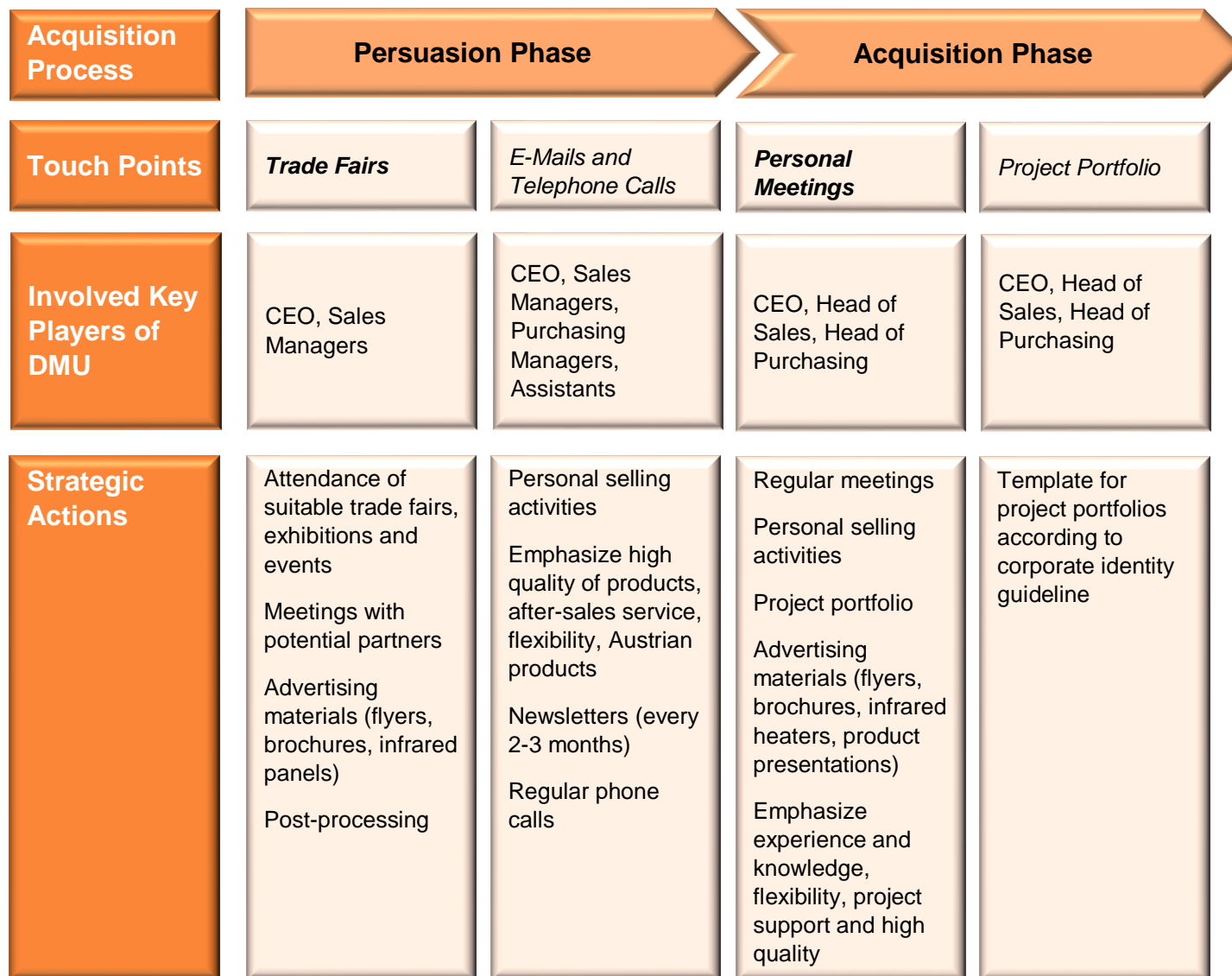


Figure 15: INFRAENERGIE's Sales Partner Journey Map – Part 2 (own presentation)

### 7.3.2 Current Situation, Market Structure and Trends

The interview participants perceive the Italian HVAC industry as a very competitive and fragmented market. According to the Italian sales representative for the brand Vogel & Noot, many new competitors from China that sell their products at very low prices are entering the market (cf. Villani 11.04.2019). Moreover, it was stated that there are many small- to medium-sized companies that are usually family-based. The technology in Italy is developing much slower than in German speaking countries, but Italians are also not yet demanding these new technologies. In general, the construction sector in Italy is in decline even though it has somewhat recovered as many houses and buildings are being renovated. On the other hand, in South Tyrol this sector is currently booming. This can be attributed to an increase in tourism. As a result, the prices for heating systems are quite stable in that region and people are also willing to pay more for a higher quality. However, the HVAC industry in Italy is apparently still lagging behind when compared to the rest of Europe. According to the interviewees, leading manufacturers are trying to retain their market share which has resulted in price wars. In general, the heating market in Italy is divided into water-based heating systems, heat pumps, stoves, gas and electrical heating systems, whereby the latter is the smallest segment. The interview participants stated that the heating demand and energy prices in northern Italy are similar to those of Germany or Austria.

Furthermore, it was mentioned that Italy is characterized by a long distribution channel – from the manufacturer to purchasing groups (wholesaler or retailer network to cut costs and have better supply conditions) further on to installers and finally to end customers.

Figure 16 presents the general sales structure in the Italian HVAC market:



**Figure 16:** Sales Structure in the Italian HVAC Market (own presentation)



Usually, manufacturers have a subsidiary in Italy, where company-internal sales managers are responsible for certain sectors of the market and the acquisition of and relationships with sales partners. Other possibilities are exclusive importers which sell only one brand or external sales agents who also sell other brands. Intermediaries are usually wholesalers, retailers or installers. Vaillant, Viessmann and Riello were pointed out as well-known brands in the Italian market whereby Riello seems to be more popular in South Tyrol. Cambielli was mentioned as an important wholesaler. The participants also mentioned that the market is dominated by many different well-known wholesalers and that in most cases they cannot be circumvented.

Innovative products with industry 4.0 technology and IoT (Internet of Things) as well as energy-efficient solutions were identified as the main trends in Italy. Due to some laws renewable energy solutions are gaining in importance, which results in lower operating costs, reduced energy costs and less emissions. Thus, people can save money and the products are more environmentally friendly. Apparently, interior design and customized products are crucial as well. Some also mentioned that there is a tendency towards infrared heating systems and that even well-known companies included infrared heating panels into their product portfolio. However, it was stated as well that trends are always strongly dependent on current subsidies.

#### *Challenges of in the Italian HVAC Industry*

Apparently, the prices for heating systems in Italy are at a very low level. Furthermore, it seems that quality is appreciated more in northern regions. Due to this fierce competition manufacturers need to have a strong argument or revolutionary product in order to motivate intermediaries to engage in a business partnership. Moreover, it was mentioned that Italians are usually acting in a more traditional way. The Italian market finds respect and deep relationships much more important than, for instance, the Austrian market. Additionally, it was stated that the density of the population in central and southern Italy is much lower than in northern Italy and that transport distances are longer. Transport routes to Sardinia are seen as being particularly difficult. Therefore, it is suggested to have enough intermediaries for the different areas. Moreover, it was pointed out that South Tyrol has to be managed separately from northern Italy. Davide Caparo, director of Herz Energia Italia, even emphasized that Bolzano must not be seen as the gateway to

Italy because South Tyrol is basically seen as a foreign country (cf. Capraro 04.04.2019). For companies intending to enter the Italian market it is vital to accept these challenges and to adjust to this way of doing business. Those companies that have infrared heating systems in their product portfolio mentioned as well that some of the houses in Italy are still equipped with very low power connections. This means that these end customers are not able switch to electric or infrared heating system without an investment in renovation because the infrastructure is not available.

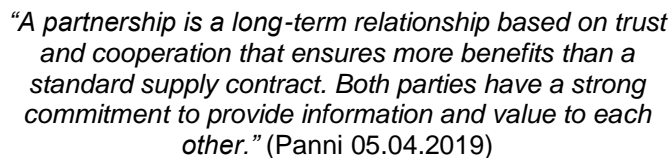
### Legal Requirements and Government Subsidies

The interviewees agreed that heating systems in Italy have to be in compliance with the standard EU norms. An Italian regulation that was mentioned is “Legge 10”, which states that 30% of heating sources must come from renewable energy (cf. Camerra 03.04.2019). However, electrical heating systems are not included in this law. Furthermore, technical and safety certifications are also seen as important. It was pointed out that heating systems essentially have to comply with safety regulations. It was also emphasized that subsidies play a decisive role in Italy and that sales are strongly dependent on them. Armin Kolhaupt, CEO of a South Tyrolian retailer, stated that over 60% of the purchases by end customers depend on the possible subsidies (cf. Kolhaupt 06.04.2019). An example that was presented in this regard was that sales of thermal solar and photovoltaic systems have decreased immensely over the last few years because they are no longer subsidized. A government subsidy that was named is “Conto Termico TE 2.0”. Due to the interview statements it was determined that it is essential to carefully research and evaluate compliance with Italian regulations, laws and subsidies.

### *7.3.3 Sales Partnerships between Manufacturers and Intermediaries*

There is a tendency for sales partnerships to be controlled by contracts and formal agreements that include, for instance, shared objectives, business model, order quantity or payment terms. However, it was mentioned that agreements serve more as guidelines for collaboration and that contracts are more common in the case of exclusive distribution. According to the interviewees, a successful sales partnership is based on trustful relationships and mutual commitment. It is a flexible cooperation between manufacturers and sales partners that aims at achieving success for all involved and at improving quality and efficiency. Typically, it is vital for intermediaries and manufacturers that both parties support each other and that they

establish a viable relationship. Francesca Panni, marketing specialist at the manufacturing company IVAR S.p.A., defined a sales partnership as follows:



*“A partnership is a long-term relationship based on trust and cooperation that ensures more benefits than a standard supply contract. Both parties have a strong commitment to provide information and value to each other.” (Panni 05.04.2019)*

**Figure 17:** Statement – Definition of a Sales Partnership (own presentation)

It can be assumed that the personal contact between the manufacturer and intermediary, cooperation, consultation, performance and after-sales service play a decisive role in establishing successful partnerships. Moreover, it could be important to communicate the same features in order to ensure consistence since sales partners sell the manufacturer's products to end customers.

#### *Process of Acquiring Sales Partners*

During the interviews the manufacturers were also asked what the ideal acquisition process looks like. The majority of them stated that the first contact is usually made at a trade fair, by e-mail or by telephone. Afterwards it is common to have one or more personal meetings where the manufacturer and the potential sales partner get to know each other and evaluate whether the cooperation has the potential to be successful. Some also arrange joint activities, such as a joint trade fair or customer visit. Test purchases and pilot projects were also mentioned as further steps. As not all have a partnership contract or agreement, the last steps differ from each other. If there is a contract to be signed, the potential partners usually arrange a further personal meeting where the manufacturer makes a business proposal including the assortment, pricing policy, logistics and credit conditions. In cases where there is no contract the manufacturer typically makes an offer (including sales promotions) before the delivery is made. Some companies also mentioned that they invite potential sales partners to their production plant and offer product or service trainings. Additionally, it was emphasized that the philosophy of the sales partner must correspond to that of the manufacturer, because otherwise there is a great potential for conflict.

*“You may also have to look at the sales philosophy of the partner in the country. Does that match mine?”<sup>1</sup> (Granig 01.04.2019)*

*“Afterwards, the invitation to the production plant with a tour, getting to know each other, product training [...]”<sup>2</sup> (Ringbauer 28.03.2019)*

**Figure 18:** Statements – Acquisition of Sales Partners (own presentation)

Furthermore, the interview participants were asked how long it takes until the potential sales partner is successfully acquired. The interviewees mentioned that it takes between one month and one and a half years from the first contact until the contract is signed or a first order is made. However, it can be assumed that the acquisition process takes an average of six months.

### *Particularities of Italian Sales Partners*

The majority of interviewees stated that being able to speak Italian is a critical requirement when operating in the Italian market. Furthermore, it should not be assumed that sales partners are able to communicate in foreign languages. They also mentioned that this is especially important when dealing with smaller-sized companies, installers or end customers. Some manufacturers and intermediaries from South Tyrol stated that it is also possible to communicate in German as the population in this region grows-up bilingual. Nevertheless, it is highly probable that the usual business language is Italian.

It seems that Italy differs greatly from Austria in some respects. Especially in terms of mentality, which was mentioned several times. Apparently, viable long-term relationships, loyalty and trust are much more valued in this country. The Austrian and German manufacturers also mentioned that the market in Italy is completely different. They claim that there is a very diverse market environment due to Italy's length and that the sales structure also cannot be compared with Austria.

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<sup>1</sup> Translated by the author; the original statement can be found in the appendix (cf. Appendix p. A-36)

<sup>2</sup> Translated by the author; the original statement can be found in the appendix (cf. Appendix p. A-36)



**Figure 19:** Statements – Particularities of Italian Sales Partners  
(own presentation)

It seems that contracts are less important in Italy and that it is not seen positively when companies claim that they are the best. Due to the different mentality and the different way of doing business recruiting Italian sales representatives is highly recommended. During the first meetings with wholesalers, it is suggested that one Italian employee and one employee from the Austrian manufacturer (Italian or English-speaking CEO, technician or sales representative) are present. This might give the wholesalers the feeling that they are important sales partners. According to the participants, doing business in South Tyrol is similar to Austria. Furthermore, prices seem to be less important in that region.

#### 7.3.4 *Initiating Sales Partnerships*

Manufacturers and intermediaries were also asked about different aspects that have to be considered in the initiation phase. These aspects included potential touch points in the beginning of a sales partnership, key players involved in the DMU and the communication itself.

##### *Touch Points in the Initiation Phase*

The research revealed that trade fairs, such as the ISH in Frankfurt or the Mostra Convegno (MCE) in Milan, are the most important initial touch point. The latter is the world's second largest heating, plumbing and air conditioning trade fair, but it was also stated that there are few exhibitors specialized in renewable energy. According to the interviewees, at this fair there are many specialized intermediaries that are looking for new products for their assortment. Other trade fairs that were mentioned are the Klimahouse Bolzano, which is considered to be a more regional trade fair for the South Tyrolean market, and the Progetto Fuoco in Verona. In general, trade fairs seem to be a good platform for finding new partners. Typically, face-to-face meetings are highly appreciated by intermediaries. In the beginning of the sales partnership it is usually the sales force of the manufacturer who contacts potential sales partners by e-mail or telephone. It is recommended to arrange

personal meetings with the decision-makers in the sales partner's company where the manufacturer presents the company and its products. Figure 20 provides an overview of the most frequently mentioned touch points in the initiation phase:



**Figure 20:** Word Cloud – Touch Points in the Initiation Phase (own presentation)

Intermediaries also use contact forms on manufacturer's websites in order to contact them. Apparently, the digital path is becoming increasingly important. According to the interviewees, many traders search for new suppliers on digital channels such as websites, social media, search engines or sector portals. It was stated that it is essential for potential partners to be able to find information about manufacturers on the internet. Intermediaries also use search engines to inform themselves about news in the industry. Therefore, SEO and SEA are highly recommended. Some manufacturers mentioned that the sales force also visits potential sales partners. However, for personal visits it is recommendable to make an appointment in advance. Doing so is not only a matter of respect, it also provides both parties with the opportunity to prepare themselves. Newsletters, customers and other local companies were also identified as possible touch points. Another contact point that was mentioned are professional magazines which deal with the heating industry, such as trade magazines from wholesalers that are sent to installers or electricians. A South Tyrolean intermediary mentioned that professional magazines from Italy are not very attractive for them as these magazines focus more on advertising and less on information.

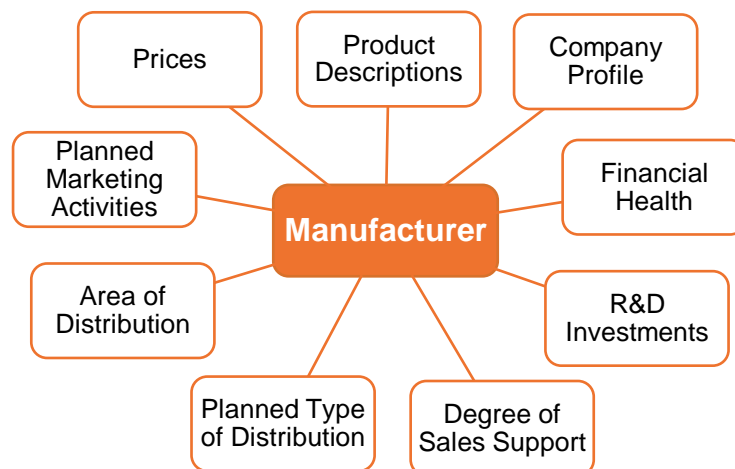
#### *Decision-Making Unit in the Initiation Phase*

Even though the majority of interview participants stated that the manufacturer should initiate the contact, it was also mentioned that intermediaries are actively

searching for new suppliers. However, due to the competitive market, it is recommended that manufacturers approach intermediaries. Moreover, the interviewees were asked which employees of the potential sales partner should be contacted in the beginning. It was stated that the CEO or the sales agent are usually involved in the decision-making process of smaller companies. If the potential sales partner has its own purchasing department, it is suggested that the manufacturer contacts the purchaser responsible for the specific product range. However, Michael Kasseroler, head of purchases at Bautechnik GmbH, also emphasized the importance of convincing the entire DMU (cf. Kasseroler 01.04.2019).

Content and Timing of Contact Initiation

The participants stated that the communication should be more formal in the beginning and that it usually becomes more informal over time. It is crucial that e-mails are addressed to specific people; in most cases they are otherwise ignored. A well-balanced mix between informative content, previous achievements and current trends is also appreciated. Additionally, it is recommended to provide references and recommendations from other companies, as this conveys a positive feeling. If the potential sales partner has no experience with this type of product, it should be avoided to provide too much technical information as this might overwhelm the potential partner. Intermediaries tend to be particularly interested in the features of the product and its USP. However, it is suggested to demonstrate or prove the USP in order to be credible. Furthermore, the interviewees mentioned different information that should be provided by the manufacturer:



**Figure 21:** Preliminary Information Demands of Intermediaries (own presentation)

In addition, a strong sales argument that catches the interest of the sales partner is seen as essential. However, the quality, after-sales service or reliability are also factors, which catch interest. Michael Ringbauer, representative of Redwell, mentioned as well that it is crucial to explain that infrared heating systems should not only be considered as additional heating, as they can also be used to heat an entire house (cf. Ringbauer 28.03.2019).

The interviewees consider the off-season from November to January to be the best time to initiate the contact as chances that manufacturers have the opportunity to discuss the planned distribution with the potential sales partner are higher. Furthermore, trade fairs are usually an opportunity to network. It was also mentioned that another ideal moment is when a competitive wholesaler or manufacturer stops selling a certain product which the manufacturer can offer. In general, it was emphasized that it is important to be persistent, to understand the pain points of potential partners and to offer solutions and not just products, especially in the beginning.

### *7.3.5 Motivating Sales Partners to Engage in a Collaboration*

After analyzing the initiation phase, the touch points and DMU in the persuasion phase were evaluated during the interviews. Furthermore, reasons for sales partnerships and selecting a supplier as well as the important features of heating systems for end customers are revealed.

#### *Touch Points in the Persuasion Phase*

The interviewees recommend staying in contact with potential partners by e-mail or telephone. In order to establish a strong relationship, visiting the potential partner and talking face-to-face is beneficial. Additionally, product training provided by the manufacturer and access to a trader portal on the manufacturer's website are appreciated. Intermediaries use these portals not only to inform themselves about news but also to stay in contact with their supplier. Other suggested instruments in the persuasion phase are newsletters or professional magazines. Some also arrange first joint activities such as customer visits or joint trade fairs.

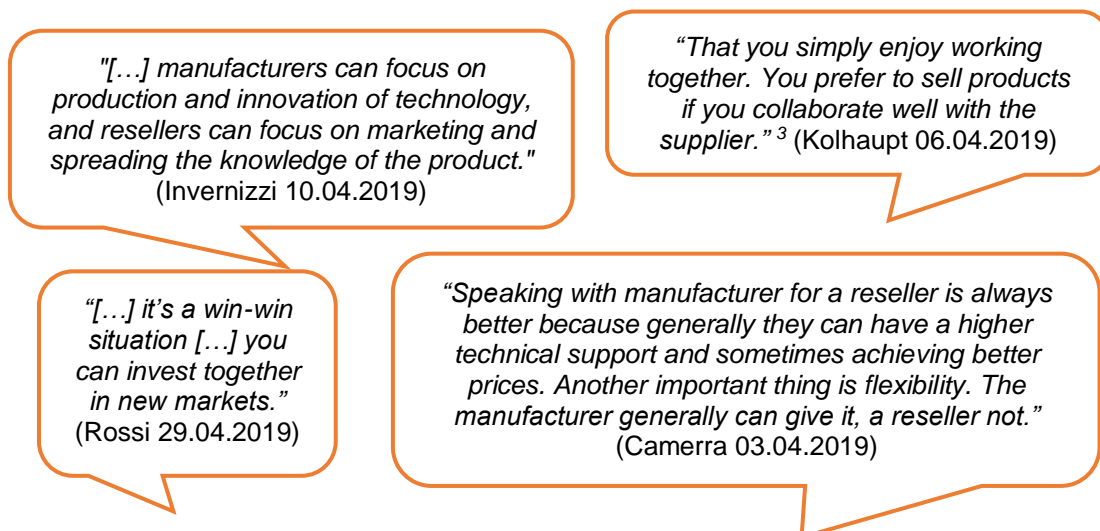


### Decision-Making Unit in the Persuasion Phase

In the opinion of the participants, the same people are basically involved in the persuasion phase as in the introduction phase. The only difference that could be identified was that in this phase other employees from marketing or sales are also asked for their opinion. Especially the sales force is consulted, as they have direct contact with end customers and know best what the market demands.

### Reasons for and Benefits of Sales Partnerships

According to the interviewees, the main benefit of sales partnerships is that both companies can concentrate on the respective core areas of their business. It was also mentioned that the basis of a sales partnership is a fair and correct collaboration that makes work processes more efficient.



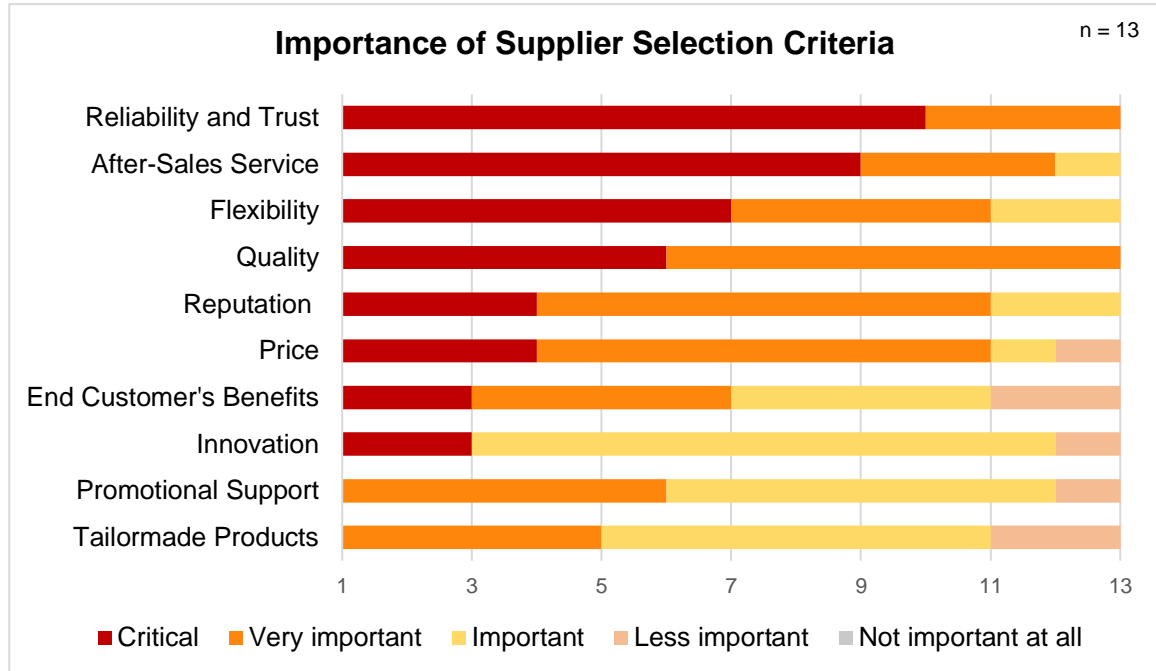
**Figure 22:** Statements – Reasons for and Benefits of Sales Partnerships (own presentation)

The findings suggest that a trustworthy partner can provide the intermediaries with better service and support. Consultation and after-sales service are seen as particularly crucial. Moreover, it was stated that the possibility to suggest product improvements or adaptations is highly appreciated. However, it seems to be essential for the supplier to also implement the suggestions if they are possible and valuable for the company. Generally, the aim of a sales partnership is to establish a long-term relationship and to gain technical information as well as experience about products.

<sup>3</sup> Translated by the author; the original statement can be found in the appendix (cf. Appendix p. A-36)

### Criteria and Reasons for Selecting a Supplier of Heating Systems

The interview participants were asked about important criteria for selecting a heating system supplier. The following chart provides an overview of the importance of each criterion as seen from an intermediary's and manufacturer's point of view:

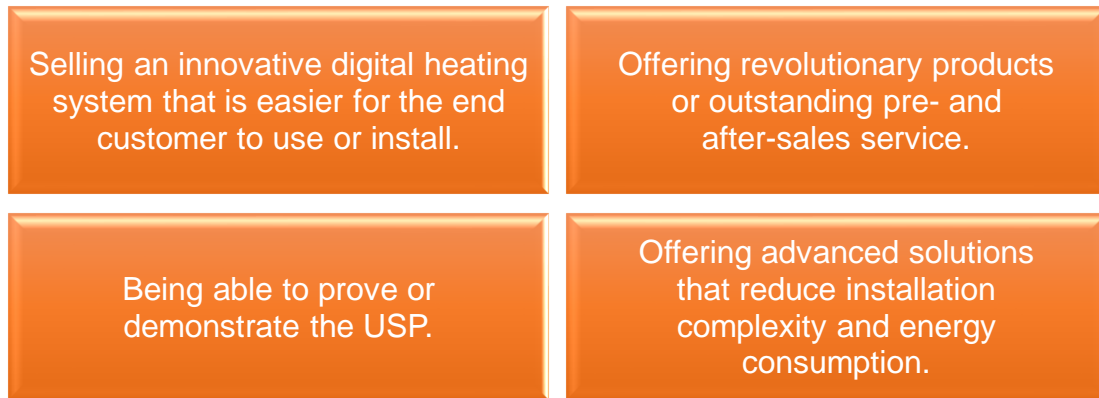


**Figure 23:** Importance of Supplier Selection Criteria (own presentation)

Looking at figure 23, reliability and trust, the flexibility of the supplier and the after-sales service seem to be the most critical factors for selecting a supplier of heating systems. Furthermore, the quality of products, reputation of the manufacturer and price appear to be of great importance. In regard to the price it was mentioned that this depends on the type and quality of the products. It can be assumed that the price-benefit ratio must be appropriate. It was found out that service, consultation and training as well as the relationship with sales partners and support are of great importance in the Italian heating sector; not only after-sales, but also before the purchase and while selling to end customers. Moreover, innovative products and solutions are of importance. It was emphasized as well that many Italian intermediaries might have a more traditional approach and that some might even be resistant to change. Customer-friendly products that are easy to sell, communication between the manufacturer and intermediary and environmental protection were also listed as selection criteria. One manufacturer mentioned that some wholesalers expect that manufacturers already have a sales network, while others might appreciate exclusive distribution. Thus, it can be assumed that knowing what the

sales partner requires and establishing a strong relationship are the keys to a successful sales partnership.

In addition, the participants were asked what a manufacturer of heating systems could do in order to stand out from others. The following opportunities were proposed:



**Figure 24:** Suggested Opportunities to Stand Out from Other Manufacturers (own presentation)

Furthermore, it was mentioned that it is important to sell solutions that meet the specific technical requirements, and not just products.

#### *Important Features and Attributes of Heating Systems for End Customers*

As the amount of sales to intermediaries is derived from the demand of end customers, a question concerning important features and attributes of heating systems for end customers was included in the interview guideline. According to the interviewees, the Italian market requires simpler, more compact and cheaper products. Typical "German products" are usually rather unsuitable because they are too expensive for them, have unnecessary functions or are too large for the small apartments, which often have no cellar. Furthermore, there is a tendency toward energy-efficient products that lower the costs for energy consumption. It was also mentioned that end customers require a heating system that can be operated cost-effectively and with minimal effort. In general, the price seems to be of great importance, not only for the sales partners, but also for end customers. However, the participants indicated that the price is usually more important in the south and less in the north where quality, design and country of origin are crucial. Concerning the country of origin, it was mentioned that Austrian and German products have an excellent reputation in Italy. The availability of information material and support in Italian is considered a pre-requisite.

### *7.3.6 The Final Phase in Sales Partner Acquisition*

After the questions concerning the persuasion phase, the interviewees were asked about different aspects that have to be considered in the acquisition phase. Critical touch points in the acquisition phase, decision-makers of DMU as well as stakeholders and factors that influence the final decision were identified.

#### *Touch Points in the Acquisition Phase*

The research revealed that personal contact and face-to-face meetings are essential in the final phase of sales partner acquisition. It is recommended to invite the potential sales partners to the factory. A reason for this might be that it enables the sales partner to have a look at the production and to get to know all the people working there. Additionally, it is suggested to discuss the details of the contract or sales agreement and the further collaboration personally. In cases where there is no contract or formal agreement, the participants indicated that e-mails are also important because they are considered to be evidence of what was agreed upon orally.

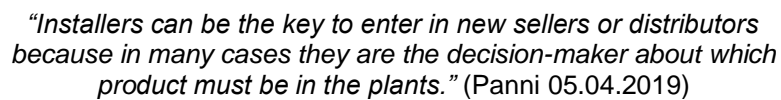
Additionally, the manufacturers were asked about communication instruments for motivating the sales partners to sign partnership contracts or place a first order. Personal selling seems to be the most critical instrument in the final phase. Furthermore, it was mentioned that the manufacturer's website has an influence on the final decision, as it is often the first impression that the sales partner perceives. According to the interviews, trade fairs and exhibitions are rather important. Broadcast media is considered to be too expensive. However, a more affordable possibility that was proposed was to be present in broadcast channels by sponsoring events (e.g. winter sports). Social media channels and e-mail marketing appear to be less important.

#### *Decision-makers of the Decision-Making Unit*

The interviewees agreed that in most cases the CEO of the potential sales partner is responsible for the final decision. However, it was stated that especially in larger companies it is also often the head of purchase or head of sales who decides whether to engage in a sales partnership or not.

### Stakeholders that Influence the Final Decision

According to the participants, other stakeholders which can have an influence on the decision of the potential sales partner are end customers, other local companies (wholesalers, retailers), other manufacturers or installers. Installers in particular were mentioned several times, as they can recommend (or not recommend) certain products to end customers.



*“Installers can be the key to enter in new sellers or distributors because in many cases they are the decision-maker about which product must be in the plants.” (Panni 05.04.2019)*

**Figure 25:** Statement – Stakeholders that Influence the Final Decision (own presentation)

Since the demand is derived from the end customers, the participants also emphasized that it is crucial to achieve a certain awareness in this target group as well. Moreover, it was stated that employees and their knowledge as well as their ability to build-up relationships are critical.

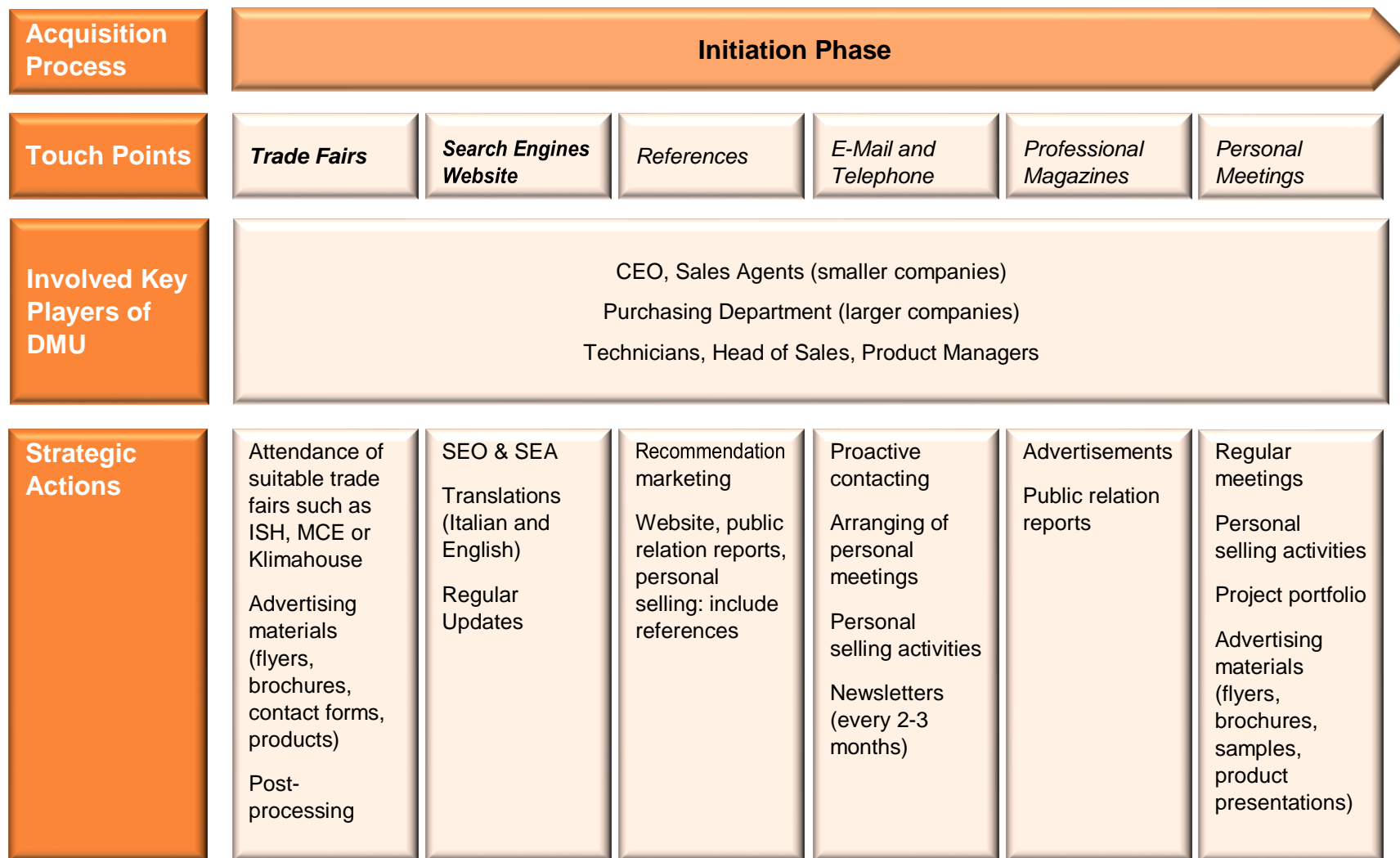
### Factors that are Influencing the Final Decision

Word-of-mouth, the degree of support in terms of service, brand reputation and quality of the products were named as the most critical factors influencing the final decision. Furthermore, it was mentioned that a pleasant collaboration before the sales partnership and the potential of success are of importance. It seems that the decision of potential sales partners is rather irrational because it might also depend on the situation of and communication with the supplier. Therefore, it is suggested to give potential partners the feeling that they are important and that they are the only resellers the manufacturer is trying to acquire. A decision process that takes too long was considered to have a negative impact. In general, it is not appreciated when manufacturers acquire several sales partners within one region, as this results in an even more competitive market (from the viewpoint of intermediaries). Thus, it is suggested to concentrate only on specific intermediaries in specific areas. Apparently, tailor-made business proposals which are based on local market needs, visible teamwork as evidence of being a strong company and a high amount of knowledge about the market and products play a decisive role.

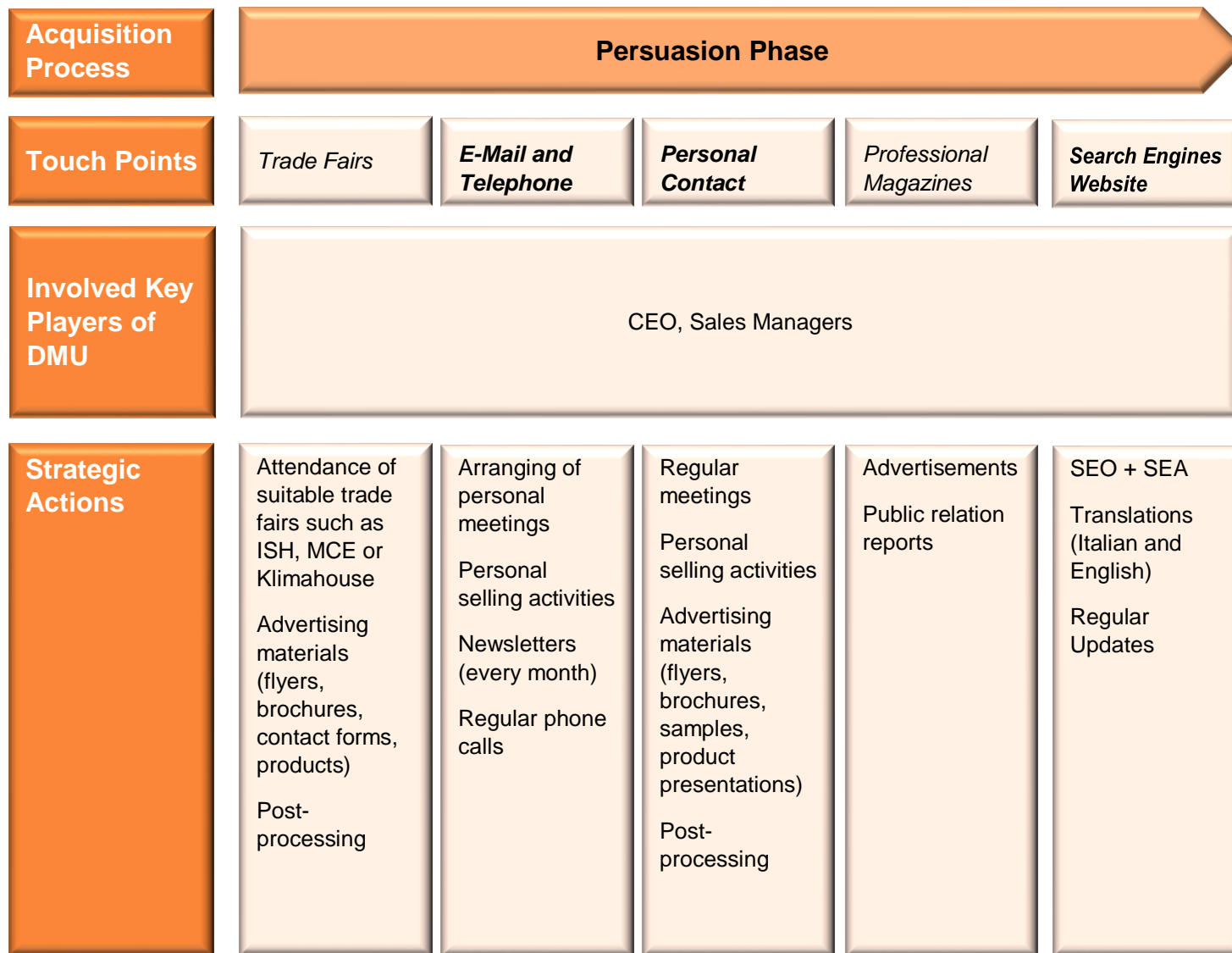
## **7.4 Conclusion of the Market Research**

The secondary and primary market research revealed that the competition in the Italian HVAC market is fierce. However, there are only few manufacturers of electrical and infrared heating systems that focus on interior design. Although the construction sector in Italy is declining in general, it is booming in South Tyrol. The sales structure in Italy is different than in Austria, as products are sold from manufacturers to wholesalers, then to retailers which in turn sell them to installers and finally to end customers. Furthermore, the market is dominated by several well-known wholesalers which in most cases cannot be circumvented. Due to the price war a strong sales argument is required. However, in northern regions people are less price sensitive due to the fact that they appreciate superior quality. Current trends are the adoption of technology 4.0 and IoT as well as energy-efficient solutions and renewable energy sources. Nevertheless, trends depend heavily on current governmental or regional subsidies. This in turn has an impact on the amount of potential sales. Moreover, Bolzano must not be seen as the gateway to northern Italy. It is necessary to handle South Tyrol and northern Italy as separate markets. Moreover, being able to communicate in Italian is essential when operating in this country. In conclusion, it can be stated that Italian intermediaries must be approached differently than Austrian sales partners.

On basis of the primary market research a sales partner journey map was created. The final map is depicted in the figures 26 - 28.

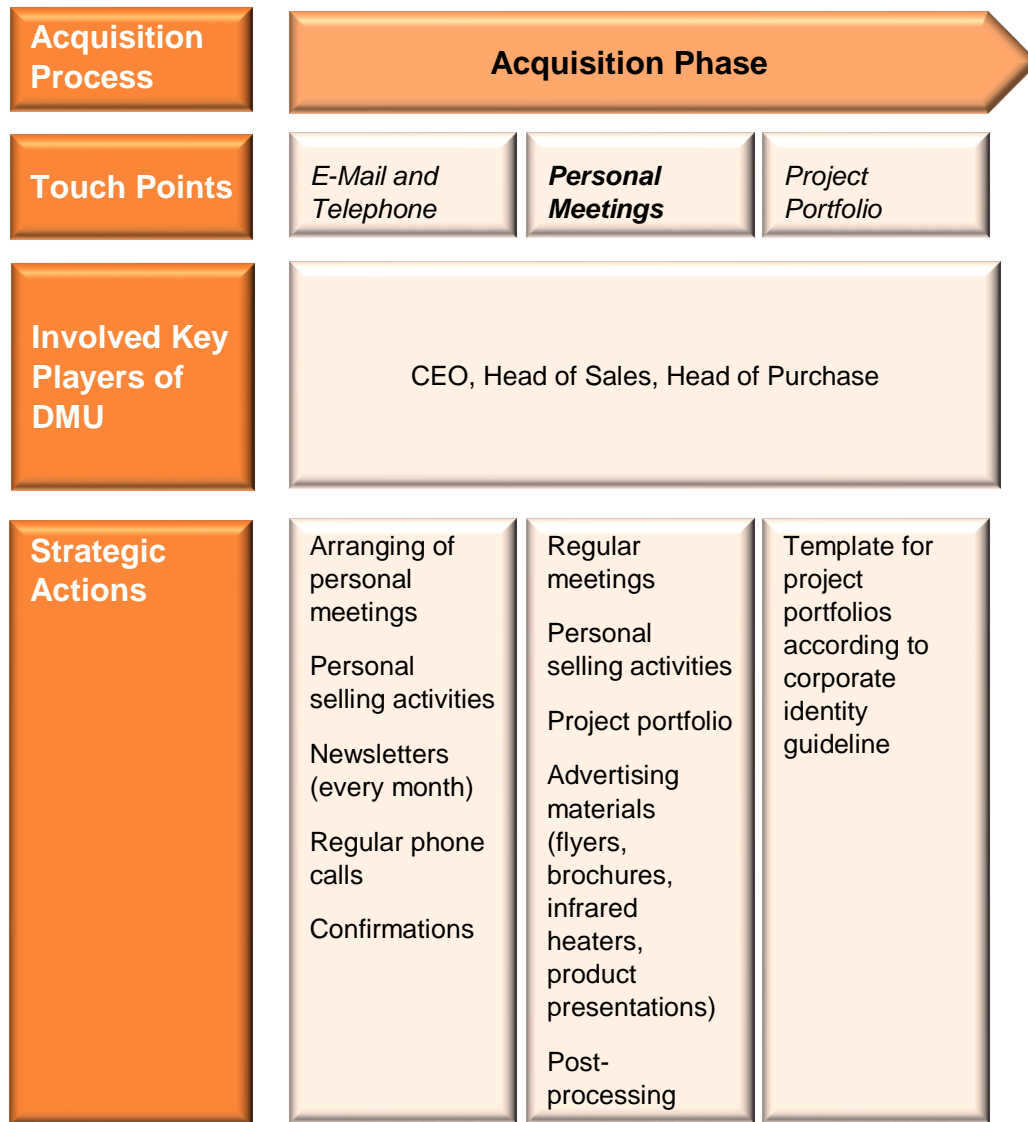


**Figure 26:** Sales Partner Journey Map in the Initiation Phase (own presentation)



**Figure 27:** Sales Partner Journey Map in the Persuasion Phase (own presentation)





**Figure 28:** Sales Partner Journey Map in the Acquisition Phase (own presentation)

### Implications of the Primary Market Research

For developing the communication concept for INFRAENERGIE it is vital to reflect on the positives and negatives of the Italian HVAC industry. These aspects have to be addressed by the company in order to reassure potential Italian sales partners concerning its ability to resolve current doubts.

Therefore, the following topics should be included in the concept:

- INFRAENERGIE must communicate its ability to fulfill the need for flexibility in its heating systems as well as its ability to provide profound service and support.
- Sales partners need to be convinced that the heating systems from INFRAENERGIE are an advanced solution that reduces installation complexity and energy consumption.
- The communication concept must clearly address the main decision-makers of Italian intermediaries. It must be appealing to CEOs as well as purchasing and sales directors.

The consideration of all these aspects during the development of the communication concept for INFRAENERGIE will form the basis for long-lasting success in the Italian market.

## **7.5 Integrated SWOT Catalog**

The following SWOT catalog summarizes the results of the internal and external analysis as well as the primary market research. The catalog was created in cooperation with the managers of INFRAENERGIE. At first, environmental developments were combined with the company's strengths and weaknesses. Depending on whether the development meets an internal strength or a weakness, it may result in an opportunity or threat for the company.

Integrated SWOT Catalog for INFRAENERGIE GmbH								
Environmental Development	+	-	Strength / Weakness	Causes	+	-	Opportunities / Threats	First Objectives
Growing competition through online retailers that offer infrared heating panels		1	Ability to compete with prices	Very low prices in online shops No awareness in target group in Italy		2	Low degree of competitiveness in Italy	Defining a clear USP that differentiates the company from its competitors and thereafter raises brand awareness
Houses/apartments have no cellar	3		Minimum space requirements for infrared heating systems	Infrared heating systems require no boiler (heating) room	2		High market potential	Communicate minimum space requirements
Increasing demand in energy-efficient heating solutions	2		Production and distribution of infrared heating systems	Infrared heating systems require less energy in comparison to gas heating systems		2	Infrared heating systems are not perceived as energy efficient	Clearly communicate the benefits of an infrared heating system
Long distribution channel		2	Sales partner network	Sales partner network not established in Italy Company focused on its home market in the past	2		Distribution of goods through wholesalers and retailers	Acquisition of Italian sales partners
Importance of subsidies for end customers in Italy		3	Knowledge in Italian subsidy policy	No human resources to carry out investigations		3	Less potential to sell products in Italy	Employ sales manager for Italy who does research on this topic

Figure 29: Integrated SWOT Catalog – Part 1 (own presentation)

Integrated SWOT Catalog for INFRAENERGIE GmbH								
Environmental Development	+	-	Strength / Weakness	Causes	+	-	Opportunities / Threats	First Objectives
Importance of personal contacts in sales partnerships		2	Ability to speak Italian Willingness to travel	Employees do not speak Italian No human resources to travel		2	Communication and establishment of relationship not possible	Employ sales manager for Italy Focus on South Tyrol in the beginning
Fierce competition	2		Production and distribution of tailor-made infrared heating systems	Only few competitors in this special segment	2		High degree of competitiveness in infrared heating segment	Development of sales network in Italy
Price as decision criterion	2		Purchase costs for end customers	Compared to other heating systems low purchase costs	2		INFRAENERGIE can use this price advantage as a sales argument and thus win new customers	Communicate a strong sales argument

**Figure 30:** Integrated SWOT Catalog – Part 2 (own presentation)

+ Strength / Opportunity

- Weakness / Threat

1 = Low Impact

2 = Average Impact

3 = High Impact

## **8 Communication Concept – Strategic Planning**

After analyzing the internal and external situation, the strategic planning of the communication concept is described.

### **8.1 Concept Objectives**

The concept objectives are defined in coordination with INFRAENERGIE's company aim and the main master thesis aim. The company's main targets are to acquire Italian sales partners and to increase the awareness of INFRAENERGIE. Therefore, further communication objectives need to be derived from them.

The market for infrared heating systems in Italy is still in the introduction phase, and there are not many suppliers of this kind of product. Moreover, intermediaries might still not know potential suppliers in that market. Therefore, the primary communication aim of INFRAENERGIE is to present the company as a reliable supplier of infrared heating systems which offers excellent service and support. In addition to this, the subordinate target is to regularly reach out to the decision-makers of potential sales partners through direct or personal marketing communications.

### **8.2 Target Group**

In general, INFRAENERGIE's target group are wholesalers, retailers and installers operating in the HVAC industry as well as architects, public institutions and end customers. As products in the Italian HVAC market are sold mainly through intermediaries, the relevant target group for the concept are wholesalers and retailers of heating systems. The geographical target market is primarily South Tyrol and secondarily the rest of northern Italy.

As mentioned in chapter 5.2.2 also within the B2B area manufacturers communicate with individuals and not with de-personalized companies. Therefore, the target audience includes CEOs, sales and product managers, purchase and sales directors, sales agents as well as technicians in the previously defined target market.

### **8.3 Communication Strategy for Acquiring Sales Partners**

The strategic direction is determined based on the set objectives and defined target group. The strategy formulation is essential for the core content messages and the communication channel mix because it determines how INFRAENERGIE will be presented in the Italian market. As the communication concept aims toward creating awareness and acquiring sales partners, a combination of contact initiation and target group development strategy which focus on trustworthiness and benefits for the target group is required. This will ensure that the measures concentrate on specific needs and wants of sales partners.

In the beginning of a sales partnership the trust in an unknown supplier is rather limited. Therefore, it is vital to reduce the perceived risk of potential sales partners when they are engaging in a collaboration. As a way of conveying trustworthiness references from sales partners and end customers as well as certifications may be presented. This should minimize the perceived risk of potential partners. INFRAENERGIE already has some sales partners in Austria; thus, specific projects may be taken as a reference. Furthermore, references from end customer projects should be presented as sales partners require products that they can “easily” resell to their customers. The basis of trust is a strong relationship. Therefore, the focus of communicative measures should be on personal and face-to-face contact with the target group. Moreover, trust can be built by starting with joint activities such as a joint customer visit or joint trade fairs.

As also mentioned in the interviews, a strong sales argument is essential for the sales partner. A new cooperation might only be engaged in if the resulting sales partnership will be beneficial for the intermediary. The benefit for the potential partner may be to offer project solutions and additional services.

Moreover, it is crucial to manage the relationships with potential partners throughout the entire sales partnership journey – from the first discovery of INFRAENERGIE, through the persuasion phase up until the successful acquisition. To establish the relationships and foster trustworthiness, the translation of communication materials into Italian is a pre-requisite.

## **9 Communication Concept – Operational Planning**

The next step in the communication concept is the operational planning. Here the measures and the budget are determined. Furthermore, KPIs for controlling are defined.

### **9.1 Communication Measures for Acquiring Sales Partners**

Based on the findings of the theoretical part of this thesis, research and strategy the content and messages as well as the integrated communication channel mix is established.

#### *9.1.1 Core Contents of the Communication Concept*

In order to reach the key players of the DMU, a mixture between rational and emotional messages should be created. In the initiation phase rather emotional communication which emphasizes trust, sympathy and reliable collaboration is needed. A more rational approach is required during negotiations in the acquisition phase. The core contents that should be communicated are that INFRAENERGIE provides

- high flexibility and adaptability with regard to customized solutions of infrared heating systems.
- excellent service and support pre-, during and after-sales.
- intermediaries with the opportunity to offer their customers innovative infrared heating systems which reduce installation complexity and energy consumption.

For the initial contact with potential sales partners, communication material that includes the company profile, product portfolio and main features as well as the above-mentioned core contents should be prepared.

As intermediaries resell the products to end customers, sales arguments for that target group have to be considered as well. The core contents are that infrared heating systems from INFRAENERGIE

- are an energy-efficient solution that can be used to heat an entire house.
- have minimal space requirements and can be adapted to the interior design.
- are tailor-made according to the customer's wishes.

Moreover, it is vital that the company is able to prove their sales arguments, for instance, by providing references, show room products or regularly contacting the potential sales partner.

### *9.1.2 Integrated Communication Channel Mix*

Based on the findings of the theoretical part of this thesis and the market research, personal selling, trade fairs and online marketing are recommended for approaching the key decision-makers of Italian intermediaries. In order to ensure consistency, it is essential that all the materials used are based on the corporate design and convey the previously defined core contents.

#### *Personal Selling and Face-to-Face Contact*

According to the interviews, personal selling is the most critical instrument for motivating sales partners to engage in a collaboration. For Italian intermediaries it is important that they have a supplier, whom they can trust based on mutual support and fairness. Therefore, it is crucial for INFRAENERGIE to build and maintain long-lasting relationships with the key decision-makers. In this way, INFRAENERGIE can present its solutions while acting as an expert in the production of infrared heating systems and thus, gain valuable trust. In personal conversations the company should focus on its ability to be flexible and adaptable and on the fact that their solutions can be tailored according to the wishes of their customers. Furthermore, they should give their potential partners the feeling that they are the only ones the company is trying to acquire. Therefore, it is essential that they maintain regular contact with prospects. In the initiation phase the company should contact the people involved in the decision-making (cf. Figure 26) by e-mail and telephone. In addition, INFRAENERGIE should arrange personal meetings on the sales partner's premises. Afterwards, they can be invited to the production plant where the potential partner has the opportunity to see how the products are produced; thereby,



providing an opportunity to prove the sales arguments. This supports the building of trust and shows that INFRAENERGIE is a credible supplier. In the persuasion and acquisition phase the partners may be invited to the head office again for product training.

Personal selling always has to be adapted to the situation and contact person. For instance, if they are in contact with wholesalers, the focus should be on communicating that infrared heating systems from INFRAENERGIE are a valuable extension to their product assortment. However, when they are talking with retailers it is important to communicate that infrared heating systems are easy to resell because INFRAENERGIE meets the needs of end customers.

To support the selling activities a product catalog, company presentation and product portfolio may be prepared. The catalog should include all of the company's products as well as the present benefits and possibilities for sales partners. The company presentation may be used to introduce INFRAENERGIE to potential partners. This presentation should provide information on the company, product portfolio and USPs as well as references or examples of previous projects.

### Trade Fairs

Trade fairs are one of the most important touch points between manufacturers and intermediaries. Those events are vital for INFRAENERGIE because they are a platform for meeting potential and existing partners as well as for presenting their company and products. Furthermore, they create awareness in the target group and show that the company is a possible supplier for intermediaries.

It is important for the booth design to display the corporate brand and image of INFRAENERGIE. Moreover, infrared heating systems should be presented so that potential clients can experience the benefits of the products. To encourage this a comfortable environment may be created by using subtle scents of lemon or vanilla. Facts and contact sheets as well as flyers may be used as well. Since many key decision-makers in the HVAC industry attend these events and to be able to schedule meetings beforehand it is vital to announce that INFRAENERGIE will exhibit there. The post-processing of the collected contact forms is also of

importance. The company may reach out to these people and send them all the information they requested.

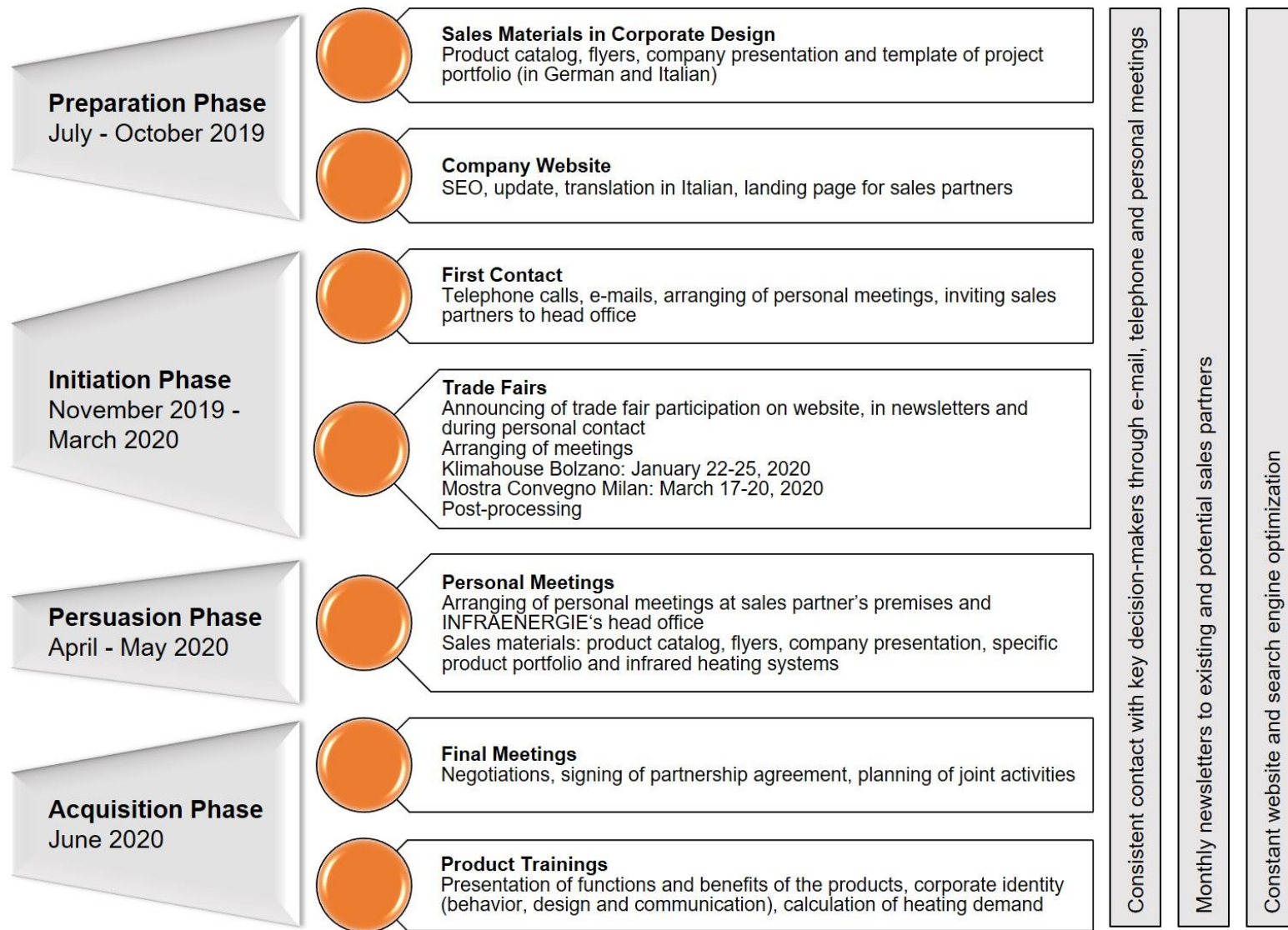
Recommended trade fairs are the ISH in Frankfurt, MCE in Milan and, for the South Tyrolean market, the Klimahouse Bolzano. According to the interviews, the ISH is one of the most important trade fairs in the HVAC industry and must not be missed. However, the next one will not take place until the end of March 2021. Therefore, this trade fair cannot be taken into account for the concept at hand. The MCE is also a well-known international trade fair in the Italian HVAC industry, the next one is taking place in mid of March 2020. The Klimahouse Bolzano is a more regional trade fair that focuses on energy-efficient and sustainable construction. The next Klimahouse is at the end of January 2020.

### Online Marketing

During the interviews it was mentioned that many of the key decision-makers of potential sales partners use search engines as an important information source. Thus, it is essential that INFRAENERGIE can be found on the internet and that the website is not only translated into Italian but also attractively designed. This is because the website shapes the first impression of a company. It is essential that INFRAENERGIE's website is always up-to-date and that potential partners can find all the latest information regarding infrared heating systems. Even though a trader portal would be highly appreciated by intermediaries it is not recommended to implement it due to a lack in human resources for answering questions and requests within a reasonable amount of time. However, a landing page that provides specific information for potential sales partners is suggested. Moreover, the website should be translated into Italian. The constant execution of SEO is a pre-requisite. In addition, INFRAENERGIE could send out regular newsletters (every month) to potential sales partners. The focus should be laid on references, benefits of the product and sales partnership as well as on news and trends in the industry.

#### *9.1.3 Timing of Communication Activities*

Based on the findings of the research and the stages in the acquisition process, the following figure displays the communication checkpoints for INFRAENERGIE in 2019 and 2020. In addition to the presented checkpoints, consistent contact is held with key decision-makers through e-mails, telephone calls and personal meetings. Furthermore, regular newsletters are sent, and the website is continuously updated.



**Figure 31:** Checkpoints for the Timing of Communication Measures (own presentation)

## 9.2 Concept Budget

In order to inform INFRAENERGIE about the investments required for implementation, the budget for the communication concept was calculated based on the objective-task method in collaboration with the company. As mentioned in chapter 5.3.3, this approach focuses on determining the budget based on the costs incurred in implementing the planned measures (cf. Hollensen 2011, p. 592). The following table presents the budget for each communication tool.

Communication Instrument	Budget
Sales Materials	3,190 €
E-Mail Marketing	600 €
Trade Fairs	17,400 €
Personal Meetings	3,000 €
<b>TOTAL BUDGET (July 1, 2019 - June 30, 2020)</b>	<b>24,190 €</b>

Table 12: Planned Budget for the Implementation of the Concept (own presentation)

Details of the budgeted measures can be found in the appendix (cf. Appendix p. A-37f.).

## 9.3 Controlling

In order to ensure the success of the communication concept regular controlling and constant feedback loops of the measures are suggested. Therefore, the following KPIs are defined:

- Brand awareness within the target group: Number of people that can name INFRAENERGIE as a supplier of infrared heating systems
- Number of acquired sales partners (minimum two consecutive orders per partner or signed partnership agreement)
- Turnover per acquired sales partner
- Number of intermediaries contacted
- Response rate

In addition, it is recommended that the incurred costs of each communication activity are measured on a quarterly basis. Table 13 provides an overview on the KPIs and the related controlling measures.

KPI	Objective	Measurement	Frequency of Measuring	Accountability
Brand awareness within target group	Minimum ten intermediaries in the Italian HVAC industry can name INFRAENERGIE as a supplier of infrared heating systems by the end of 2020.	Brand awareness survey among intermediaries in northern Italy	One-time measurement at the end of 2020	Marketing executive
Number of acquired sales partners	Cooperation with at least four Italian sales partners by the end of 2020.	Number of acquired sales partners (minimum two consecutive orders per partner or signed partnership agreement)	Quarterly: <ul style="list-style-type: none"> <li>• End of March 2020</li> <li>• End of June 2020</li> <li>• End of September 2020</li> <li>• End of December 2020</li> </ul>	Sales manager
Turnover per acquired sales partner	Annual turnover of 15,000 € per Italian sales partner after acquisition.	Sellouts per sales partner	Quarterly: <ul style="list-style-type: none"> <li>• End of March 2021</li> <li>• End of June 2021</li> <li>• End of September 2021</li> <li>• End of December 2021</li> </ul>	Sales manager
Number of intermediaries contacted	Contact at least 20 Italian intermediaries per month by e-mail, phone or in person.	Number of initial contacts with Italian intermediaries which were made by INFRAENERGIE	Monthly	Sales manager
Response rate	Achieve a response rate of minimum 60% by June 30, 2020.	$\frac{\text{Number of responses}}{\text{Number of intermediaries contacted}}$	Quarterly: <ul style="list-style-type: none"> <li>• End of September 2019</li> <li>• End of December 2019</li> <li>• End of March 2020</li> <li>• End of June 2020</li> </ul>	Sales manager

**Table 13:** Controlling Measures of the Communication Concept (own presentation)

## 10 Conclusion

INFRAENERGIE's decision to enter the Italian market through indirect distribution was the right choice. On the one hand, Italy is an attractive market, as end customers appreciate personally designed heating panels. Furthermore, there are only few competitors in the market that offer designer radiators or infrared heating systems. On the other hand, the findings show that selling heating systems through wholesalers and retailers is of great importance as the country is characterized by a long distribution channel. South Tyrol and northern Italy need to be managed separately due to the difference in mentality and culture. Moreover, the fact that the usual business language is Italian has to be taken into consideration; it cannot be assumed that intermediaries are able to speak foreign languages.

Trustful relationships and reliability play a decisive role in Italy. Therefore, personal contact throughout the whole acquisition process is essential. Manufacturers should seek to establish strong partnerships by personally contacting the key decision-makers as well as by providing profound service, support and consultation before and after purchase. Word-of-mouth, brand reputation and the quality of products are influence the intermediary's final decision.

Trade fairs such as the ISH in Frankfurt or the MCE in Milan are a viable platform for meeting potential sales partners. Additionally, the internet presence of manufacturers is vital, as search engines and company websites are an important source of information. The appearance of the trade fair booth and the website shapes the intermediary's impression of the manufacturer. Therefore, both must be well organized and attractive for potential partners.

The implementation of the communication concept supports INFRAENERGIE in acquiring sales partners in Italy as it stresses the company's unique selling propositions (targeted at end customers) and partner business propositions (targeted at intermediaries). Therefore, it will contribute significantly to the long-lasting success in the Italian market.

## 10.1 Overview of the Final Communication Concept

In the following figure the final communication concept for INFRAENERGIE is summarized:

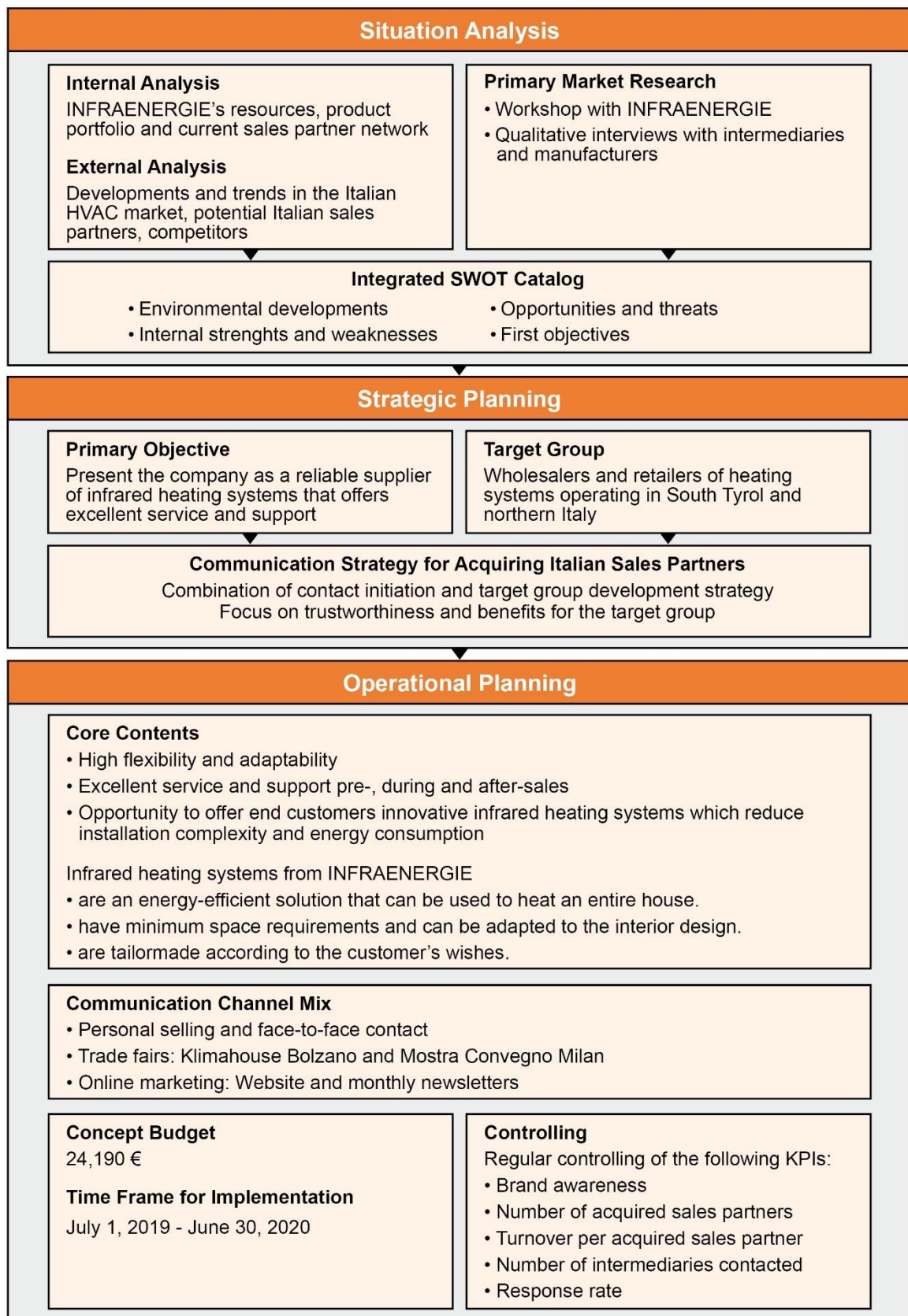


Figure 32: Overview of the Final Communication Concept (own presentation)

## 10.2 Recommendations for Further Action

In order to ensure the success of the communication concept, the author highly recommends immediately implementing the previously defined measures based on the suggested list of checkpoints (cf. Chapter 9.1.3). However, the list must not be seen as a strict timeline, as every situation and potential sales partner may require a slightly different approach.

Furthermore, it is recommendable to employ a sales manager who is responsible for the Italian market. The pre-requisites for this manager are the ability to speak fluent Italian and knowledge of the HVAC industry.

As subsidies are of great importance in Italy INFRAENERGIE should seek to carefully research relevant subsidies in the specific target area in order to be able to inform Italian sales partners and end customers about this topic.

In the beginning the focus should be laid on communicating with South Tyrolean sales partners. The second step is to approach intermediaries from the rest of northern Italy. South Tyrol should not be seen as the gateway to Italy. Therefore, a separate handling of both markets is suggested.

Another recommendation is the introduction of a product configurator (smart phone application or landing page on website) for sales partners, as this would provide an additional value for them.

In order to ensure consistency in the use of the company's brand, the establishment of a corporate design manual is suggested. This manual could be used by sales partners as a guideline for the design of internal and external means of communication. It should include all the important information concerning the visual representation of INFRAENERGIE, such as the logo application, corporate colors or typography.



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# 1 Milestone and Project Plan

Phase	PSP	Milestone	Planned Date	Real Date
<b>MT Application Process</b>	1.6	Approval of MT Topic	09.05.2018	09.05.2018
<b>Preparation Phase</b>	2.2	Coach and Kick-Off Meeting	05.10.2018	05.10.2018
	2.5	Master Seminar 1	27.10.2018	21.11.2018
<b>Theoretical Part</b>	3.11	Theoretical Part Finished	06.01.2019	12.01.2019
	3.15	Master Seminar 2	24.-26.01.2019	13.02.2019
<b>Analysis Phase</b>	4.8	Market Research Finished	24.03.2019	30.04.2019
<b>Practical Part</b>	5.9	Master Seminar 3	25.-27.04.2019	27.04.2019
<b>Conclusion Phase</b>	6.3	Submission of Unbound Master Thesis	13.05.2019	13.05.2019
	6.5	Submission of Library Ready Master Thesis	28.06.2019	28.06.2019
	6.7	Master Thesis Project Finished	08.07.2019	08.07.2019

**Table A1:** Milestone Plan of Master Thesis (own presentation)





No.	PSP	Task Name	Start	End	2019																											
					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
76	3.12.1	Definition of Research Question and Information Needs	11.01.2019	12.01.2019																												
77	3.12.2	Research and Selection of Research Method and Instruments	11.01.2019	12.01.2019																												
78	3.12.3	Research and Selection of Research Sample	11.01.2019	12.01.2019																												
79	3.13	Telephone Call with Coach	12.01.2019	12.01.2019																												
80	3.13.1	Revise Theoretical Part according to MM Feedback	12.01.2019	18.01.2019																												
81	3.13.2	Description of Research Design	11.01.2019	15.01.2019																												
82	3.13.3	Formatting of Illustrations and Tables	16.01.2019	16.01.2019																												
83	3.13.4	Proofreading of Previous Sections	16.01.2019	08.02.2019																												
84	3.13.5	Update Project Plan	16.01.2019	04.02.2019																												
85	3.13.6	Rework on Theoretical Part	21.01.2019	05.02.2019																												
86	3.13.7	Contact Coach	08.02.2019	06.02.2019																												
87	3.13.8	Revise Theoretical Part according to MM Feedback	09.02.2019	10.02.2019																												
88	3.14	Preparation of Presentation for MS 2	04.02.2019	10.02.2019																												
89	3.14.1	Submission of Documents for MS 2 (Moodle, MM, IMSM Office)	10.02.2019	10.02.2019																												
90	3.14.2	Practise Presentation for MS 2	10.02.2019	13.02.2019																												
91	3.15	Master Seminar 2	13.02.2019	13.02.2019																												
92	3.15.1	Revise MT Documents according to the Feedback of MS 2	14.02.2019	17.02.2019																												
93	4	Analysis Phase	18.02.2019	26.03.2019																												
94	4.1	Arranging Dates for Workshop and Interviews	18.02.2019	28.02.2019																												
95	4.2	Secondary Research - Internal Analysis	18.02.2019	20.02.2019																												
96	4.2.1	Research of Current Sales Partner Network	18.02.2019	18.02.2019																												
97	4.2.2	Further Company Research	19.02.2019	19.02.2019																												
98	4.2.3	Writing of Content (Internal Analysis)	18.02.2019	20.02.2019																												
99	4.3	Secondary Research - External Analysis	21.02.2019	24.02.2019																												
100	4.3.1	Research HVAC Industry in Italy	21.02.2019	21.02.2019																												
101	4.3.2	Segmentation of Italian Market	22.02.2019	22.02.2019																												
102	4.3.3	Identification and Analysis of Potential Sales Partners	23.02.2019	23.02.2019																												
103	4.3.4	Identification and Analysis of main Competitors in Italy	24.02.2019	24.02.2019																												
104	4.3.5	Writing of Content (External Analysis)	21.02.2019	24.02.2019																												
105	4.4	Primary Market Research	25.02.2019	26.03.2019																												
106	4.4.1	Brainstorming of Main Topics for Guidelines	25.02.2019	27.02.2019																												
107	4.4.2	Preparation of Guidelines	25.02.2019	27.02.2019																												
108	4.4.3	Submission of Guidelines (MM)	27.02.2019	27.02.2019																												
109	4.4.4	Revise Guidelines according to MM Feedback	01.03.2019	03.03.2019																												
110	4.5	Conduct Workshop	08.03.2019	08.03.2019																												

- Milestone
- Work Package
- Buffer Time
- MS - Master Seminar
- MM - Master Mentor
- MT - Master Thesis

**Figure A3:** Detailed Project Plan of Master Thesis – Part 3 (own presentation)







## **2 Detailed Study Design of Primary Market Research**

The primary research of the thesis at hand is divided into two parts. At first, a workshop with employees of INFRAENERGIE is done in order to research the current sales partner journey of Austrian intermediaries. Secondly, interviews with intermediaries and manufacturers operating in the Italian HVAC industry is conducted to validate the internal view of the journey and to examine in which aspects the processes of acquiring Italian sales partners differs from the acquisition process for domestic partners. Furthermore, preferred communication channels and reasons of Italian partners for engaging in a cooperation with manufacturers are revealed.

### **2.1 Research Objectives and Information Demands**

The overall objective of the primary research is to get an in-depth understanding concerning the communication behavior of Italian intermediaries with special focus on sales partner acquisition. Furthermore, preferred communication channels and instruments of intermediaries as well as an ideal communication and acquisition process should be identified. For this purpose, a sales partner journey map is established after the interviews are conducted. This map shall include relevant touch points along the acquisition process and suggest certain courses of communicative actions. For the formulation of messages that accordingly address potential Italian partners, a thorough understanding of the intermediary's reasons, motives and requirements for engaging in a sales partnership should be developed.

The aforementioned research targets are based on the information deficits of the company. For designing the research instrument in the most effective way the primary research is divided into the phases of the acquisition process and has to answer the following general research questions:

Phases	General Research Questions
<b>Initiation Phase</b>	<ul style="list-style-type: none"> <li>• How should the contact be initiated (touch points, key players, initiation process)?</li> <li>• Which content attracts intermediaries and which preliminary information do they require?</li> <li>• What are the requirements for engaging in a cooperation (in terms of e.g. service, legal regulations, selection criteria)?</li> </ul>
<b>Persuasion Phase</b>	<ul style="list-style-type: none"> <li>• Which channels should be used to stay in contact with potential sales partners?</li> <li>• What are the most important criteria of sales partners for selecting a supplier?</li> <li>• What motivates intermediaries to engage in a cooperation?</li> </ul>
<b>Acquisition Phase</b>	<ul style="list-style-type: none"> <li>• Which instruments should be used in the final phase of the acquisition process?</li> <li>• Who is responsible for negotiating the contract and who has the responsibility to make the final decision?</li> <li>• Which factors and stakeholders have an influence on the final decision whether to engage in a sales partnership or not?</li> </ul>

**Table A2:** Main Research Questions of Primary Market Research (own presentation)

As the desk research did not reveal enough information on the Italian HVAC industry the current situation, market structure and trends are examined as well. Additionally, the main differences between Austrian and Italian intermediaries should be disclosed during the primary market research. In order to be able to answer the research questions and to close the information gap, the following topics should be investigated in the course of the interviews:

- Touch points and preferred communication channels of Italian intermediaries in the initiation, persuasion and acquisition phase
- Key players of the DMU that are involved in the acquisition process
- Motives, reasons and requirements for engaging in a sales partnership
- Suitable content to motivate intermediaries to engage in a cooperation
- Factors and stakeholders that can have an influence on the final decision of potential sales partners
- Important attributes and features of heating systems for end customers
- Current situation, market structure and trends in the Italian HVAC market
- Particularities in the acquisition of Italian intermediaries

## 2.2 Research Method

For answering the research questions of this thesis and for creating a sales partner journey map that considers aspects within sales partner acquisition, qualitative market research is used. This approach intends to gain insights of high quality from the usually small sample size. By using open-ended questioning techniques, explanations for behaviors, unconscious motives, attitudes and desires can be gained. Thus, the qualitative market research is used to generate subjective and qualifiable data (cf. Hague et. al 2016, p. 77).

As already mentioned, the research process is divided into two steps. At first, a qualitative research of existing acquisition processes, touch points and used communication channels is carried out. In order to gather this information a workshop with employees from INFRAENERGIE is done. The aim of the workshop is to create a first draft of the sales partner journey map. Afterwards, the aspects of the initial map are discussed in more detail with Italian intermediaries and manufacturers during qualitative interviews.

The combination of the internal and the external view ensure that

- all touch points are included,
- the sequence of events is correct,
- the moments of truth have the right classification in terms of their importance, gain and pain points
- and that necessary adaptations for acquiring Italian sales partners are identified.

Additionally, the interviews inform the researcher about the communication behavior of sales partners as well as their expectations and requirements concerning communication and acquisition processes.

## 2.3 Research Sample

The research sample includes three different groups. For the workshop four employees of INFRAENERGIE are consulted. As they are all working in different areas (sales, marketing, accounting, assembling, production) insights regarding various touch points are provided. It is beneficial to invite a broad range of participants because all of them might directly or indirectly affect the sales partner's experience with the manufacturer. Furthermore, even employees that do not personally interact with the partners can influence them with their actions.

The interviews are conducted with manufacturers and intermediaries that are operating in the Italian HVAC industry. This enables the researcher to identify an ideal communication process as well as factors of success or failure in partner acquisition. For selecting the participants for the interviews with manufacturers, the following criteria are defined:

- CEO or employee of a manufacturer in the HVAC industry with minimum two Italian sales partners
- Experience with sales partner acquisition and international B2B marketing communications
- Employed in the manufacturing company for minimum one year

The second sample for the interviews consists of Italian intermediaries. The interview partners are selected based on the following criteria:

- CEO or employee of an Italian wholesaler or retailer in the HVAC industry
- Responsible for partnerships with manufacturers (suppliers) or product management or employee in the purchasing department
- Role within sales partner's DMU: Initiator, buyer or decision-maker

In the following table the interview participants are presented:

Intermediaries in the Italian HVAC Industry
Respondent 1 (name and company known by the author) (Tscherms, South Tyrol)
Michael Kasseroler, Head of Purchase, Bautechnik GmbH (Bolzano, South Tyrol)
Armin Kolhaupt, CEO, Farko KG (Lajen, South Tyrol)
Manufacturers Operating in the Italian HVAC Industry
Michael Ringbauer, Representative, Redwell Manufaktur GmbH (Hartberg, Austria)
Werner Granig, Export Manager, Windhager Zentralheizung GmbH (Seekirchen, Austria)
Matteo Camerra, CEO, Warmset S.r.l. (Montecchio Maggiore, Italy)
Davide Capraro, Director and Head of Sales, Herz Energia S.r.l. (San Vendemiano, Italy)
Marco Basla, Head of Communication, Vaillant Group Italia S.p.A (Milano, Italy)
Francesca Panni, Marketing Specialist, IVAR S.p.A. (Prevalle, Italy)
Fancesca Invernizzi, Marketing & Sales, SIMEG S.r.l. (Cologno Monzese, Italy)
Respondent 11 (name and company known by the author) (Mainburg, Germany)
Matteo Villani, Sales Representative Vogel & Noot Italy, Rettig Austria GmbH (Milano, Italy)
Marco Rossi, Chief Marketing Officer, Irsap S.p.A. (Arquà Polesine, Italy)

**Table A3:** List of Interview Participants (own presentation)

## 2.4 Research Instruments

For the workshop and the interviews three guidelines are established. For the workshop a topic guide was used and for the interviews two different interview guidelines for intermediaries and manufacturers were created. This distinction is required because the focus is set on diverse areas. The guidelines include the topics that should be covered as well as sample questions. In order to keep the conversation going and to gain deeper insights mainly open questions are asked. For the workshop additionally creativity, projective and associative techniques are used.

The workshop and the interviews are recorded with a dictating machine. Afterwards, the conversations are transcribed and imported into the software MAXQDA. Finally, the statements are categorized and summarized in order to be able to compare and evaluate the key findings of the research.

## 2.5 Time Schedule

The time schedule for the primary research is derived from the project plan. It displays the detailed research procedure in the context of time. The schedule provides an overview on the work packages in the preparation, data collection and evaluation phase. The following table shows the developed time frame for conducting the research:

Work Package	Start	End
Arranging dates for the workshop and interviews	18.02.2019	28.02.2019
Brainstorming of main topics for guidelines	25.02.2019	27.02.2019
Preparation of guidelines	25.02.2019	27.02.2019
Conduct workshop	08.03.2019	08.03.2019
Analysis and Interpretation of workshop results	09.03.2019	10.03.2019
Conduct interviews	21.03.2019	29.04.2019
Transcription of interviews	21.03.2019	29.04.2019
Analysis and interpretation of interviews	06.04.2019	30.04.2019
Comparison of research results	06.04.2019	30.04.2019
Creation of sales partner journey map	06.04.2019	30.04.2019
Implementation of research results into thesis	06.04.2019	30.04.2019

**Table A4:** Time Schedule for Primary Market Research (own presentation)



### **3 Topic Guideline for the Workshop with INFRAENERGIE**

The following topic guideline was used for the workshop with employees from INFRAENERGIE.

#### **Objective of the workshop**

Establishment of an initial draft of the sales partner journey map of Austrian intermediaries that includes

- relevant touch points and moments of truth along the acquisition process,
- involved key players
- and suggests certain courses of communicative actions.

#### **Appointed date of workshop:**

8<sup>th</sup> March 2019, 9 a.m.

The planned duration of the workshop is one hour.

#### **Participants:**

Four employees from INFRAENERGIE GmbH

#### **Procedure:**

Preparation of empty sales partner journey map on flip chart before workshop

Welcome (including introduction, explanation of method and discussion rules)

Moderated discussion according to guideline

### Introduction (10 min.)

Welcome participants  
Introduction of moderator and research  
Clarification of discussion rules

Discussion rules:

- Let others finish speaking
- No emotional or general judgments
- No breaks but participants can eat and drink whenever they want
- Talk freely and also without being asked to speak
- Point out that it is not about "right or wrong", but simply "join in"; do not take personally in case of interruption
- Accept other opinions
- No smoking
- Switch off mobile phone

Clarification of last open questions

Introduction including short explanation of study program, purpose of master thesis, aim of research, planned duration of workshop

Moderator switches off mobile phone as well

Participants introduce themselves (name, position, responsibilities)

Introduction of one after the other  
Make notes

### Initiation Phase (20 min.)

1. Imagine you are a wholesaler or retailer in the HVAC industry. Where could you get aware of or meet potential suppliers? What are possible sources of information and points of contact?

Brainstorming of possible touch points between sales partners and manufacturers in the initiation phase

Write touch points on journey map.

Stimulus words if no precise answers could be given: Trade fairs, events, internet search, personal contacts, e-mails, advertisements, magazines,

	<p>newspapers, television, radio, social media</p> <p>Ask for examples (e.g. “Do you have a certain trade fair in mind?”)</p>
<p>2. For identifying critical touch points everyone gets three dots. Please give the touch point that you consider as most important two, and that one you consider as second important one dot.</p>	<p>Give every participant three dots. Highlight critical touch points on map.</p>
<p>3. Which person(s) in the potential sales partner’s company do/would you contact first or which person from the company of the potential sales partner is usually contacting you?</p>	<p>Ask one after the other. Write answers on journey map (initiation phase).</p> <p>Stimulus words if no precise answers could be given: CEO, executive management, purchaser, sales people, marketing employees, secretary</p>
<p>4. In order to assign the key players to the touch points, I ask you to tell me which persons are involved in the respective points of contact.</p>	<p>Open discussion Allocate key players to the touch points on journey map (key players in the initiation phase)</p>
<p>5. In the beginning we identified several touch points. Do you have any strategic measures in mind that would be suitable for them?</p>	<p>Brainstorming of possible actions to initiate the process.</p> <p>Stimulus words if no answers can be given: Sending out newsletters, placing advertisements in magazines, attending trade fairs.</p> <p>Write key words on the journey map (actions in the initiation phase).</p>

<p>6. In which style would you formulate the message for initiating the contact?</p>	<p>Open discussion Use laddering technique (Why/For what reason)</p> <p>Stimulus words if no precise answers could be given: Personally/impersonal, formal/informal, text only/with graphics</p> <p>Add key words to journey map (actions in the initiation phase).</p>
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**Persuasion Phase (15 min.)**

<p>7. How can you stay in contact with potential partners? What do you do to stay in contact with potential partners?</p> <p>Which point(s) of contact do you consider as the most critical one(s)?</p>	<p>Brainstorming of possible touch points between intermediaries and manufacturers in the persuasion phase</p> <p>Write touch points on journey map (sequential order).</p> <p>Stimulus words if no precise answers could be given: Telephone, meetings, e-mails</p> <p>Highlight critical touch point(s).</p>
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<p>8. Would you contact the same people than in the initiating phase? Are there other people that you would contact as well within the potential sales partner's company? If yes, which people?</p>	<p>Open discussion Use laddering technique (Why/For what reason)</p> <p>Add key players to journey map (persuasion phase).</p>
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<p>9. Based on your experience, how important are the following attributes for the selection of a supplier of infrared heating systems?</p>	<p>Individual exercise 1 Hand out sheet with attributes Make sure that participants understand ranking Time frame for exercise: 1 minute</p>
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<p>(1 = critical factor, 2 = very important, 3 = important, 4 = less important, 5 = not important at all)</p> <p>Are there any other crucial factors that you would like to add?</p>	<p>Ask one after the other for their ranking and write it on flipchart (tally sheet)</p> <p>Attributes: Quality of products, after-sales service, promotional support, tailor-made products, flexibility, reliability and trust, reputation, innovation, benefits of the product for the end customer, price</p>
<p>10. In your experience, which attributes/features of heating systems are important for <b>end customers</b>?</p> <p>Which ones do you consider as the most important ones?</p>	<p>Open discussion</p> <p>Use laddering technique (Why/For what reason)</p> <p>Stimulus words if no precise answer can be given: Brand/image, functions, user friendliness, packaging, material, sustainability, recycling</p>
<p><b>Acquisition Phase (15 min)</b></p>	
<p>11. Imagine that you are already in contact with a potential sales partner and you are just about to close the deal. Which contact points could be important here?</p>	<p>Open discussion</p> <p>Stimulus words if no precise answer can be given: Social media, trade fairs and exhibitions, website (INFRAENERGIE), e-mail marketing, broadcast media (TV, radio), professional magazines, public relations, personal selling, sales promotions</p> <p>Add touch points to journey map (acquisition phase).</p>
<p>12. In your experience, with which people within the sales partner's company do you have the most contact? Which people are involved in the decision-making process? Who is usually</p>	<p>Open discussion</p>

<p>responsible for the final decision whether to engage in a collaboration or not?</p> <p>Are there any other stakeholders that have an influence on the decision of potential sales partners?</p>	<p>Stimulus words if no precise answers can be given: End customers, journalists, other sales partners</p>
<p>13. Imagine you are already in contact with a potential sales partner which is highly interested in your products, but in the end, they decide for another supplier. What could have happened?</p> <p>What can be done to prevent this from happening?</p>	<p>Open discussion</p> <p>Write key words on flipchart.</p>
<p>14. Which factors could have a positive respectively negative impact on the acquisition process?</p>	<p>Individual exercise 2: Brainwriting Time frame for exercise: 2 minutes</p> <p>Discussion after exercise. Write key words on flipchart.</p>
<p>15. Which measures would you do to positively influence the final decision?</p> <p>What can be done to avoid factors that hinder the process?</p>	<p>Open discussion</p> <p>Write key words on journey map (actions in persuasion phase)</p>
<p>16. Now, we are at the end of the interview. Are there any other important aspects concerning the topic that you would like to mention?</p>	

**Table A5:** Topic Guideline for the Workshop with INFRAENERGIE (own presentation)

## 4 Interview Guideline for Intermediaries in the Italian HVAC Industry

### Briefing and Introduction

Name of the interviewee: \_\_\_\_\_

Company: \_\_\_\_\_

Job title: \_\_\_\_\_

E-mail address \_\_\_\_\_

Telephone number: \_\_\_\_\_

Date of the interview: \_\_\_\_\_

I would like to welcome you to today's interview. Thank you very much for your time and willingness to participate. My name is Sandra Berghofer and I am currently completing my master's degree in International Marketing at the University of Applied Sciences Campus 02 in Graz, Austria. For my master thesis I am developing an integrated communication concept with focus on acquiring Italian sales partners. Your knowledge and practical experience will provide valuable information for elaborating the concept.

The interview will last approximately 45 minutes. I would like to ask for your kind permission to record the interview as the analysis and interpretation will be based on a transcription. I guarantee that all your answers will be treated confidentially.

Do you have any questions before we start?

## Warm-Up (5 min.)

<p>1. Do you already have existing partnerships with suppliers?</p>	<p><b>If yes:</b> How many (approximately)?</p> <p><b>If no:</b> How do you get new products for your product line?</p>
<p>2. Who is responsible in your company for partnerships/alliances with suppliers respectively the purchase of products?</p>	
<p>3. What is your definition of a sales partnership between manufacturers and intermediaries?</p>	<p>Steering question: Is a partnership more a loose cooperation or should it be based on a contract?</p>
<p>4. How would you describe the current situation in the heating industry in Italy?</p>	<p>Stimulus words if no precise answer can be given: Competitive situation, degree of innovation, trends, heating demand, importance of interior design</p>
<p>5. How is the market structured in the Italian heating industry?</p> <p>Who are the key players (leading manufacturers, wholesalers or retailers) in the Italian heating industry?</p> <p>How would you see the role and position of your organization within Italy?</p>	<p>Stimulus words if no precise answer can be given: Structure of retail and wholesale trade, distribution patterns, type of wholesalers or retailers (discounter, high-end or specialized)</p>



## Initiation Phase (15 min.)

<p>6. How do you become aware of potential suppliers? Where are usually the first touch points between you and your suppliers?</p>	<p>Stimulus words if no precise answer can be given: Social media, personal contacts, trade fairs, internet search, magazines</p>
<p>7. Do you prefer that suppliers are contacting you concerning their offers, or do you search for new suppliers on your own and contact them if you are interested?</p>	
<p>8. How do you want to be contacted (e.g. e-mail, telephone, personally, at trade fairs)?</p> <p>How often should suppliers contact you if you are generally interested in their products?</p> <p>Which person from the supplier's company should contact you?</p> <p>Is there an ideal moment to initiate the contact?</p>	<p>Ask these questions only if the intermediary wants to be <b>contacted by the manufacturer</b>.</p> <p>Stimulus words if no precise answers could be given: Events, projects, anniversary</p>
<p>9. How do you find new suppliers? Which instruments do you use?</p> <p>Which person in the supplier's company do you usually contact first?</p> <p>Do you attend any events with the purpose of finding new suppliers?</p>	<p>Ask these questions only if the <b>intermediary</b> wants to <b>initiate the contact</b>.</p>
<p>10. Which sources do you use to inform yourself about new products or potential suppliers in general?</p> <p>Which channels are the most important ones for you?</p>	<p>Stimulus words if no precise answer can be given: Social media, personal contacts, trade fairs, internet search, magazines</p>

<p>11. When you are looking for a new supplier or when a supplier first contacts you. Which preliminary information do you need for deciding if the supplier is interesting for you?</p>	<p>Stimulus words if no precise answer can be given: Size of company, available products, delivery terms</p>
<p>12. Which requirements and preconditions must be met by the supplier?</p> <p>Are there any legal requirements in Italy that heating systems must meet?</p>	<p>Stimulus words if no precise answers could be given: Delivery times, service, support</p>
<p>13. Please tell me what you prefer (concerning the formulation of communication messages).</p> <p>Do you want to be addressed personally or impersonally?</p> <p>Should the communication style be more formal or informal?</p> <p>Do you prefer informative or entertaining content?</p>	
<p>14. Are there any specific topics concerning heating systems that you are interested in?</p>	<p>Stimulus words if no precise answer can be given: Innovations, energy-efficiency, new products</p>
<p><b>Persuasion Phase (10 min.)</b></p>	
<p>15. How should suppliers stay in contact with you?</p> <p>Which point(s) of contact do you consider as the most critical one?</p>	<p>Stimulus words if no precise answers could be given: Telephone, personal meetings, e-mail</p> <p>Use laddering technique (Why/For what reason)</p>
<p>16. When you think of a potential supplier of infrared heating systems, how important are the following factors to you? (1 = critical factor, 2 = very important, 3 = important, 4 = less important, 5 = not important at all)</p>	<p>Interviewee needs to understand ranking!</p> <p>Ask one factor after the other. Wait for answer after each attribute.</p>

<ul style="list-style-type: none"> <li>• Quality of products</li> <li>• After sales service</li> <li>• Promotional support</li> <li>• Tailormade products</li> <li>• Flexibility</li> <li>• Reliability and trust</li> <li>• Reputation</li> <li>• Innovation</li> <li>• Benefits of the product for the end customer</li> <li>• Price</li> </ul> <p>Are there any other crucial factors that you would like to add?</p>	<p>Prepare sheet with factors and make notes.</p>
<p>17. Why would or do you engage in a sales partnership with a manufacturer?</p>	<p>Steering question: What are your main benefits of a partnership?</p>
<p>18. When you think of your perfect supplier of heating systems. How would you describe that supplier?</p> <p>In your opinion, what can a manufacturer of heating systems do to stand out from others?</p>	<p>Let the interviewee talk freely.</p> <p>Steering question: Which product features or services would you consider as a "wow-factor" (exciter/delighter)?</p>
<p>19. In your experience, which attributes/features of heating systems are important for <b>end customers</b> in Italy?</p> <p>Which ones do you consider as the most important ones?</p>	<p>Stimulus words if no precise answer can be given: Quality, energy demand, sustainability, country of origin, price</p>
<p><b>Acquisition Phase (10 min.)</b></p>	
<p>20. On which information channels or mediums do you rely on when making the final decision?</p>	<p>Stimulus words if no precise answer can be given: Social media, trade fairs, manufacturer's website</p>

<p>21. Which people in your company are involved in the decision-making process?</p> <p>Who is responsible for the final decision/negotiating?</p> <p>Are there any other stakeholders that could have an influence on the decision?</p>	<p>Stimulus words if no precise answer can be given: End customers, journalists, other wholesalers or retailers</p>
<p>22. Which factors could have a positive respectively negative impact on the final decision whether to cooperate with a manufacturer or not?</p>	<p>Steering questions: What went well in the past? What could be improved?</p>
<p>23. Imagine you found your perfect supplier of heating systems but in the end, you decide for another supplier. What could have happened?</p> <p>What can be done to prevent this from happening?</p>	<p>Let the interviewee talk freely.</p>
<p>24. To which extent do you want to be involved in the value creation process (tailoring of heating systems)?</p>	
<p><b>Ending (5 min.)</b></p>	
<p>25. Does your company use English as business language, or do you communicate in your native language only?</p> <p>Do the people that are responsible for the final decision speak any other languages on a profound level?</p>	
<p>26. How long does it usually take from the initial contact to the placing of the first order respectively signing of the partnership contract?</p>	

<p>27. Now, we are at the end of the interview. Are there any other important aspects concerning the topic that you would like to mention?</p>	
<p>Thank you again for taking the time to answer my questions. It was a pleasure to talk with you. Good bye.</p>	

**Table A6:** Interview Guideline for Intermediaries in the Italian HVAC Industry (own presentation)

## 5 Interview Guideline for Manufacturers Operating in the Italian HVAC Industry

### Briefing and Introduction

Name of the interviewee: \_\_\_\_\_

Company: \_\_\_\_\_

Job title: \_\_\_\_\_

E-mail address \_\_\_\_\_

Telephone number: \_\_\_\_\_

Date of the interview: \_\_\_\_\_

I would like to welcome you to today's interview. Thank you very much for your time and willingness to participate. My name is Sandra Berghofer and I am currently completing my master's degree in International Marketing at the University of Applied Sciences Campus 02 in Graz, Austria. For my master thesis I am developing an integrated communication concept with focus on acquiring Italian sales partners. Your knowledge and practical experience will provide valuable information for elaborating the concept.

The interview will last approximately 45 minutes. I would like to ask for your kind permission to record the interview as the analysis and interpretation will be based on a transcription. I guarantee that all your answers will be treated confidentially.

Do you have any questions before we start?

Warm-Up and General Information (5 min.)	
<p>1. What is your definition of a sales partnership between manufacturers and intermediaries?</p>	<p>Steering question: Is a partnership more a loose cooperation or should it be based on a contract?</p>
<p>2. How would you describe the current situation in the heating industry in Italy?</p>	<p>Stimulus words if no precise answer can be given: Competitive situation, degree of innovation, trends, heating demand, importance of interior design</p>
<p>3. How is the market structured in the Italian heating industry?</p> <p>Who are the key players (leading manufacturers, wholesalers or retailers) in the Italian heating industry?</p>	<p>Stimulus words if no precise answer can be given: Structure of retail and wholesale trade, distribution patterns, type of wholesalers or retailers (discounter, high-end or specialized)</p>
Initiation Phase (15 min.)	
<p>4. Imagine you are an intermediary (wholesaler or retailer) in the HVAC industry. Where could you get aware of or meet potential suppliers? Where are usually the first touch points between intermediaries and manufacturers?</p>	<p>Stimulus words if no precise answer can be given: Social media, personal contacts, trade fairs, internet search, magazines</p>
<p>5. In your experience, are intermediaries actively searching for suppliers or should they be approached by the manufacturer?</p>	
<p>6. Which channels do you think intermediaries use to search for new suppliers?</p> <p>From your point of view, which channels are the most important ones?</p> <p>Which people in the manufacturing company do they usually contact?</p>	<p>Ask these questions only if the <b>intermediaries search for suppliers.</b></p>

<p>7. Which channels and instruments should manufacturers use to approach intermediaries (potential sales partners)?</p> <p>From your point of view, which channels are the most important ones?</p> <p>How often should manufacturers contact potential sales partners?</p> <p>Which person(s) in the potential sales partner's company do/would you contact first?</p> <p>Do you think that there is an ideal moment to initiate the contact?</p>	<p>Ask these questions only if the <b>contact is initiated by the manufacturer.</b></p> <p>Stimulus words if no precise answers could be given: Events, projects, anniversary</p>
<p>8. In your experience, which preliminary information do intermediaries need when they are looking for a new supplier or before the manufacturer can even contact them?</p>	<p>Stimulus words if no precise answer can be given: Size of company, available products, delivery terms</p>
<p>9. From the point of view of an intermediary, which requirements and preconditions must be met by a supplier of heating systems?</p> <p>Are there any legal requirements in Italy that heating systems must meet?</p>	<p>Stimulus words if no precise answers could be given: Delivery times, service, support</p>
<p>10. In which style would you formulate the message for initiating the contact?</p>	<p>Use laddering technique (Why/For what reason)</p> <p>Stimulus words if no precise answers could be given: Personally/impersonal, formal/informal, informative/entertaining</p>



**Persuasion Phase (10 min.)**

<p>11. Which instruments should manufacturers use to stay in contact with potential partners?</p> <p>Which point(s) of contact do you consider as the most critical one(s)?</p>	<p>Stimulus words if no precise answers could be given: Telephone, personal meetings, e-mail</p> <p>Use laddering technique (Why/For what reason)</p>
<p>12. Based on your experience, how important are the following attributes for the selection of a supplier of heating systems? (1 = critical factor, 2 = very important, 3 = important, 4 = less important, 5 = not important at all)</p> <ul style="list-style-type: none"> <li>• Quality of products</li> <li>• After sales service</li> <li>• Promotional support</li> <li>• Tailormade products</li> <li>• Flexibility</li> <li>• Reliability and trust</li> <li>• Reputation</li> <li>• Innovation</li> <li>• Benefits of the product for the end customer</li> <li>• Price</li> </ul> <p>Are there any other crucial factors that you would like to add?</p>	<p>Interviewee needs to understand ranking!</p> <p>Ask one attribute after the other. Wait for answer after each attribute.</p> <p>Prepare sheet with attributes and make notes.</p>
<p>13. Why do you think that wholesalers or retailers engage in a partnership with manufacturers?</p>	<p>Steering question: What are the main benefits for the partner of a partnership?</p>
<p>14. In your opinion, what can a manufacturer of heating systems do to stand out from others?</p>	<p>Steering question: Which product features or services could be considered as a "wow-factor" (exciter/delighter) by potential sales partners?</p>

<p>15. In your experience, which attributes/features of heating systems are important for <b>end customers</b> in Italy?</p> <p>Which ones do you consider as the most important ones?</p>	<p>Stimulus words if no precise answer can be given: Quality, energy demand, sustainability, country of origin, price</p>
<p><b>Acquisition Phase (10 min.)</b></p>	
<p>16. Based on your experience, how important are the following communication instruments for motivating the sales partners to close the deal (signing of partnership contract or placing of first order)? (1 = critical, 2 = very important, 3 = important, 4 = less important, 5 = not important at all)</p> <ul style="list-style-type: none"> <li>• Social media</li> <li>• Trade fairs and exhibitions</li> <li>• Manufacturer's website</li> <li>• E-mail marketing</li> <li>• Broadcast media (TV, radio)</li> <li>• Professional magazines</li> <li>• Public relations</li> <li>• Personal selling</li> <li>• Sales promotions</li> </ul> <p>Are there any other crucial instruments that you would like to add?</p>	<p>Ask one instrument after the other. Wait for answer after each instrument.</p> <p>Prepare sheet with instruments and make notes.</p>
<p>17. Which persons in the partnering company are usually involved in the decision-making process?</p> <p>Who is usually responsible for the negotiation and final decision in the sales partner's company?</p> <p>Are there any other stakeholders that could have an influence on the decision?</p>	<p>Stimulus words if no precise answer can be given: End customers, journalists, other wholesalers or retailers</p>

<p>18. Which factors could have a positive respectively negative impact on the final decision whether to cooperate with a manufacturer or not?</p> <p>Which measures would you take to positively influence the final decision?</p> <p>What can be done to avoid factors that hinder the process?</p>	<p>Let the interviewee talk freely.</p>
<p><b>Ending (5 min.)</b></p>	
<p>19. In your experience, are there any peculiarities that have to be considered in the acquisition of Italian sales partners?</p> <p>In which language do you communicate with Italian sales partners?</p>	<p>Steering questions:  What are the main differences between the acquisition of Austrian and Italian sales partners?  Are there any cultural aspects that have to be considered?</p>
<p>20. In your opinion, how does an ideal acquisition process look like?</p> <p>How long does it usually take until the potential sales partner places a first order or signs the partnership contract?</p>	<p>Steering question:  What are the main steps in sales partner acquisition?</p>
<p>21. Now, we are at the end of the interview. Are there any other important aspects concerning the topic that you would like to mention?</p>	
<p>Thank you again for taking the time to answer my questions. It was a pleasure to talk with you. Good bye.</p>	

**Table A7:** Interview Guideline for Manufacturers Operating in the Italian HVAC Industry (own presentation)

## 6 Exercises During the Workshop with INFRAENERGIE

### 6.1 Ranking of Touch Points in the Initiation Phase

Question 2: For identifying critical touch points everyone gets three dots. Please give the touch point that you consider as most important two, and that one you consider as second important one dot.

Touch Point	Number of Dots (n = 4)
Trade fairs	5
Search engines and website	5
Recommendations	2
E-mail	0
Specialized magazines	0

**Table A8:** Ranking of Critical Touch Points in the Initiation Phase (own presentation)

### 6.2 Individual Exercise 1: Supplier Selection Criteria

Question 9: Based on your experience, how important are the following attributes for the selection of a supplier of infrared heating systems? (1 = critical factor, 2 = very important, 3 = important, 4 = less important, 5 = not important at all)

Attributes	Number of Mentions (n = 4)				
	Critical Factor	Very Important	Important	Less Important	Not Important
Quality of products	3	1	0	0	0
After-sales service	3	1	0	0	0
Promotional support	0	0	2	2	0
Tailormade products	2	1	1	0	0
Flexibility	3	1	0	0	0
Reliability and trust	4	0	0	0	0
Reputation	4	0	0	0	0
Innovation	0	0	2	2	0
End customer's benefits	3	1	0	0	0
Price	0	3	1	0	0

**Table A9:** Importance of Supplier Selection Criteria as seen from INFRAENERGIE (own presentation)

### 6.3 Individual Exercise 2: Influencing Factors

Question 14: Which factors could have a positive respectively negative impact on the acquisition process?

Positive Influence	Negative Influence
Experience and knowledge, no mass processing, great products	Wrong people, no sympathy, change of mind (product from acquaintance)
Consultation, service, individual solutions, flexibility	People in the company, price
Good product, project support, quality, complete solution	Inadequate preparation before final meeting, found someone "better"
Trust, quality, experienced employees	No capacity, knowing the right people

**Table A10:** Factors that are Positively or Negatively Influencing the Acquisition Process (own presentation)

## **7 Original Statements of Interviews**

**Granig, Werner, Export Manager, Windhager Zentralheizung GmbH  
[01.04.2019]**

*„Auch muss man vielleicht drauf schauen, wie schaut die Vertriebsphilosophie des Partners im Land aus. Passt das zu meiner?“*

**Ringbauer, Michael, Representative, Redwell Manufaktur GmbH [28.03.2019]**

*„Dann in weiterer Folge, die Einladung ins Werk mit einer Werksbesichtigung, Kennenlernen, Produkteinschulung [...]“*

**Kolhaupt, Armin, CEO, Farko KG [06.04.2019]**

*„Das man einfach Freude an der Zusammenarbeit hat. Produkte verkauft man lieber, wenn man gut mit dem Lieferanten auskommt.“*

## 8 Budgeted Measures of the Communication Concept

Measure / Task	Description	Euro	Details	Total
<b>Sales Materials</b>				
Product catalog	Update of catalog	200 €	Internal costs: 4 man-hours á 50 € (cf. Berghofer 12.04.2019)	1,180 €
	Translation into Italian	380 €	Approx. 2,000 words translated by ALLESPRACHEN.AT-ISO 9001 GmbH (cf. ALLESPRACHEN.AT-ISO 9001 GmbH 2018)	
	Printing costs	600 €	5,000 copies	
Flyers	Update of flyers	50 €	Internal costs: 1 man-hour á 50 € (cf. Berghofer 12.04.2019) Translations can be taken from product catalog	150 €
	Printing costs	100 €	5,000 copies	
Company presentation	Update of presentation	200 €	Internal costs: 4 man-hours á 50,00 € (cf. Berghofer 12.04.2019)	250 €
	Translation into IT	50 €	Approx. 300 words Translation together with product catalog	
Template of project portfolio	Translation into IT	50 €	Approx. 200 words Translation together with product catalog	50 €
Website	Update incl. new landing page and SEO	800 €	Internal costs: 16 man-hours á 50 € (cf. Berghofer 12.04.2019)	1,560 €
	Translation into IT	760 €	Approx. 4,000 words translated by ALLESPRACHEN.AT-ISO 9001 GmbH (cf. ALLESPRACHEN.AT-ISO 9001 GmbH 2018)	
<b>E-Mail Marketing</b>				
Newsletters	Creating and sending newsletters	600 €	Internal costs: 12 man-hours á 50 € (cf. Berghofer 12.04.2019) 12 newsletters per year Creation by Italian speaking sales manager	600 €

<b>Trade Fairs</b>				
Klimahouse Bolzano	Booth	2,400 €	20 m² booth (cf. Fiera Bolzano Spa 2019)	8,400 €
	Preparation Booth design Transportation	6,000 €	Average trade fair costs plus estimated transportation (cf. Berghofer 12.04.2019)	
Mostra Convegno	Booth	3,000 €	20 m² booth (cf. Reed Exhibitions Italia S.r.l. 2019)	9,000 €
	Preparation Booth design Transportation	6,000 €	Average trade fair costs plus estimated transportation (cf. Berghofer 12.04.2019)	
<b>Personal Meetings</b>				
Company visits in Italy	Travel costs	3,0000 €	Approx. 10 times a year (meeting several partners) á 300 €	3,000 €
<b>TOTAL BUDGET (July 1, 2019 - June 30, 2020)</b>				<b>24,190 €</b>

**Table A11:** Budgeted Measures of the Communication Concept (own presentation)