Branding the concept of branding seems to be

Branding requires extensive efforts of the marketing department, and it has become one of the essential functions of marketing departments (Viardot, 2017). The concept of branding originates from a business-to-consumer (B2C) setting, but it has received more attention in business-to-business (B2B) environments during the last decades (Leek & Christodoulides, 2011). Branding has been explained as the functional and emotional values connected to a brand, including thoughts and perceptions of that specific brand (Leek & Christodoulides, 2011; Veloutsou & Taylor, 2012). It is not about advertising or selling, it is about making something valuable and meaningful (Kotler & Pfoertsch, 2007) and it is more similar to the B2C market than some might believe (Lynch & de Chernatony, 2007). Within the B2B field, branding might seem to be more complex and some might argue that branding is not a necessary effort in such setting, whilst others are arguing for the opposite (Lynch & de Chernatony, 2007). A strong and successful brand has mastered the art of combining an effective and valued product with a characteristic identity, and also added value through the eyes of customers (Mudambi et al.

, 1997). Brands that have developed a strong positioning have been found to operate more efficient and they have a competitive advantage (Kotler & Pfoertsch, 2007). When it comes to branding in a B2C environment, the research is very extensive and straightforward, especially when comparing to the research done in the B2B field where it is under-researched (Baumgarth, 2010; Veloutsou & Taylor, 2012; Lynch & de Chernatony, 2007). Companies put major effort into branding and the development of a brand when it operates in a B2C market, whilst there is less focus on branding within B2B.

The concept of branding seems to be neglected by many companies working in a B2B environment (Homburg et al., 2009), even though it has been proven to lead to competitive advantages (Gordon et al., 2007; Leek & Christodoulides, 2011), improved customer satisfaction (Low & Blois, 2002) and more prominent financial margins (Benedixen et al., 2004). Research has shown that branding and brand management in industrial settings differ from the consumer marketing field (Herbst & Merz, 2011), however, both fields have the same cornerstone – uniqueness and differentiation (Leek & Christodoulides, 2011). Despite the benefits of corporate branding, it is still neglected by businesses. Some might see branding as only being relevant for B2C companies, and therefore the concept is ignored and the benefits are being overlooked (Lynch & de Chernatony, 2007).

Some marketers might even see branding as somewhat of a gimmick, whilst others find it to be merely products with brand names or logos (Mudambi et al., 1997; Leek & Christodoulides, 2011). The limitations of research within B2B branding becomes even more prominent when looking into branding within Small and Medium-sized enterprises (SMEs) (Mäläskä et al., 2011). Branding in SMEs becomes more of a barrier for companies as there are limited perceptions and brand orientations of the brand compared to larger sized organizations, and they therefore end up at a competitive disadvantage (Baumgarth, 2010).

Research has found that SMEs are more dependent on their corporate network, and their expertise and resources than larger organizations (Mäläskä et al., 2011). Insert method paragraph1. 1 The challenges and problems of business-to-business brandingA negative side effect of the research-gap within the field is that not much documented evidence can be presented of the benefits of a successful industrial brand, therefore, leaving the topic of B2B branding shallow and unsubstantial. As a result companies will find it difficult to implement any information they do obtain on B2B branding. Furthermore, even lesser research has been made regarding the correlation between branding and the financial performance of businesses operating in industrial markets (Ohnemus, 2009). Balmer (2001), has questioned the widely accepted view that branding at all times entails positive financial results, and instead he indicates that, in fact, branding might be a major cause of wealth destruction.

Many B2B marketers indeed find the economical aspect of branding to be somewhat of an obstacle. B2B branding does not guarantee increasing revenues, and building brand equity requires long-term financial investments. An investment that some marketers in industrial markets might not be willing to take considering it could potentially put the company in financial difficulties (Balmer, 2001). 1. 2 The benefits of branding in industrial marketsEven though marketers are perceiving branding as only suitable in a B2C environment, there are many benefits of branding in a B2B context. Companies with a strong brand positioning are often more effective, efficient and they have a greater competitive advantage in general (Kotler & Pfoertsch, 2007).

Research has discovered that within B2B it is common to stay loyal to a certain brand, and that this gives greater financial rewards (Gordon et al., 1993; Michell et al., 2001). Therefore, a long-term branding strategy is very much necessary in order to achieve a high level of business performance and perception of the brand (Viardot, 2017).

A strong corporate image can lead to referrals and influence the purchasing decision (Backhaus et al., 2011). In addition to this, it could also attract more stakeholders (Fombrun et al.

, 2000), where loyalty and respect is the basis of the relationship (Sheth & Sinha, 2015). In addition, corporate branding can increase the overall reputations and impressions, both amongst stakeholders and customers and it is therefore something of value for many B2B companies (Fombrun et al., 2000).