Walk the Talk!
B2B Positioning Strategies in the Management Consultant Industry

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Abstract

**Title:** Walk the Talk! B2B Positioning Strategies in the Management Consultant Industry

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**Purpose:** The aim of this paper is to identify the underlying factors that make up brand positioning strategies for B2B service companies. We also wish to provide a structured overview of how well suited current B2C strategies are to the more complex buying situation that characterizes the B2B field.

**Method:** In this study, an abductive research approach was chosen in addition to choosing a qualitative method. We conducted semi-structured interviews with CEO’s and other people with strategic responsibility in the management consultant industry. Four companies and a total of seven interviews were held in the respondents’ offices in Stockholm, Gothenburg and Malmö. For the analysis, pattern making and a cross-case synthesis were used. Trustworthiness and authenticity were chosen as methods of quality assurance.

**Theoretical perspective:** For the literature review undertaken in this study, both traditional and more contemporary theories were used to ensure a wide perspective. Authors such as Ries and Trout (1981) with their thoughts about positioning in the mind of the prospect as well as Porter’s (1980) generic strategies account for the historical context, while Urde and Koch’s five schools of positioning including brand and market orientations and Attia and Hooley as well as Mülbacher et al.’s approaches to positioning with a focus on internal resources represent the contemporary aspect.

**Empirical foundation:** Solely primary data was used in this study. Data was recorded through the interviews with the respondents and later transcribed, coded and analysed.

**Conclusion:** There is an inconsistency in how companies and the academia interpret the term ‘positioning’, and a framework that is entirely suitable for B2B companies is lacking. It is therefore difficult for the studied companies to design positioning strategies. Porter’s (1980) differentiating strategy is present among our studied companies, in addition to the brand orientation and the holistic perspective as described by among others Urde and Koch (2014) and Mülbacher et al. (1994). The reason these theories are represented is due to the contextual dependence, which is high in our case with a knowledge intensive industry, customized services, a service offering and a B2B field. However the factors used to differentiate the company, differ significantly and all these factors are presented in a new framework for B2B positioning factors.
Vocabulary

**Positioning:** How and on what basis companies compete on the market (Besanco, Dranove, Shanley & Schaefer, 2013).

**Differentiation:** How companies choose to distinguish themselves from their competitors. Companies create a position by differentiating themselves based on several different factors (Besanco, Dranove, Shanley & Schaefer, 2013).

**Brand:** “A brand is a name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (AMA.org, 2016).

**Corporate Brand:** A brand that represents a company and relies on employees to a larger extent compared to a product or service brand. The corporate brand is also the voice of the company (Kapferer, 2012).

**Service:** “Any act of performance one party can offer to another that is essentially intangible and does not result in the ownership of anything” (Kotler & Keller, 2012). Products can range from “pure tangible good” to “pure service” and can therefore be a mixture between goods and services (Kotler & Keller, 2012).

**B2B:** A business-to-business, commonly called B2B, company targets other companies as their primary customers, rather than individual end consumers (Kotler & Pfoertsch, 2006).
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1. Introduction

This thesis will address the problem of how service companies in the B2B sector position themselves on the market. The argument is presented in six chapters, the first of which is this introduction, which will present the background and setting of the problem being researched. Chapter two will explain the theoretical background for the study, followed by chapter three, where the methodology chosen for the thesis is presented. In chapters four and five, the empirical results are presented and interpreted, leading down to a conclusion and suggestions for further research, which is presented in chapter six.

1.1 Background

It is sufficient to walk into a common supermarket to realize that today’s society is surrounded by, and possibly also built upon, brands. There are thousands of different kind of jams, chocolate bars, laundry detergents and frozen vegetables, all wanting to tempt consumers one way or another. How do customers tell them apart? The answer might seem simple; by their brands (Dahlén & Lange, 2009; Kotler & Keller, 2012). But what is a brand? The definition provided by the American Marketing Association reads as follows: “a brand is a name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (AMA.org, 2016). According to Kotler and Pfoertsch (2006), brands are cues to help consumers choose through carefully selected names, colours and icons. They further contend that a brand may be likened to “a promise… [and] a totality of perceptions” (Kotler & Pfoertsch, 2006). Kotler and Keller (2012) argue that a brand is “an offering from a known source”, meaning that a brand name is accompanied by different associations in the mind of the consumer, and that a company should work towards only having positive ones. Advertising gurus Ries and Trout (1985) claims that a brand is “a singular idea or concept that you own inside the mind of the prospect”. Kapferer (2012) suggests that a brand is “not the name of a product”, but a “vision that drives the creation of products and services under that name”. In short, there are various definitions of what a brand truly is, but they all revolve around a broader concept than simply a name or a packaging (Dahlén & Lange, 2009; Morrison, 2001).

In the supermarket example above, fast moving consumer goods (FMCG), are what first come to most people’s minds when brands are mentioned (Kotler & Pfoertsch, 2006; Leek & Christodoulides, 2011). They are products that people encounter every day and with which they most readily associate branding. But the concept of brands stretches further than this. Brands can for example be experiences, persons, or even cities (Kapferer, 2012; Kotler & Keller, 2012). An example of a place being a brand mentioned by Kotler and Keller (2012) is Las Vegas and its “What Happens Here Stays Here” campaign, which was
launched by The Las Vegas Convention & Visitors Authority. Another, somewhat similar, campaign is the now well known “I ♥ NY” campaign that was launched in the 1970’s to promote tourism and is owned by The New York Department of Economic Development (New York State Library, 2013). There is also a difference between corporate and product brands. According to King (1991) the corporate brand relies more heavily on employees than the product brand. Kapferer (2012) further argues that the corporate brand has the voice of the company and therefore must build a reputation to a larger extent. Due to a greater transparency and the advance of web 2.0 which brought social media to the public (O’Reilly, 2016), customers no longer distinguish between products and the brand (Kapferer, 2012), thus the company must live up to its customers’ expectations at all times. Perception is reality, as stated by Kapferer (2012), among others, and is a reason that companies have started to pay more attention to their corporate brand. Kapferer (2012) also depicts product brands as soul-less constructions, while corporate brands have the company behind them, which consists of people and are thus more genuine.

In addition to this extended brand concept, one can add two more divisions; brands targeting end consumers, as for the examples so far, versus brands targeting other companies, as well as products versus services. The first division concerns companies trading foremost with other companies and they are commonly called business to business (B2B), while those aiming at end consumers are called business to consumer (B2C) (Kotler & Pfoertsch, 2006). The second division concerns products versus services, which at first might seem obvious. However, further examination would reveal that there are many important differences. Kotler and Keller (2012) define services as “any act or performance one party can offer to another that is essentially intangible and does not result in the ownership of anything”. Hence, there can be a physical product involved in the transaction, but it is not the main offering (Kotler & Keller, 2012). There are five different offerings, Kotler and Keller (2012) further argue, ranging from a “pure tangible good”, in other words a product without a service, to a “pure service”, a service with no accompanying product.

Furthermore, there are four specific characteristics that are frequently mentioned in service marketing: intangibility, inseparability, variability and perishability (Lovelock & Gummesson, 2004). Intangibility relates to the fact that a service cannot be examined by the senses in the same way that a physical product can, while inseparability means that a service will be consumed at the same time as it is produced (Kotler & Keller, 2012). Variability touches upon a service not being entirely standardised, as it is performed by people, and perishability means a service cannot be stored (Kotler & Keller, 2012). These characteristics are what distinguish services from products, but the implications of these differences go deeper than its physical attributes.
1.2 Problem Discussion

To ensure that a company’s brand stands out from the competition, Kotler and Pfoertsch (2006) argue that the company must send non-generic messages to their customers. Leek and Christodoulides (2011) continue in the same vein and contend that strong brands are more easily accepted by customers. It is from these ideas that the brand positioning concept was born: to place, or position, the brand in the mind of the consumer (Kotler & Keller, 2012), by emphasising what makes the brand different from the competitors’ (Kapferer, 2012). Thus, differentiation is an important part of brand positioning. According to Besancon, Dranove, Shanley and Schaefer (2013), companies create their positions by differentiating themselves based on several factors, and Claudiu-Catalin (2014) continues that differentiating the brand is crucial in terms of positioning.

For a long time, managers and researchers believed that differentiation, positioning and other marketing strategies were mainly of importance for goods in the B2C field (Hague, Hague & Harrison, 2015; Kotler & Pfoertsch, 2006; Leek & Christodoulides, 2011; Malaval, 2001). They built their reasoning upon the fact that end consumers have greater knowledge about the products, in addition to the belief that they act non-rationally compared to B2B customers (Kotler & Pfoertsch, 2006; Malaval, 2001). Rational buying centres in the B2B field were assumed not to be influenced by “whims” but rather hard facts such as functionality or price (Hague, Hague & Harrison, 2015; Kotler & Pfoertsch, 2006), and thus marketing efforts in general would be irrelevant. With regards to the service field, it was either considered too small or having too little competition (Kotler & Keller, 2012) to be applying brand positioning and differentiation strategies.

Nowadays, managers have started to review their statements as the business world is starting to agree upon brand positioning and other marketing strategies for others than B2C companies and goods (Hague, 2015; Kotler & Pfoertsch, 2006; Malaval, 2001; Morrison, 2001). This as a result of the massive increases in competition on nearly all markets (Kotler & Pfoertsch, 2006) and an extensive growth of new B2B companies (Malaval, 2001) as well as in the service field (Kotler & Keller, 2012). The latter may be obvious, as the service sector now accounts for 62.4% of the world’s GDP (cia.gov, 2014), principally due to the industrialization of previously undeveloped nations (The World Bank, 2015). Service can in itself be a way for companies to position themselves, even if their primary focus is on goods (Hooley, Broderick & Möller, 1998; Kotler & Keller, 2012). Malaval (2001) describes a shift from product to customer focus, which in turn has led the way for marketing strategies.

However, the novelty of this area is seen in the low number of B2B companies actually applying brand positioning strategies (Hague, 2015; Malaval, 2001; Morrison, 2001). Most of the resistance is due to a
perceived high cost and commitment that is required to differentiate (Hague, 2015; Morrison, 2001). Hague (2015) further argues that this is regretful, since although the specialization, which is a characteristic for B2B markets, demands strong promotional encouragement, the cost of discarding marketing strategies in the industrial fields will be considerably higher in the long run. Another problem with positioning in the B2B field is that even if accepted, B2B companies are generally worse than the B2C counterparts in implementing the strategies, once developed (Hague, Hague & Harrison, 2015). A reason for this might be the fact that, as previously mentioned, most brand positioning strategies are founded in the B2C environment (Kotler & Pfoertsch, 2006; Malaval, 2001) and therefore might be troublesome applying in the B2B area, which differs from its B2C counterpart. Lastly, Hague (2015) claims that brands within the B2B field have a strong tendency of being confused with product names, which carry no associations and thus do not qualify as brands (Hague, 2015). This might in turn be an explanation to why B2B managers dismiss marketing efforts such as brand positioning. In recent years, however, when the subject attracted the curiosity of researchers, new methods and theories spawned (Kotler & Pfoertsch, 2006). Since it might be even more important to position B2B companies as well as services, as services are troublesome to evaluate beforehand (Virtsonis & Harridge-March, 2008), these contributions are important.

Leek and Christodoulides (2011) contend that some of the benefits of applying branding and differentiation to B2B brands include higher customer satisfaction, greater probability of being recommended, and higher brand loyalty. They also mention risk reduction as a benefit, as well as a possibility for customers to identify with the brand. Other authors have expressed fragmented views on how to best position B2B companies (Leek & Christodoulides, 2011) and they vary from concerning associations and memetics (Marsden, 2002), to deep operational and experiential factors (Kalafatis, Tsogas & Blankson, 2000), and to theories on brand and market orientation (Hooley, Broderick & Möller, 1998; Urde & Koch, 2014). But, as frequently mentioned in the literature on the subject, there is a disturbing lack of both research (Leek & Christodoulides, 2011) and empirical evidence to support the developed framework and theories (Attia & Hooley, 2007; Hooley, Broderick & Möller, 1998; Kalafatis, Tsogas & Blankson, 2000). Which underlying factors that affect B2B companies’ positioning strategies remain unclear.

There are numerous examples of companies that can be categorized within both the B2B field and the service sector; cleaning services, the telecommunication industry and management consulting firms to name a few. The latter of those is especially interesting in our case. The management consultant industry is characterized by a high level of competition, something that makes positioning valuable (Arora, 2006), but is not engaged in price wars as for other consultants, such as the IT-consultant industry
("Producentprisindex för tjänster (TPI)", 2016). The fact that management consultants sell strategy advice, including positioning strategies, also makes the field interesting; do they practice what they preach? Finally, the service itself that these companies are selling is in many aspects hard to define (Furusten, 2003), making having strategy to develop legitimacy essential (Alvesson, 1993; Clark & Salaman, 1998; as cited in Furusten, 2003).

To sum up, in spite of recent interest amongst researchers in the field of B2B and service positioning, existing theory has not yet been able to thoroughly explain the phenomenon or provide sufficient evidence for how companies actually differentiate themselves. This, in combination with the empirically poor, fragmented previous studies, leads to inconsistency in models and framework, a lack of connection to reality and lastly, to our research question:

1.3 Research Question
What factors affect the brand positioning strategy for B2B companies in the service industry?

1.4 Purpose
The aim of this study is to identify and present the underlying, differentiating factors that affect brand positioning strategies for B2B service companies. We have chosen to use cases from the management consultant industry, as they are good examples of both B2B and a service. This study hopes to bring new empirical evidence, and thus contribute to knowledge in the field of business-to-business and service marketing strategies. The ambition is to achieve new insights in what differentiation and brand positioning originates from and so to advance the research field. We also wish to provide the reader with a structured overview of how well suited current B2C strategies are to the more complex buying situation that characterizes the B2B field.

Practically, this thesis will provide guidance for B2B companies in the service industry regarding understanding and evaluating the underlying differentiating factors that are the components of brand positioning statements and strategies.

1.5 Delimitations
The delimitations done in this thesis are foremost due to time and other resources being restricted. Under this restraint lies the fact that only brand positioning in itself and not a broader marketing concept has been studied. Brand positioning and differentiation are two of many marketing management practices that
need to be defined and explored for B2B companies, as for the service industry. Still, this paper focuses solely on the positioning aspect in itself and not the steps that lie before or after, such as segmentation and implementation processes.

Another delimitation is to only focus on the manager’s aspect, as to how the brand positioning strategy is formulated. This may thus not reflect the actual, perceived position in the eye of the customer, or how well the strategy statement actually is anchored in the operative reality at the company. Also, since brand positioning is such a broad concept, we have decided to only focus on one industry, the management consultant industry, to illustrate the empirical findings and to limit this industry to a Swedish rather than an international setting. Because product brands are somewhat a rarity in the B2B field, this thesis discusses only corporate brands to be as accurate as possible.
2. Theory

The term positioning is very broad and the theories concerning brand positioning are fragmented, limited and sometimes contradictory (Leek & Christodoulides, 2011). This chapter aims to provide an overview of the theories surrounding the term brand positioning, the history and development of the term, the perspectives and orientations of brand positioning, the role of relationships and networks, and to identify the differences between B2B and B2C. The theories described in this chapter range from the early positioning strategies in the 1970’s to contemporary theories and frameworks of the past few years to provide the reader with a clear and thorough outline of brand positioning strategies. Lastly, the chapter will provide a theoretical summary of the factors that, according to existing theories, could affect the brand positioning strategy of B2B companies.

2.1 The History of Positioning Strategy

Positioning has since the term was first coined been one of the most important tools in marketing (Blandson & Kalafatis, 2001; Hooley et al., 2004; Hooley & Greenley, 2005; as cited in Attia & Hooley, 2007; Kapferer, 2008; Kotler, 1997; Kotler & Pfoertsch, 2006; Urde & Koch, 2014). The amount of media noise is said to be so overwhelming that companies need to find ways to successfully position themselves in the minds of the consumers to survive; companies must find ways to stand out from their competitors, or differentiate, to get the attention of the stakeholders (Ries & Trout, 1981).

To thoroughly understand what coined the terms positioning and differentiation, it is important to understand their history. One can find traces of the deeper meaning of positioning strategies dating back to ancient Greece, where Plato affirmed a connection between a certain memory and other memories which in turn influences the final interpretation (cf. Warren 1916, as cited in Marsden 2002). However, the term brand positioning has been accredited to the authors and marketers Ries and Trout and was coined in their series of articles in the paper Advertising Age called “The Positioning Era” in 1972. They define positioning as something that is happening inside your head rather than something done to the product (Ries & Trout, 1981). Ries and Trout (1981) further propose a specific way of succeeding with differentiation: by finding a gap in the minds of the customers.

“To be successful today, you must touch base with reality. And the only reality that counts is what’s already in the prospect’s minds.”

Ries and Trout, 1981
Ries and Trout’s (1981) positioning strategies are thus the foundation upon which all later brand positioning strategies are built. In the analysis both classic and new theories were compared to gain an understanding of whether they are applicable to the B2B service companies we have chosen to study, or whether these theories have more use in the B2C sector, for which they were initially designed.

When companies have found the gap in the prospects’ minds, Ries and Trout (1981) argue that there are two main brand positioning strategies they can use: the leading position and the following position. In order to claim the leading position, the company must be the first actor to establish a strong position on the market. Being first means that all following brands will be compared and benchmarked against the first company’s standard, making all other brands imitations of “the real thing” (Ries & Trout, 1981). In addition to this, companies positioned as leaders benefit from the fact that consumers are likely to choose the same brand they chose the last time they purchased the product, unless they have a specific reason not to (Ries & Trout, 1981). This concept can be compared to being market driven, versus market driving, as described by among others Jaworski, Kohli and Sahay (2000). Businesses, too, are more likely to buy from leading brands, and skilled people often seek employment at companies with the leading position on the market (Ries & Trout, 1981). Using a following strategy, the company must instead find the gap in the present market. To find this gap, companies must go against what the leader and other companies are doing and attempt to find a specific profile or niche to differentiate themselves with (Ries & Trout, 1981). If the market is already filled with a wide range of products, finding the gap can be difficult. In the case of this situation, companies can re-position competitors to claim a spot on the market (Ries & Trout, 1981). The process of re-positioning the competitors means changing the world of assumptions consumers have about the existing products on the existing market and influencing consumers to re-evaluate their beliefs about the market and its actors (Ries & Trout, 1981).

Porter (1980) is another early name on the subject and wrote about strategies of how to differentiate from, and accordingly, exceed competitors via competitor analysis, thus placing an emphasis on the competitive climate rather than the mind of the prospect. Porter (1980) takes an industrial perspective in his argumentation and talks of how a company should act in the market to achieve competitive advantage, in other words; “to maximize the value of the capabilities that distinguish the company from its competitors”. The basis for Porter’s strategies is a thorough competitive analysis, finding the likely strategic changes of competitors and predicting the probable reactions of competitors to changes on the market. Porter proposes three generic positioning strategies that could contribute to the competitiveness of companies: overall cost leadership, differentiation, and focus (Porter, 1980). The positioning strategy, overall cost leadership means that companies can reduce costs efficiently by, for instance, spreading costs over a lot of units produced which would create high asset utilisation. A second approach to achieving
overall cost leadership would be by standardizing the product or the service through for example removing
the option of customization. The second competitive position Porter suggests (1980) is differentiation.
Porter maintains that companies can make products and services appear different to customers through
branding. The differentiating qualities can vary; design, image, special features, customer service and high
quality are just some of the possible qualities used to differentiate, and several of them should be
combined for optimum results (Porter, 1980). These differences are strongly associated with brand image,
from the basis of brand loyalty and reduced customer sensitivity to price (Porter, 1980). This positioning
strategy is of high interest in our study, as it discusses on which bases differentiation can be done.
However, since this theory just like most others is based in the world of B2C, the factors may or may not
be suitable for the B2B environment and must therefore be reconsidered. The third of the generic
positioning strategies is the focus, where companies target a certain customer segment or geographic
market and adapt to their particular wants and needs better than competitors. Companies using the focus
strategy do not serve the industry as a whole, and may therefore not reach as large a market share as
possible. However, unlike the first two strategies, companies using the focus strategy may become
exceptionally profitable in their narrow customer segment or geographic area (Porter, 1980). This third
strategy can also be applicable to the B2B sector, if we consider targeting specific segments as a
differentiating factor in positioning. Since Porter (1980) considers it a unique category, it also needs to be
re-evaluated with an empirical connection for B2B and service companies.

2.2 Perspectives on Brand Positioning

More contemporary authors on the subject often merge earlier studies to involve more than one aspect,
such as Mühlbacher, Dreher and Gabriel-Ritter’s (1994) MIPS, Managing Industrial Positioning
Strategies, in the industrial field, or Urde and Koch (2014) who present a scale from a brand to a market-
oriented perspective. To gain an understanding of why previous research has resulted in such different
conclusions, it is important to understand the different perspectives from which brand positioning has been
studied. Because Ries and Trout were the leaders of an advertising agency (Easy-strategy.com, 2016) it is
not surprising that they base their guidelines for brand positioning in the B2C perspective with a focus on
advertising and commercials (Attia & Hooley, 2007), while Porter, being in the industrial field, takes
another standing point. Mühlbacher et al. (1994) argue that there are two ways of viewing the construct of
positioning within a company, a view supported by Attia and Hooley (2007) and Kalafatis, Tsogas and
Blankson (2000). The two perspectives are called operative and holistic (Mühlbacher et al., 1994); the first
being brand positioning located at the operative level, where the company uses positioning as advertising.
This type of brand positioning is used to make the company’s own product appear superior to customers,
while the competitor’s products are attacked and deemed less attractive (Mühlbacher et al., 1994), thus the
operative positioning focuses mainly on communication. Regarding the second, holistic perspective, Mühlbacher et al. (1994) argue that this view of brand positioning takes the entire company into account in the positioning process. They continue that all different departments within the company must cooperate and work interactively. By doing so, marketing programs and actions will send a cohesive and united image of the company and brand positioning is an integrated process throughout the entire company (Mühlbacher et al., 1994). Due to the difficulty of marketing a service (Virtsonis & Harridge-March, 2008) a holistic perspective could possibly help customers understand the totality of the company and is thus of great importance in this study. Leek and Christodoulides (2011) also argue that positioning can be studied from different perspectives. They claim that there are two levels from which brand positioning, or differentiation, can be viewed: branding at a product level, which is commonly used in B2C markets, or at a corporate level. In the product level each product is branded individually. However, Baumgarth (2010) as cited in Leek and Christodoulides (2011) argues that corporate brands are of greater importance in the B2B sector.

2.3 Brand Positioning Orientations

2.3.1 Market Orientation

Unlike the previously mentioned perspectives, which explain the role brand positioning has taken in the company and whether it is incorporated throughout the company or used as a marketing tool, the orientations of brand positioning deal with how the company relates to the market and customers. One of these orientations is the market orientation.

As previously explained, Ries and Trout (1981) argue that positioning must begin from the stakeholders’ perspective and that a company’s brand positioning will only be successful if they use an outside-in perspective (Ries & Trout, 1981). With this perspective, the authors mean that if a benefit of a product or service should be communicated, the communication process must start in the mind of the prospect and not with the product or company itself. By focusing on the prospect rather than on the product, finding the messages to communicate in the brand positioning process will be easier (Ries & Trout, 1981). Urde, Baumgarth and Merrilees (2011) define this outside-in approach, also called the market orientation, as a focus on the image rather than the identity of the company. Urde further continues the discussion with Koch (2014), formulating the managerial question whether a company should be guided by its identity or others’ reactions, where the market orientation has a clear focus on stakeholders rather than the identity of a company. Kotler and Keller (2012) follow this thought when they define brand positioning as something
that is done to the mind of the customer, referring to the fact that the positioning is based upon what the customer thinks of the product, rather than the product itself.

2.3.2 Brand Orientation

As previously stated by researchers (Attia & Hooley, 2007; Kapferer, 2008; Urde & Koch, 2014), the brand positioning of a corporate brand may originate from the internal identity, ideas or strengths of the company. This is defined as the brand orientation. The brand orientation, or the inside-out mind-set, uses resources from within the company, usually the brand and the identity (Urde et al., 2011) as the focus of the positioning strategy. The inside-out perspective as described both by authors such as Kapferer (2008) as well as Attia and Hooley (2007) differ significantly from the early positioning theories by Ries and Trout (1981). Kapferer (2008) suggests that brand positioning derives from the identity of the company brand. The brand identity determines the personality, values, communication style, form and spirit that signify a company and make it unique (Kapferer, 2008), and can therefore be described as what differentiates the company. It thus highly connects to what factors define positioning, and aligns with the aim of this paper. Brand identity originates from the company itself, meaning that when companies base the positioning process in the brand identity they use an inside-out perspective (Kapferer, 2008). Attia and Hooley (2007) also argue that companies look within themselves and use their own strengths as a starting point when differentiating themselves on the market. They argue that product quality, innovation and resources are internal competitive advantages companies can use to establish a strong position on the market. This internal perspective is called the resource-based view (Attia & Hooley, 2007) and is to some extent in alignment with Porter’s (1980) arguments.

The resource-based view of competitive brand positioning identifies the current and future key resources within the company that will serve the purpose of creating a sustainable competitive advantage for the company (Attia & Hooley, 2007). A company’s internal resources develop into competitive advantages used to position the company against competitors (Cui & Lui, 2005; Hughes et al., 2010 as cited in Kozlenkova, Samaha & Palmatier, 2013). Barney and Arikan (2001) as cited in Greve (2003) define resources as either tangible or intangible. Examples of tangible resources are raw materials or machinery (Shriodkar & Mohr, 2015). Intangible resources are socially constructed and include assets like knowledge and reputation (Kozlenkova et al., 2013; Shriodkar & Mohr, 2015). These intangible resources are interesting in this study as they are often used in marketing strategy such as in brand building, creating relationships with customers and procuring knowledge and are therefore ways to differentiate the company (Kozlenkova et al., 2013). For resources to be considered sustainable competitive advantages
they must meet four criteria: valuable, rare, difficult to imitate and the ability of the organization to use the resource. These criteria are commonly known as the VRIO framework (Kozlenkova et al., 2013).

2.3.3 The Combination of Market and Brand Orientation

The two approaches to brand positioning, brand orientation and market orientation, became the basis of Urde and Koch’s (2014) framework of positioning strategies, presented in their study “Market and brand-oriented schools of positioning” (Urde & Koch, 2014). Urde and Koch (2014) incorporate much of the previous research on the subject, which gives their framework a unique and broad overview to facilitate the understanding of the indistinct area of differentiation and positioning. The two researchers question to what extent companies should be guided by either their own unique identity or the views and opinions of others when positioning, or in other words, brand or market orientation. Urde and Koch (2014) suggest an entire scope of possible approaches of brand positioning, ranging from brand orientation to marketing orientation. These are called the five schools of positioning and consist of:

“Puzzle”: This is the first school of brand positioning and it is entirely market oriented. It focuses on finding a gap on the market and meeting unmet needs by analysing the market segments and target customers. The reason for the name “puzzle” is the puzzle-solving nature of finding the market patterns optimal for the company’s positioning.

“Wordplay”: A positioning school that by the use of rhetoric and communication developing favourable associations to the company or brand. This positioning school de-positions the competitors, making them appear less appealing, much like Ries and Trout (1981) suggest.

“Wild card poker”: By the use of creativity and innovation, this school of positioning finds new market space currently not used by any other company. This type of positioning is equally brand and market oriented.

“Chess”: In the brand positioning strategy of “chess” companies aim to match their own competences and resources with the demands of the market. It is a mainly brand oriented approach, yet has elements of market focus incorporated into the positioning strategy.

“Domino”: This positioning strategy is completely brand oriented and companies using this strategy base their positioning on their company identity. Companies execute this strategy by selecting a position on the market and keeping it long-term.

Which orientation is best suited for the company depends on company characteristics, Urde and Koch (2014) write, and does not have to be the same for the corporate brand as for product brands within the
company. There is therefore no ‘best’ option (Urde & Koch, 2014). They suggest further research to focus on the possible compatibility with B2B companies, as their study has a B2C setting. Due to unique features of the B2B environment, these schools might be more or less suitable for companies not focusing on the end consumer, which is why the analysis in this thesis connects empirical evidence to this theory.

2.4 The Role of Relationships in Brand Positioning

As previously mentioned, relationships are intangible resources that can be used in brand positioning strategies as a competitive advantage to differentiate the company from its competitors (Kozlenkova et al., 2013). For an ongoing relationship, according to Kotler and Pfoertsch (2006), touch points such as networking, R&D, publications and customer care are said to be most important, as these lead to referrals.

Relationships may be built between the customer to either the corporate brand or to the employees within the company (Bengtsson & Servais, 2005, as cited in Leek & Christodoulides, 2011). It is thus of importance that the company decides at an early stage if it wants to focus the relations to individuals or the corporate brand, especially for B2B companies as relations are, as previously mentioned more important in this setting compared to B2C (Kotler & Pfoertsch, 2006).

The benefit of using a powerful brand as a resource is differentiation from the company’s competitors, while brand loyalty can be attained from relationship building (Kaleka, 2011). Because of the intangible nature of relationships, they are exceptionally difficult to copy or imitate (Kozlenkova et al., 2013), making relationship building an effective way of outperforming competitors. In the event that companies choose to use relationship building on an employee level, the employees become human representatives of the brand, and convey the brand identity to customers (Gupta & Lincoln, 2010, as cited in Leek & Christodoulides, 2011). The advantage of this type of relationship building is that companies are able to directly influence customer perceptions of the brand by using the employees’ knowledge, skills, brand perceptions and treatment of the customers (Chun & Davies, 2006; Roper & Davies, 2010 as cited in Leek & Christodoulides, 2012). However, the company must aim to convey a consistent image and brand perception to all their customers, which may be difficult considering the personal differences in every employee (Leek & Christodoulides, 2012).

2.5 B2B Brand Positioning Strategies

Regarding B2B brand positioning strategies, there are differences between these and strategies used in a B2C setting due to the many differences between B2B and B2C. Apart from simply selling to different end consumers, there are other important differences between B2B and B2C: for example, B2B tend to
have more complex products or services, fewer customers, per a customer larger volume, larger and fewer transactions, and longer-lasting, more personal customer relationships than B2C (Hague, Hague & Harrison, 2015; Kotler & Pfoertsch, 2006). Another difference is that the buying centre is more complex for a B2B firm than a B2C, which makes targeting challenging (Hague, Hague & Harrison, 2015; Kotler & Pfoertsch, 2006; Whitmyre, 2015). The conclusion of all these components is that the B2B buying centre is far more demanding than its B2C counterpart. Lastly, it is also more common to find a product brand in the B2C field than the B2B, where the corporate brand dominates due to a great number of products, their different degree of contribution to the final solution (Malaval, 2001) as well as the customization of products (Leek & Christodoulides, 2011). This in turn greatly influences positioning and differentiation in B2B companies due to the schools of positioning (Urde & Koch, 2014) having different important features for corporate versus product brands, as previously mentioned.

In addition to this, there are other elements that differ and must be taken into account when positioning a B2B compared to a B2C company (Beverland, Napoli & Lindgreen, 2006). This is supported by Leek and Christodoulides (2011) who argue that because of the different elements in building brand equity for B2B compared to for B2C, models and theories designed for the latter might not be applicable on B2B contexts, which in turn supports the aim of this essay. They continue by stating that where feelings and imagery are important factors for when branding towards end consumers, reputation and sales force relationships take their place in the B2B equivalent model. Hence, brand positioning strategies must adapt to the rational world of B2B (Leek & Christodoulides, 2011).

Beverland with colleagues (2006) point out that B2B companies, in contrast to B2C companies, focus their efforts on fewer, yet more powerful customers and must adapt to the individual demands of each of these customer. This is further complicated by the fact that B2B companies are characterized by complex buying centres and thus B2B branding seems to be of even greater importance (McDowell Mudambi et al., 1997; as cited in Leek & Christodoulides, 2011). Buying centres are mostly consisting of more than one person, and according to Kotler and Pfoertsch (2006) this results in having to please a number of different people. They continue by adding that its complexity is largely due to the fact that the buying centre normally is not formal, but usually consist of six main groups; initiators, users, influencers, deciders, approvers, buyers and gatekeepers (Wheeler, 2003; as cited in Kotler & Pfoertsch, 2006). Brand positioning as a branding effort must therefore be flexible enough to count for the variation to which people in the buying centre are receptive to branding in general, as well as to what degree the different people are able to influence the decision (Leek & Christodoulides, 2011).

In addition to this, Mühlbacher et al. (1994) point out the lack of focus on relationships and networks in existing positioning approaches in their study on B2B positioning. Companies in the B2B sector rely on
resources and input from their environment and must establish a relationship with distributors and competitors as well as legislators, opinion leaders, employees and the media (Mühlbacher et al., 1994). Mühlbacher et al. (1994) further write about brand positioning in industrial B2B firms with a focus on the triangular relationship between customers, the company and competitors. They point out these three aspects as being the pillars of B2B positioning (Mühlbacher et al., 1994). In their framework, the customer viewpoint is aimed at the consumers’ needs and wishes, the company at its own internal resources and values, and competitors at their internal resources. These three are later also connected with networks and relationships to better fit the industrial B2B market, something that Mühlbacher et al. (1994) argue is lacking in previous research.

In total, all these differences between B2B and B2C companies undermine the argument that models and theories originating from B2C situations are directly applicable on its B2B counterpart. It is of great importance to examine whether this is the case or not to be able to continue the development of branding efforts in the B2B area.

2.6 Theoretical Summary

To summarize, companies can use brand positioning on two levels: the operative level, where positioning is used as an advertising tool, and the holistic level, where the positioning process is incorporated in all departments of the company and part of the everyday business routine (Attia & Hooley, 2007; Kalafatis, Tsogas and Blankson, 2000; Mühlbacher et al., 1994). As Urde and Koch (2014) present with their scale from market orientation to brand orientation, there are also combinations between views. To highlight factors that have been presented in the theory chapter, a theoretical summary of the theories discussed are presented below. The factors presented have been grouped after what factors that previous writers have identified as factors affecting brand positioning strategies. An important notice is that Urde and Koch’s (2014) scale is not presented since their study is mostly a compilation of earlier authors.
<table>
<thead>
<tr>
<th>Factor</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Resources</td>
<td>Kapferer (2008): Brand identity is the inner substance of the brand and the source of brand positioning.</td>
</tr>
<tr>
<td></td>
<td>Attia &amp; Hooley (2007): The resource based view; companies should see to their own unique resources when positioning.</td>
</tr>
<tr>
<td>Competitors</td>
<td>Porter (1980): Through a competitive analysis, companies can maximize value and differentiate themselves from their competitors and achieve competitive advantage.</td>
</tr>
<tr>
<td></td>
<td>Ries &amp; Trout (1981): To be able to survive, companies must find a way to stand out from their competitors through differentiation.</td>
</tr>
<tr>
<td>Customers</td>
<td>Ries &amp; Trout (1981): To differentiate, companies should find a gap in the mind of the consumer rather than on the market.</td>
</tr>
<tr>
<td></td>
<td>Kotler &amp; Keller (2012): Brand positioning is what the consumer thinks of the product.</td>
</tr>
<tr>
<td>Networks and Relationships</td>
<td>Kozlenkova, Samaha &amp; Palmatier (2013): Relationships are a differentiating resource that set companies apart from competitors.</td>
</tr>
</tbody>
</table>
3. Method

This chapter aims to present how this study was conducted, from research strategy to study design and procedure approach. Lastly, a quality assessment is presented. To justify the choices made in the essay presented in the following method section, we once again want to state the research question: What factors affect the brand positioning strategy for B2B companies in the service industry?

3.1 Primary and Secondary Data

To be able to identify the B2B brand positioning strategy factors, this study revolves solely around primary data. Collecting new empirical evidence is of utmost importance because of earlier studies, which have primarily been based on literature research. The primary data that has been used in this study is in-depth interviews with company representatives in management positions. Seven interviews have been conducted with representatives from four companies. Due to the limited access to and incoherency of empirical data in the field so far, no secondary data has been used.

3.2 Research Strategy

3.2.1 Research Approach

In this study, we have chosen an abductive research approach to evaluate the relationship between theory and research. This has been done since this study aims to draw inspiration from previous theories of brand positioning however, not with the intention to test them, but to develop them with empirical findings. The understanding of the empirical data and its contribution was also of importance, and thus the abductive approach was deemed most suitable. This concurs with Josephson and Josephson’s (1996) definition of the usage of an abductive approach as “a form of inference that goes from data describing something to a hypothesis that best explains or accounts for the data”. It also matches the definition “starting from the empirical base but not rejecting theoretical preconceptions” made by Alvesson & Sköldberg (2009).

The abductive approach is one out of three commonly used research methods, where the inductive and the deductive approaches are the other ones. These approaches have not been used in this study due to several reasons. Firstly, as stated by Alvesson and Sköldberg (2009), the inductive approach is risky since it moves from single facts that are transformed into a general truth, while the deductive approach is criticized for using autocratic statements that lead to vague explanations. Secondly, since the inductive and deductive approaches either starts from theory and move toward empirical data or the other way around (Bryman & Bell, 2005), they do not allow for development of the applied empirical data or
adjustment of theory (Alvesson & Sköldberg, 2009), which is the aim of this study. Finally, the abductive should not be seen as a mixture of the two even though the inductive and deductive approaches have influenced the abductive approach (Alvesson, 2009). Rather, the abductive approach has a focus on understanding and deeper structures, which therefore makes it suitable for this study.

3.2.2 Method of Inquiry

To answer the research question of this study, we have chosen a qualitative method. This has been done to capture the social reality in order to generate empirical data that reflect the object studied. The empirical data was then in turn used to develop the chosen theory in the study. According to Bryman and Bell (2005), these qualifications coincide with the definitions of a qualitative research method. Since the study has an abductive approach, the qualitative method is suitable since it has a rather inductive approach to theory, which enables a start from the empirical base (Bryman & Bell, 2005), which in turn matches the abductive approach relationship to empirical data. Furthermore, due to the formulation of our research question that aims to answer “what” factors, rather than for example “how many”, it also matches the qualitative research method according to McCusker and Gunaydin (2014), as well as Yin (2009).

Other methods, such as the quantitative method, could have been used to answer the research question of this study. The quantitative method, however, focuses more on quantification, a deductive approach of testing theory and to answer questions about a phenomenon that has the formulation of “how much” or “how many” (Bryman & Bell 2005, McCusker & Gunaydin 2014, Yin 2009). Thus, this does not match the aim of this study, or the chosen research method and was therefore not considered appropriate.

When choosing a qualitative research method, the consequence of this choice leads to the question of generalization, and its implications on qualitative research. The intention of this study is not to generalize the results due to the nature of the researched area. We find the subject of this thesis too wide and the sample too small to draw any generalizable conclusions concerning other areas in either the B2B sector or the service sector. Therefore, the results of this study should only be interpreted on the base of the empirical data of this thesis.
3.3 Study Design

3.3.1 Choice of Industry

We have chosen the management consultant industry as the empirical field for this study. When choosing industry, several factors were taken into careful consideration. Evidently, the industry had to qualify as both a service and a B2B context. Due to the limited time and resources in the study, it was deemed necessary that the chosen industry was located in Sweden; hence industries mainly focusing on global business were excluded. It was also of interest to choose an industry where the question of brand positioning strategies would be specifically problematic, and since management consultants sell positioning advice, they would have a good insight to the studied subject. An important note in this matter is to be aware of the possibility that the companies could have a problem distinguishing between what they sell in terms of strategy advice, and their actual internal work. Moreover, as marketing strategies become of greater importance when the environment is highly competitive (Arora, 2006), the industry had to have a high level of competition. According to Furusten (2003), the management consultancy industry has an unclear structure, leading to individual consultancy firms having to create their own position in the field to appear legitimate. He further argues that this unclear structure is connected to the fact the service the consultants are selling is, to a larger extent than other services; very difficult to evaluate which, in turn, creates instability over time. Clark and Salaman (1998) further develops this argument by stating that the characteristic of services being intangible, leads to great difficulty in assessing the quality of a management consultancy service. This could be said to be typical for all service industries; however, it is more distinct in the management consultant industry due to the lack of an authority to overlook it, as is common in other industries such as law or medicine (Furusten, 2003). These arguments, in combination with the fact that the management consultant industry in Sweden is growing in spite of its highly competitive environment (Furusten, 2003), make it interesting to look at from a positioning point of view.

The management consultant industry in Sweden has a long history dating back to the 1940’s. Back then, all companies on the Swedish market originated from Sweden (Furusten, 2003). During the 50’s, foreign companies entered the market but as far as into the 1970’s, the Swedish industry of management consultants was still relatively small. Over the years the structure of the industry changed and the consultant industry in Sweden opened up to global companies (Furusten, 2003). The entry of these, combined with the trend of outsourcing, drove the industry to expansion in the 80’s and 90’s (Konsultguiden, 2012). Today, the industry contains firms of different sizes and origins and can, according to Furusten (2003) be categorized into three different categories based on origin: American, semi-American and Swedish.
The exact definition of a management consultant and what management consultants do is very indistinctive (Kleppestø, 2016; SCB, 2007) and can be defined in many different ways (Furusten, 2003). However, if looking back to the distinction made by Kotler and Keller (2012) we can still categorize the service that management consultants are providing as being a “pure service” since the transaction does not involve any type of product. We can also conclude that the industry is knowledge intensive due to the fact that the product is based on know-how and customization rather than a standardized concept. According to the Swedish Association of Management Consultants, SAMC (2016), a management consultant is “a consultant or a consultant firm that independently provides advice or help regarding leadership/management questions”.

3.3.2 Case Companies

For gathering empirical data for this research we chose to use the method of case studies. A case study is a detailed study of an individual, a company or a group of people (Malhotra, 1999), which cannot be generalized (Abercrombie et al., 1984 as cited in Flyvbjerg, 2003). Dul and Hak (2008) present a slightly different definition, which includes the fact that a case is “an inquiry of only one instance”, and the fact that the environment around the instance is left non-manipulated. Yin (2009) takes the definition further by describing it as a way for researchers to retain the characteristics of a real-life situation that is both contemporary and impossible to manipulate. This study has a focus on four case companies, which were chosen depending on a range of criteria:

1. The firm was founded and is primarily located in Sweden.
2. The firm meets the classifications for being categorised as a small company, with 10-50 employees.
3. The firm is mainly focusing on Swedish markets.
4. The firm’s consultants define themselves as management consultants.
5. The firms are delivering similar services with an orientation towards strategic decisions, governance and leadership.

There are various reasons for choosing these criteria as the base of our selection. Firstly, as previously mentioned, due to the time and limited resources of this study a decision was made to only focus on companies based in Sweden. Also, since the Swedish management consultancy industry is dominated by small or middle sized companies (Furusten, 2003), a restriction to only select companies having 10-50 employees was made to make the sample representative for the industry. Due to the fact that global firms often have difficulties in obtaining a uniform marketing strategy across countries and markets (Levy, Taylor & Boyacigiller, 2010), a choice was made to only study companies with a focus on the Swedish
market. These criteria matched the four companies we chose; Karlöf Consulting, Trinovo Consulting, Ekan Management, and InterPares Management Consultants.

**Karlöf Consulting** was founded in 1996 and offers services within the areas of strategy, culture and organization. The company is a member of SAMC, has its office in Stockholm, and has around 20 employees. The company has four partners and aims to develop the companies of the future.

**Trinovo Consulting** was officially founded in 2015, but a co-operation between the founders of the company started already in 2011 with the merge of two older companies. Services offered by Trinovo are within the areas of business development and IT-management and the company has offices in Stockholm and Malmö with a total numbers of around 20 employees. Trinovo is also a member of SAMC.

**Ekan Management** was founded in 1985 and originated from an idea starting at Gothenburg School of Business, Economics and Law. The company now has offices in both Gothenburg and Stockholm, and employs around 40 people. Ekan has a variety of different areas of expertise, including strategy, management, business development, leadership and purchase of business systems.

**InterPares Management Consultants** is a management consultant firm focusing on strategy and organizational change and was founded in Stockholm in 1991. Today, the company has 12 senior consultants and offices in both Stockholm and Malmö. The name InterPares means “among equals” and describes the mentality of the firm well, as they strive to make all active consultants in the company partners.

Information concerning these companies was gathered from the companies’ web pages, where they describe themselves and the work they perform. Even though it could be said that this information is biased based on the companies’ interest to present themselves in a favourable manner this is not problematic for this thesis. This due to the fact that it matches the purpose of this study since it is focused on the strategic decisions taken in the company rather than how external stakeholders perceive the implementation of these decisions. To find the companies for the study, websites such as Konsultguiden and SAMC were used as starting points. The sampling was thus not randomized due to a difficulty of getting hold of strata that would be suitable for this study, as well as the problem of defining what a management consultant really is.

When using case studies, it is important to distinguish between practice-orientation and theory-orientation according to Dul and Hak (2008). Since the aim for this thesis is to study reality and describe it literary rather than to apply theory to reality, it belongs to the second category. However, because of the abductive approach applied in this study, the aim is not to generalize theory without being at all influenced by
previous theory as in the inductive approach, but rather to look for cues in the empirical evidence for B2B brand positioning and to attach them to literature. Case studies have conventionally received criticism for the latter characteristic, as a number of authors mean that social science is all about being able to generalize results (Campbell, 1966; Diamond, 1996; Dogan & Pelassy, 1990, as cited in Flyvbjerg, 2003). However, Flyvbjerg (2003), Dul and Hak (2008) as well as Yin (2009) among others mean that despite the criticism and the challenges, there is much to be achieved from case studies, not least in business research where they are frequently used and may have a great impact. Cases have been said to be a good method of research for when wanting to achieve depth and a thorough understanding of a phenomenon (Flyvbjerg, 2003; Yin, 2009), as in this study.

3.3.3 Semi-structured Interviews

In this study we used semi-structured interviews, a form of in-depth interviews, due to the complex nature of brand positioning in the B2B field. The respondents in the case companies might need time for reflection to achieve greater insights, something that Malhotra (1999) describes as a characteristic for depth interviews. He continues stating that depth interviews are most applicable to studies involving professionals, competitors and a deeper understanding of a complex phenomenon making the depth interview a good choice for this particular study.

An alternative to depth interviews in qualitative research is the focus group. The reason why focus groups have not been used in this study is based on Malhotra’s (1999) arguments regarding the drawbacks of this approach. Malhotra (1999) states that larger groups could seem intimidating to some individuals and thereby inhibit the conversation, resulting in a lack of information that could have been retrieved during an in-depth interview (Malhotra, 1999). He further states that there is a larger risk of misjudgement due to the probing of the moderator, and a difficulty in getting good respondents to agree on a time and space (Bryman & Bell, 2013; Malhotra, 1999). The last factor is of great importance in our study, as Malhotra (1999) continues the argument with saying that when conducting management studies, the best respondents tend to be the busiest.

When conducting our interviews, we chose to interview people with strategic responsibility in the companies, which is why the majority of the people were CEO’s or partners. This way we could make sure that the people chosen would be able to relate to the research question and that they take part in strategic decisions. Another reason for this selection is that having a more homogenous group among the respondents makes comparisons easier between companies (Alvehus, 2013). Semi-structured interviews may be done only once with each respondent, or a number of times (Malhotra, 1999). Due to the time and resource restrictions for this study, a choice was made to focus on achieving more than one person’s view
of the subject rather than to conduct more than one interview with the same person. For each of the companies, two persons were asked to participate except in one company where only one participant was available.

The conducted interviews were direct, meaning that neither the questions nor the purpose of the study were disguised. They were also personal and rather unstructured to gain as much flexibility as possible to the subject and to be sure to minimize the loss of any important information. Semi-structured interviews are typically done on a one-to-one basis (Malhotra, 1999), so to be sure to follow practice, the interviews conducted had one interviewer and two observers, who at the end of the interview had the opportunity to ask further questions. The interviews for this research were done exclusively in the offices of the respondents. This is, according to Malhotra (1999), a way to make the respondents feel comfortable and relaxed, something that is crucial in-depth interviews. Other requirements for successful in-depth interviews that Malhotra (1999) discusses are factors such as a personal environment, to develop issues that seem to interest respondents, to avoid yes/no questions, as well as identifying issues where the respondent needs to elaborate their answers. To be sure that our interviews were as satisfying as possible, a pre-test was conducted before they were applied on our actual sample group. Pre-tests should be done to a sample that is similar to the real respondents (Malhotra, 1999), but to ascertain that the questions were understandable even for someone only mildly familiar with marketing terms, a manager from a different field was used. The pre-test revealed academic terms that needed further explanations, ideas on which question to start the interview with, and resulted in the deletion of topics that were deemed unnecessary for the subject studied. It was also an opportunity for us to practice interview techniques before the real meetings, ensuring as good interviews as possible.

3.4 Procedure Approach

3.4.1 Conducting the Interviews

To make sure the company representatives had time to think through their decision on whether to participate in the study or not, we emailed them before calling. This was done to make the process as convenient as possible for the manager, which in turn maximizes the response rate (Healey & Rawlinson, 1993 as cited in Bryman & Bell, 2013; Malhotra, 1999). After agreeing on a time and date, the respondents were contacted by phone to make sure they understood the aim and the content of the interview. Before the interviews were held, a document was emailed to the respondents containing both the information they had received through the phone call, but also an explanation of words that could be
interpreted differently by different readers. This was done in order to minimize errors when conducting the analysis further on (Malhotra, 1999).

The interviews took place exclusively in the respondents’ offices since providing them with an environment that they feel relaxed and comfortable in is essential when conducting depth interviews as it leads to openness and honesty (Malhotra, 1999). Concerning the interview techniques, it was in our best interest to avoid bias, confusion, negations and leading questions, at the same time as trying to be amenable for spontaneity, to use common words, and to understand jargon and the language of the trade (Bryman & Bell, 2013; Malhotra, 1999).

The interviews were all recorded and started with a few personal questions, followed by the opening question on the subject: “If you have one, how would you describe your articulated positioning statement?” Depending on what the respondent answered, different topics such as “resources”, “competition”, and “customers” were further developed. These topics were in turn brought from the theoretical summary as presented in the theory chapter, but were as previously explained not fixed topics but acted as inspiration to the follow up questions. The interview guide and the topic guide can be found in appendix 1 and 2.

A few days after the interview, the company representatives received emails expressing gratitude for their participation. They also contained the information that as soon as the transcriptions of the interviews were done, they would receive them to be able to correct their own statements and to make sure we had followed good marketing research custom and ethics. When the thesis was done, it was sent to all respondents.

### 3.4.2 Conducting the Analysis

The analysis in this thesis was based on the transcriptions depicted from the conducted interviews, where certain themes that were covered acted as the main focus of the analysis. These themes consisted of all the thoughts the case companies had concerning positioning and to capture the whole essence of their thoughts regarding the subject, no theme was left out. Since the research approach for this study is abductive, it was however also of importance to take the theoretical inspiration into account in the analysis to answer the research question of the study. To be able to combine theory and empirical findings, the theoretical summary and the summary of factors behind brand positioning strategies presented in the theory chapter was used. According to Alvesson (1994) this is a good way of interpreting empirical findings, since a theoretical reference may prevent the scientist to become too overwhelmed by the empirical data. This is also something that Yin (2009) agrees with, and when analysing case studies in
particular, it is of importance to use both the theoretical premises that the study relies on and to develop a framework spired from literature. In the end, the goal of the analysis was to present a structured overview over the empirical findings and to present a framework for positioning factors based on empirical data of the B2B industry when it comes to positioning strategies.

The first step in the analysis was to regard which analytical technique that should be used. Yin (2009) presents five main techniques that are applicable to case study analysis, of which two are of interest in this study: pattern matching and cross-case synthesis. The first of the two is described as springing from empirical evidence, comparing patterns from the collected data and comparing it with a predicted pattern found in previous theory (Yin, 2009). This, too, agrees with the abductive research approach taken in this study and is thus suitable. When starting the analysis work, the first step we coded the transcriptions thoroughly, highlighting everything we found interesting or recurring and this was done in accordance with the instructions regarding coding of qualitative data by Löfgren (2013) and Alvesson (1994). This large number of codes was then discussed and everything deemed irrelevant was deleted. The remaining codes were then grouped into sections based on company belonging, according to the second technique of cross-case synthesis. This technique is constructed to exclusively fit multiple case studies, which makes it suitable for this thesis. After having grouped the codes as described above, we started comparing the findings between the companies. This way, we were able to trace patterns and themes across interviews, and from all different respondents. These themes were then looked at one by one, and codes that were not relevant were once again deleted or moved to another theme. The last step of the coding process was concentrated to 10 main themes, which then were analysed based on the theory and the summarized factors that we presented in the theory chapter. Since the interviews were held in Swedish, the final step was to translate the codes into English. To make sure to minimize the risk of losing information due to translation errors, we decided to translate only the finished themes and the occasional direct quotes rather than the whole transcriptions. This way, we translated as little as possible and therefore stayed as true as possible to the empirical data.
3.5 Quality Assessment of Study

3.5.1 Trustworthiness

The two most common measures for quality in research are reliability and validity, which concerns the replicability of the study as well as the question of whether the study’s conclusions actually are connected (Bryman & Bell, 2013). There is, however, a discussion concerning if these measures are applicable to qualitative studies as they have been developed for quantitative research (Bryman & Bell, 2013). Lincoln (1995), as well as Guba and Lincoln (1994), propose two different quality criteria appropriate for qualitative studies: trustworthiness and authenticity. It is these two criteria we have used in this thesis to determine the quality assessment of the study.

Trustworthiness consists of four sub criteria; credibility, transferability, dependability and confirmability (Lincoln & Guba, 1985). The first, credibility, aims at the internal validity of the study and how well the research actually measures the intended variable (Shenton, 2003). According to Bryman and Bell (2013), it is difficult assessing the credibility because of the scepticism towards realism that is the foundation to the criteria, but respondent validation and the use of research regulations are two acceptable ways of carrying out the assessment. In this study, credibility was assessed through accuracy in the design of the interview process by formulating the interview guide on a theoretical basis, as well as research ethics and through reporting the conclusions to the participants of the study. Transferability refers to external validity and means to what degree a study could be applied to other environments (Shenton, 2003). A complication to this criterion is the non-generalizability as previously mentioned (Abercrombie et al., 1984 as cited in Flyvbjerg, 2003). To reassure the transferability in this study, the advice from Lincoln and Guba (1985) was taken into consideration. They mean that a qualitative researcher needs to produce thick descriptions of the research environment to allow for succeeding studies to determine for the transferability to other settings (Lincoln & Guba, 1985). Therefore the analysis in this study, as well as the description of the industry, has been thoroughly explained to manage this criterion. The third principle of trustworthiness is the dependability, or the ability to produce similar results if the study was done again in a comparable setting (Shenton, 2003). Qualitative researchers achieve dependability through an examining approach to their work, preferably supported by audits from colleagues (Bryman & Bell, 2013). Research colleagues have therefore validated procedures and methods used in this thesis, and a transparency in the presentation of available material has been aimed at. The last criterion is confirmability and touches upon objectivity. As Patton (1990) as well as Bryman and Bell (2013) argue, it is near impossible to achieve complete objectivity in research based on human ability and perception. This is also something that Alvesson (1994) agrees with, stating that the scientist and the empirical field cannot be uninfluenced by
each other since they are involved in a mutual context. Due to these limitations it is of great importance that the researcher has acted in good faith and not let personal values guide the decisions made (Bryman & Bell, 2013). It is also of importance that the scientist reflects on how his or hers personal and intellectual involvement could affect the interaction of the researched field (Alvesson, 1994). To prevent biased opinions and misleading perceptions and to reflect on our own interaction with the studied empirical field, we have from the best of our ability tried to comply with good research ethics and have followed customs where applicable. This has been done by for instance analysing the material all three researchers together, to be able to combine our interpretations to give as fair of a picture of the material as possible.

3.5.2 Authenticity

In addition to the criteria for trustworthiness, Lincoln and Guba (1989) also present five criteria for achieving authenticity in research: fairness, ontological authenticity, educative authenticity, catalytical authenticity, and tactical authenticity. Authenticity appertains to more general questions regarding research implications (Bryman & Bell, 2013) compared to the assessment of trustworthiness. The criterion of fairness concerns showing an unbiased and true image of the research objects; ontological authenticity touches upon whether the research is helpful for the research objects in their assessment of their own surroundings. The educative authenticity should help the object assess others in their environment; catalytical authenticity relates to helping the respondents change their situation; and lastly, the tactical authenticity strives to supply the research objects with tools to make necessary changes (Lincoln & Guba, 1985; as cited in Bryman & Bell, 2013). This thesis manages these five criteria by primarily an intensive dialogue with the respondents of the interviews. Making sure to provide them with the findings of the study, we simultaneously provide them with the ability to review their setting, in this case the brand positioning statement process. One example of the fairness criterion is the conscious choice to interview not only one representative from the company, but two, to be able to provide as clear a picture as possible, another to have as many as four case companies in the study.
4. Empirical Data

*In this section, empirical data from the interviews held with the four case companies will be presented with each of the companies thoughts concerning brand positioning strategies and differentiating factors, as well as their thoughts about the industry, which is their setting. To capture as much of the empirical data as possible, all aspects regarding positioning are presented in order to fully answer this study’s research question. The empirical data is solely based on the interviews with the companies, the recordings, and the transcription of these.*

4.1 Case Company 1: Karlöf Consulting

4.1.1 Introduction to Karlöf Consulting

Karlöf Consulting has customers in both the private and public sector. In 2014, the company re-structured their entire organisation from a traditional management consultant company to a modern, innovative and flexible organisation driven by the idea that employees must be given responsibility and room to test new ideas in order to excel. Karlöf uses its own re-construction as an example to display to the customers. As a result, Karlöf practices what it preaches, which builds trust and credibility to the company. When interviewing Karlöf Consulting, we spoke to two representatives from the company, Magnus Öhman, CEO, and Love Lönnroth, Management Consultant.

4.1.2 Karlöf’s Description of the Industry

According to Karlöf, the consultancy industry is characterised by a few big actors that affect the industry. It is also characterised by transparency, and as a result of the digitalisation trend, know-how has become a standard requirement rather than a competitive advantage. Karlöf also mean that because of the constant changes in the market, it is difficult to plan ahead for a long period of time.

Moreover, Karlöf means that the management consultancy service is standardised and therefore cannot be used to differentiate the company. However, companies in the industry may differentiate themselves by focusing on different business areas in the customer companies. The importance of relationships in the industry today is frequently mentioned during the interview. Furthermore, the management consultancy industry as well as the management consultant profession is described as hard to define and that ideas about organisational structure from the academia are being reconsidered in practice.
4.1.3 Positioning and Reputation

Regarding positioning, no official positioning strategy has been developed in the organisation. However, Karlöf does work with brand positioning and uses parts of an unofficial positioning strategy. The strategic work is done by all employees, meaning that the brand positioning work is integrated in every aspect of the company. In addition to this, Karlöf uses their reputation in their positioning. Due to the small size of the company, Karlöf is not widely known, but within its own target market it has high recognition and works actively to sustain its already good reputation within its market. Karlöf states that its customers appreciate its high quality results and great customer experience that it delivers. Furthermore, Karlöf has a reputation of being real and genuine as it practices what it preaches, as consultants at Karlöf base their advice on strategy from the successful re-construction of their own organisation.

During the interview, the relationship between the corporate brand and the individual consultants at Karlöf was discussed. Since the individual consultant plays such an important role in the customers’ perception of Karlöf, they become an important aspect of the brand. Each individual must be an independent entrepreneur, however, the unified company brand of Karlöf Consulting is just as important as the individual. The Karlöf brand is built by cooperation between each individual consultant and the company as a whole.

4.1.4 Company Culture and Climate

The employee controlled company culture at Karlöf is mentioned multiple times. Here, it is not the CEO that makes decisions regarding strategy; the company has gotten rid of the traditional CEO role of being the decision maker and controller of administrative tasks and instead given the employees the power to change the company. One of the most important guiding principles for Karlöf is the belief in the employees’ willingness and ability to do a good job, which is why employees are given the trust and freedom needed for them to be innovative and enjoy their work.

“The company has to build a structure and a platform where the individual feels like he or she can reach their full potential by taking their own initiatives.”

Love Lönroth

4.1.5 The Service and Work Procedures

The consulting service is subjective and difficult to evaluate, making the relationship between the customer and consultant even more important according to Karlöf. A good delivery of a service is
characterised by the interplay between the customer and the consultant. There is a standard model of how
to come up with solutions at Karlöf, which is then adapted to each customer. Having thorough customer
industry knowledge is not necessary for doing successful consulting jobs, as stated by Karlöf.

Though the product cannot be differentiated, the way in which it is delivered can, according to Karlöf. The
most important resource within Karlöf is the employees and by putting together efficient consultancy
teams, the delivery of the product stands out. The customer experience is of great importance and
therefore the personality and commitment of the individual consultant plays a part in the delivery process
to the customer. Another aspect of Karlöf that stands out is their strong conviction in their way of working
that sometimes even contradicts the will of the customer. Since they plan long-term solutions, the initially
sceptical customers will usually return to Karlöf once they have realized the full potential of the project.

“In our counselling, I think we try to see beyond what the customer wants right now. And well, that is
probably what I am most proud of.”

Magnus Öhman

4.1.6 Creation of New Assignments: Customer Relations and Networks

An important part of Karlöf’s work is to build relationship capital with customers. The relationships exist
primarily between an individual consultant at Karlöf and a customer and these relationships are used as a
differentiating factor. Seeing that the success of the company is measured in rebuys and recommendations,
it is crucial that customers perceive these relationships as beneficial and trustworthy. Rebuys are often a
result of the personal relationship between a customer and a specific consultant rather than the entire
Karlöf organisation.

“A big part of what the customer evaluates is the relationship with the consultant. And in that relationship
it is really important that the customer perceives a person who is committed and fun to be around.”

Love Lönnroth

Karlöf targets both the public and private sector and adapts to the different demands of these segments.
Customers in the public sector often require previous experience in the public sector from consultants. In
the private sector customers often request knowledge of the industry even though this is not necessary to
do a good job, according to Karlöf.
4.2 Case Company 2: Trinovo Consulting

4.2.1 Introduction to Trinovo Consulting

Trinovo Consulting describes itself as a “traditional management consultant company” and has a classical hierarchy within the company. The firm focuses on the private sector, with a specialization within bank, insurance and retail. In addition to management consultancy, Trinovo also has a segment working with IT management. When conducting the interviews with Trinovo, we talked to Tomas Dahlqvist, the current CEO of the company, and Peter Wehlin, the chairman of the board. Tomas and Peter are the founders of Trinovo and were also the former CEO’s of the two previous companies who merged to become Trinovo.

4.2.2 Trinovo’s Description of the Industry

When describing the industry of management consultants, Trinovo states that consultant companies in the market vary greatly in terms of professionalism. Companies can also be divided in terms of knowledge, meaning that there are two types of consultants; those who work only with pre-made models and those who are driven by human capital or, in other words, by internal knowledge. Furthermore, different business areas demand different amount of knowledge. It is indeed difficult for customers to evaluate the quality and skill of a consultant, according to Trinovo. However, customers seem to recently have become more informed about the service itself since it has become more common in the market.

Another dividing factor between consultant companies is size; there is a difference between small and larger companies in the management consultant industry. According to Trinovo, the quality of the service delivery becomes more important for small, lesser known companies, than for larger consultant companies. With this said however, it is also stated that for all firms in general in the management consultant industry, it is difficult to get new customers.

The interviewees at Trinovo give different descriptions of the profession management consultant. One view is that a management consultant is someone who is an advisor and not someone who works with implementation. Furthermore, if the management team in the customer company is your constituent, it gives you the right to name yourself a management consultant. In addition, a management consultant is someone who has a wide approach, knowledge or competence and not just someone who sells products. Despite these different descriptions of the term management consultant, Trinovo mean that the term is being misused. Trinovo firmly states that management consultancy is a profession:
“Anyone should not be allowed to call themselves a management consultant because everyone simply is not a true management consultant”.

Tomas Dahlqvist

When it comes to trends affecting the market, Trinovo states that, in general, they are often merely buzzwords rather than revolutions. Digitalization is highlighted as an example;

“We have been working with that for many years, we just have not called it digitalization but suddenly that is the name people use”.

Peter Wehlin

Moreover, Trinovo states that customers sometimes might perceive these buzzwords as new when in fact this is not the case. Still, staying up to date on trends is important since they might have an effect on the perceived quality of the delivered service.

4.2.3 Positioning and Reputation

Regarding the term brand positioning strategy, Trinovo states that one can define a positioning strategy based on the answers to the questions “what, for who and how”. Management companies are described as being able to position themselves through their way of working by, for instance, working both with solutions and implementation or just one of these. In general, management consultant firms can position themselves by working with different types of assignments. Trinovo has a geographical position in the market by only selling to Swedish companies, but the company has not worked actively to create a brand positioning strategy, despite them selling strategy advice. In addition, what the company does and what areas of expertise it has defines the unofficial positioning. This unofficial position is also based on how the company wants to perceive themselves and this is in turn based on the company’s internal values.

When it comes to how Trinovo differs from its competitors, the value of choosing Trinovo lies in the fact that the company is experienced, professional and competent. In addition, Trinovo has three areas of expertise, as mentioned earlier, that the company tries to combine to create a unique customer offer and to stand out from its competitors.

4.2.4 Company Culture and Climate

At Trinovo, both the customers and the employees play a major part in how the service and the company knowledge base are created. For example, knowledge within the company is said to be growing by having competent customers, making Trinovo developing through assignments. However, the most important
resource for the company is its employees and internal knowledge also grows due to them. Trinovo hires senior consultants as well as newly graduated students and then use on the job training to develop the suitable competences that Trinovo requires. This way, the company gains different types of new competences. Having a unified approach is important at Trinovo as not being unified would have a negative effect on the company brand and would eventually destroy it. Furthermore, brand recall is built by showing high quality in the deliveries according to Trinovo.

The culture at Trinovo is tightly connected to the competence and the way the company works. One example of this is the work process, which is based in teams rather than on individual work. The strength within the company is said to lie with its employees since the company is not just a group of individuals. The culture is described as based on qualification, competence, work ethics, openness and familiarity.

4.2.5 The Service and Work Procedures

Trinovo’s services include both solutions and implementation work. Trinovo continue with stating that the service consists of an illumination and an increased understanding of the customer’s problem. The delivery of the service is customized, since all customers are different and therefore Trinovo does not work with pre-made models. Good knowledge about the customer industry is one condition for delivering solutions with high quality. The service itself is concentrated around solving a problem for the customer, according to Trinovo. Moreover, due to new problems arising in the work process, the service is recreated along the way.

Trinovo states that the customer’s role is vital in the delivery of the service and that customer relationships are what make the service. These relationships are in turn created through trust between individual consultants and the customer. The customer is highly involved in the project, and might already have an idea of the solution to the problem before the consultant steps in. There can also be cases where the customer wants to push the project in a different direction than the consultant. Lastly, consultants need to remember to be humble in their role, to show respect towards the customer and to let the customer make the final decision.

4.2.6 Creation of New Assignments: Customer Relations and Networks

Trinovo relies on a small number of personal customer relationships. To target themselves towards certain types of customer companies is not an active choice, Peter says:
“We have had a tendency to work a lot with companies within the industrial sector; it is more a coincidence than something we have chosen ourselves.”

Peter Wehlin

When it comes to who the actual buyer is, Trinovo states that it is rarely the managers at the customer company, but rather the “group beneath them”, referring to middle-managers or CIO’s. Regarding consulting assignments, it is unusual that cold selling or traditional marketing channels generates sales. Rather, the most common ways to get new assignments are through rebuys or recommendations, the latter being even more common when a person at a previous customer company changes jobs. It is further stated that high quality in the delivery is an important factor in receiving new assignments. In addition to this, it is also important to be present in the right contexts where potential customers converge to get a chance to meet them.

When asked about Trinovo’s networks they are described as tools for the company, rather than being a part of the corporate brand positioning or differentiation. The networks are visualized through seminars where Trinovo exclusively invites customers and create a forum for discussion, but does not take a leading role. These networks are used to get closer to both current and potential customers. The purpose is further to understand the customers, the industry they work in and their perceived problems, as well as to create a relationship with them based on trust, hopefully leading to greater understanding of the customer and quality deliveries. To further add to the quality aspect of the service, Peter says that it is of vital importance to stay updated, both on trends and on customers.

4.3 Case Company 3: Ekan Management

4.3.1 Introduction to Ekan Management

Ekan Management has customers both within the private and the public sector. The company has a classical hierarchy internally with a formal CEO and also a management team. The company has customer within both the private and public sector. When interviewing Ekan, we spoke to Dag Larsson, who is the CEO and founder of Ekan, as well as Malin Wennebro, who holds the position as head of marketing. Ekan is also a part of SAMC, where Dag is the chairman.

4.3.2 Ekan’s Description of the Industry

During the interview, Ekan makes numerous statements on their view of the management consultant industry, and the main point is primarily that it is very hard to define. They say that because the product
consists solely of thoughts and ideas, the market becomes very volatile, despite the fact that management consultancy firms are very similar. In addition, earning the customers’ trust becomes even more important when the industry is hard to distinguish, according to Ekan. Factors like being knowledgeable and have high work ethics are hygiene factors rather than differentiating factors nowadays, Ekan states. The market is described as characterized by large, influencing, American companies. A problem according to Ekan is the low demand due to customers not knowing they need consultancy services, making the task of getting new customers difficult.

Customers also seem to have a big impact on the market. Ekan also states that the customers with the greatest need of consultant services are not the ones actually buying, while companies already doing great are better at buying consultant services. There is a tendency for customers to be very interested in buzzwords and new trends, as well as to focus on soft factors rather than governance. These buzzwords might simply be something already existing in a new guise, and can sometimes be created by large companies on the market.

Finally, Dag’s definition of a management consultant is:

“[Management consultants] are more of catalysts that aid companies and make things happen”.

Dag Larsson

A slightly different definition also stated by Ekan is that a management consultant helps organizations to develop in line with its reality. In addition, the title of management consultant is described as overused and this has a negative effect in the form of barriers for unfamiliar and potential customers.

4.3.3 Positioning and Reputation

Generally, Ekan’s strategies are described as changeable, tend to be created in the process and consist of both the current view of the world as well as what the company believes of the future. Mistakes and changes are made all the time with strategies;

“You get pushed and knocked in all different kind of directions... [You] take stands that don’t make sense”.

Dag Larsson

Ekan also states that no matter how strategies are born, they are always based on the customer. This is hence also true for brand positioning strategies, which are mostly based on which field the consultant firm has chosen to operate within. Ekan has a broad competence base on which the whole company relies and
this, in combination with Ekan’s three customer promises, sets the company apart from its competitors. Other differentiating factors for Ekan are that they deliver both a solution and an implementation strategy, they work exclusively in teams and they are successful in working together with the customer. To this, work practices, targeted industries, customization and specific competence fields are added as other important differentiating factors.

Regarding the corporate brand, Ekan describes it to be communicated externally by the individual consultants, and therefore it might be difficult to distinguish between personal and corporate brands. It is of great importance to make sure customers connect individual consultants and the service with the corporate brand. Ekan works with this unity for instance by having a coherent graphical profile, common values and sharing knowledge internally. Consultant firms with mostly personal brands differ greatly from those actively working towards coherency, according to Ekan.

4.3.4 Company Culture and Climate

The company culture at Ekan is described as unpretentious, humorous, and customer oriented and a focus on customers is said to be more important than focusing internally. At Ekan, having common values are described as vital, while individuals still have space to think independently. Ekan also describes a potential problem in trying to let people act freely, while at the same time trying to maintain these common values and unity within the company.

4.3.5 The Service and Work Procedures

Ekan states that in order for a service to be of value for the customer, it has to be of relevance to them and also be created together with the customer. The product of Ekan does not consist of superior knowledge compared to the customer, but rather expertise in strategy, change management and consultancy. Ekan has a basic model, which is customized to provide the best solution for every customer, making the product flexible. Even though customers and fields vary, the way of working is consistent, and the product is created in cooperation with the customer. According to both interviewees, consultants can be seen as an external resource that the customer can get help from when necessary by not having relations with anyone in the customer company, by having experience and by seeing things from a fresh perspective. It is also mentioned that Ekan not only delivers a solution, but also helps throughout the implementation process. Further, the service is described as a balance between delivering a service that the customer can accept and the drive to challenge customers’ view. If the customers are completely new it might be difficult for them to evaluate the consultant service.
Varied teams are described as one example of how Ekan works internally with their customers and internal communication within the company is essential in order for Ekan to deliver high quality jobs. Consultants additionally act as information collectors of the market and new trends that is in turn spread within the company by internal communication.

4.3.6 Creation of New Assignments: Customer Networks and Relations

Once again, it is obvious that the customer is of great importance for Ekan. Ekan has a clearly targeted segment, which however may change over time. The customers control what services Ekan offers, as well as inform consultants of what customers problems that should be of priority. Several different ways of receiving new assignments are described in the interviews. It is unusual, they state, that companies unfamiliar with Ekan try to establish contact, and it is rather recommendations and rebuys from an existing customer network that is the source of new opportunities. New assignments can also arise in already started projects with customers, as they sometimes realize more work is needed along the way. To be sure to retain customers, it is important for Ekan to keep up with the market development by staying in touch with customers during the periods in between assignments. Trust, cooperation and adaptation are other important factors to get new assignments. Trust can be built in different ways; one example is to always deliver high quality solutions, another is to work with small deliveries as a security for the customer. Having an agreement between Ekan’s and the customer’s expectations is furthermore important in assessing quality. Another way mentioned is to visualize Ekan’s track record, which is built upon years of experience and, lastly, to always be consistent in the demeanour of the company is also said to be of importance.

Since much of Ekan’s sales originate from already existing relations, networks are of great importance. Two different types of networks are mentioned during the interviews. One is the internal within the company; the other is the external, which involves customers. For the latter, there are two subdivisions: formal and informal networks. As for formal networks, Ekan has both started their own and also takes part of already existing ones. Existing networks are described as a possibility for Ekan to stay up to date on trends and to receive information on business intelligence, as well as to increase visibility for the company and to generate sales. Ekan’s role in the network varies depending on factors such as the size of the network, when the company joined the network, and if it is international or not. Ekan's own network comes together in seminars, conferences and other forms and is open for all customers. Seminars have the double function of creating interest for the consultant firm, as well as being an opportunity for new assignments. Ekan also states that relations deepen by assignments and adds that it might be even more important to build relations before a first assignment.
Both interviewees at Ekan mean that marketing efforts are more likely to spark an interest in potential customers rather than directly leading to new assignments. It can be difficult marketing a service due to the fact that it has to be experienced. Ekan hardly works with traditional marketing channels at all nowadays, but focuses more on digital channels and seminars to offer customers bits of Ekan’s knowledge and dedication. Lastly, whether industry experience is important or not in the quality of the delivery, Ekan means that it does facilitate the communication with customers.

4.4 Case Company 4: InterPares Management Consultants

4.4.1 Introduction to InterPares Management Consultants

InterPares describes itself as a management consultant company that focuses on long-term development with lengthy relations with their clients, who come from a variety of industries. The organisational structure is built upon the idea that every consultant in the company should eventually become partner. We spoke to Lena Oswald at InterPares, who is a partner and also the chairman of the firm. As Lena describes during the interview, the CEO of the company is mostly administrative and works with operative issues. Therefore, seeing that she is not involved in strategic decision making processes, we chose to speak to Lena only.

4.4.2 InterPares Description of the Industry

InterPares expresses many thoughts on the industry they are active in. Firstly, the problem of describing strategy in academic terms, when in reality it is built on pragmatism and common sense, is mentioned. The industry is also described as difficult to segment, as characterized by many buzzwords, and as volatile when speaking of prices on the market. There is also a difference between the way of working with private and public sector, much due to public procurement for management consultant services. The industry is also affected by the challenge between corporate and personal brands, as further developed below.

As for what factors that generally make a good consultant firm, several aspects are mentioned. One is that it is useless trying to serve everyone on the market and thus consultant firms need to find their niche. Another is that quality in the delivery of the service comes from experience, and leads to rebuys. Experience from a particular industry is not necessary to deliver quality services, but it is rather a factor that differentiates different consultant firms. Finally, InterPares also states that defining a management consultant is very tricky.
4.4.3 Positioning and Reputation

InterPares works actively with their brand positioning strategy and regards positioning as an important strategy for management consultant companies to get new customers. For InterPares it is important that their customers know how they are positioned and in which areas the company is active, and for smaller companies like InterPares, word-of-mouth seems to be more important than for larger companies. It is also important to have a consistent brand positioning strategy and not change the image for every customer.

Positioning can be done in more than one way according to InterPares; for example, it can be based on customers or on type of assignment. Basing brand positioning upon customers can, in turn, mean different things. InterPares mentions looking at who your customers are, in which industry they are active, and what company position the person holds who contacts the management consultant in the first place. If, on the other hand, brand positioning is based on type of assignment, different aspects are important. Management consultants can position themselves on the basis of whether the company works with pre-made models or if they customize. One example of how seriously positioning is taken at InterPares can be seen in the fact that the company declines assignments they feel do not align with their brand positioning.

“I decline assignments... or pass them on and say, ‘this is not really what I’m working with’ [to the customer]”.

Lena Oswald

Furthermore, to act according to the position your company has chosen is extremely important, since the meaning of brand positioning differs depending on whom you ask.

4.4.4 Company Culture and Climate

InterPares’ values are something that is described as a key feature. As an example, InterPares encourages the balance between work and family in the company. The culture is furthermore described as open and transparent. Having fun at work is also frequently mentioned as important, which is achieved by several different aspects; getting along well with your workmates and working with customers in varied industries being two of them. InterPares states that the company relies upon attracting the right people:

“If you want to be part of InterPares, the intellectual needs to work but also, you need to connect in heart”.

Lena Oswald
InterPares’ own development and strategy are described as actively worked with at internal meetings where guests or case discussions can act as supplements.

4.4.5 The Service and Work Procedures

Companies today have difficulties finding time to work on long-term strategic decisions and planning. This is, according to InterPares, the foremost reason to why companies chose to buy consultancy services. Lena also states that consultants could redress the problem of customers sometimes being blind to flaws in their own company. Consultants could also act as like catalysts for customers, by combining experience with their knowledge of strategy. Exactly what the consultant will perform in the company differs from customer to customer, as different backgrounds among top management and staff leads to different mind-sets, and thus, different challenges. The consulting service could therefore touch upon everything from personal guidance to performance management.

To be able to deliver as high a quality as possible, the work at InterPares is very flexible and situational, meaning that the solution can change in the process of creation. InterPares works exclusively with customized options and solutions for their customers, focuses on long-term relations and is present in a variety of industries. The latter goes back to the question of integrity as InterPares does not work with competing customer companies. “You know way too much”, Lena says, and refers to the fact that it is important for consultants at InterPares to really get to know their clients, to see the people in the company, and thus risk passing on sensitive information to competitors. The mentality of consultants according to InterPares is that a consultant should never think he or she is better or greater than the people in the customer company, as the work foremost is cooperation between the customer and the consultant firm. This humility, in combination with daring to challenge the customer’s view and thoughts, is what in the end ensures quality in the consultancy service. Lastly, when we ask InterPares what differentiating factor would be of greatest importance when a customer chooses a consultant firm, all parameters alike, the answer is personal chemistry. After all: ”This industry is a lot about the combination of the issue for the customer and people”, and quality in solutions comes from both solving the problem and the relations that were made along the way.

4.4.6 Creation of New Assignments: Customer Relations and Networks

When speaking of how InterPares works with getting new assignments, Lena states that the customers often have a plan of what they want to change prior to the first meeting with the management consultant firm. What in the end decides which consultant firm is chosen depends a lot on what niche the consultant firm is specializing in. It is not uncommon that consultant firms actively target a specific segment among
the customers. To reach their chosen segments, InterPares uses informal networks and relations as traditional marketing channels like the company website are described as being ineffective. The potential conflict between corporate and personal brands is also mentioned, as stated above.

The integrity, as described above, is something that is distinct in the handling of customer relations at InterPares. The issue of the importance of internal work ethic for the company is mentioned once again. Being on good terms with your customers will reward you; InterPares clearly states in the interview the importance of cultivating your business network in order to retain, and gain new, customers. Moreover, informal networking is said to be even more important for small businesses, where the network helps to carry out the position on the market. When building relationships with customers, InterPares contends that the individual consultant’s personality is critical, as it together with the customer connection affects the quality of the delivery of the service. InterPares works strictly with customized methods and individual consultants have their own informal networks and relations to customers, which are important parts of what InterPares offers customers. Finally, InterPares is not actively taking part in any formal network. The benefit of these networks is described as being too low, as it takes time away from working with clients and does not bring enough new material to be worth the time.
5. Analysis

In this chapter we will provide an analysis of the empirical result from our case studies and compare it to the theoretical background given earlier in the study to answer our research question: “What factors affect the brand positioning strategy for B2B companies in the service industry?”. The analysis is divided into two parts; the first part is more descriptive where the themes concerning brand positioning that we found in our empirical data are presented and connected to theory. The second part contains a deeper analysis and discussion of how the themes are connected to each other and this is illustrated in a framework.

5.1 Identified Themes

5.1.1 The Industry and Positioning

The first themes identified from the interviews concern the definition of the management consultant industry and the term positioning. These are analysed based on the comparison between statements made by among others Furusten (2003) and Urde and Koch (2014), and the case companies in order to understand the background to these factors.

The results from the interviews show that respondents’ description and mapping of the management consultant industry is firmly interwoven with the definition of a management consultant. The case companies, as well as previous authors such as Furusten (2003), SCB (2007) and Kleppestø (2016), share similar opinions regarding the industry and the definition of the term management consultant. They all agree upon the fact that a few, large American firms dominate the industry and have a lot of influence on the market. They also state that the industry has a broad and unclear structure, that there are many varying definitions regarding the meaning of the term management consultants and therefore many different types of companies with that title exists on the market.

All of the interviewed companies define themselves as management consultant firms. However, it is also clear that they believe it is problematic to define both their title and what they do as they present different definitions and ideas on how to best describe a management consultant. Furthermore, this leads to complications for the customers as they try to evaluate actors on the market, which is aligned with what Lovelock and Gummesson (2004) state about services being intangible. The understanding of the title as well as the job is moreover deeply connected to the service that is being delivered and the case companies describe a situation where customers need to experience the service to fully understand what characterises
a management consultant. This will be further elaborated on in the section describing the theme ‘customer characteristics’

The vagueness of the definition described above is what makes the question of brand positioning strategies interesting. According to Furusten’s (2003) argument regarding the management consultant industry and positioning, consultant firms need to create their own position in the field to appear legitimate. However, something that is clear based on the empirical data is that the case companies all have different views of how positioning applies to their industry and what it means for their firms. In other words, they have different opinions regarding what brand positioning strategy means, how they should work with it and how relevant it is. This fits with the notion that the term positioning is very vague, broad and indistinctive (Leek & Christodoulides, 2011; Urde & Koch, 2014). The case companies answered differently to the question of if they had an articulated positioning strategy. Some of them said yes, but found it difficult to actually summarize it to a few sentences, and others said no, while being very sure of how the differentiation from competitors looked like. The representatives at Karlöf stated that they had bits and pieces of a positioning strategy but that it was interweaved with other marketing strategies, such as purpose. This indicates that internal processes concerning positioning seem to be done either actively and explicitly, or passive and implicitly, regardless what label they have chosen to put on the process itself. It is clear that there is a difference between how the case companies regard the term positioning strategies in comparison to the academia. However, one can still detect some similarities. For instance, the case companies state that they all work actively with differentiation and that this work is a constant flow that changes often. Differentiation and this strategic work, previously presented by Porter (1980), is in the case companies based on different areas, such as customers, relationships or internal resources and these areas are discussed individually under each heading.

Another important aspect of positioning that two of the case companies raised is that positioning is communicated to the customers. According them, positioning and reputation is spread through the customers by word of mouth and through referrals. The importance of personal referrals from previous customers differentiates small consultancy firms from their larger counterparts. Small firms are more dependent on customer referrals and therefore feel that the quality of the service they provide is of utmost importance, as they cannot afford to lose a relation because of a bad delivery. For larger firms, customers seem to be more forgiving since they already have associations to the brand, something smaller companies cannot rely on. Based on this argument, we can conclude that it agrees with Leek and Christodoulides (2011) statement regarding strong brands and that they are more easily acknowledged by customers.
5.1.2 The Consultant Service

When it comes to the characteristics of the management consultant service, the empirical data reveals that the service has certain elements that are typical for all services such as intangibility, as described by Lovelock and Gummesson (2004), and reliance on relationships, as described by Kotler and Pfoertsch (2006). It is also difficult to distinguish between the content of the service itself and the delivery of the service, according to the case companies, just like Lovelock and Gummesson (2004) describes with their term inseparability for describing services.

All the respondent companies converged on the view that the content of management consultancy services depends on the needs that the customers define. Customer needs are in turn dependent on the orientation of the customer management team; if the CEO is drawn to budgets, balanced scorecards and so on, the need might be softer factors such as leadership and team building. Despite the varied content of the service, however, the case companies can agree upon that the content of the service can be described as a problem that the customer experiences. The role of the consultant is then to come up with a plan regarding how to solve the problem, and finally, to deliver a solution. According to the case companies, the service and its delivery are characterised by being flexible and adjustable to each customer rather than being fixed models. This matches the argument made by Kotler and Keller (2012) as well as Lovelock and Gummesson (2004) regarding services being variable. The case companies further state that the service is hard to both define and to evaluate, and both the evaluation of the delivery and what it actually contains of are therefore heavily based on the customers and their expectations. This aligns with the general arguments regarding the characteristics of services according to Virtsonis and Harridge-March (2008). These expectations are in turn based on the relationship between the consultant and the customer, and also the consultant’s personality and commitment, which in the end is what the customers evaluate. In customer relationships, the companies describe being perceptive towards the customer as important since the service is created in co-operation. This is in line with Leek and Christodoulides (2012) stating that relations are more important in B2B contexts than B2C. Since the customer’s evaluation is so centralized to the relationship with the consultant, a problem regarding the consultant and the service delivery may occur. This problem consists of the balance between delivering something that the customer wants and can accept, compared to delivering what the customer actually needs but might not be prepared to accept at that time. In other words, the consultant might risk the relationship with the customer if they choose to deliver a solution that initially might not be received well by the customers, even if it is the best solution for the situation.
5.1.3 Customers Characteristics

All of the interviewed companies state that regardless of how it came to be so, they have a clear niched segment of customers that they target, even though one company explained that this segment can vary over time. Respondents’ reflections on customer behaviour and characteristics also indicated several common characteristics with Kotler and Pfoertsch (2006) observations about B2C customers. That the customer, and the relation with it, is very important for all the companies is highlighted more than once. This could be because of the B2B field characteristic of fewer customers compared to B2C, as both Kotler and Pfoertsch (2006) as well as Hague, Hague and Harrison (2015) mention.

An issue highlighted by two of the case companies is the difficulty for inexperienced customers to buy the service. This depends on the fact that they have trouble distinguishing a good service from a bad one, the market being as non-uniform as it is. This can be another result of the fact that a service needs to be experienced before customers are able to evaluate it, as described by Lovelock and Gummesson (2004) when describing intangibility as a services characteristic. The case companies explain that without a clear view of what a management consultant is, the customers have trouble defining their services. Another problem that was discussed with two of the companies was that customers are not always able to define their problems or how that problem best can be solved. The customers can also have strong opinions regarding the projects and the goal of them, steering the outcome of the delivery. An important factor that affects the customers' willingness to buy a management consultant service is their previous experience of consultants since that greatly affects their attitude and knowledge about the service.

5.1.4 Market Trends

It becomes clear when speaking with the companies that the industry is altering, even if they do not experience or interpret the source to this change the same way. Two of the case companies describe trends as an example of change that can affect the whole market. They also mention so called buzzwords and these are in general described by all companies as something that highly characterises the management consultant industry. They mean that these words might sometimes just be something old disguised as a new concept, and could simply also have been created by larger American actors who have a great influence on the market. The reason for the large companies to do this can be described by Ries and Trout’s (1981) strategy of repositioning competitors by changing consumers’ minds about a product, or in this case, a service. Staying updated on what these large corporations are doing is important when considering Porter’s (1980) view of positioning that starts with a competitive analysis to look at how others are changing on the market. This might in turn lead to problems for the case companies; due their small size they might feel pressured to follow the “giants” in the market. They also mean that the creation
of these buzzwords can in the end affect the customers, by for instance influencing the customer’s perception of what they need in terms of service and delivery. The case companies also mention the fact that the industry itself is very affected by external factors that can affect the industry. This, together with the difficulty in defining the industry, leads to volatility in the market, which according to two companies makes long term planning hard.

5.1.5 The Creation of New Assignments

The most common ways to receive new assignments are described by the companies as either by recommendations or rebuys. Having said this, the importance of customers and customer networks that Kotler and Pföbertsch (2006) describe becomes very clear. Other important factors in this process are a track record of having performed well earlier, as well as formal and informal networks. An explanation to why these are the most common ways to receive new assignments might depend upon the fact that the companies sell a service, which is why customers need to experience it before they buy it as further developed on under the service heading. This also leads to the problem of getting completely new customers without recommendations, something that all case companies describe as both difficult and unusual. The companies deal with this problem by being present in the right forums, which can be fairs or conferences. This way, attracting new customers seem like something that the companies themselves have no or little control over; rather their customer relations seem to be created by chance. Difficulties in receiving new customers can possibly be described by the service characteristic of relations being longer and deeper for B2B compared to B2C. Consequently, finding new customers would be more difficult for our case companies than companies in a B2C setting.

Another way of getting customer companies’ attention is by marketing. Formal networks and seminars for the members of these are described as a common way to market the firm and to create and develop relations with customers, both new and existing ones. These seminars can look different; either they include all customers, or are more exclusive and aimed toward a certain narrow segment, the latter connecting to Porter’s (1980) focus strategy as described in the theory chapter. Networks are a way of gaining insight into customer problems, to build loyalty, to create brand recognition and to capture trends in the market, the latter being important in order to foresee competitors’ moves according to Porter (1980). Despite all of the companies having many thoughts regarding formal networks, not everyone is positive towards them. Half of the case companies like the idea of formal networks, while the other half are sceptical regarding how effective they are and thus not part of any. One of the more sceptical companies focuses on the individual consultant’s informal networking instead.
The case companies further state that traditional marketing channels, such as advertising in a magazine, are ineffective in the management consultant industry and that other channels such as social media are being used instead. Two of the companies explain that the aim of the marketing efforts is not to directly generate sales or new customers, but rather to spark an interest and to show competence and drive.

5.1.6 Employees

The companies’ internal resources are parts of what makes the companies unique and able to compete on the market, according to the case companies. This is in line with Attia and Hooley’s (2007) resource based view of positioning, where they argue that companies see to their own strengths and resources as a starting point to finding their position on the market. The first resource that all of the companies argue to be of vital importance in their differentiation is the employees and their skill and knowledge, which agrees with Kozlenkova et al.’s VRIÖ framework as described in the theory chapter. This is because skill is difficult to imitate and highly useable for the company. The companies state the importance of having the right competence in the company and also the right combination of individuals. When working with customers, the companies usually put together a high performing team of several individual consultants and each consultant brings his or her own set of skills to the project. As the employees’ skills and competences are so important, companies make sure that the skills that one consultant has are shared with other employees within the company, to ensure the spreading of internal knowledge and to optimise the resources. This is also done in order to assure that the all the customers receive the same quality in the service delivery, despite which consultants they meet, to lower the variability that Lovelock and Gummesson (2004) describe as a service characteristic that needs attending to. The case companies further argue the importance of the development of each individual consultant and for them to reach their full potential. This is achieved by giving consultants varied tasks and projects, focusing on practical experience and having a company culture that encourages sharing of knowledge and competence. Other ways in which companies further develop the internal pool of knowledge invested in their employees is by making sure to hire who they consider to possess the right kind of knowledge and skillset from the business sector or school, and also by working with skilled customers. The case companies argue that customers often carry a great deal of knowledge and competence, which is transferred to the companies’ consultants when working closely together in projects.

By using their consultants and their knowledge as a resource, companies are following the resource-based view described by Attia and Hooley (2007) in the theory chapter. As previously mentioned, Attia and Hooley (2007) argue that companies identify current and future resources to use as competitive advantages. The case companies have identified their employees, and knowledge and skill, as a current
resource and are working actively with keeping this competitive advantage in the future. This is done by hiring new consultants and sharing the internal pool of knowledge with them, as well as benefiting from the new employees’ previous experience.

5.1.7 The Company Structure and Culture

Other important factors in differentiating the case companies are the internal structure and company culture. The structures in the companies are described as either classical with a clear hierarchy, or more flat and democratic with a high degree of flexibility and individual freedom. The different structures in the companies can be interpreted as portraying the companies’ views on how to best organize their differentiation and positioning work. Customers too have an effect on the way the companies work internally. However, the case companies use different approaches to face their customers: some are market driving and aim to independently predict future need of customers, while others are market driven and adapt to already existing customer demands as described by Jaworski et al. (2000) in the theory chapter.

The unique collection of employees, their respective competence and their way of working together make up the company culture are all important aspects in differentiating the companies from their competitors and are qualities difficult to imitate. The company culture can also act as a differentiating factor and a competitive advantage if it keeps employees working closely together and sharing ideas. Employees working closely together are more likely to communicate a unified corporate brand, since their ideas about the company and its work processes are united, something of great importance according to Leek and Christodoulides (2012). When the consultants in the company work together, share knowledge and build relationships internally, a strong and unified company culture and identity is created. These determine the personality, values and spirit incorporated in the company, which align with Kapferer’s (2008) description of brand identity in the theory chapter. As it is highly integrated in all aspects of the work at the consultant firms, the company culture is a factor that affects the way in which the projects are performed and what image is finally projected to customers and to the market, making company culture an underlying factor influencing how the company works with positioning strategies.

5.1.8 The Corporate Brand

Another differentiating factor and resource described by the companies is the corporate brand. However, as Bengtsson and Servais (2005) mention in the theory chapter, the relationship to the customer can be built to either the corporate brand or to the employees of the company. In these management consultant companies, the employees and their way of working with the customer result in the consultants acting as individual brands. This leads to the issue of companies trying to build up a unified corporate brand, while
still letting consultants work independently. The case companies point out both the benefit and dilemma of each employee building their own personal brand. The companies in this study agree that the companies consist of unique individuals, who are important individually in the work process with customers and who must carry out individual relationships with specific customers. Still, working towards a unified company brand is crucial, just as Leek and Christodoulides (2011) points out. A point of differentiation on the management consultant market is, according to the case companies, being more than just the legal arrangement of a brand name where each consultant works independently with different areas of expertise and different customers. Rather, when the customers think of the company, they must associate it with the unified company brand, its specific qualities, and not just with individual consultants.

5.1.9 The External Work Processes

The companies describe the process of working with their customers as possibly the most important part of what they do. Because the needs and demands of customers are so different, and because new problems constantly arise in the different projects, the consultant companies need to be very flexible in their work process. Though several companies describe a basic general model for the work process, each project is then adapted to the customers’ specific problem. This can theoretically be described by the service’s variability as explained by Lovelock and Gummesson (2004), as it differs both from consultant firm to consultant firm, as well as from assignment to assignment. The consultant process of solving the customer’s problem is not one sided, but is rather conducted as a co-operation between the consultant and the customer, where it is of vital importance that the customers feel that the consultant is listening to them and delivering the solution they want. Kotler and Pfoertsch (2006) describe relationships as vital because they lead to referrals, which as previously explained are one of the two main sources to new assignments.

The interviewees also have different opinions about the extent of the service provided. Two companies state that management consultants should be present throughout the entire process of the project, the planning as well as the implementation of the project, while other companies prefer to be part solely in the planning part. The weight of experience and knowledge of the customers’ industries is also a point where the case companies’ thoughts diverge. Some claim industry knowledge is imperative to perform a high-quality consultant job, while others do not. Both of these differences in diverged opinions show how the companies differentiate from one another and how some of the companies use industry knowledge or a more extensive product as a selling point and a competitive advantage on the market, in accordance with Porter’s (1980) differentiation strategy.
5.1.10 Trust and Customer Relationships

Another important differentiating factor in the companies’ positioning strategies is the relationship building with customers. The management consultant industry is characterised by relying on long-lasting relationships between consultants and customers, on which the companies are entirely dependent. This is a characteristic for the B2B field in general, as they tend to rely on relationships and networking to a much larger extent than B2C companies, as described by Kotler and Pfoertsch (2006). The satisfaction of the customers is crucial for the survival of these relationships, which is why companies must make sure to show humility and commitment. The personal chemistry between the customer and the consultant is of great importance and a factor determining whether or not the customer will be satisfied with the delivery of the product. In this industry the actual service and the personal delivery of the service is integrated as explained by the term inseparability (Lovelock & Gummesson, 2004), making the personal delivery a point of differentiation and an important aspect in positioning of the company. As a result of the management consultant service being so indistinguishable, the companies must build trust to gain and keep customers, which can be done by for instance delivering smaller projects and building a favourable reputation.
5.2 Discussion

5.2.1 Framework for B2B Positioning Factors

As described in the previous section, we identified a number of themes that the companies defined as relevant when discussing their brand positioning strategy. These themes are presented above in the Framework for B2B Positioning Factors and are evaluated based on the connection to the companies’ positioning strategies and the linkages between these themes. All of the companies we have interviewed actively work with differentiating and thus positioning their company, even though they do not necessarily use the terms as intended by the academia. Although each company is unique, several areas of differentiation were repeated among all of the companies. To summarise the previous section of 5.1, the themes presented are: the industry and positioning, the consultant service, customer characteristics, market trends, the creation of new assignments, employees, the company structure and culture, the corporate brand, external work process and trust and customer relationships.
To organize all of the identified themes, they are renamed as factors and portrayed in a framework defined as “Framework for positioning factors”. All of these factors have been identified as having an effect on the companies’ brand positioning strategies and are linked together as they affect each other in certain ways. However, the companies describe some factors as more central than others. The factors can therefore be divided into two groups, central or peripheral. The central factors in the framework are trust & relationships, internal resources and external work processes. To organize the central factors we merged the themes employees, company structure and culture, and the corporate brand into a new, central factor called internal resources. This was done due to the fact that these three factors are internal when building a strong position. The theme employees can be categorized as an internal resource since employees gather and increase the internal pool of knowledge, which is used by the companies. The company structure and culture can be classified as an internal resource since the sharing of knowledge and a strong culture is hard to copy and therefore act as a competitive advantage. This is also the case for why the corporate brand, which is defined as an internal resource since the companies’ brands, are more than just a legal structure and act as a differentiating factor for the companies. The second central factor, external work processes, determine how consultants interact with customers, to what degree they are flexible to customer demands and the extent of the services offered to the customers, all of which are important in the positioning strategies of the case companies and used to differentiate one company from another. The third central factor used in the positioning strategy, trust and relationships, is of crucial importance to the companies since the relationships existing between the company and the customers determine the outcome of the service and what areas of business the consultants will be active in. Rather than differentiating the actual service, the companies are focusing on these three differentiating factors. This is likely to be the case due to the characteristics of the service sold, as it is knowledge intensive, customised to fit each new problem, and created through involving the customer in the process. As the customer has such an influence over the outcome of the service, differentiating it and promoting it is difficult, as the result is different for every service delivery.

While the central factors have a more direct effect on brand positioning strategies, the peripheral factors provide a context and affect the way the central factors are designed. To further arrange the peripheral factors, they are divided into two groups, external and internal, where external factors are characterised as originating from outside the firm, and the internal originate from within. The peripheral factors can be divided into internal factors; the consultant service and the creation of new assignments, and external factors; customer characteristics and industry & positioning.
5.2.2 Theoretical Discussion

When reviewing the empirical material from the interviews, we found an inconsistency in how the companies interpret the term ‘positioning’ and how it is applied in the companies. This inconsistency could imply an absence of a positioning framework suitable for the B2B sector, which aligns with the point made in the problem discussion about the current, fragmented and one-sided theoretical positioning frameworks. Furthermore, there seems to be a gap between the academic description of positioning and how the companies use positioning strategy in practice. An aspect brought up by two of the case companies is the inadequacy of the academia when describing the reality of strategic work. The scepticism of the companies to the academic frameworks’ applicability also aligns with the point made in this thesis that previous studies have lacked empirical evidence (Attia & Hooley, 2007; Hooley, Broderick & Möller, 1998; Kalafatis, Tsogas & Blankson, 2000).

As presented earlier in this thesis, Porter (1980) describes three positioning strategies: differentiation, focus, and cost leadership. However, it has become apparent in our study that the main positioning strategy used by the companies is the differentiation strategy. As the companies are both small and rely on customized expertise, they cannot benefit from economies of scale and are therefore not able to use cost leadership as a positioning strategy. In addition to this, three out of four case companies describe their pricing level as average or above average. The prices are difficult to determine and vary considerably due to the undistinguished industry, which makes competing by cost leadership a difficult strategy to execute. Continuing with the focus strategy, though the companies differ in their targeted segments none of them have one specific focus segment to which they cater. The positioning strategy used by all of the case companies is thus differentiation, indicated by the price premium and the importance of delivering quality services. A possible explanation to why this strategy is used is hence the size of the companies, as well as the customised service deliveries to the customers, as these characteristics are difficult to combine with overall cost leadership and economies of scale. A differentiation strategy, however, works in favour of the companies since the service sold is knowledge intense and diffuse, making it easier for customers to perceive differences in the service. This, in turn, reduces price sensitivity and increases customers’ loyalty to the company. As the companies mention, differentiating by the actual service content may be difficult, as the service is created in co-operation with the customers and therefore differs from assignment to assignment.

As mentioned in the theory chapter, Ries and Trout (1981) view positioning as how companies place themselves in the minds of consumers by finding a gap and thus cutting through the noise on the market. It has become evident in this study that this is not the typical way in which the case companies approach
positioning. The struggle for the companies is not cutting through the noise, but rather to get customer to realise their need of the service and the benefit it could be for them. The positioning used by the case companies consists mainly of building trusting relationships with customers and using their internal culture and resources to be able to deliver quality services. Why Ries and Trout’s (1981) argument does not match could be because their ideas originated in a B2C environment, with shallow, short-term customer relationships that might not be suitable for companies in the B2B sector. In their case, cutting through the noise is essential as the average B2C customer is faced by more offers than they can handle every day, something that is not entirely true for B2B buying centres. The industry as a whole may be difficult to define but to differentiate from the management consultant firms closest to you is of vital importance to not just be heard, but to be considered for a longer relationship.

The companies use a holistic approach to positioning described by Mühlbacher et al. (1994), Attia and Hooley (2007) and Kalafatis et al. (2000), which is visible when they describe how they work with positioning. Instead of using positioning for advertising or communication, the positioning work is incorporated in every aspect of the company; from the culture to the way consultants interact with customers. The reason for this could possibly be because of characteristics of the management consultant industry; it is an industry where it is difficult to pretend to be something you are not due to transparency and therefore positioning must be integrated. If customers are unhappy with the service, they will neither return for rebuys, nor recommend the company. These relationships and recommendations are what these small companies are depending on to survive on the market, making unhappy or confused customers very bad for business. Another aspect of this holistic approach is that traditional marketing, such as advertising, is described by the case companies as ineffective. Because of the high level of commitment from the customers when starting a new relationship with a management consultant firm, they could be sceptical towards traditional advertising and more likely to rely on recommendations. To live the customer offer thus becomes the only opportunity to reach new segments and to communicate the positioning, which is in line with Mühlbacher et al.’s (1994) as well as the other authors’ view on the holistic approach.

By looking inside and using their internal resources, relationships and work processes as starting points for their positioning strategy, the case companies fit in well with Urde and Koch’s (2014) inside-out brand oriented view of positioning. When interviewing the case companies, it became evident that all of them align with “chess”, one of Urde and Koch’s (2014) five schools of positioning. This as the companies aim to match their own competences and resources with the demands of the market, which is how the chess positioning strategy is described. Although Urde and Koch’s (2014) framework is based on companies selling goods, we have found it to be applicable to our service companies as well. The companies have a mainly brand oriented approach, but incorporate a market focus in the positioning strategies by giving
customers customised deliveries, which also signifies the chess positioning strategy. The reason for all of the case companies using the chess strategy is possibly the context in which the companies find themselves. These small, knowledge intensive service companies have chosen an inside-out perspective and focus on their identity and internal resources when constructing their positioning strategy. They approach positioning by establishing their personality, spirit and other aspects, which make the company unique, like Kapferer (2008) suggests. For other B2B contexts, Urde and Koch’s (2014) other positioning strategies might be a better fit.

While Leek and Christodoulides (2011) argue that companies must choose to either focus on building a relationship between the employees or the corporate brand to the customer, our case companies argue that both perspectives are important and must be used together. While the corporate brand displays the unified identity and associations to the company, each consultant must be their own brand as it is between them and the customers the relationships are built. The branding must thus be present on both levels.

Generally, we find that relationships and networks are of vital importance for our studied companies. These factors are, as Mülbacher et al. (1994) point out, often absent in current positioning strategies, something that evidently depends on the fact that they have originated in B2C contexts, where relationships play a less important role. For B2B companies, relationships are often built to more than one person since the buying centre is far more complex than for single end consumers as for B2C. However, Mülbacher et al. (1994) also show a triangular relationship between customers, the company and its competitors. Others support this view, such as Porter (1980) and Ries and Trout (1980), who claim that competitors play a part in acting as a factor that affects companies’ positioning strategies. Porter (1980) argues that companies should conduct a competitive analysis to foresee the actions of competitors on the market. Although competitors play a major part in B2C positioning strategies, they are not part of the factors in our suggested framework since our study shows that the competitors have a far less important role than the internal factors for management consultants, which is why competitors solely exist as a part of the peripheral factor Industry and Positioning. This is due to the fact that the companies, as already stated, use differentiation as a positioning strategy. Competitors are already a part of this strategy and therefore, in a way, also a part of the peripheral factors that affect positioning strategies. In conclusion, all positioning strategies are designed in order to stand out from the competitors, but as stated earlier, the vagueness of the management consultant industry makes it difficult for the case companies to define their competitors, which might explain why competitors, as a factor behind positioning strategies, is not so prominent.
6. Conclusion

In this section, the main conclusions of the thesis will be presented and summarised in order to answer the research question. Further on, the contribution of this study as well as suggestions for further research will be presented.

6.1 Main Conclusions

As previously mentioned, the conclusions of this study are not supposed to be generalised due to both the choice of an abductive approach as well as the small sample size that characterises cases studies. The conclusions could, however, be starting points for further research, which is discussed later in this chapter.

To answer our research question, the central factors affecting how B2B companies in the service industry construct their brand positioning strategy are trust and relationships, internal resources and external work processes, as well as a number of peripheral factors.

Another major conclusion of this thesis is that the term positioning is very broad and not interpreted the same way by the academia and the companies. Different companies also have different views on what positioning is and what it contains, but all of the companies do positioning work one way or another. The positioning is in turn often integrated to a holistic perspective, much due to traditional marketing being ineffective. Another conclusion is that it is difficult for B2B companies to understand and use positioning strategies due to the characteristics of selling a service, which leads to problems separating what the company creates in the delivery and what parts are shaped by the customer. In other words, it is difficult for the case companies to design positioning strategies when they do not have a clear view of their, or the customers, contribution to the solution. This issue is further problematized due to the trade-off between the corporate brand and the consultants’ individual brands, as the companies sometimes struggle with the fact that relationships are built with individuals rather than with an organisation.

Furthermore, another conclusion is that Porter’s (1980) differentiation strategy is the main strategy used among the case companies. This is probably due to the small size of the studied companies, as they cannot use economies of scale and other strategies for a cost leadership strategy. Which factor that is being used for differentiation varies from company to company and all the factors discussed are presented in the Framework for B2B Positioning Factors, which divides the factors into two groups; central and peripheral, where the peripheral factors can in turn be grouped into external or internal.
As companies in the B2B field need to focus their positioning towards fitting the customers’ needs and to create trust and loyalty rather than cutting through the media noise as for B2C companies, Ries and Trout’s (1981) classical positioning strategies were not found present in how our case companies worked with their positioning. Rather, Urde and Koch’s (2014) thoughts of brand orientation in positioning seem to represent reality for the companies. Especially the school called chess was found to suit the setting; this is due to the great importance of contextual dependence, which in this case is characterised by a knowledge intensive environment and a great importance of relationships and customization. Other schools might therefore be suitable for other settings. Relationships were in general found to be of greater importance for B2B companies compared to how they are thought of in B2C settings, much due to what characterizes both services and the B2B field. Accordingly, B2C positioning strategies in general might not be perfectly suitable for B2B contexts. Lastly, competitors are not described as large influencers for our companies, rather they are part of the peripheral factors. This, too, is a difference compared to B2C contexts, where it is said to be one of the most important factors when positioning a company.
6.2 The Contributions of the Study

The main contribution of this study is the mapping of the factors that affect B2B positioning strategies for the case companies that have been a part of this study. The results are once again presented in the Framework for B2B Positioning Factors below:

*Figure 6.1 Framework for B2B Positioning Factors*

Furthermore, this study has contributed with empirical data to a field which previously has been mostly based on previous authors and therefore empirically poor and in need of development for B2B contexts. Practically, this study and foremost the framework presented could be of guidance for B2B service companies in a knowledge intensive industry, as it may help them understand their reality and overcome the difficulties involved in undefined industries. They could also use the framework as a guide for knowing how others in their field have differentiated themselves and thus find a gap in the market.
6.3 Suggestions for Further Research

As previously stated, this study is both very contextually dependent as well as qualitative and thus non-generalizable. It would therefore be interesting to learn if our findings are applicable on other contexts with small companies in knowledge intensive B2B service industries, and eventually also for B2B industries in general, which could be achieved through a quantitative study. For the management consultant industry, large American actors were found to have a profound impact on the market. A comparative study between how small and large companies in this setting position themselves could therefore further give insight to both the industry as well as the studied context. It would additionally be interesting to compare if these large American actors have a unified approach to positioning or if it is customized from country to country, which could also be researched in other industries than the management consultant industry.

We also believe that taking different approaches is needed to fully understand the complexity of B2B companies and how strategies function with these contexts. Further studies could therefore test other marketing strategies founded in B2C contexts, and try to apply them on B2B settings to additionally contribute to the overall studied area. We used an abductive approach; to use another origin such as the inductive method could also give another view of how well suited B2C strategies are to B2B companies.

Lastly, this study focused solely on how companies themselves thought about positioning, differentiation and strategy in general. An interesting topic for another study would be comparing how positioning is perceived by other stakeholders, such as customers, the media and employees. There could be vast gaps between the intended position and the actual position as perceived by external stakeholders.
Bibliography


Appendix 1: The Interview Guide

1. Introduction of us and LUSEM

Angelika Johansson, Louise Alenius, Cecilia Lidén from Ulricehamn, Södertälje and Stockholm
Master thesis writing at Lund University, the faculty of business and management
Specialization in marketing and strategy

2. Introduction of our study

_The purpose:_ To understand and identify positioning strategies companies in the B2B field, principally for service companies. This is important because of the current, indistinctive climate in the research field that is mostly built upon previous studies and not empirical findings. Thus, the methods and theories that have developed might have a weak connection to reality.

_Explanation of crucial terms:_ Positioning, corporate brand, strategy

_The interview process:_ This interview is semi-structured, which means that there are prepared topics, but no questions and that the interview will be flexible and follow what is mutually relevant and interesting. We will conduct the interview for 45 minutes, leaving the last 15 for follow-up questions from the other two researchers.

We will record the dialogue to be able to transcribe the material later. Is it okay that we cite you in the report, both your name and the company name?
For your answers, it is important that you try to answer as truthfully as possible and not what you expect us to want to hear. If you need a minute to think through the questions, this is perfectly fine, just let us know.

3. Introductory, personal questions

Describe your position within the company? How did you end up here?
Describe the company you work for and your corporate brand?
Describe your contribution in the strategic decision process? How is strategic decisions made in the company?

4. General, introductory question

If you have one, how would you describe your articulated positioning statement?

5. The topic guide

See separate paper.

6. The last 15 minutes:

Open for questions from the other two, and then say THANK YOU to the respondent. Inform them about the transcript that will be sent to them for approval as soon as it is done.

Ask how they would like to receive their copy of the report, via mail or as a pdf over email. Make sure the respondent know how to contact us should any questions arise.
Appendix 2: The Topic Guide

Introduction: If you have one, how would you describe your articulated positioning statement?

“We do not have a positioning statement”

- Historical reason for business
- Present reason for business
- Unique feature of business

“Our positioning is based on our resources”

- Elaborate on which resources
- Are the resources: Unique, difficult to imitate, valuable, rare, exploitable by company?

“Our positioning is based on our competitors”

- Elaborate on the competitor situation
- Difference from competitors
- Competitive advantage

“Our positioning is based on our customers and their wants and needs”

- Elaborate on customer situation
- Unique value proposition
- Customized or standardized product

“Our positioning is based on our network and relations”

- Network role
- Actors in network
- Unique relation strategy
- Adaptability towards customers

Other questions

- Which factor is most important for your positioning strategy?
- Is the positioning strategy something mostly touched upon by the marketing department or does it flow through all departments of the company?

Bear in mind!

Make sure the respondent is relaxed and comfortable and do not use difficult words or academic terms
Make sure to be personal
Make sure to elaborate on questions that seem to engage the respondent
Make sure to not accept brief YES/NO answers and elaborate to as precise answers as possible
Make sure not to overly influence the respondent
Make sure not to pose more than one question at the time to avoid confusion
Appendix 3: Terms Sent to the Companies

*Positioning strategy*  The strategy that concerns which position a company desires to strive towards on the market. It might touch upon how the company relates to other actors in the marketplace, how goods or services have been designed, or internal competences or guidelines within the company. It is also possible to view positioning as what makes the company unique, or the reason to why customers would choose specifically your product and not the competitors’.

*Corporate brand*  A brand that concerns the whole company, rather than referring to a single product or service. As an example, Apple is a corporate brand and their good iPhone is a product brand. This study primarily engages in the corporate brand, rather than the product brand. A corporate brand does not only consist of the name of the company, but also for example associations that customers connect with the company. An example of that is the brand Volvo, which many associate with safety.

*Strategy*  What we mean when we say the word ‘strategy’ in this essay is essentially the decisions taken at a high managerial level in the company, aiming at specific goals. These are later applied on to operational decisions, which are taken daily in the company. To take part in the strategy process could thus mean either to actively design the strategy, to make sure it is implemented correctly, or to operatively work with actions that is aligned with the strategic decisions.
Appendix 4: Interview Objects and Dates

<table>
<thead>
<tr>
<th>Interview Object</th>
<th>Company</th>
<th>Time and Date</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magnus Öhman</td>
<td>Karlöf Consulting</td>
<td>07-03-16 11:00</td>
<td>Stockholm</td>
</tr>
<tr>
<td>Love Lönnroth</td>
<td>Karlöf Consulting</td>
<td>07-03-16 13:00</td>
<td>Stockholm</td>
</tr>
<tr>
<td>Tomas Dahlqvist</td>
<td>Trinovo Consulting</td>
<td>11-03-16 13:00</td>
<td>Malmö</td>
</tr>
<tr>
<td>Peter Wehlin</td>
<td>Trinovo Consulting</td>
<td>18-03-16 8:30</td>
<td>Malmö</td>
</tr>
<tr>
<td>Dag Larsson</td>
<td>Ekan Management</td>
<td>23-03-16 13:00</td>
<td>Göteborg</td>
</tr>
<tr>
<td>Malin Wennebro</td>
<td>Ekan Management</td>
<td>23-03-16 14:00</td>
<td>Göteborg</td>
</tr>
<tr>
<td>Lena Oswald</td>
<td>InterPares Consulting</td>
<td>31-03-16 11:00</td>
<td>Malmö</td>
</tr>
</tbody>
</table>
Appendix 5: Article

Why B2B positioning in the service sector gets so complicated

by Cecilia Lidén, Angelika Johansson & Louise Alenius

May 18, 2016
Due to an increasing competition in nearly all markets, the topic of brand positioning has never been more relevant. B2C companies have since the early 1970’s been studied for positioning purposes and there are numerous different views of both what positioning is, as well as how it should be applied. What factor positioning should originate from varies from internal resources to competitors according to different authors with different viewpoints and despite over 40 years of research, no common ground has been reached among business researchers.  

As for the B2B sector, and especially for B2B service companies, the situation looks significantly different. Not having been regarded as relevant for these companies, B2B positioning has only recently started to spark interest among researchers. As a result, there are few positioning studies targeting B2B companies and the ones that are carried out mostly use already existing B2C strategies, which are applied directly without modification. This is what spiked our interest in conducting this research as fresh empirical data in the field of B2B brand positioning strategies was needed to examine if the underlying factors that make up B2C positioning are the same in the B2B environment. The field of B2B companies, and factors behind their brand positioning strategies, thus became the foundation of our research. Four small B2B companies in the management consultant industry in Sweden were interviewed to examine how, and if, they worked with positioning strategies. The choice to examine this sector was based on several aspects; Firstly, it is a service industry, which is the fastest growing sector in world economy; Secondly, the service that management consultant companies sell is highly intangible, meaning that positioning in the industry might turn out to be both difficult and important; Finally, since management consultants sell strategy advice themselves, they have unique insights to strategic management for B2B companies.  

**Great variation in previous positioning theory**  
Before conducting our study, we did a thorough theoretical review to fully get a picture of the existing theories regarding positioning. Rather soon we realized that the different viewpoints of previous authors have originated from different perspectives. Depending on the authors’ backgrounds, as well as definitions of what positioning truly is, which factors that affect positioning varies from author to author. We managed to identify four different underlying factors in the works of previous authors: Internal resources, competitors, customers, and networks and relationships. In addition to this, previous writers have also presented both different *perspectives* and *orientations*. The perspectives concern how the companies view and implements positioning, while the orientations involve where the positioning should originate from.  

**Different levels of influencing factors identified**  
We interviewed small companies from our chosen industry of Swedish management consultants to find out which factors they believe lie behind positioning strategies. Our results from these interviews reveals...
that companies have varied views on the subject of positioning, however, the result discloses recurring differentiating themes. These themes were the importance of relationships, the service delivery, how to react to market trends, internal resources and the creation of new assignments. Some of these themes had subcategories, such as internal resources, which included employees, the corporate brand and company culture. All of these themes were divided into two main groups: directly influencing factors named central factors, and factors indirectly influencing called peripheral factors. The peripheral factors were then split into external and internal groups. Below is a figure depicting our results:

As shown above, Trust & Relationships, Internal Resources and External Work Processes were identified as directly influencing for positioning strategies in the studied companies. The Consultant Service and New Assignments were deemed as internal, peripheral factors as they result from processes happening inside the company, compared to Trends, Industry & Positioning and Customers, which instead concern happenings from the external surroundings.
Differentiation strategies for a fragmented service industry

The major conclusion of our study is that the term positioning is very broad and not interpreted the same way by the academia and our studied companies. Different companies also have a different view on what positioning is and what it contains, but all of them do work with positioning one way or another. This work is in turn often integrated to a holistic perspective, due to traditional marketing being described as ineffective. Another conclusion is that it is difficult for B2B companies to understand and use positioning strategies due to the characteristics of selling a service. This in turn leads to problems separating what the company creates and what parts are shaped by the customer in the delivery. In other words, it is difficult to design positioning strategies when the companies, or the customers, do not have a clear view of their contribution to the solution. This issue is further problematized due to the trade-off between the corporate and individual brands, as the companies sometimes struggle with the fact that relationships are built with individuals rather than with an organisation.

Clear differences between B2B and B2C settings

The result from our study is to some extent aligned with previous authors in the field, for instance Urde and Koch’s study from 2014 regarding brand orientation in positioning. Their range of positioning schools is to some extent applicable to our setting of management consultants. However, what we found is that despite some of the similarities to earlier B2C theories, there is a difference regarding positioning in the B2B setting compared to the B2C. Companies in the B2B field need to focus their communicated positioning towards fitting the customers’ needs and create trust and loyalty rather than cutting through the media noise as for B2C companies, something which is not entirely incorporated in existing positioning theories.

Relationships were in general found to be of greater importance for B2B companies compared to how they are thought of in B2C settings, much due to what characterizes both services and the B2B field. Accordingly, B2C strategies in general might not be suitable for B2B contexts. In addition, competitors are not described as a large influencer for our companies, rather it is a peripheral factor and included in Industry & Positioning. This, too, is a difference compared to B2C contexts, where it is said to be one of the most important factors when positioning a company. Finally, the complexity of the B2B sector, and especially services, highlights the difficulties of positioning and that our research needs to be developed further in order to give companies a better way of working with positioning strategies.
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