

Supplier brands and consumer-oriented digital communication: the emerging role for B2B relationships

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Abstract

The paper explores how supplier brands use digital communication on consumer-oriented social media platforms and how this communication influences the development of the supplier brand and the buyer-supplier relationship. Regarding B2B branding, the paper highlights ingredient branding strategies and the “Intel Inside effect”. Although this concept is well-established in industrial marketing literature, it may take on new significance and forms in digital environments. Regarding buyer-seller relationships, the paper investigates how a strengthened supplier brand, through consumer-oriented digital communication and the potential Intel Inside effect, impacts the dynamics between buyers and suppliers, particularly regarding power and trust.

Keywords: *B2B branding; digital communication; social media; ingredient branding; Intel Inside effect.*

1. Introduction and aim of the paper

The paper aims to investigate the digital communication that supplier brands engage in on consumer-oriented social media platforms and how such communication contributes, on the one hand, to the formation of the supplier brand and, on the other hand, to the buyer-supplier relationship. The paper aims to contribute to two directions: first, regarding the literature on B2B branding by bringing attention to the Intel Inside effect and highlighting how it can arise through digital communication on consumer-oriented social media platforms; second, concerning the dynamics of power and trust in buyer-seller relationships and how the development of the supplier brand may impact these. The paper presents some research propositions that can drive future empirical investigation, inspiring further exploration in the field.

2. Theoretical background

Digital communication, particularly on social media, increasingly provides opportunities to strengthen and raise awareness of B2B brands. This trend is part of a broader shift driven by the influence of new technologies on marketing (Guercini, 2023). This is evident not only on professional platforms like LinkedIn (Cortez and Dastidar, 2022) but also on consumer-oriented social media platforms like Instagram (Yaghtin et al., 2020). Empirical evidence shows that many supplier brands use social media with digital content and storytelling approaches similar to those of B2C brands,

aiming their efforts at end consumers rather than business counterparts. This digital communication spreads brand identity boosts brand awareness, and shapes the end consumer's perception of the B2B brand. For example, Cartwright et al. (2021) maintain that social media are relevant for B2B companies in at least three areas: sales facilitation, employee engagement, and integrated communication tools.

Regarding the latter, content creation is strategic for the company's communication goals, and the type of content produced through social media usage, such as sharing information, solving problems, and managing public relations, directly impacts the level of engagement (Leek et al., 2019). Many studies on social media as part of B2B companies' digital marketing communication focus on specific platforms tailored to professional audiences, such as LinkedIn, Twitter, blogs, and, finally, Facebook and YouTube (e.g., Sundström et al., 2021; Juntunen et al., 2020). However, these are always viewed from the perspective of communicating with potential clients or buyers and, more broadly, with business decision-makers. Only a few studies (see Yaghtin et al., 2020) investigate using other social media, such as Instagram, for B2B consumer-oriented communication, which is directed to the final consumer with a B2C-like content and style.

Regarding B2B branding, the paper draws on the ingredient branding strategies (Norris, 1992) and the so-called "Intel Inside effect", which are not new themes per se in the literature of industrial marketing (Norris, 1993) but can assume new strengths and modalities in digital contexts. The ingredient branding strategy occurs when the distinctive features of one brand become integrated into another brand as ingredients (Everelles et al. 2008). The Intel Inside effect emerges when the ingredient is branded using a recognized brand name or element associated with another company (Desai and Keller, 2002). Such a strategy offers significant value to both brands in terms of relationship benefits and the association between the host and the ingredient (Moon and Sprott, 2016)

Concerning the buyer-seller relationships, the paper examines the impact of an enhanced supplier brand through consumer-oriented digital communication and a potential Intel Inside effect on the buyer-seller dyad, particularly on two aspects that distinguish it: power and trust (Mouzas et al. 2007; Hingley et al., 2015). The theme of power recalls the bases that feed it in the relationship, which start from the established framework of coercive and non-coercive forms of power (legitimate, referent, reward, and expert) and extend to include new bases of power (Lacoste & Blois, 2015). In this sense, the use of B2C-like digital marketing communication can be interpreted as an attempt by the supplier to gain power in the relationship with the business customer. This approach raises final consumers' awareness of the importance of a product's components. Using consumer-oriented digital marketing communication, the supplier can balance previously unbalanced power dynamics or increase their sphere of influence. Trust is a mechanism underlying relational dynamics and a key factor enabling collaboration in business networks (Han et al., 2021). The supplier's B2C-like communication can fuel a virtuous cycle in the relationship with the client, representing a new field for partnership. Connecting with the final market through B2C-like digital marketing communication allows for the potential activation of new forms of collaboration, creating win-win situations for both the buyer and the supplier.

3. Tentative research propositions for empirical research

This section advances tentative research propositions that can guide empirical investigations concerning this topic and future research. Firstly, from our perspective, the digital tools at the disposal of B2B companies, particularly social networks, can potentially enhance suppliers' diffusion of "Intel inside" branding practices. This, in turn, can foster knowledge-sharing between suppliers and consumers about product components. This possibility leads us to propose:

RP1. B2C-like DMC enhances supplier ingredient branding strategies.

From a theoretical perspective, the implications of digital marketing communication are quite compelling. They contribute to the ongoing discussion in industrial marketing regarding the branding of B2B companies. The fact that suppliers are using ingredient branding strategies aimed at the final market with B2C-style communication adds a new dimension to the debate on incorporating consumer-focused issues into the business network perspective.

Additionally, considering the potential for supplier branding through digital marketing communication, it becomes clear that a strong supplier brand, recognized by the end consumer, could serve as a source of power for the supplier, potentially shifting the power dynamics within the buyer-supplier relationship. This shift could have negative implications for trust (with the buyer fearing that the supplier's brand might overshadow its own) and positive (by enhancing trust for collaborative value creation). Understanding how suppliers implement B2C-like DMC is therefore crucial, leading us to propose that:

RP2. B2C-like DMC and ingredient branding can simultaneously be a source of trust and power in buyer-supplier relationships.

B2C-like communication can be either a source of conflict or an opportunity for collaboration. Therefore, it is possible to highlight a new element that can explain the dynamics of a relationship. How and to what extent B2C-like communication can represent forms of power capable of fueling trust or conflict in the relationship is an important issue, given that it can allow us to understand new power bases in the relationship. Furthermore, the study of B2C-like digital marketing communication and ingredient branding from a theoretical point of view contributes to the ongoing discussion about the impact of digitalization and digital tools on B2B marketing strategies.

These propositions may represent a springboard for further empirical investigation. In this sense, our research aims to proceed with a qualitative investigation of multiple case studies of suppliers using B2C-like digital marketing communication and their strategies focusing on a specific social network, Instagram. The research is ongoing and uses a qualitative approach, including content analysis of Instagram posts, secondary data, and interviews with managers. In conclusion, this paper has highlighted a new topic: B2C-like digital marketing communication by companies in B2B markets. The

consequences and implications that may arise concern both B2B branding and the trust/power dynamics of relationships. This paper represents a first attempt to conceptualize these aspects.

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