



University of St.Gallen

Institute for Marketing and Customer Insight

Different Recipes for Success in B2B2C Organizations: The Case of the Residential Construction Industry

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From insight to impact.

Agenda

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2. Theoretical Background
3. Research Context and Research Design
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Introduction and Problem Identification

“You’re B2B2C, but don’t lose your mission as you navigate your acronym. The Bs matter, but without the C you have nothing.” (Fadell, 2022, p. 204)

Introduction and Problem Identification



Interview mit Christian Steinberg, Warema

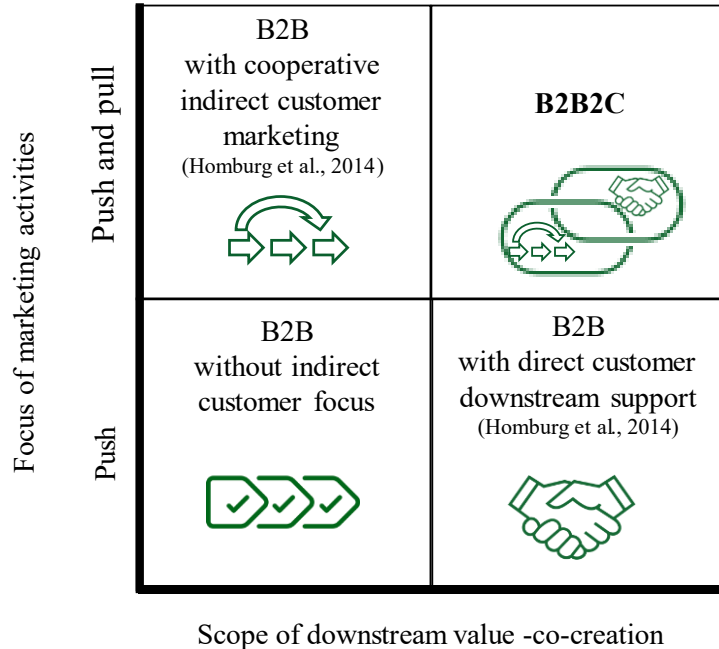
"Mein Ansatz heißt B2B2C"

■ **GEBERIT** Geberit: Der B2B2C-Versteher

- More former traditional B2B companies reposition themselves to be B2B2C companies (e.g., Geberit und Warema).
- But: Dichotomy between B2B and B2C in marketing research (e.g., Grewal et al., 2015)
- Scholars recognize a considerable research gap concerning B2B2C market models (Iankova et al., 2019; Mingione & Leoni, 2019; Wengler & Kolk, 2023)

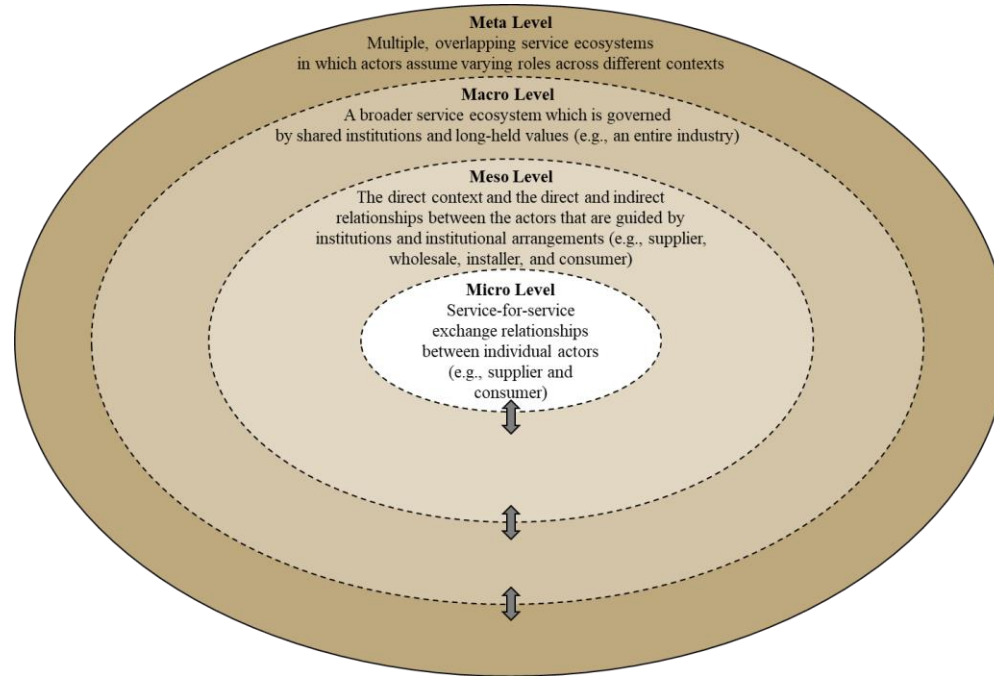
Theoretical Background

B2B2C Combines Indirect Customer Marketing and Direct Downstream Customer Support



In a B2B2C market, the supplier company (first B) co-creates substantial value with end consumers (C), e.g., in form of pull marketing efforts. The B2B2C company enables and supports its direct customers and partners (second B) to meet the needs of the end consumers.

How Individual Interactions Contribute to Systemic Outcomes: Value Co-Creation from Different Levels of Abstraction



Value Co-Creation in a B2B2C Market Model from the Meso Level

Customers and consumers “creating value *with* the firm, as opposed to the firm creating value *for* customers” and consumers (O’Cass & Ngo, 2012, p. 127)

“Welcome complexity and
context; do not shun it.” (Gummesson
& Polese, 2009, p. 347)

Success factors in B2B vs. B2B2C settings

- Different combinations of trust, commitment, relationship-specific investments, communications, and cooperation lead to high relationship performance in dyadic business relationships (Zaefarian et al., 2017)
- Little is known as to how value co-creation relationships can be managed successfully as companies shift from B2B to B2B2C (Mingione and Leonie, 2019)
- Basically, B2B2C companies can apply three different strategies (Powell, 2018):
 - 1) Focus on generating advocacy at the customer level.
 - 2) Focus on creating strong consumer pull.
 - 3) Integrating those to strategies by seeking to develop the brand and stimulate demand among both consumers and customers

Research Context and Research Design

Research context: The residential construction industry in the GSA region

- **5-7 %** contribution of construction industry to national GDP in the GSA region (Eriksson, 2013; Eurostat, 2024)
- Residential construction business constitutes approximately **33%** of the building construction business in Switzerland, with a total value of more than **CHF 7'100 million** in building operations in 2022 (Schweizerischer Baumeisterverband, 2023)
- Distinctive relational elements and institutional arrangements in the residential construction industry: project-based business, temporary organization, interdependencies of different specialist trades (e.g., Bygballe et al., 2010; Lundin & Söderholm, 1995)

Methodology: A three-phase research design



Phase 1: Qualitative phase

1a. Holistic semi-structured interviews with 63 experts from B2B2C companies and other actors in the residential construction industry

1b. Two confirmatory focus groups



Phase 2: Survey-based configurational approach

Survey among executives in supplier companies in the construction industry (n=87)



Phase 3: Single Case Study Geberit

Four semi-structured interviews with marketing and sales experts from Geberit

Secondary sources (e.g., annual reports, branding manual, podcast, articles in the general press)

Phase 1: Methodology for qualitative studies

1a. Semi-structured interviews

Data collection: 63 in-depth interviews with various actors from the construction industry

Data analysis: Four-step approach as suggested by Gioia et al. (2013)

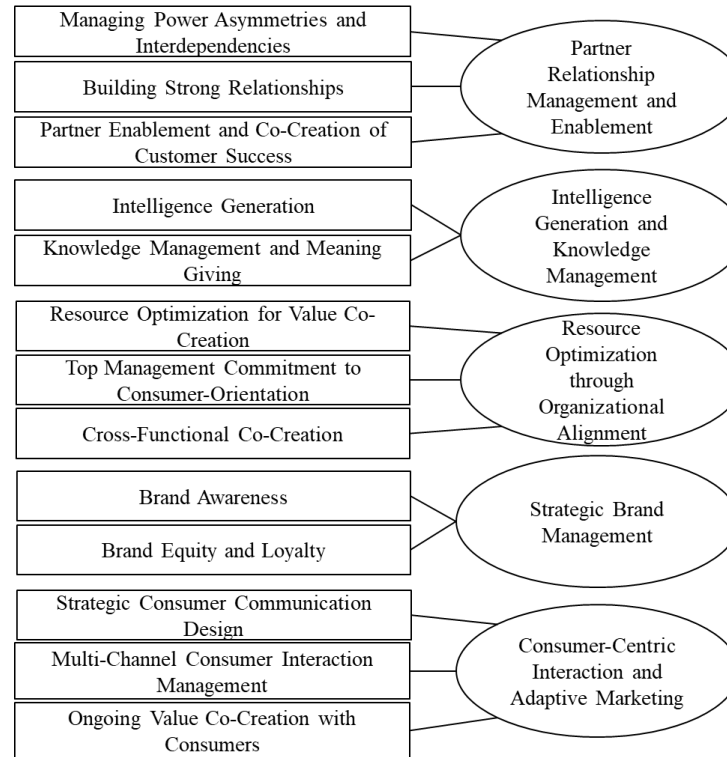
1b. Confirmatory focus groups

Data collection: Two virtual focus groups with experts from the sample universe of phase 1b

Data analysis: Four-step approach as suggested by Gioia et al. (2013, focus on focus group content)

Functional level	No.	%
Top management	33	52%
Middle management	19	30%
Operational staff	4	6%
Self-employed	2	3%
Others (e.g., private clients)	5	8%
Gender		
Male	53	84%
Female	10	16%
Position in the buying ecosystem		
Supplier	28	44%
Distributor	7	11%
Contractor	5	8%
Private clients	5	8%
Retailer (DIY & Online)	3	5%
Architects and planner	3	5%
Consultant	3	5%
Platform provider	2	3%
Installer	2	3%
Industry association	1	2%
Other	4	6%
Average duration of the interview		
		~ 01:05 h
Total duration of the interviews		
		~ 61:40 h
Number of transcribed pages		
		1048

Findings Phase 1: Success factors for B2B2C companies



Methodology in Phase 2: A Configurational Approach (fsQCA)

fsQCA looks at cases as configurations of theoretically relevant **conditions** and intends to determine different **configurations of conditions** that are **necessary** and/or **sufficient** to reach a specific **outcome** (Kumar et al., 2022; Ragin, 2014).

Configurational approach

- **Conjunction:** An outcome of interest usually does not simply have a single cause. fsQCA focuses on the holistic effect of a configuration of multiple interdependent causal conditions.
- **Equifinality:** There is more than one pathway to achieve a specific outcome. Different combinations of conditions can explain an outcome.
- **Causal asymmetry:** A positive outcome may be caused by different configurations than a negative outcome or the absence of an outcome.

VS

Standard statistical approach

- Focuses on the **independent net effect** of individual **variables** on the **independent variable**.
- There is a **linear relationship** among variables.
- For instance, **linear regression** examines the net effect of a variable on the outcome by holding other variables constant.



Methodology in Phase 2: Survey Instrument and Sample Characteristics

- Survey of manufacturing and supplying companies of the residential construction industry in the GSA region between March and June 2024
- N=87 (23 % response rate)
- Data calibration through direct approach

		Percentage	Number
Corporate function	Supervisory or administrative board	2%	2
	Executive board	44%	38
	Marketing, communication	28%	24
	Sales	24%	21
	Others	3%	3
Organizational level	Specialist (without staff responsibility)	6%	5
	Team leader / team lead	25%	22
	Senior manager	14%	12
	Vice president / divisional manager	22%	19
	Board member	4%	4
	CEO	29%	25
Gender	Male	84%	73
	Female	16%	14
		Average	Median
Position (in years)		7.7	5
Professional experience (in years)		23.5	25
		Percentage	Number
Market model	B2B	46%	40
	B2B2C (and others)	54%	47
Sales channels	Three-tier distribution	37%	32
	Two-tier distribution	37%	32
	Single-tier distribution	1%	1
	Multiple sales channels	27%	24
Family business	Yes	56%	49
	No	44%	38

Findings of Phase 2: Analysis of Necessary Conditions – The Pivotal Role of Commitment and Strategic Brand Management

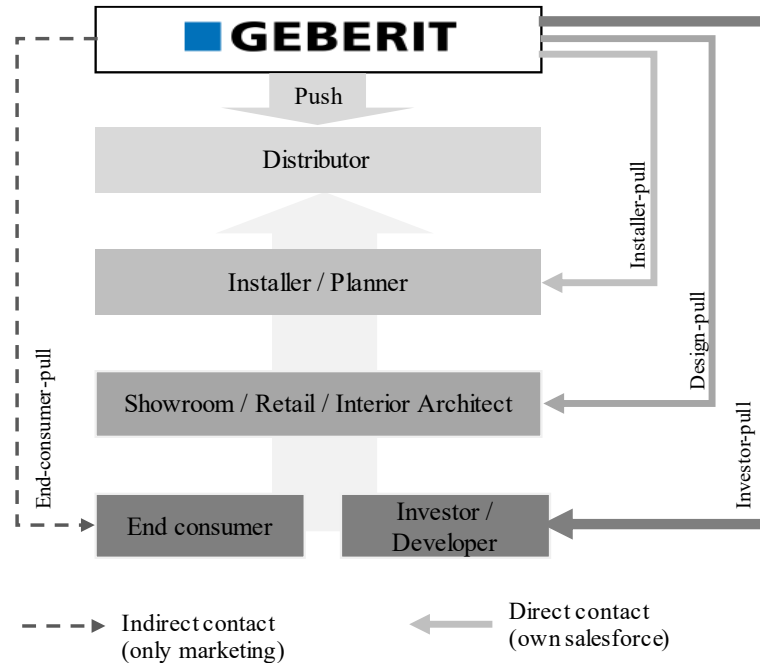
	B2B2C market model		B2B2C market model	
	Outcome: market_perf		Outcome: perf	
	Consistency	Coverage	Consistency	Coverage
Top management involvement	0.851086	0.763940	0.788079	0.776611
~Top management involvement	0.337541	0.718452	0.394664	0.922247
Marketing–sales collaboration	0.848108	0.776467	0.840075	0.84438
~Marketing–sales collaboration	0.383963	0.781006	0.400234	0.893774
Marketing capabilities	0.724398	0.852250	0.654230	0.845024
~Marketing capabilities	0.524857	0.715152	0.591927	0.885471
Strategic brand management	0.907839	0.813445	0.957352	0.776918
~Strategic brand management	0.321669	0.687548	0.204069	0.969631
Commitment	0.957831	0.708018	0.833682	0.820102
~Commitment	0.206046	0.891753	0.375497	0.881147
Value co-creation with partner	0.839232	0.789512	0.790405	0.816347
~Value co-creation with partner	0.396988	0.762094	0.428804	0.903731

Findings of Phase 2: Analysis of Sufficient Conditions

	B2B2C (n=47)				B2B (n=40)				
	Consumer market performance				Consumer market performance				
Conditions	1	2	3	4	1	2	3	5	5
Top management involvement	●		●					●	●
Marketing–sales collaboration			●	●	⊗	●			
Marketing capabilities	●						●	●	
Strategic brand management				●		●	⊗	●	●
Commitment		●	●	●	●	●	●	●	●
Value co-creation with partner		●			●	⊗	●		●
Raw coverage	0.677294	0.836622	0.71891	0.776771	0.337657	0.345208	0.226578	0.587936	0.722705
Unique coverage	0.0369519	0.0453652	0.0097487	0.0119219	0.0477304	0.0509055	0.00226027	0.587936	0.0970806
Consistency	0.856321	0.80054	0.814549	0.832226	0.899414	0.895779	0.999108	0.935906	0.88465

● = presence of a condition ⊗ = negation of a condition

A Glance at the Single Case Study of Geberit: Marketing-Sales-Collaboration through Clearly Structured Responsibilities



(Geberit, 2023)

Conclusion and Contribution

Contribution: Providing Different Recipes for Success

Theoretical Contributions



This research contributes to the existing literature by uncovering different sets of consistently sufficient configurations that lead to high consumer market performance.



This study highlights that a single condition alone is not sufficient for success in a B2B2C context. It is always a combination of internal capabilities (e.g., marketing-sales collaboration) with commitment.

Selected Managerial Contributions for the recipe top management commitment • marketing capabilities



Top management involvement signals the strategic importance of marketing, particularly in driving customer engagement. This combination is effective because it provides marketing with the resources, authority, and backing it needs to develop capabilities such as adaptive marketing and digital engagement tools.

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