THE BUSINESS FEELING INDEX:
THE FEELINGS THAT MOVE BUSINESS FORWARD
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For more, visit: businessfeelingindex.com
The advent of “big data” has led the world of business into what seems like a new age of reason. We have the technology to quantify our world in a myriad of rational ways. We see more, we know more, and we have algorithms to reach people with more precision than ever before. Choose the channels, decide on the message and press send. Relevance is guaranteed; success will surely follow.

THERE’S JUST ONE FLAW IN THIS ANALYSIS: HUMAN NATURE.

Real people don’t behave as rationally or predictably as the data might suggest. We are tribal and emotional, and the reasons behind the choices we make aren’t so easily measured. We go with our gut instinct; we hear what we want to hear; we choose our own facts.

This is not an age of reason; it’s an age of feeling. Big data has a big role to play, but only if we use it as the inspiration to create ideas that work on a human scale.

And what’s true of the world in general is equally true of the world gyro knows best – business-to-business (B2B) marketing. For us, precision is nothing without feelings, because feelings ignite business decisions just as powerfully as they fire any other aspect of human behavior.

That is why we partnered with the Financial Times to ask global business decision-makers exactly what feelings impacted their most recent B2B partnership. What’s more, we asked them ideally what they would have liked to have felt during all of the stages of the business relationship.

There is much to learn from the honest responses that Financial Times readers shared with us. But one fact is for certain: Human relevance has never been more valid, and more necessary, in business.

I assure you there has never been a research exploration quite like this one. I hope it inspires you to move beyond the rational aspects of your business and deeper into the emotions that truly drive decisions.

All the best, only the best.

Christoph Becker

Global CEO+CCO, gyro
INTRODUCTION

With so many ways to connect with customers across a seemingly infinite array of touchpoints and technologies, it’s easy to get distracted among all of the choice and complexity. Too often, B2B marketers forget that the target they are after is a human. And humans, as we know, make decisions based upon feeling more than reason.

There is also a natural tendency to focus marketing on influencing the biggest decision — winning business and securing the deal. But the reality is that this is only one critical moment, among many, that creates a lasting relationship.

THERE IS A CONSTANT CYCLE OF SPECIFIC, POSITIVE FEELINGS CUSTOMERS NEED TO FEEL. THESE ARE THE FEELINGS THAT FUEL THE DECISIONS THAT MOVE BUSINESS FORWARD.

To better understand the crucial moments and key feelings that create and sustain successful business relationships, the Business Feeling Index (BFI) was launched by the Financial Times (FT) Commercial Insight Group in collaboration with gyro, a leading global B2B agency.

More than 300 Financial Times readers participated in this extensive global study. It strikes at the core of what senior decision-makers felt during the four pivotal stages of a recent business relationship. These four stages are pre-contact, initial conversations, working together and finishing the work.

FT readers also discussed what, ideally, partners could have done better during each stage to have built a stronger relationship and, in turn, achieved greater success.

Throughout each stage, the majority of respondents reveal one feeling that rises above the rest — the desire to feel confident about their partner. Once established, this feeling must be sustained (if not intensified) to ensure the success of the relationship.

The most effective drivers of confidence are thought leadership, shared cultures, constant communication and the ability to navigate relationship issues. Other seemingly important factors such as size of business and awards won fell to the wayside. Each was labeled among the least important factors.

This report offers a detailed view of the customer relationship that will shift the focus from what customers need to think to what customers want to feel. It is supported by data that proves which feelings are most important to inspire at the key inflection points across the decision journey. It also explores the pitfalls where partnerships cease to be and hard-earned current clients become ex-clients.

THE FINDINGS IN THE BUSINESS FEELING INDEX SHOULD BE USED AS INDICATORS FOR YOUR EXISTING AND FUTURE RELATIONSHIPS. BUT, MOST OF ALL, DON’T FORGET WHAT IS MOST RELEVANT TO YOUR CUSTOMER: THEIR FEELINGS.
KEY FINDINGS
DRIVING CONFIDENT OPTIMISM VIA THE SIX C’S

CONTENT
70% of respondents say thought leadership is among the most important elements during the research phase. Proactive sharing of thought leadership is also one of the most effective tactics for maintaining a strong relationship (69%).

CULTURE
83% say company culture is among the most important attributes when they are researching a company.

COMMUNICATION
Communication is the connective tissue of a business relationship, according to 98% of respondents. More than three-quarters of respondents strongly agreed with this statement in all major regions.

COMPETENCY
Not surprisingly, 77% of respondents say poor quality of work is the biggest detriment to a relationship in progress.

CRISIS MANAGEMENT
86% of respondents say the first moment of friction in a relationship is where you really find out about your partner.

CONCLUDING STRONGLY
65% of respondents said the feeling they want to walk away with the most is accomplishment.
STAGE 1: PRE-CONTACT
CREDIBILITY AND CULTURE BUILD BELIEF AND OPTIMISM

Considering B2B decisions are high value, high consideration and high risk, the research/pre-contact stage is an intense and thoughtful process.

According to the FT’s findings, there are three key feelings that business decision-makers want to feel during this stage: interest, belief and confident optimism.

Specifically, 86% of global respondents say confidence is the feeling that is most important for deepening consideration during the research phase. This was followed by optimism (59%). The results were similar throughout each stage of the relationship.

The drivers that decision-makers look for in order to achieve confident optimism: be proven; be an expert with vision; be focused and credible; and be “a brand I identify with.” On the other hand, don’t be unclear or rely on superlatives to describe capabilities or product attributes.

More than three-quarters of respondents (77%) said uncertainty about core competencies, skills and attributes is the feeling that had the most negative impact.

Customers need credible proof that you own your expertise. That’s why thought leadership is the most important attribute at this stage per 70% of respondents. It’s worth noting that its importance does not diminish. Respondents cite it as the most influential aspect of a brand’s marketing (63%).

“In today’s world of sameness, thought leadership is one of our highest criteria when selecting our vendor partners,” says Rhonda Shantz, CMO of the leading digital security firm Centrify, “especially when they are able to tie that thought leadership to results.”

Another powerful differentiator is company culture. A vast majority of respondents (83%) say company culture is among the most important attributes when they are researching a company.

“Culture is everything,” says Kara Keough, Global Marketing Director – Brand, for the leading global commercial real estate services company JLL.

“At JLL, our culture is built around our purpose to create rewarding opportunities and amazing spaces where people can achieve their ambitions – and our clients share this purpose.”

One of the least important attributes was being the biggest in the category. Only a third of respondents cited size as being important. Fewer than half (46%) were impressed with awards.
STAGE 2: INITIAL CONVERSATIONS

ACTIVE LISTENING AND ALIGNMENT

MAKE THEM FEEL UNDERSTOOD

B2B decisions typically involve five or more people in the buying group. Once the initial conversations begin, they, more than anything, want to feel like they are understood.

This is the moment where the customer needs to clearly see the alignment of expertise and capabilities with their company. They want to know their partner gets it. Of the respondents surveyed, 70% say a clear “understanding of my needs contributed most to selecting a partner.”

The key driver for this feeling is not only active listening, but it is also taking a consultative approach. “While actively listening, look for opportunities that can help educate the customer,” says Ayesha Durante, Head of Marketing, HP Printing Systems, Asia Pacific and Japan. “When the customer learns something new that will help them, the psychological power of reciprocity helps build preference and loyalty. Avoid talking about your product or services. Focus instead on the business needs of the customer.”

Throughout this stage, and all stages, “communication is the connective tissue.” This was an absolute truth among successful business relationships, according to 98% of respondents. In fact, more than three-quarters strongly agreed with this statement.

Poor communication, conversely, is the most likely factor to stall a relationship per 60% of respondents, followed by a lack of transparency (53%). The No. 1 communication mistake is overpromising (69%).

B2B partners want to avoid focusing on themselves, making excuses and being arrogant. Arrogance is one of the biggest turnoffs, according to respondents.

*FT* readership say the reasons for not selecting recent partners included “arrogance about their successes”; “too much [nonsense] and not enough substance”; and “excessive salesmanship.”

“Authentic, consistent and relevant communication is critical for earning the trust needed to build a customer relationship,” says Durante.

Being too pushy was extremely detrimental per 61% of respondents. New partners do not want to be hounded with emails and phone calls. They are especially allergic to cross-selling and upselling.
OF RESPONDENTS SAY A CLEAR "UNDERSTANDING OF MY NEEDS CONTRIBUTED MOST TO SELECTING A PARTNER." LACK OF EXPERTISE WAS THE MOST LIKELY TRAIT TO DERAIL A BURGEONING DEAL (64%).
STAGE 3: WORKING TOGETHER
SUCCESSFUL CRISIS NAVIGATION
AND SOLID WORK PROVIDE ASSURANCE

As the relationship deepens, decision-makers need to feel assured by their partners. Assurance is driven by strong work and transparency of communications.

At the same time, crises were not viewed as a negative. Crisis time should be the time to shine. Eighty-six percent of respondents say the first moment of friction in a relationship is where you really find out about your partner or vendor.

Transparency and honesty are crucial when a challenge or problem arises, according to 69% of those polled. Responsiveness (65%) was equally important.

"We have the same expectations from our partners that we have for our own teams. This means there needs to be candid and direct feedback. They need to act with urgency and they need to hold their team accountable," says Jeremy Verstraete, Senior Director of Marketing, United States Gypsum. "Evaluate the situation. Create a corrective action, if required, and follow through with it. Delaying the corrective action only complicates and/or exacerbates the situation."

At this stage, they were eager to see the effort and innovation that are continually brought to the relationship. They say, "feed my learning." In fact, proactive sharing of thought leadership is one of the most effective tactics for maintaining a strong relationship (59%).

The most likely actions that will disrupt and destroy a relationship, outside of outright incompetence, are dishonesty, inflexibility and a decrease in communication.

"[I feel doubtful] when they lose interest, they get lethargic and lose enthusiasm. Also, their contact is not as regular, and the conversations are not as positive," says one respondent.

Face-to-face meetings prove invaluable as the relationship progresses. Of the respondents surveyed, 73% say it is the most effective behavior for maintaining a strong relationship.
CONFIDENCE BUILDERS
1. BEING PROACTIVE
2. FREQUENT AND CANDID COMMUNICATION
3. ACTIVE LISTENING AND ADAPTABILITY
4. HONESTY/TRANSPARENCY
5. HUMILITY
6. SETTING AND ABIDING BY CLEAR GOALS
7. DEMONSTRATING AN “IN IT TOGETHER” ATTITUDE
8. SHOWING EMPATHY

CONFIDENCE KILLERS
1. APATHY/DISINTEREST
2. FAILURE TO COMMUNICATE
3. INCOMPETENCE
4. INFLEXIBILITY
5. DISHONESTY (REAL OR PERCEIVED)
6. DEFENSIVENESS
7. LEGALISM
8. LACK OF ACCOUNTABILITY

SOURCE: FT/GYRO/RUSSELL RESEARCH
86% of respondents say the first moment of friction in a relationship is where you really find out about your partner and vendor.
STAGE 4: FINISHING THE WORK

A SENSE OF ACCOMPLISHMENT LEADS TO NEW BUSINESS

How you break up makes all the difference as to whether you are considered again or recommended. This is a crucial phase of the relationship. In many ways, you are only as good as the referral you get at the end.

At this moment, the decision-makers want to feel that the mission was a success. Sixty-five percent of respondents said the feeling they most want to walk away with is a feeling of accomplishment.

This is not the time to run out of gas, lose attention to detail or make a mad rush to get deliverables out the door. There needs to be a structured end to the relationship and a powerful sense of closure.

If there isn’t, this is the commentary that arises. “To be honest, I am quite glad I will no longer have to sit through the trauma of weekly diktats on how all of the delays are attributable to our team,” says one FT reader.

The key drivers for the end stage: Do quality work; wrap up loose ends in a positive fashion; don’t make excuses; and “make me optimistic about the next time.”

“Making partners feel both confident and optimistic are crucial drivers in business decision-making. This is true all the way through the end of the relationship,” says JLL’s Keough. “What people want to experience most, coming out of any project, is a sense of accomplishment. This is the key to continued success.”

This is essential for driving repeat business and referrals, because only then the cycle will start anew.

It is important to consider that 88% of decision-makers said recommendations are among the most important drivers during the research phase.

Remember, after the work is completed, businesses must make certain their customers don’t lose sight of all that they have accomplished together.
Pham is a Kravis Professor of Business at Columbia University and co-author of more than a dozen groundbreaking pieces of research delving deep into the topic, including "The Logic of Feeling," "Feels Right...Go Ahead? When to Trust Your Feelings in Judgments and Decisions," and "Consumers' Trust in Feelings as Information." He took time from his busy schedule to share his thoughts about the findings from the Business Feeling Index.

**QUESTION 1**

WHY ARE PEOPLE FIXATED ON THE IDEA THAT THE RATIONAL BRAIN IS MORE DOMINANT IN DECISION-MAKING?

A: Because this has been ingrained in Western thought for hundreds of years, and has been the dominant perspective in business education since its origin in the early 20th century.
WE’VE FOUND THAT THE IDEA OF FEELINGS CONTRADICTS WHAT PEOPLE MOST THINK ABOUT BUSINESS, WHICH IS THAT IT’S PREDOMINANTLY RATIONAL. WHAT HAVE YOU FOUND DURING YOUR STUDIES?

A: This is very consistent with my own findings, which show that, contrary to common assumptions, people tend to use their feelings a lot and across a variety of contexts, including those that are supposedly meant to be rational. For example, in a study of consumer responses to over 1,000 TV commercials, we found that emotions that consumers felt in response to commercials predict their brand attitudes regardless of the product category involved (e.g., insurance vs. perfume). It doesn't surprise me that you found similar findings about business decisions.

PER OUR RESPONDENTS, THE BIGGEST DRIVER OF A SUCCESSFUL BUSINESS RELATIONSHIP, ACROSS ALL PHASES, IS CONFIDENT OPTIMISM. WHAT ARE YOUR FEELINGS ABOUT THIS?

A: This makes sense. One of the major findings in my program of research is that immediate feelings that people have toward a target object (e.g., a product, an ad, a business partner) actually changes what people think about the same object. If people feel good about a business relationship, they will generally tend to see the bright side of the relationship and interpret any friction points in a more charitable way.

TELL US A LITTLE ABOUT THE RESEARCH YOU’VE DONE. WHAT IS THE ROLE OF EMOTIONS IN BUSINESS DECISION-MAKING?

A: I have been studying the role of emotions in decision-making for more than 25 years. Most of my research involves lab experiments in which I manipulate people's emotional feelings and observe how it affects their decisions.

KNOWING THAT EMOTIONS IMPACT BUSINESS DECISIONS, WHAT IS THE MOST IMPORTANT THING FOR MARKETERS TO KEEP IN MIND?

A: That first impressions matter a lot, and that seemingly "small" negative emotional experiences can detract a lot.
IN CONCLUSION

IN THE RATIONAL WORLD OF BUSINESS,
FOCUS ON THE FEELINGS THAT MATTER MOST

CONFIDENCE IS EVERYTHING IN A BUSINESS RELATIONSHIP. COUPLED WITH OPTIMISM, THIS FUELS SUCCESS FOR BOTH THE SHORT AND LONG TERM.

To create this feeling during a client’s pre-contact phase, B2B marketers need to provide constant proof of their expertise and their competence. This, coupled with a magnetic culture, is the most important lure for potential partners.

During the initial conversations, there must be a feeling of understanding. This is accomplished by creating positive momentum and sustaining being both communicative and caring when it comes to the customers’ needs.

Once working together, a feeling of assuredness is everything. If the work is strong and the communication lines are open, the relationship will only continue to be nurtured. What’s more, counter to what many might think, crises are some of the best times to build a business relationship. Handle these inevitable challenges correctly and the relationship only increases in strength.

Finally, how you end the relationship is equally as important as how you begin it, because recommendations are essential. The most important feeling at the end is one of accomplishment.

By rigorously looking at these human moments and feelings that strengthen or erode B2B relationships, marketers have a powerful and often overlooked opportunity to impact their business at the highest levels.

We look forward to revisiting these findings in a year’s time to see how marketers’ feelings have changed amid one of the most revolutionary times in marketing, business and humankind.
ABOUT THE BUSINESS FEELING INDEX

Business decisions are made emotionally and justified rationally. This fact has been proven by a series of research conducted by the Fortune Knowledge Group in conjunction with gyro.

“Only Human: The Emotional Logic of Business Decisions” found that despite the proliferation of data, 62% of business decision-makers relied on gut feelings. The study also found that company culture was one of the largest factors when choosing whom to do business with.

Next, we embarked upon “Beyond the Brand: Why Business Decision-Makers Buy into Strong Cultures.” Sixty percent of executives said that knowing what a company stands for is much more important than whether it is innovative (21%) or dominates the market (20%).

While both of these reports were groundbreaking in their own right, we feel B2B marketers deserved deeper insights into the untapped power of emotion.

We partnered with the Financial Times Commercial Insight Group to question top decision-makers specifically about what they feel, and want to feel, during key moments in a business relationship.

The goal was to get as granular as possible in order to unearth honest emotions and untapped understandings into what truly drives decisions or, more accurately, the humans making those decisions.

METHODOLOGY

The global study was conducted in Q1 2018. It consisted of 315 Financial Times readers across the globe. All readers were executives with business decision-making responsibilities. It was supplemented with qualitative research from a panel of 24 senior executives surveyed by Russell Research. This report serves as an important benchmark for future BFI reports.
As the world’s first full-service global creative B2B powerhouse, our mission is to create ideas that are humanly relevant. gyro is Advertising Age’s 2016 B2B Agency of the Year, B2B Marketing’s Top U.S. Shop 2017-2018 and the ANA’s Global B2B Agency of the Year 2014-2016. Our 700 creative minds in 17 offices work with top companies, including Boehringer Ingelheim, Danone, eBay, Google, HP, Hiscox, John Deere, Teva, USG and Vodafone. gyro is a part of the Dentsu Aegis Network, which is the 2018 and 2017 MediaPost Holding Company of the Year. www.gyro.com
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