



Bye-Bye to B2B

The growing convergence of consumer technology with every aspect of life and business is rapidly making the distinction between B2C and B2B technology irrelevant. It's all B2C.

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The Digital Era has just entered its third decade, and many of the terms we once used to describe the foundations of the online experience have become quaintly—and thankfully—obsolete. Boomers and Gen Xers may look back more with a shudder than with nostalgia on such phrases and icons as “dial-up,” the Apple bomb, “MS-DOS” and “You’ve got mail!”



This idiom reflected a time when we struggled to find a way to connect with the Web. Today, the Web finds us, and connectivity dominates our homes, our cars, our workplaces, our schools, our travel destinations, our shopping and our entertainment.

In 2015, this reality is generating much more than simply a change in the terminology we apply to digital tech; it's transforming the conventional ways that product developers and marketers always have thought about their place in the buying and selling process.

An immutable fact of business life has been that tech-related products and services fall into one of two categories: business-to-consumer (B2C) or business-to-business (B2B). Considering the massive convergence of consumer technology with every aspect of our lives and businesses, however, this dichotomy has become as irrelevant as CD-ROMs and Netscape Navigator. B2B is dead; it's all B2C.

I don't necessarily welcome this development, nor do I offer it lightly. But the fact is that the workplace, the office, the research lab, the plant, the warehouse all have been swamped by B2C devices, software and networks. IT departments are straining to deal with the "bring your own device" (BYOD) phenomenon as Gen Y employees turn to their personal smartphones and tablets to carry out their work rather than the B2B systems that companies have installed for their workforce. Just as social networks and review sites placed control of brand images in the hands of consumers rather than advertisers, highly mobile and flexible technology connected to the cloud allows employees to modify or create new business processes rather than relying on the company's servers.

Additionally, social networks have become the new customer service tools, and LinkedIn now is the primary resource for HR directors. We've seen examples over the course of the Digital Era that have hinted at this convergence of consumer tech, business and our personal lives.

- Camcorders, which emerged in the mid-1980s, originally were considered consumer devices but subsequently evolved into "prosumer" (professional consumer) and ultimately professional-quality camera/recorders.
- For many, consumer cell phones and then smartphones eliminated the need for landline-based phones, which once were as essential to businesses as bricks and mortar.
- Until very recently, radios and CD players were considered essential components of any vehicle's center-stack technology, but consumer media players and smartphones pushed clunky entertainment systems to the curb, replacing them with docks connected to the vehicle's speakers.

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Experience shows that ultimately consumer technology always wins out over business systems, because consumer devices are consistently simple to use, able to perform multiple tasks and available everywhere. If they haven't come to the realization yet, today's B2B marketers must understand that they no longer are introducing products or services to "businesses"; they are marketing to consumers within businesses.

Every B2B purchaser is a consumer and increasingly he or she is likely to be favoring consumer-style products. Differentiating between consumer and business technology is a false distinction for many industries and professions and is about to become so for the rest.

Bright Clouds for Consumers

The cloud has been a primary accelerator of the consumerization of technology. No longer is the use of technology limited to the reach of cables from the server room; technology is ubiquitous and operable wherever wireless signals are available.

No longer do users need to install upgrades of their favorite software; hosts in the cloud ensure that their servers always run the latest versions and make them instantly accessible to users anywhere in the world. No longer are consumers or businesses limited by the storage capacity of their computers or external drives; they can capitalize on the virtually unlimited storage space in the cloud.

For sound business reasons, it's inevitable that cloud-connected consumer technology will overrun traditional corporate systems. The big enterprise companies that form the pillars of digital technology—companies like Microsoft, Apple, Google and HP—understand this transformation better than most other businesses and have built consumer-grade innovations into business-worthy applications.

For example, subscription-based Microsoft Office 365 and Google Apps for Work compete for adoption by businesses that once loaded office-productivity software onto every computer in their operation and paid a licensing fee for each copy. These consumer-style applications make sense for businesses, because they can easily scale up or down simply by adding or subtracting subscriptions, rather than imaging and loading up additional computers. And the host handles all the upgrading and maintenance.

Blackberry, the smartphone producer of choice for business executives before introduction of the iPhone and Android devices, now is supplying an operating system for the Ford Motor Company's Sync 3 in-car touch-screen system. Once a B2B company that suffered a near disastrous

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loss of loyalty when the consumer-tech iPhone hit the market, Blackberry has configured its QNX operating system to meet consumer demands, recognizing the virtual end of B2B.

A Two-Way Convergence

At the same time, the convergence of consumer and professional technology continues to gather steam from the opposite direction, with commercial systems being released in consumer formats to participate in the preference for consumer-type technology.

- Military drones have led to consumer-based quadcopters that are popular with model-airplane fans, gamers and kids who love anything with a remote control. Parrot, known for designing, developing and marketing consumer products for smartphones and tablets, opened the drone market to consumers in 2010, working with Airfoil as it became the hit of the Consumer Electronics Show. Now Parrot offers a range of drones and considers itself to be in the unmanned aerial vehicle business alongside its connected objects and automotive businesses. On another front, in a strange three-sided process, the military drone that produced the consumer drone now is being tested in a business format as a vehicle for delivering orders from Amazon. Called Prime Air, the drone-delivery system is awaiting permission from the FAA.
- Altair, an engineering firm that has developed some of the world's most popular software for running computer simulations, initially focused on the automotive and aviation sectors. Increasingly, its HyperWorks suite of computer-aided engineering tools now is being used by designers of all sorts of consumer products, from washing machines to golf clubs. Its easy-to-use solidThinking product allows industrial designers to capture an initial sketch, explore styling alternatives and visualize products with realistic renderings generated in real-time.
- Advocate-Trapit is an online content discovery, curation and advocacy service built on core technology derived from the DARPA-funded research project in artificial intelligence and machine learning contracted to SRI International. It employs artificial intelligence to draw appropriate content for marketers from more than 100,000 sources.
- Intermedia, a B2B company offering cloud-based communications and collaboration IT services, has taken innovative steps to help businesses respond to the BYOD trend. It has developed a file-sync-and-share solution, SecuriSync, that offers the simplicity

of consumer options like Box and Dropbox, but with enterprise-grade security and IT control. Because it's so user-friendly, it helps to ensure that employees actually use the company-mandated technology, rather than going rogue and using a more consumer-focused solution that they may otherwise choose.

The next industries to be significantly disrupted by the consumer tech tsunami are likely to be insurance, financial services and healthcare. These highly regulated businesses will become more intensely competitive in the near future and will experience substantial consolidation as weaker companies fall out because they have failed to ride the consumer-tech wave.

One company that is leading the trend is [Metromile](#), a major disruptor of the traditional model for car insurance premiums. As an insurance agent, Metromile offers the nation's only usage-based insurance, allowing for drivers to pay for car insurance at a per-mile rate, not based on driving behavior. Designed for those who drive less than 10,000 miles a year, Metromile saves the typical customer nearly \$500 annually. Metromile thus provides the kind of personalized control over technology that Millennial consumers favor. The company plans to further employ data to harness the power of its predictive modeling to make all aspects of driving and owning a car simpler, less expensive, and more convenient.

The Internet of Things

The triumph of consumer technology is closely related to the phenomenon alternatively known as the Internet of Everything or the [Internet of Things](#) (IoT). It describes the digital linking of everything from appliances and home security systems—such as WELCOME from Netatmo, which alerts homeowners when it detects an unfamiliar face in the house—to health-monitoring devices, connected cars and GPS to measure the distance from the pin on a golf course fairway. These and a range of other everyday items are equipped with sensors that send information via smartphones or the Internet to websites or electronic readouts where consumers can gather information and/or remotely control systems, such as door locks and thermostats.

Like consumer technology, the Internet of Things will converge with everything digital and many things that until now have been left out of the connected universe, such as washing machines and industrial equipment. I am convinced that the application of IoT to systems in the home will lead this trend, paving the way for the IoT for automobiles. Producing and connecting cars is a far more complex process than unlocking doors or turning on lights, so we can expect IoT to become most prevalent first in the most consumer-oriented of environments: our living rooms and kitchens.

Ultimately, I believe—and hope—that the Internet of Things will cause businesses to focus less on the inherent features and benefits of their products and services and shift the conversation more toward how products and services can connect business activities together. With the connectivity potential available to them today, marketers, communicators and news media should be thinking beyond the next sexy, shiny object. Beginning today, they ought to be developing a more comprehensive perspective on how their offerings support, amplify or advance other products and services in their sphere and tell a story of connectedness in their corporate and brand narratives.

Eventually, if everything is interconnected, individual brands are likely to matter less. Rather, interconnected networks in the Internet of Things will become brands of their own, incorporating everything else as white-labeled systems. We'll see uber-platforms, infrastructures that make all the connected devices work together. This type of platform will be necessary, for example, if the connected/autonomous vehicle is to become practical and successful.

Addressing Strains on Consumer Tech

Before consumer tech scrubs away all our traditional ways of doing things, however, it needs to address the recent strains it has displayed from its growth and rapid propagation. Companies like Uber and even Apple have generated negative vibes from some users and/or investors, and issues like net neutrality and data breaches can hold back the potential of the consumer technology convergence. To manage such challenges, technology companies should be adjusting their thinking and their actions in four ways:

1. Incorporate privacy into their brand narrative from the very start, beginning at the product development stage. By focusing on privacy early, developers will be encouraged to secure their products in a more certain and responsible fashion. FordDirect, a joint venture between Ford and Ford dealers, is one company that recognizes this need. It developed a white paper and tips for automotive dealers to take a more proactive stance on privacy as a way to build stronger relationships with customers.
2. Put in place a solid crisis communications plan, one that recognizes the special nature of digital breaches as compared with other types of crises and incorporates unconventional thinking to prevent or manage these events. (See "[Seven Ways Cyber Threats Should Turn Your Crisis Communications Plan on its Head.](#)")
3. Promote collaboration among marketing, PR, the CIO and public affairs. Every part of the business with a stake in shaping and

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delivering the product should be working together to recognize possible issues from the consumer's perspective and producing the product in a way that minimizes its potential negatives.

4. Think like a consumer marketer, even if the technology the company is offering has its origins in B2B. The number of B2B companies that have redefined themselves by addressing the consumer market continues to grow, with organizations like Carbonite (data backup), YouSendIt (document delivery and sharing) and eBay Motors (online purchasing of vehicles and parts) as outstanding success stories.

At the same time, it's essential to avoid focusing only on sales and marketing while neglecting reputational matters. Sony quickly discovered the importance of a holistic point of view when dealing with consumer technologies. The film company decided not to release "The Interview" on Christmas Day in light of threats received in association with North Korea's purported massive hack of its systems that led major theater chains to reject the movie. When President Obama and others argued that a foreign dictator should not be permitted to hinder free speech in America, Sony released the film to independent theaters and posted it online, taking the first step in a likely major disruption of the way films are distributed. With a broader view at the front end of this crisis, Sony could have emerged the hero, rather than the reactive victim.

When Our Tech Becomes Smarter Than Us

As Steve Jobs might have noted at this point, one more thing. Consumer technology certainly is amazing; with it we can do all types of things that never were possible before, from printing 3D objects to parking our cars automatically. But a day may arrive when our technology becomes smarter than us.

Interconnected, automated devices require some level of ability to think on their own, reacting to visual, spatial or auditory signals. They need a certain level of intelligence to operate as we wish them to. No less of a holistic thinker than Stephen Hawking, the renowned British physicist and cosmologist, [has warned](#), however, "The development of full artificial intelligence (AI) could spell the end of the human race." In an op-ed with other physicists, he predicted that the emergence of AI will be "the biggest event in human history"—and perhaps the last.

Elon Musk, one of the deans of consumer technology who fathered PayPal, Tesla Motors and SpaceX, similarly warned, "We should be very careful about artificial intelligence," concluding it may be "our biggest existential threat...With artificial intelligence, we are summoning the demon." The threat is not limited to AI. Big Data itself can impart a terrible impact

on mankind if not controlled. A responsible company like 23andMe has described its mission as creating the world's largest database of DNA online. One can only imagine what less trustworthy private companies might seek to achieve with such data.

What Communicators Should Be Doing

So the convergence of consumer technology with all our daily activities, and the intelligence generated within the Internet of Things, demand that communications professionals carry a special responsibility into this brave new world. We will see fewer organizational, operational and financial distinctions among those responsible for marketing, communications, public relations and social media relations. The PR profession generally is not prepared for this type of disruption in which traditional lines of demarcation disappear and everyone becomes part of a holistic approach.

To meet this challenge, it's vital that communications professionals immediately become consumers of all things tech so that they can better understand and navigate the ever-widening road ahead. Further, they must counsel clients and stakeholders about the ways that consumer technology will disrupt their industries, preparing them to ride the wave instead of succumbing to it. Finally, communicators must keep an eye on and take cues from their IT department. Technology change begins within networks and clouds, and IT will be the first to recognize opportunities and effects of the evolving consumer tech story.

I know that a connected world will generally be a better place, but only if we connect good people with other good people, which I also know will not always be the case. I'm inclined to call up another ancient phrase from the days when Google was still a noun and not yet a verb: "Don't be evil."

As the owner of a technology communications firm, I'm confident of the endless possibilities that the consumer tech convergence presents; yet, keeping up with technology is expensive. That means we will need to evaluate our priorities and budgets to ensure that what we are doing moves us forward rather than maintaining us in the traditional present. And, as a parent, I think it's more important than ever for communicators to focus on the basics of learning and values. The technology can and will come later. It inevitably will be there.

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